

THE SOCIETY OF CONSTRUCTION LAW

Annual Report
for the year ended 31 December 2001

THE SOCIETY OF CONSTRUCTION LAW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2001

THE SOCIETY OF CONSTRUCTION LAW

The Council have pleasure in submitting their report and accounts of the Society of Construction Law for the year ended 31 December 2001.

TREASURER'S REVIEW

In the year 2001 we had a continuation of growth in the number of members, which is reflected in increased income. Expenditure was also increased, showing an overall deficit. This was expected, and was as planned by Council at the time of the last increase in subscription. The main increases in expenditure in the year 2001 were in respect of: 'Secretarial services', relating to a busy year and an increase in hourly rates; 'Printing and Stationery'/'Papers and distribution', related to the increased numbers of members, the publication of many papers, and outside assistance in the editing; and 'IT and website', which reflects a continuing commitment from Council to develop the website, and which requires expenditure on outside consultants. The reserves held in our interest bearing account maintain the Society in a good financial position.

THE COUNCIL'S RESPONSIBILITY

The Council is required under the constitution of the Society to have financial statements prepared for each financial year which give a true and fair view of the state of affairs of the Society as at the end of the financial year and the surplus or deficiency for that period and in the preparation of these financial statements,

- applicable accounting standards have been followed,
- appropriate accounting policies have been used and applied consistently,
- and reasonable and prudent judgements and estimates have been made.

The Council is responsible for maintaining adequate accounting records, for safeguarding the assets of the Society and for preventing and detecting fraud and other irregularities.

By order of the Council

Victoria Russell

Chairman

Date

**REPORT OF THE AUDITORS TO THE MEMBERS OF
THE SOCIETY OF CONSTRUCTION LAW**

We have audited the financial statements on pages 3 to 5.

Respective responsibilities of Council and auditors

As described on page 1 the Society's Council is responsible for the preparation of the financial statements in accordance with the Society's constitution and applicable accounting standards. Our responsibilities, as independent auditors, are established in United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also included an assessment of the significant estimates and judgements made by the Council in the preparation of the financial statements and of whether the accounting policies are appropriate to the Society's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Society's affairs at 31 December 2001 and of its deficit of income over expenditure for the year then ended.

**Baker Tilly
Chartered Accountants
Registered Auditors**

2 Bloomsbury Street
London
WC1B 3ST

THE SOCIETY OF CONSTRUCTION LAW

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2001

| | Notes | 2001 £ | 2000 £ |
|--|-------|----------------|---------------|
| Income | | | |
| Annual subscriptions | 2 | 86,175 | 73,500 |
| Admission fees | 2 | 9,850 | 7,700 |
| Sale of papers | | 1,283 | 367 |
| Interest | 3 | 5,431 | 5,791 |
| Sundry income | | 6,145 | 2,646 |
| | | <u>108,884</u> | <u>90,004</u> |
| Expenditure | | | |
| Secretarial services | | 15,340 | 11,396 |
| Postage and other secretarial expenses | | 7,701 | 8,744 |
| Publications | | 3,844 | 2,948 |
| Printing and stationery | | 14,890 | 7,582 |
| Papers and distribution | | 30,583 | 12,919 |
| Grants and awards | | 8,607 | 10,101 |
| Meetings and refreshments | | 10,548 | 10,084 |
| Guests and speakers | | 7,525 | 5,789 |
| Travel and subsistence (2 years) | | | |
| United Kingdom | | 620 | 973 |
| Europe | | 2,642 | 3,506 |
| Far East | | - | 1,901 |
| Sundry expenditure | | 328 | 955 |
| Bank charges | | 246 | 240 |
| IT and Web site | | 12,979 | 6,540 |
| Audit | | 1,637 | 1,081 |
| Accountancy | | 350 | 320 |
| Professional fees | | 170 | 1,061 |
| | | <u>118,010</u> | <u>86,140</u> |
| (Deficit)/excess of income over expenditure before taxation | | (9,126) | 3,864 |
| Taxation | | (543) | (723) |
| (Deficit)/excess of income over expenditure after taxation | | <u>(9,669)</u> | <u>3,141</u> |

There are no other recognised gains or losses other than the surplus for the year disclosed above.

THE SOCIETY OF CONSTRUCTION LAW

BALANCE SHEET

AT 31 DECEMBER 2001

| | Notes | 2001 | | 2000 | |
|--|-------|----------|----------|----------|----------|
| | | £ | £ | £ | £ |
| Current assets | | | | | |
| Cash at bank | | 38,755 | | 50,755 | |
| National savings investment account | | 114,499 | | 109,068 | |
| | | ————— | 153,254 | ————— | 159,823 |
| Less | | | | | |
| Creditors: Amounts due in less than one year | 5 | (23,159) | | (20,059) | |
| | | ————— | (23,159) | ————— | (20,059) |
| Net current assets | | | 130,095 | | 139,764 |
| | | | ===== | | ===== |
| Accumulated funds | | | | | |
| Surplus brought forward | | | 139,764 | | 136,623 |
| Income and expenditure account | | | | | |
| (Deficit)/surplus for the year | | | (9,669) | | 3,141 |
| | | | ————— | | ————— |
| Balance carried forward | | | 130,095 | | 139,764 |
| | | | ===== | | ===== |

The financial statements on pages 3 to 5 were approved by the Council on and were signed on its behalf by:

Richard Bayfield

.....

Vice Chairman

Helen Garthwaite

.....

Secretary

THE SOCIETY OF CONSTRUCTION LAW
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001

1. **Accounting policies**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting policies.

2. **Fees**

Membership fees are included in income when cash is received.

3. **Interest**

The interest earned in the year comprises:

| | 2001 | 2000 |
|---|--------------|--------------|
| | £ | £ |
| Interest on National Savings Investment Account | 5,431 | 5,791 |
| | <u>=====</u> | <u>=====</u> |

4. **Taxation**

The taxation charge for the year comprises:

| | £ | £ |
|---|--------------|--------------|
| Current year tax due on National Savings Investment Account interest at 10.00% (2000: 12.50%) | 543 | 723 |
| | <u>=====</u> | <u>=====</u> |

5. **Creditors: Amounts falling due in less than one year**

| | £ | £ |
|-----------------|---------------|---------------|
| Trade creditors | 22,616 | 19,336 |
| Taxation | 543 | 723 |
| | <u>-----</u> | <u>-----</u> |
| | <u>23,159</u> | <u>20,059</u> |
| | <u>=====</u> | <u>=====</u> |