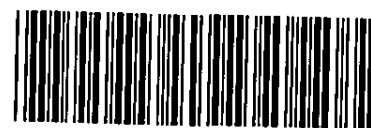


THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

**ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2007**

Company Number 143669

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THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2007

The directors have pleasure in presenting their report and accounts for the year ended 31 December 2007

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 5 show a profit for the year before tax of £852,063 (2006 £3,548,189) 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 inter-group dividends and subscription income Subscription income is budgeted to increase by 7.5% each year – partly by inflationary increases but also by growth in membership and organic increases in members' turnover which are used to calculate subscriptions Membership increased from 2,711 to 2,852 in 2007 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)

In January 2007, the company purchased the share capital of Elecsa Ltd, a company authorised by the Department for Communities and Local Government to oversee a competent person scheme for Part P of the Building Regulations The activities of the technical inspection and assessment operation previously undertaken by the Company was transferred into Elecsa Ltd

In November, the North East Regional Office and the Business Development Training Team relocated to freehold premises acquired earlier in the year in Darlington

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

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

REPORT OF THE DIRECTORS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

Directors

The directors who served during the period were

Bailey, M R (from 23 4 2008)	Hilland, M	Parkin, V
Bailey, R G	Hills, A (from 23 4 2008)	Pollock, D R (from 17 10 2007)
Bratt, S (from 23 4 2008)	Hope, A (from 14 2 2007)	Rhodes, C J
Clemens, J	Hughes, P	Richardson, L (to 23 4 2008)
Coupland, T A	Johnson, D	Saunders, P
Cox, S M (to 23 4 2008)	Lewis, D (from 18 4 2007)	Sharpe, D V
Crosby, I P	Littler, A	Solts, R (from 23 4 2008)
De Falco, B	Luxton, J R W (from 17 10 2007)	Thompson, M (to 18 4 2007)
Fairburn, A R (from 23 4 2008)	Morris, B (to 18 4 2007)	Webb, J S (to 14 2 2007)
Hall, R M	North, A M (to 23 4 2008)	Wright, W (to 18 4 2007)
Harrower, J R		

Donations

During the year the Company made charitable donations totalling £10,500 (2006 £10,500) and £2,000 each to the Conservative, Labour and Liberal Democrat parties totalling £6,000 (2006 £6,000)

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.

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

REPORT OF THE DIRECTORS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

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

23 July 2008



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 2007 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.

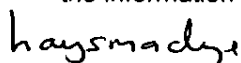
Opinion

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 2007 and of the company's profit 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
23 July 2008

Fairfax House
15 Fulwood Place
London
WC1V 6AY

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

		2007	2006
	Notes	£	£
Turnover	2		
Continuing operations		4,342,412	3,566,031
Discontinued operations		-	771,727
Cost of sales	3	(10,431,370)	(13,534,995)
Operating loss before investment income	5		
Continuing operations		(6,088,958)	(8,960,310)
Discontinued operations		-	(236,927)
		(6,088,958)	(9,197,237)
Investment income	6	6,979,228	10,105,614
(Loss)/profit on sale of current asset investments		(38,208)	2,639,812
Profit on ordinary activities before taxation		852,063	3,548,189
Taxation on ordinary activities	10	1,280,016	2,252,948
Profit for the financial year	18	£2,132,079	£5,801,137

The Company has no recognised gains or losses other than the profit 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 2007

	Notes	2007 £	2006 £
Fixed Assets			
Tangible Fixed Assets	12	6,370,106	5,731,106
Investments	13	<u>10,430,420</u>	<u>8,330,420</u>
		16,800,526	14,061,526
Current Assets			
Investments	14	25,455,139	25,893,347
Debtors	15	2,804,280	2,179,078
Cash at bank and in hand		<u>4,377,198</u>	<u>5,453,087</u>
		32,636,617	33,525,512
Creditors: Amounts falling due within one year	16	<u>(16,190,068)</u>	<u>(16,472,042)</u>
Net Current Assets		16,446,549	17,053,470
Net Assets		<u>£33,247,075</u>	<u>£31,114,996</u>
Capital And Reserves			
Called up share capital	17	1,507	1,507
Profit and loss account	18	<u>33,245,568</u>	<u>31,113,489</u>
Shareholders' Funds	19	<u>£33,247,075</u>	<u>£31,114,996</u>

