

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018  
FOR  
EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

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FOR THE YEAR ENDED 31 JULY 2018**

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**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 JULY 2018**

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**DIRECTORS:**

A Charnock  
J Lloyd  
L J Mortimer Pine  
D G Williams  
G L Curling  
S P T Coombe  
K A Nicol  
I M Hodson  
S Klindic  
S J Kilgour  
S G Willis  
J M Marshall

**REGISTERED OFFICE:**

7th Floor  
30 Market Street  
Huddersfield  
HD1 2HG

**REGISTERED NUMBER:**

02918620 (England and Wales)

**AUDITORS:**

Revell Ward Limited  
Chartered Accountants and Statutory Auditors  
7th Floor  
30 Market Street  
Huddersfield  
HD1 2HG

**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 JULY 2018**

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The directors present their report with the financial statements of the company for the year ended 31 July 2018.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 August 2017 to the date of this report.

A Charnock  
J Lloyd  
L J Mortimer Pine  
D G Williams  
G L Curling  
S P T Coombe  
K A Nicol  
I M Hodson  
S Klindic

Other changes in directors holding office are as follows:

S J Bracher - resigned 25 January 2018  
L Conlan - resigned 31 July 2018  
S J Kilgour - appointed 1 August 2017  
S G Willis - appointed 1 August 2017

J M Marshall was appointed as a director after 31 July 2018 but prior to the date of this report.

**GOING CONCERN**

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis for accounting in preparing the annual financial statements.

**QUALIFYING 3RD PARTY INDEMNITY PROVISIONS**

The company purchased insurance for liabilities incurred by its directors in carrying out their duties.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 JULY 2018**

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**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

.....  
J Lloyd - Director

Date: .....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

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**Opinion**

We have audited the financial statements of Educational Competencies Consortium Limited (the 'company') for the year ended 31 July 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2018 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Karen Borowski FCA (Senior Statutory Auditor)  
for and on behalf of Revell Ward Limited  
Chartered Accountants and Statutory Auditors  
7th Floor  
30 Market Street  
Huddersfield  
HD1 2HG

Date: .....

**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 JULY 2018**

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	Notes	31.7.18 £	31.7.17 £
<b>TURNOVER</b>		880,992	851,145
Cost of sales		<u>246,807</u>	<u>286,014</u>
<b>GROSS SURPLUS</b>		634,185	565,131
Administrative expenses		<u>524,242</u>	<u>500,410</u>
<b>OPERATING SURPLUS</b>		109,943	64,721
Interest receivable and similar income		<u>-</u>	<u>43</u>
		109,943	64,764
Interest payable and similar expenses		<u>3,400</u>	<u>3,718</u>
<b>SURPLUS BEFORE TAXATION</b>		106,543	61,046
Tax on surplus	5	<u>-</u>	<u>9</u>
<b>SURPLUS FOR THE FINANCIAL YEAR</b>		<u><u>106,543</u></u>	<u><u>61,037</u></u>

The notes form part of these financial statements



**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2018**

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	Notes	31.7.18 £	31.7.17 £
<b>SURPLUS FOR THE YEAR</b>		106,543	61,037
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>106,543</u></u>	<u><u>61,037</u></u>

The notes form part of these financial statements

**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED (REGISTERED NUMBER: 02918620)**

**BALANCE SHEET  
31 JULY 2018**

	Notes	31.7.18 £	31.7.17 £
<b>FIXED ASSETS</b>			
Intangible assets	6	291,597	333,756
Tangible assets	7	2,682	761
		<u>294,279</u>	<u>334,517</u>
<b>CURRENT ASSETS</b>			
Debtors	8	211,398	317,399
Cash in hand		1,004,619	786,662
		<u>1,216,017</u>	<u>1,104,061</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	980,090	1,004,660
<b>NET CURRENT ASSETS</b>		<u>235,927</u>	<u>99,401</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>530,206</u>	<u>433,918</u>
<b>PROVISIONS FOR LIABILITIES</b>	11	77,590	87,845
<b>NET ASSETS</b>		<u><u>452,616</u></u>	<u><u>346,073</u></u>
<b>RESERVES</b>			
Short term development reserve	12	47,000	-
Long term development reserve	12	55,616	-
Income and expenditure account	12	350,000	346,073
		<u>452,616</u>	<u>346,073</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on ..... and were signed on its behalf by:

