

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020
FOR
EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

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FOR THE YEAR ENDED 31 JULY 2020**

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**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2020**

DIRECTORS:

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

REGISTERED OFFICE:

First Floor Office Suite, Mill B
Colne Road Buildings
Colne Road
Huddersfield
HD1 3AG

REGISTERED NUMBER:

02918620 (England and Wales)

AUDITORS:

Revell Ward Limited
Chartered Accountants and Statutory Auditors
First Floor Office Suite, Mill B
Colne Road Buildings
Colne Road
Huddersfield
HD1 3AG

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2020**

The directors present their report with the financial statements of the company for the year ended 31 July 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2019 to the date of this report.

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

Other changes in directors holding office are as follows:

J Lloyd - resigned 29 February 2020
S P T Coombe - resigned 31 July 2020

GOING CONCERN

The directors have been proactive in having regular dialogue with members throughout the Coronavirus pandemic, holding frequent virtual meetings and conducting a well-being survey to understand challenges and explore possible solutions. This learning fed directly into the company's service provision during this year, with much more frequent network meetings run remotely and the complete redesign of its training and events programme.

As the company approaches 2020/2021 the education sector, like all others, faces significant disruption and uncertainty. This will provide the context for its strategic review process as it completes its 2016/2021 strategic period and it has already modelled the potential financial impact of different scenarios. Impact will be mitigated by focusing on adding value to members and where necessary drawing on the reserves the company has built up to protect member service provision. The changes to the nature and organisation of work brought about by the Coronavirus pandemic will require careful planning and implementation and the company remains dedicated to supporting its members and clients to do this fairly and effectively.

QUALIFYING 3RD PARTY INDEMNITY PROVISIONS

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

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2020**

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.

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:

.....
G L Curling - Director

Date:

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

Opinion

We have audited the financial statements of Educational Competencies Consortium Limited (the 'company') for the year ended 31 July 2020 which comprise the Statement of 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 2020 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, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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**

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 three, 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. This description forms part of our Report of the Auditors.

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

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
First Floor Office Suite, Mill B
Colne Road Buildings
Colne Road
Huddersfield
HD1 3AG

Date:

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2020**

	Notes	31.7.20 £	31.7.19 £
TURNOVER		985,517	960,594
Cost of sales		<u>287,654</u>	<u>317,182</u>
GROSS SURPLUS		697,863	643,412
Administrative expenses		<u>592,449</u>	<u>587,812</u>
OPERATING SURPLUS		105,414	55,600
Interest payable and similar expenses		<u>4,546</u>	<u>3,003</u>
SURPLUS BEFORE TAXATION		100,868	52,597
Tax on surplus	5	<u>-</u>	<u>-</u>
SURPLUS FOR THE FINANCIAL YEAR		100,868	52,597
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>100,868</u></u>	<u><u>52,597</u></u>

The notes form part of these financial statements

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

**BALANCE SHEET
31 JULY 2020**

	Notes	31.7.20 £	£	31.7.19 £	£
FIXED ASSETS					
Intangible assets	6		207,279		249,438
Tangible assets	7		4,454		2,329
			<u>211,733</u>		<u>251,767</u>
CURRENT ASSETS					
Debtors	8	378,214		505,385	
Cash in hand		<u>1,242,226</u>		<u>949,371</u>	
		1,620,440		1,454,756	
CREDITORS					
Amounts falling due within one year	9	<u>1,079,853</u>		<u>1,063,135</u>	
NET CURRENT ASSETS			<u>540,587</u>		<u>391,621</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			752,320		643,388
PROVISIONS FOR LIABILITIES	11		<u>146,239</u>		<u>138,175</u>
NET ASSETS			<u><u>606,081</u></u>		<u><u>505,213</u></u>
RESERVES					
Short term development reserve	12		47,000		47,000
Long term development reserve	12		209,081		108,213
Income and expenditure account	12		<u>350,000</u>		<u>350,000</u>
			<u>606,081</u>		<u>505,213</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

.....
G L Curling - Director

The notes form part of these financial statements

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2020**

	Retained earnings £	Short term development reserve £	Long term development reserve £	Total equity £
Balance at 1 August 2018	350,000	47,000	55,616	452,616
Changes in equity				
Total comprehensive income	-	-	52,597	52,597
Balance at 31 July 2019	<u>350,000</u>	<u>47,000</u>	<u>108,213</u>	<u>505,213</u>
Changes in equity				
Total comprehensive income	-	-	100,868	100,868
Balance at 31 July 2020	<u><u>350,000</u></u>	<u><u>47,000</u></u>	<u><u>209,081</u></u>	<u><u>606,081</u></u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" 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.

The company has traded profitably in the current and preceding year and has a positive cash position at the year end. No reliance is placed on bank facilities. The directors have considered the current position and budgets of the company, including an assessment of the impact of the Coronavirus pandemic, and after making appropriate enquiries they 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 of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

The value of the pension liability recognised in the financial statements depends on a number of factors and parameters determined by both the actuary and the company and uses a variety of assumptions. Any changes in these assumptions, which are disclosed in the note on pension liability, will impact on the carrying amount.

Turnover

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

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020**

3. ACCOUNTING POLICIES - continued

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 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 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) with related expenses being recognised through the profit and loss account.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2019 - 7).

