

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

**ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2008**

Company Number: 143669

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THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2008

The directors have pleasure in presenting their report and accounts for the year ended 31 December 2008.

Principal Activities

The principal activity of the Company is to undertake the commercial and other activities of the Electrical Contractors' Association.

Review of Business

The results on page 4 show a loss for the year before tax of £2,894,220 (2007: profit £852,063). The dividend on the 6% cumulative preference shares of the Association has been waived. The directors are satisfied with the results and the state of affairs.

The Company's main source of income derives from subscriptions, the provision of training and assessment services and dividends. Membership increased from 2,852 to 2,946 in 2008. An incentive rebate is offset against subscription income and is determined on the results of the various benefit schemes operated by the Electrical Contracting Industry Benefits Agency (ECIBA).

The company took on the administrative functions of the Joint Industry Board with effect from 1 January 2008.

Principal Risks Facing the Business

The principal risks facing the business are seen as:

- * Reliance on continued profitable trading and inter-group dividends from its wholly owned investments in the Insurance Companies.
- * Continued support from members. As a membership organisation the support of members is crucial in continuing to be a body representative of its sector in the market place.

Financial Instruments

The Company's principal financial instruments comprise bank balances, investments, other debtors, and other creditors. The main purpose of these instruments is to finance the Company's operations.

Directors

The directors who served during the period were:

Bailey, M.R. (from 23.4.2008)	Harrower, J.R.	Parkin, V.
Bailey, R.G.	Hilland, M.	Pollock, D.R.
Bratt, S. (from 23.4.2008)	Hills, A. (from 23.4.2008)	Rhodes, C.J.
Clemens, J.	Hope, A.	Richardson, L. (to 23.4.2008)
Coupland, T.A.	Hughes, P.	Saunders, P.
Cox, S.M. (to 23.4.2008)	Johnson, D.	Sharpe, D.V. (to 22.04.2009)
Crosby, I.P.	Lewis, D.	Smyth, S. (from 22.04.2009)
De Falco, B.	Little, A.	Solts, R. (from 23.4.2008)
Fairburn, A.R. (from 23.4.2008)	Luxton, J.R.W.	Sumner, P. (from 23.7.2008)
Hall, R.M. (to 22.4.2009)	North, A.M. (to 23.4.2008)	

Donations

During the year the Company made charitable donations totalling £10,500 (2007: £10,500) and £2,000 each to the Conservative, Labour and Liberal Democrat parties totalling £6,000 (2007: £6,000).

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

REPORT OF THE DIRECTORS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

Fixed Assets

Movements in fixed assets are shown in notes 12 and 13 to the accounts.

Significant Shareholdings

The whole of the Company's share capital is held by the Electrical Contractors' Association.

Directors' and Officers' Liability Insurance

During the year the Company maintained liability insurance for its directors and officers as permitted by Section 310(3) of the Companies Act 1985.

Statement of the Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- * 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Information to Auditors

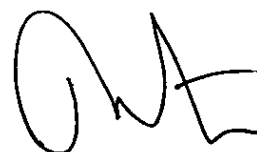
So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Each director has taken all the steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

haysmacintyre have expressed their willingness to be re-appointed and a resolution will be submitted to the Annual General Meeting.

ESCA House,
34 Palace Court,
London,
W2 4HY

22 July 2009



By Order of the Board
J R W LUXTON
Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

We have audited the financial statements of The Electrical Contractors' Association Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an auditor's report 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.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for preparation of the financial statements in accordance with applicable law and generally Accepted United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

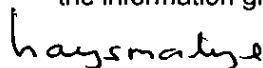
We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment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

We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2008 and of the company's loss for the year then ended;
- have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.


haysmacintyre
Chartered Accountants
Registered Auditors
22 July 2009

Fairfax House
15 Fulwood Place
London
WC1V 6AY

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

		2008	2007
	Notes	£	£
Turnover	2	5,322,970	4,342,412
Cost of sales	3	(12,813,877)	(10,431,370)
Operating loss before investment income	5	(7,490,907)	(6,088,958)
Investment income	6	5,511,590	6,979,228
Loss on current asset investments		(1,004,903)	(38,208)
(Loss)/profit on ordinary activities before taxation		(2,984,220)	852,063
Taxation on ordinary activities	10	1,616,354	1,280,016
(Loss)/profit for the financial year	18	(£1,367,866)	£2,132,079

The Company has no recognised gains or losses other than the results for the above financial years.