.....  
J Lloyd - Director

The notes form part of these financial statements

**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2018**

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	Retained earnings £	Short term development reserve £	Long term development reserve £	Total equity £
<b>Balance at 1 August 2016</b>	285,036	-	-	285,036
<b>Changes in equity</b>				
Total comprehensive income	61,037	-	-	61,037
<b>Balance at 31 July 2017</b>	<u>346,073</u>	<u>-</u>	<u>-</u>	<u>346,073</u>
<b>Changes in equity</b>				
Total comprehensive income	3,927	47,000	55,616	106,543
<b>Balance at 31 July 2018</b>	<u><u>350,000</u></u>	<u><u>47,000</u></u>	<u><u>55,616</u></u>	<u><u>452,616</u></u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

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**1. STATUTORY INFORMATION**

Educational Competencies Consortium Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Income, which is recognised on a receivable basis, arises from activities undertaken on behalf of subscribing members.

**Intangible assets**

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects and can assess the outcome of the project with reasonable certainty. In this situation, the expenditure is capitalised and amortised over the period during which the company is expected to benefit.

Development costs - 10% on cost

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery etc - 33% on cost

**Pension costs and other post-retirement benefits**

The institution participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by section 28 of FRS102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

**4. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 8 (2017 - 8).

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2018

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4. **EMPLOYEES AND DIRECTORS - continued**

No director received any remuneration from the company or had a beneficial interest in any contract with the company. However, the company has been charged £3,000 (2017 - £3,000) by Liverpool John Moores University for the services of Julie Lloyd, chair and director, and £3,000 (2017 - £3,000) by Leeds Arts University for the services of Graham Curling, vice-chair and director.

5. **TAXATION**

**Analysis of the tax charge**

The tax charge on the surplus for the year was as follows:

	31.7.18	31.7.17
	£	£
Current tax:		
UK corporation tax	-	9
	<u>          </u>	<u>          </u>
Tax on surplus	-	9
	<u>          </u>	<u>          </u>

The company is a mutual trading company for tax purposes and only pays tax on investment income.

6. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
<b>COST</b>	
At 1 August 2017 and 31 July 2018	421,587
	<u>          </u>
<b>AMORTISATION</b>	
At 1 August 2017	87,831
Charge for year	42,159
	<u>          </u>
At 31 July 2018	129,990
	<u>          </u>
<b>NET BOOK VALUE</b>	
At 31 July 2018	291,597
	<u>          </u>
At 31 July 2017	333,756
	<u>          </u>

Intangible fixed assets relate to the costs incurred in respect of the development of a new software package. These costs have been capitalised in accordance with the company's accounting policy and are being amortised from July 2015 when the development stage was completed and the software came into use.

**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2018**

**7. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 August 2017	8,205
Additions	2,559
Disposals	(1,343)
At 31 July 2018	<u>9,421</u>
<b>DEPRECIATION</b>	
At 1 August 2017	7,444
Charge for year	638
Eliminated on disposal	(1,343)
At 31 July 2018	<u>6,739</u>
<b>NET BOOK VALUE</b>	
At 31 July 2018	<u>2,682</u>
At 31 July 2017	<u>761</u>

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.7.18	31.7.17
	£	£
Trade debtors	201,352	301,902
Other debtors	10,046	15,497
	<u>211,398</u>	<u>317,399</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.7.18	31.7.17
	£	£
Trade creditors	25,153	17,963
Taxation and social security	153,249	163,599
Other creditors	801,688	823,098
	<u>980,090</u>	<u>1,004,660</u>

**10. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.7.18	31.7.17
	£	£
Within one year	<u>4,613</u>	<u>4,323</u>

**11. PROVISIONS FOR LIABILITIES**

	31.7.18	31.7.17
	£	£
Other provisions		
Pension liability	<u>77,590</u>	<u>87,845</u>
		Pension liability
		£
Balance at 1 August 2017		87,845
Charge to pension costs		(13,655)
Interest charge		<u>3,400</u>
Balance at 31 July 2018		<u><u>77,590</u></u>

As described in note 3, the company participates in the USS pension scheme. The scheme is in deficit and a funding plan was agreed on 25 July 2015 for contributions to be made towards the deficit annually until 2031. The company has to recognise its liabilities under this agreement and the relevant amounts are shown above.

