

# FINANCIAL STATEMENTS

## Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2022

	Notes	2022 HK\$	2021 HK\$
<b>INCOME</b>			
Levy income	4	1,059,882,291	1,056,115,636
Workers registration fee income	5	3,496,948	5,493,108
Course fees and related income	6	29,333,433	33,041,551
Trade testing income	6	4,924,749	5,293,594
Investment and interest income	7	32,940,677	14,786,779
Other income	8	60,682,568	53,735,956
		<b>1,191,260,666</b>	1,168,466,624
<b>EXPENDITURE</b>			
Staff costs	9	456,176,210	428,073,055
Training expenses		226,828,216	157,009,802
Workshop expenses		32,235,325	24,029,044
General and administrative expenses	10	94,251,414	100,666,033
Relief measures for COVID-19	11	59,345,375	126,354,365
Repair and maintenance expenses		42,081,544	36,436,269
Advertising and publicity expenses		72,811,977	46,225,236
Depreciation	12	222,960,411	223,840,282
Net impairment losses on levy receivables	16	1,054,244	1,165,729
		<b>1,207,744,716</b>	1,143,799,815
		<b>(Deficit) surplus for the year</b>	24,666,809
<b>Other comprehensive expense for the year</b>			
Item that will not be reclassified to profit or loss:			
Equity instruments at fair value through other comprehensive income			
– Decrease in fair value		(129,623)	(388,869)
		<b>(Deficit) surplus and total comprehensive (expense) income for the year</b>	24,277,940

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### Consolidated statement of financial position

At 31 December 2022

	Notes	2022 HK\$	2021 HK\$
<b>Non-current assets</b>			
Property, plant and equipment	13	981,368,607	1,092,483,743
Construction in progress	13	70,209,642	108,456,632
Debt instruments at amortised cost	14	260,420,621	262,514,998
Equity instruments at fair value through other comprehensive income ("FVTOCI")	15	10,719,822	10,849,445
		<b>1,322,718,692</b>	1,474,304,818
<b>Current assets</b>			
Levy receivables	16	96,097,969	82,061,970
Deposits, prepayments and other receivables	17	105,809,212	86,460,067
Cash and bank balances	18	3,866,857,604	2,693,625,040
		<b>4,068,764,785</b>	2,862,147,077
<b>Current liabilities</b>			
Accounts and other payables and accruals	19	333,544,545	342,460,244
Construction Innovation and Technology Fund	20	1,864,328,549	773,194,637
Lease liabilities	21	7,559,286	7,033,535
Contract liabilities	22	8,447,119	10,239,727
		<b>2,213,879,499</b>	1,132,928,143
		<b>1,854,885,286</b>	1,729,218,934
<b>Net current assets</b>			
		<b>3,177,603,978</b>	3,203,523,752
<b>Total assets less current liabilities</b>			

**Consolidated statement of financial position (continued)**

At 31 December 2022

	Notes	2022 HK\$	2021 HK\$
<b>Non-current liabilities</b>			
Lease liabilities	21	5,695,561	12,162,930
Contract liabilities	22	2,568,475	5,407,207
		<b>8,264,036</b>	17,570,137
<b>Net assets</b>			
		<b>3,169,339,942</b>	3,185,953,615
Represented by:			
Accumulated fund		2,774,478,399	2,790,962,449
General reserve		389,353,310	389,353,310
Investment revaluation reserve		5,508,233	5,637,856
<b>Total fund and reserves</b>			
		<b>3,169,339,942</b>	3,185,953,615

The consolidated financial statements on pages 169 to 207 were approved and authorised for issue by the Council members of Construction Industry Council on 28 April 2023 and were signed on their behalf by:

**HO On-sing, Thomas**  
*Chairman*

**WONG Hin-wing, Simon**  
*Council member*

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### Consolidated statement of changes in fund and reserves