The accompanying notes form an integral part of these financial statements.

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2008

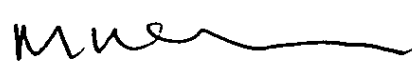
	Notes	2008 £	2007 £
Fixed Assets			
Tangible Fixed Assets	12	6,359,226	6,370,106
Investments	13	<u>10,430,420</u>	<u>10,430,420</u>
		16,789,646	16,800,526
Current Assets			
Investments	14	24,617,911	25,455,139
Debtors	15	3,619,043	2,804,280
Cash at bank and in hand		<u>4,086,261</u>	<u>4,377,198</u>
		32,323,215	32,636,617
Creditors: Amounts falling due within one year	16	<u>(17,233,652)</u>	<u>(16,190,068)</u>
Net Current Assets		15,089,563	16,446,549
Net Assets		<u>£31,879,209</u>	<u>£33,247,075</u>
Capital And Reserves			
Called up share capital	17	1,507	1,507
Profit and loss account	18	<u>31,877,702</u>	<u>33,245,568</u>
Shareholders' Funds	19	<u>£31,879,209</u>	<u>£33,247,075</u>

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

A HOPE



M R BAILEY



22 July 2009

The accompanying notes form an integral part of these financial statements.

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1. Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards. The particular policies adopted are described below:-

(a) **Basis of Accounting**

The accounts have been prepared under the historical cost convention.

(b) **JIB Combined Benefits Scheme**

The Company is responsible for the transactions, assets and liabilities relating to the management of the JIB Combined Benefits Scheme. Provision is made for all potentially repayable amounts with the exception of items which are statute barred.

(c) **Turnover**

Turnover represents members' subscriptions and sundry income during the year. An incentive rebate is deducted from turnover.

(d) **Interest and Dividends**

Interest, except short-term deposit interest, and dividends are recognised on a received basis. Short-term deposit interest is recognised on an accrued basis.

(e) **Depreciation**

(i) No depreciation is charged on freehold land. Freehold buildings are written off at a rate of 2% per annum of their cost.

(ii) Other assets are written off on a reducing balance basis. Fixtures, fittings and computer equipment are written off at rates of 10% to 33 1/3% per annum. Motor vehicles at a rate of 33 1/3% per annum. Computer software is written off in the year of purchase.

(f) **Fixed Asset Investments**

Fixed asset investments are stated at the lower of cost and directors' valuation.

(g) **Current Asset Investments**

Quoted investments are stated in the balance sheet at cost, which in aggregate is below market value. Where dealings in an investment have been suspended, the directors have taken a provision for loss in value. Realised gains and losses on investments are reflected in the revenue account by reference to original cost.

(h) **Deferred Tax**

Full provision is made for deferred tax in respect of all non-permanent timing differences that have originated but not reversed at the balance sheet date.

(i) **Consolidated Accounts**

No consolidated accounts are prepared since the Company is a wholly owned undertaking of the Electrical Contractors' Association for which group accounts are prepared.

(j) **Cash Flow Statement**

In preparing the accounts the directors have taken advantage of the provisions within Financial Reporting Standard 1 in not preparing a cash flow statement.

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

2. Turnover

Turnover relates wholly to activities in the United Kingdom

	2008	2007
	£	£
Subscriptions	4,351,778	4,116,870
Incentive rebate	(878,789)	(686,887)
Seminar income	1,053,499	251,159
Health and safety assessment income	707,769	545,897
Inspection and notification income	-	6,460
Sundry income	88,713	108,913
	<u>£5,322,970</u>	<u>£4,342,412</u>

3. Cost of Sales

	2008	2007
	£	£
Association administration costs	6,760,854	5,522,593
Regional allocations and regional office costs	1,782,911	1,688,228
Sevenoaks and agency branch costs	1,202,810	897,319
JIB support	531,009	477,502
Seminar and health and safety assessment costs	1,024,538	493,721
Publicity and special promotions	951,767	848,935
Meetings and delegates costs	427,434	345,537
Subscriptions and donations (see note 4)	132,554	157,535
	<u>£12,813,877</u>	<u>£10,431,370</u>

4. Subscriptions and Donations

	2008	2007
	£	£
Included in this heading are:		
Donation to		
Electrical and Electronics Industries Benevolent Association	10,500	10,500
Other subscriptions	122,054	147,035
	<u>£132,554</u>	<u>£157,535</u>