The parameters used by the company in determining the amount of its liability are as follows:

	<b>2018</b>	<b>2017</b>
Discount rate	3.87%	3.69%
Price inflation	CPI 2.5%; RPI 3.2%	CPI 2.6% ; RPI 3.6%
Salary inflation	CPI in yr 1; CPI+1% in yr 2; RPI+1% thereafter	CPI in yr 1; CPI+1% in yr 2; RPI+1% thereafter
Changes in staffing levels	No change	No change

**12. RESERVES**

The company keeps its reserves policy under review and currently strives to achieve a general reserve of £350,000 which it considers sufficient to cover six months' running costs and to provide a cushion against unexpected events such as a loss of income or a large unbudgeted expense. In addition to this, the company sets aside reserves for development to cover future software and other developments in accordance with members' needs, company strategy and changes in technology. Development reserves will be built up to cover the expected spend over the next five years, currently £277,000, of which £47,000 is short term. The target is to achieve the long term reserve figure by 2023, although the amount and date will be kept under review on an annual basis.

**13. COMPANY STATUS**

The company is a private company limited by guarantee and consequently does not have share capital. Clause 5 of the Memorandum of Association provides that every member, as defined in the Articles of Association, is liable to contribute a sum not exceeding £1 in the event of the company being wound up while they are a member or within one year of ceasing to be a member.

**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2018**

	31.7.18		31.7.17	
	£	£	£	£
<b>Turnover</b>				
Subscriptions	800,882		793,780	
Members' services	63,485		55,915	
Non-member consultancy income	16,625		1,450	
	<u>          </u>	880,992	<u>          </u>	851,145
<b>Cost of sales</b>				
DCSL licence fees	44,244		44,690	
Software development	34,661		39,465	
LMD to Capita HSP	39,246		76,134	
Members' meetings	22,330		16,878	
Training and consultancy	64,167		66,688	
Amortisation of intangible fixed assets				
Development costs	42,159		42,159	
	<u>          </u>	246,807	<u>          </u>	286,014
<b>GROSS SURPLUS</b>		634,185		565,131
<b>Other income</b>				
Bank interest		-		43
		<u>          </u>		<u>          </u>
		634,185		565,174
<b>Expenditure</b>				
Staff salaries and other personnel costs	331,631		306,378	
Staff national insurance	36,385		34,242	
Staff pension costs	38,805		38,654	
Telecommunications	8,056		12,124	
Printing and stationery	2,616		3,123	
Bank charges	404		381	
Insurance	4,652		4,548	
Staff training and recruitment	8,434		2,967	
Office and associated costs	18,059		17,471	
Non-chargeable disbursements	2,924		2,358	
Chair's honorarium	6,000		6,000	
Product development	5,825		12,712	
Professional and accountancy	31,966		30,942	
Company meetings	24,557		24,544	
Auditors' remuneration	3,290		3,240	
Depreciation on computers				
Fixtures and fittings	102		55	
Computer equipment	536		657	
Profit/loss on sale of tangible fixed assets	-		14	
	<u>          </u>	524,242	<u>          </u>	500,410
Carried forward		109,943		64,764

This page does not form part of the statutory financial statements



**EDUCATIONAL COMPETENCIES  
CONSORTIUM LIMITED**

**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2018**

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	31.7.18		31.7.17	
	£	£	£	£
Brought forward		109,943		64,764
<b>Finance costs</b>				
Interest on pension liability		3,400		3,718
<b>NET SURPLUS</b>		<u>106,543</u>		<u>61,046</u>

This page does not form part of the statutory financial statements