For the year ended 31 December 2022

	<b>Accumulated fund</b> HK\$	<b>General reserve</b> HK\$ (Note a)	<b>Investment revaluation reserve</b> HK\$ (Note b)	<b>Total</b> HK\$
At 1 January 2021	2,766,295,640	389,353,310	6,026,725	3,161,675,675
Surplus for the year	24,666,809	–	–	24,666,809
Other comprehensive expense for the year	–	–	(388,869)	(388,869)
At 31 December 2021	2,790,962,449	389,353,310	5,637,856	3,185,953,615
Deficit for the year	(16,484,050)	–	–	(16,484,050)
Other comprehensive expense for the year	–	–	(129,623)	(129,623)
At 31 December 2022	2,774,478,399	389,353,310	5,508,233	3,169,339,942

Notes:

- (a) General reserve has been set up to record the statutory transfer of net assets from Construction Industry Training Authority on 1 January 2008 and Construction Workers Registration Authority on 1 January 2013. The general reserve was created for employing the reserve in the operations of the Council or by investing the reserve in such manner as the Council members think fit. The Council members may apply the general reserve for any other special purpose.
- (b) Investment revaluation reserve comprises the cumulative net change in the fair value of equity investments at FVTOCI held at the end of the reporting period and is dealt with in accordance with the accounting policy in Note 3.

## Consolidated statement of cash flows

For the year ended 31 December 2022

	2022 HK\$	2021 HK\$
<b>Operating activities</b>		
(Deficit) surplus for the year	<b>(16,484,050)</b>	24,666,809
Adjustments for:		
Net impairment losses on levy receivables	<b>1,054,244</b>	1,165,729
Interest expense on lease liabilities	<b>357,395</b>	280,722
Depreciation	<b>222,960,411</b>	223,840,282
Investment and interest income	<b>(32,940,677)</b>	(14,786,779)
Losses on disposal of property, plant and equipment	<b>648,821</b>	3,134,515
<b>Operating cash flow before movements in working capital</b>	<b>175,596,144</b>	238,301,278
Increase in levy receivables	<b>(15,090,243)</b>	(15,370,061)
Increase in deposits, prepayments and other receivables	<b>(1,724,284)</b>	(34,645,556)
(Decrease) increase in accounts and other payables and accruals	<b>(113,864,195)</b>	87,207,362
Decrease in contract liabilities	<b>(4,631,340)</b>	(6,327,432)
<b>Net cash from operating activities</b>	<b>40,286,082</b>	269,165,591

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### Consolidated statement of cash flows (continued)

For the year ended 31 December 2022

	Notes	2022 HK\$	2021 HK\$
<b>Investing activities</b>			
Placement in bank deposits with maturity over three months		<b>(3,746,040,000)</b>	(1,033,014,432)
Withdrawal of bank deposits with maturity over three months		<b>2,448,927,170</b>	1,279,567,989
Interest received		<b>13,119,288</b>	16,898,844
Dividend received from equity instruments at FVTOCI		<b>373,314</b>	318,873
Proceeds received on disposal of property, plant and equipment		<b>4,500</b>	237,488
Payment for purchase of property, plant and equipment		<b>(72,976,868)</b>	(209,123,269)
Purchase of debt instruments at amortised cost		<b>–</b>	(203,392,184)
<b>Net cash used in investing activities</b>		<b>(1,356,592,596)</b>	(148,506,691)
<b>Financing activities</b>			
Repayment of lease liabilities	21	<b>(7,573,752)</b>	(11,607,330)
Construction Innovation and Technology Fund provided by Development Bureau	20	<b>1,200,000,000</b>	–
<b>Net cash from (used in) financing activities</b>		<b>1,192,426,248</b>	(11,607,330)
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(123,880,266)</b>	109,051,570
<b>Cash and cash equivalents at the beginning of the year</b>		<b>244,697,870</b>	135,646,300
<b>Cash and cash equivalents at the end of the year</b>		<b>120,817,604</b>	244,697,870
<b>Analysis of the balances of cash and cash equivalents</b>			
Cash and bank balances		<b>3,866,857,604</b>	2,693,625,040
Less: Time deposits with original maturity over three months		<b>(3,746,040,000)</b>	(2,448,927,170)
		<b>120,817,604</b>	244,697,870