5. Supplementary Profit and Loss Information

	2008	2007
	£	£
The operating loss before investment income for the year is stated after charging:		
	Notes	
Auditors' remuneration: audit	24,100	22,850
tax	3,950	4,400
other services	19,200	12,000
Depreciation	1(e) 399,599	362,605
Loss/(surplus) on disposal of tangible fixed assets	463	(13,475)

6. Investment Income

	2008	2007
	£	£
Investment income from unitised investments	293,046	206,320
Interest received	387,469	401,188
Other investment income	439,771	281,444
Interest received from related parties	2,271	2,074
Rental income and hire of rooms	389,033	388,202
Inter group dividends	4,000,000	5,700,000
	<u>£5,511,590</u>	<u>£6,979,228</u>

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

7. Emoluments of Directors

During the year the directors received the following remuneration:

	2008 £	2007 £
As a director	359,109	56,623
Pension	74,509	7,078
	<u>£433,619</u>	<u>£63,701</u>
Highest paid director		
Emoluments including pension	<u>£186,060</u>	<u>£34,548</u>

During the year retirement benefits were accruing for 3 directors (2007: 2 directors).

8. Staff Numbers and Costs

The average number of persons employed by the Company (excluding all non-executive directors) during the year was as follows:-

	2008 No.	2007 No.
Administration	<u>155</u>	<u>121</u>

The aggregate payroll costs of the Electrical Contractors Association, Elecsa Limited, EC Certification Limited and JIB Administrative Services were as follows:-

	£	£
Salaries	5,336,382	4,187,592
Social security costs	491,607	388,082
Pension costs: defined benefit scheme	377,317	348,629
defined contribution scheme	203,389	133,049
additional employer contributions	26,055	21,266
	<u>£6,434,750</u>	<u>£5,078,618</u>

The above includes salaries paid on behalf of and recharged to Elecsa Limited, EC Certification Limited and the Joint Industry Board of £1,528,804 (2007 £713,350).

9. Pension Scheme

The Electrical Contractors' Association operates both defined benefit and defined contribution retirement benefit schemes for the employees of the Association, its wholly owned subsidiaries, Esca Estates Limited, the Joint Industry Board and the JIB Pension Trustee Company Ltd. The assets of the scheme are held separately from those of the Company and the Company is unable to identify its share of the underlying assets and liabilities of the scheme.

Defined Benefit Scheme

The Defined Benefit Scheme provides benefits based on final pensionable pay. The scheme was closed to new employees from 25 April 2001.

Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the attained age method of valuation. The most recent valuation was at 31 December 2007.

The assumptions which have most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 4.5% per annum on fixed gilts and 6.5% on equity investments, that salary increases would average 4.5% per annum and that present and future pensions would increase at the rate of 3.25% per annum on pensions accrued to 5 April 1997 and 5% or RPI (if less) on pensions accrued from 6 April 1997.

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

9. Pension Scheme (Continued)

The most recent actuarial valuation showed that the market value of the scheme's assets was £22,733,000 and that the actuarial value of those assets represented 103% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

Since 1st January 2006 the employer level of contribution has been 17.3% and the employee contribution from 1st April 2006 has been 7%. Administration fees and Life Assurance premiums are payable in addition. The defined benefit pension contributions paid by the Company in the year amounted to £377,317. Employees are granted the option to enhance and maintain benefits at the pre-April 2003 level, but at their own cost.

Defined Contribution Scheme

The employer contributes 5% or 12.5% of pensionable earnings to a group occupational pension provider. The pension contributions paid by the company in the year amounted to £203,389. The employee's contribution to this scheme is 5%.

10. Taxation

	2008 £	2007 £
The taxation charge based on the taxable profits for the year at current rates comprises:		
UK corporation tax for the year	14,979	7,082
Adjustments in respect of previous periods	-	43,285
	<u>14,979</u>	<u>50,367</u>
Receipts for tax losses from other group undertakings - ECIC	373,490	(1,364,688)
Receipts for tax losses from other group undertakings - ECIS	(2,197,687)	(232,017)
	<u>(1,809,218)</u>	<u>(1,546,338)</u>
Income tax repayable	(14,979)	(7,082)
	<u>(1,824,197)</u>	<u>(1,553,421)</u>
Total current tax	207,843	273,405
Deferred tax (see note 11)		
	<u>£(1,616,354)</u>	<u>£(1,280,016)</u>

The tax assessed for the year differs from the standard corporation tax rate in the UK of 28%.

