

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2020

	Notes	2020 HK\$	2019 HK\$
Income			
Levy income	4	1,134,640,828	1,103,155,329
Workers registration fee income	5	7,607,553	7,909,794
Course fees and related income	6	16,390,464	27,954,724
Trade testing income	6	4,997,036	7,096,332
Investment and interest income	7	38,472,819	54,879,453
Other income	8	43,149,822	45,798,357
		1,245,258,522	1,246,793,989
Expenditure			
Staff costs	9	455,145,641	463,452,261
Training expenses		207,251,958	249,143,575
Workshop expenses		22,168,615	28,812,565
General and administrative expenses	10	113,810,052	120,632,421
Repair and maintenance expenses		39,691,952	39,738,985
Advertising and publicity expenses		50,450,210	83,462,764
Depreciation	11	165,036,615	157,381,630
Impairment loss / (net reversal of impairment loss) on levy receivables	14	27,693	(482,668)
		1,053,582,736	1,142,141,533
		191,675,786	104,652,456
Surplus for the year			
Other comprehensive expense for the year			
Item that will not be reclassified to profit or loss:			
Equity instruments at fair value through other comprehensive income			
– Decrease in fair value		(10,056,092)	(399,883)
		181,619,694	104,252,573
Surplus and total comprehensive income for the year			

Consolidated statement of financial position

At 31 December 2020

	Notes	2020 HK\$	2019 HK\$
Non-current assets			
Property, plant and equipment	11	828,473,382	935,222,611
Construction in progress	11	374,767,707	20,343,901
Debt instruments at amortised cost	12	59,122,814	–
Equity instruments at fair value through other comprehensive income	13	11,238,314	37,467,957
		1,273,602,217	993,034,469
Current assets			
Debt instruments at amortised cost	12	–	70,054,642
Levy receivables	14	67,857,638	88,573,393
Deposits, prepayments and other receivables	15	54,270,863	52,761,778
Cash and bank balances	16	2,964,127,027	3,092,327,878
		3,086,255,528	3,303,717,691
Current liabilities			
Accounts and other payables and accruals	17	241,279,542	254,289,839
Construction Innovation and Technology Fund	18	920,193,391	1,003,913,440
Lease liabilities	19	10,154,381	13,843,600
Contract liabilities	20	11,782,751	13,349,447
		1,183,410,065	1,285,396,326
Net current assets		1,902,845,463	2,018,321,365
Total assets less current liabilities		3,176,447,680	3,011,355,834

Consolidated statement of financial position (continued)

At 31 December 2020

	Notes	2020 HK\$	2019 HK\$
Non-current liabilities			
Lease liabilities	19	4,580,390	14,734,771
Contract liabilities	20	10,191,615	16,565,082
		14,772,005	31,299,853
Net assets			
		3,161,675,675	2,980,055,981
Represented by:			
Accumulated fund		2,766,295,640	2,586,969,204
General reserve		389,353,310	389,353,310
Investment revaluation reserve		6,026,725	3,733,467
Total fund and reserves			
		3,161,675,675	2,980,055,981

The consolidated financial statements on pages 181 to 215 were approved and authorised for issue by the Council members of Construction Industry Council on 28 April 2021 and were signed on their behalf by:

CHAN Ka-kui
Chairman

WONG Hin-wing, Simon
Council member

Consolidated statement of changes in fund and reserves

For the year ended 31 December 2020

	Accumulated fund HK\$	General reserve HK\$ (Note a)	Investment revaluation reserve HK\$ (Note b)	Total HK\$
At 1 January 2019	2,482,316,748	389,353,310	4,133,350	2,875,803,408
Surplus for the year	104,652,456	–	–	104,652,456
Other comprehensive expense for the year	–	–	(399,883)	(399,883)
At 31 December 2019	2,586,969,204	389,353,310	3,733,467	2,980,055,981
Surplus for the year	191,675,786	–	–	191,675,786
Other comprehensive expense for the year	–	–	(10,056,092)	(10,056,092)
Reclassification adjustment upon disposal of equity instruments at fair value through other comprehensive income	(12,349,350)	–	12,349,350	–
At 31 December 2020	2,766,295,640	389,353,310	6,026,725	3,161,675,675

Notes:

- (a) The 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) The investment revaluation reserve comprises the cumulative net change in the fair value of equity investments at fair value through other comprehensive income 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 2020

	2020 HK\$	2019 HK\$
Operating activities		
Surplus for the year	191,675,786	104,652,456
Adjustments for:		
Impairment loss / (reversal of impairment loss) on levy receivables	27,693	(482,668)
Interest expense on lease liabilities	488,254	654,238
Depreciation	165,036,615	157,381,630
Investment and interest income	(38,472,819)	(54,879,453)
Loss on disposal of property, plant and equipment	2,871,581	3,464,315
Operating cash flow before movements in working capital	321,627,110	210,790,518
Decrease / (increase) in levy receivables	20,688,062	(10,373,242)
Increase in deposits, prepayments and other receivables	(10,084,740)	(5,497,810)
Increase in accounts and other payables and accruals	3,720,365	13,385,166
Decrease in contract liabilities	(7,940,163)	(212,140)
Net cash from operating activities	328,010,634	208,092,492

Consolidated statement of cash flows (continued)

For the year ended 31 December 2020

	Note	2020 HK\$	2019 HK\$
Investing activities			
Withdrawal of bank deposits with maturity over three months		4,032,567,584	2,931,979,247
Redemption of debt instruments at amortised cost		70,000,000	–
Interest received		46,739,351	59,258,987
Proceeds from equity instrument through other comprehensive income		16,173,551	–
Dividend received from equity instruments at fair value through other comprehensive income		318,873	1,986,908
Placement in bank deposits with maturity over three months		(3,918,785,585)	(3,042,262,726)
Payment for purchase of property, plant and equipment		(415,582,773)	(149,058,026)
Purchase of debt instruments at amortised cost		(59,528,633)	–
Net cash used in investing activities		(228,097,632)	(198,095,610)
Financing activity			
Repayment of lease liabilities	19	(14,331,854)	(12,476,390)
Net cash used in financing activity		(14,331,854)	(12,476,390)
Net increase / (decrease) in cash and cash equivalents		85,581,148	(2,479,508)
Cash and cash equivalents at the beginning of the year		50,065,152	52,544,660
Cash and cash equivalents at the end of the year		135,646,300	50,065,152
Analysis of the balances of cash and cash equivalents			
Cash and bank balances		2,964,127,027	3,092,327,878
Less: Time deposits with original maturity over three months		(2,828,480,727)	(3,042,262,726)
		135,646,300	50,065,152