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 (2019 - £3,000) by Leeds Arts University for the services of Graham Curling, chair and director, and £3,000 (2019 - £3,000) by University of Bradford for the services of Joanna Marshall, vice-chair and director.

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 July 2020 nor for the year ended 31 July 2019.

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

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020**

6. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 August 2019 and 31 July 2020	421,587
AMORTISATION	
At 1 August 2019	172,149
Charge for year	42,159
At 31 July 2020	214,308
NET BOOK VALUE	
At 31 July 2020	207,279
At 31 July 2019	249,438

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.

7. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 August 2019	9,758
Additions	4,227
Disposals	(3,140)
At 31 July 2020	10,845
DEPRECIATION	
At 1 August 2019	7,429
Charge for year	1,583
Eliminated on disposal	(2,621)
At 31 July 2020	6,391
NET BOOK VALUE	
At 31 July 2020	4,454
At 31 July 2019	2,329

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020**

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.7.20	31.7.19
	£	£
Trade debtors	349,237	490,078
Other debtors	28,977	15,307
	<u>378,214</u>	<u>505,385</u>
9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.7.20	31.7.19
	£	£
Trade creditors	18,851	14,914
Taxation and social security	180,292	173,560
Other creditors	880,710	874,661
	<u>1,079,853</u>	<u>1,063,135</u>
10. LEASING AGREEMENTS		
Minimum lease payments under non-cancellable operating leases fall due as follows:	31.7.20	31.7.19
	£	£
Within one year	<u>4,728</u>	<u>4,728</u>

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020**

11. PROVISIONS FOR LIABILITIES

Pension liability

	31.7.20	31.7.19
	£	£
Balance at start of year	138,175	77,590
Charge to pension costs	3,518	57,582
Interest charge	4,546	3,003
Balance at end of year	<u>146,239</u>	<u>138,175</u>

Deficit recovery contributions due within one year for the institution are £7,148 (prior year: £Nil).

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Pension increases (CPI):

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

Discount rate (forward rates):

Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73%

Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21

Years 21 +: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

2018 valuation

Mortality base table

Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females

Post retirement: 97.6% of SAPS SINMA "light" for males and 102.7% of RFV00 for females

**EDUCATIONAL COMPETENCIES
CONSORTIUM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020**

Future improvements to mortality

CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2018 valuation	2017 valuation
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2020	2019
Discount rate	2.14%	3.29%
Price inflation	CPI 1.0%; RPI 1.6%	CPI 2.1%; RPI 2.8%
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 the reserves policy under review and currently strives to achieve a general reserve of £250,000 which it sees as sufficient to cover potential liabilities should the company cease operating. £100,000 is also kept in the event for potential income shortfall or unexpected expenditure. In addition to this, the company also sets aside reserves for development to cover future software and other development 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 four years, currently £277,000 of which £47,000 is short term. The target is to achieve the long term reserve figure by 2024, although the amount and the date will be kept under review on an annual basis.

13. CONTINGENT LIABILITIES

The company is currently assessing the likelihood and amount of a potential pension contribution liability for payments made to its employees in the current and preceding years. This assessment is hopeful of being concluded before April 2021 and initial calculations indicate a maximum potential liability of £51,000. It is not possible at this time to estimate the outcome or amount, if any, that may be payable although the directors are confident that it can be met from reserves and will not affect the company's operating budget.

14. 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 2020**

	31.7.20		31.7.19	
	£	£	£	£
Turnover				
Subscriptions	840,245		825,253	
Members' services	70,304		91,556	
Non-member consultancy income	74,968		43,785	
	<u> </u>	985,517	<u> </u>	960,594
Cost of sales				
DCSL licence fees	46,322		43,887	
Software development	13,066		35,769	
LMD to IDR	58,991		58,736	
Members' meetings	29,971		23,333	
Training and consultancy	97,145		113,298	
Amortisation of intangible fixed assets				
Development costs	42,159		42,159	
	<u> </u>	287,654	<u> </u>	317,182
GROSS SURPLUS		697,863		643,412
Expenditure				
Staff salaries and other personnel costs	346,684		314,808	
Staff national insurance	43,304		40,549	
Staff pension costs	77,192		113,279	
Telecommunications	9,298		7,783	
Printing and stationery	2,888		3,764	
Bank charges	400		339	
Insurance	5,020		5,012	
Staff training and recruitment	1,280		8,805	
Office and associated costs	18,889		18,722	
Non-chargeable disbursements	3,269		4,192	
Chair and deputy chair honarium	6,000		6,000	
Product development	2,957		5,561	
Professional and accountancy	53,398		28,258	
Company meetings	16,912		26,109	
Auditors' remuneration	3,480		3,420	
Depreciation on computers				
Fixtures and fittings	733		712	
Computer equipment	850		558	
Profit/loss on sale of tangible fixed assets	(105)		(59)	
	<u> </u>	592,449	<u> </u>	587,812
Carried forward		105,414		55,600

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 2020**

	31.7.20		31.7.19	
	£	£	£	£
Brought forward		105,414		55,600
Finance costs				
Interest on pension liability		4,546		3,003
NET SURPLUS		<u>100,868</u>		<u>52,597</u>

This page does not form part of the statutory financial statements