The differences are explained below:

(Loss)/Profit on ordinary activities before tax	<u>£(2,984,220)</u>	<u>£852,063</u>
Profit on ordinary activities before tax multiplied by the standard corporation tax rate of 28% (2007: 30%)	(835,581)	255,619
Effects of:		
Capital allowances in excess of depreciation	39,040	(3,034)
Amounts disallowed for tax purposes	331,666	148,369
Indexation allowance	(15,176)	(36,364)
Other timing differences	(218,945)	(244,833)
Dividend and distribution income	8,425	620
Adjustments in respect of previous periods	-	43,285
Group relief surrender	1,825,288	1,596,705
Small companies relief	262	-
Income not assessable to tax	(1,120,000)	(1,710,000)
	<u>£14,979</u>	<u>£50,367</u>
Total current tax charge		

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2008

11. Deferred Tax Asset

	2008 £	2007 £
At 1 January 2008	425,181	698,586
Movement in the year	(207,843)	(273,405)
At 31 December 2008	<u>£217,338</u>	<u>425,181</u>

The deferred tax asset relates to the payment of the company's share of its pension deficit.

12. Tangible Fixed Assets

	Freehold land and buildings £	Long leasehold £	Fixtures, fittings and computer equipment £	Motor vehicles £	Total £
COST					
At 1 January 2008	5,792,444	152,227	1,774,530	528,736	8,247,937
Additions	-	-	254,892	181,273	436,165
Disposals	-	-	(82,226)	(163,396)	(245,622)
At 31 December 2008	<u>5,792,444</u>	<u>152,227</u>	<u>1,947,196</u>	<u>546,613</u>	<u>8,438,480</u>
ACCUMULATED DEPRECIATION					
At 1 January 2008	385,962	10,682	1,191,852	289,335	1,877,831
Charge for the year	98,401	1,335	175,272	124,591	399,599
Disposals	-	-	(81,693)	(116,483)	(198,176)
At 31 December 2008	<u>484,363</u>	<u>12,017</u>	<u>1,285,431</u>	<u>297,443</u>	<u>2,079,254</u>
NET BOOK VALUE					
At 31 December 2008	<u>£5,308,081</u>	<u>£140,210</u>	<u>£661,765</u>	<u>£249,170</u>	<u>£6,359,226</u>
At 31 December 2007	<u>£5,406,482</u>	<u>£141,545</u>	<u>£582,678</u>	<u>£239,401</u>	<u>£6,370,106</u>

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

13. Fixed Asset Investment

	2008 £	2007 £
SUBSIDIARY UNDERTAKINGS		
The investments comprise:		
Elecsa Ltd.	2,100,000	2,100,000
Electrical Contractors' Insurance Company Ltd.	8,300,000	8,300,000
Electrical Contractors Insurance Services Ltd.	100	100
	<u>10,400,100</u>	<u>10,400,100</u>
RELATED UNDERTAKINGS		
The investments comprise:		
ESCA Estates Ltd.	30,000	30,000
JIB Pension Scheme Trustee Company Ltd.	50	50
	<u>30,050</u>	<u>30,050</u>
OTHER FIXED ASSET INVESTMENTS		
The investments comprise:		
ECA Publications Ltd.	270	270
	<u>£10,430,420</u>	<u>£10,430,420</u>
Total Fixed Asset Investments at cost		

The Company owns 27% of ECA Publications Ltd. This company has not been accounted for as a related undertaking as significant influence is not exercised over it.

The holdings and principal activities of the subsidiary undertakings, associated undertakings and other fixed asset investments, which are all registered in England and Wales, are as follows:

Name of Company	Description of shares held	% of shares held	Principal activity
SUBSIDIARY UNDERTAKINGS			
Elecsa Ltd.	Ord £1	100%	Inspection and assessment services
Electrical Contractors' Insurance Company Ltd.	Ord £1	100%	Insurance
Electrical Contractors Insurance Services Ltd.	Ord £1	100%	Insurance mediation services
ASSOCIATED UNDERTAKINGS			
ESCA Estates Ltd.	Ord £1	42.857%	Property company
JIB Pension Scheme Trustee Company Ltd.	Ord £1	50%	Manager of JIB pension scheme
OTHER FIXED ASSET INVESTMENTS			
ECA Publications Ltd.	Ord £1	27%	Publications

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

14. Current Asset Investments

	Cost		Market Value	
	2008	2007	2008	2007
	£	£	£	£
Listed Securities:				
United Kingdom:				
Unitised Funds	17,883,381	17,813,246	27,360,237	36,025,172
Overseas:				
Unitised Funds	7,999,924	7,999,924	6,507,508	7,695,124
Provision for loss of value	(1,400,000)	(400,000)	-	-
Short Term Deposits awaiting investment	134,606	41,969	134,606	41,969
	<u>£24,617,911</u>	<u>£25,455,139</u>	<u>£34,002,351</u>	<u>£43,762,265</u>

The Short Term Deposits awaiting investment represents funds available for investment in securities held on behalf of the Company by RCM (UK) Limited, the Company's investment portfolio manager.

The above investments include a training fund that was established on 1 January 2008 with a market value of £10,000,000. The current market value is £7,749,914.

Dealings in one of the overseas unitised funds has been suspended and the directors believe it to be prudent to make a provision against this.

15. Debtors

	2008	2007
	£	£
Trade debtors	139,149	179,490
Other debtors	878,192	181,537
Value Added Tax	193,283	-
Deferred tax asset	217,338	425,181
Due from subsidiary undertakings		
- Elecsa Ltd.	209,528	389,333
- Electrical Contractors' Insurance Company Ltd.	989,620	1,489,114
Due from associated undertakings		
- JIB Pension Scheme Trustee Company Ltd.	35,077	35,077
Due from related undertakings		
- EC Certification Ltd.	6,344	-
Prepayments and accrued income	950,512	104,548
	<u>£3,619,043</u>	<u>£2,804,280</u>

Of the deferred tax asset £nil (2007: £217,338) is due after more than one year.

16. Creditors

	2008	2007
	£	£
Amounts falling due within one year		
Trade creditors	13,258,974	11,498,091
Corporation Tax	18,852	-
Other creditors including taxation and social security	116,273	139,011
Value Added Tax	-	249,048
Due to subsidiary undertakings		
- Electrical Contractors Insurance Services Ltd.	1,942,473	2,758,477
Due to associated undertakings		
- Esca Estates Ltd.	3,203	23,235
Accruals and deferred income	1,893,877	1,522,206
	<u>£17,233,652</u>	<u>£16,190,068</u>

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

17. Share Capital

	Authorised		Issued and fully paid	
	2008	2007	2008	2007
	£	£	£	£
2,000 Ordinary shares of £1 each	2,000	2,000	-	-
2,000 6% Cumulative Preference Shares of £1 each	2,000	2,000	1,507	1,507
	<u>£4,000</u>	<u>£4,000</u>	<u>£1,507</u>	<u>£1,507</u>

18. Profit And Loss Account

	2008	2007
	£	£
At 1 January 2008	33,245,568	31,113,489
(Loss)/profit for the year	(1,367,866)	2,132,079
At 31 December 2008	<u>£31,877,702</u>	<u>£33,245,568</u>

19. Reconciliation Of Movements In Shareholders' Funds

	2008	2007
	£	£
(Loss)/profit for the financial year	(1,367,866)	2,132,079
Opening shareholders' funds at 1 January 2008	33,247,075	31,114,996
Closing shareholders' funds at 31 December 2008	<u>£31,879,209</u>	<u>£33,247,075</u>

20. Operating Lease Commitments

At the year end the Company had the following annual operating lease commitments expiring:

	2008		2007	
	Land & Buildings	Other	Land & Buildings	Other
	£	£	£	£
Within one year	155,140	-	134,758	-
Between two to five years	-	32,300	-	27,862
	<u>£155,140</u>	<u>£32,300</u>	<u>£134,758</u>	<u>£27,862</u>

22. Related Party Transactions

	2008	2007
	£	£
Transactions with related parties:		
Rent rebate received from Esca Estates Ltd	-	4,313
Management fees Esca Estates Ltd	5,000	5,000
Rent paid to Esca Estates Ltd	68,000	68,000
Service charges paid to Esca Estates Ltd	249,882	201,889

Esca Estates Ltd is an associated undertaking of the Company. Balances due from and to related parties are disclosed in notes 15 and 16 respectively.

The company has taken advantage of the exemption available under Financial Reporting Standard 8 from disclosing details of transactions with other group companies. Consolidated accounts in which the company is included as a subsidiary are publicly available.

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23. Ultimate Holding Undertaking/Ultimate Controlling Party

The Company's ultimate holding undertaking is The Electrical Contractors' Association whose principal place of business is ESCA House, 34 Palace Court, London W2 4HY. The directors consider there to be no ultimate controlling party.