Signed on behalf of the Directors

A HOPE



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23 July 2008

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 2007

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 netted off against 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 2007

2. Turnover

Turnover relates wholly to activities in the United Kingdom

	2007	2006
	£	£
Subscriptions	4,116,870	3,900,977
Incentive rebate	(686,887)	(1,333,874)
Seminar income	251,159	249,675
Health and safety assessment income	545,897	675,470
Inspection and notification income	6,460	7,821
Sundry income	108,913	65,962
Continuing operations	4,342,412	3,566,031
Discontinued operations	-	771,727
	<u>£4,342,412</u>	<u>£4,337,758</u>

3 Cost of Sales

	2007	2006
	£	£
Association administration expenses	6,493,816	8,022,420
Regional allocations and regional office costs	1,688,228	2,326,017
Meetings and delegates costs	345,537	303,208
Publicity and special promotions	848,935	700,223
Sevenoaks and agency branch expenses	897,319	1,050,576
Subscriptions and donations (see note 4)	157,535	123,897
Continuing operations	10,431,370	12,526,341
Discontinued operations	-	1,008,654
	<u>£10,431,370</u>	<u>£13,534,995</u>

Included within Cost of Sales in 2006 was a charge of £3,201,969 in respect of funding the company's pension scheme deficit (see note 9)

4. Subscriptions and Donations

	2007	2006
	£	£
Included in this heading are		
Donation to		
Electrical and Electronics Industries Benevolent Association	10,500	10,500
Other subscriptions	147,035	113,397
	<u>£157,535</u>	<u>£123,897</u>

5 Supplementary Profit and Loss Information

	2007	2006
	£	£
The operating loss before investment income for the year is stated after charging		
Notes		
Auditors' remuneration	26,800	25,725
Depreciation	362,605	338,720
(Surplus)/loss on disposal of tangible fixed assets	(13,475)	52,570

6. Investment Income

	2007	2006
	£	£
Investment income from unitised investments	206,320	146,138
Interest received	401,188	251,787
Other investment income	281,444	387,549
Interest received from related parties	2,074	1,999
Rental income and hire of rooms	388,202	318,141
Inter group dividends	5,700,000	9,000,000
	<u>£6,979,228</u>	<u>£10,105,614</u>

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2007

7. Emoluments of Directors

During the year the directors received the following remuneration

	2007	2006
	£	£
As a director	56,623	-
Pension	7,078	-
	<u>£63,701</u>	<u>-</u>
Highest paid director		
Emoluments including pension	<u>£34,548</u>	<u>-</u>

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 -

	2007	2006
	No.	No
Administration	<u>121</u>	<u>108</u>
The aggregate payroll costs of these persons were as follows -	£	£
Salaries	4,187,592	3,662,880
Social security costs	388,082	377,474
Pension costs defined benefit scheme	348,629	345,389
funding deficit	-	3,201,969
defined contribution scheme	133,049	121,321
additional employer contributions	21,266	3,275
	<u>£5,078,618</u>	<u>£7,712,308</u>

9. Pension Scheme

The Electrical Contractors' Association operates both defined benefit and defined contribution retirement benefit schemes for the employees of the Association, it's 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 it's 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 2004.

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% per annum and that present and future pensions would increase at the rate of 3% per annum on pensions accrued to 5 April 1997 and 5% or RPI (if less) on pensions accrued from 6 April 1997.

The most recent actuarial valuation showed that the market value of the scheme's assets was £13,343,000 and that the actuarial value of those assets represented 78% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

9. Pension Scheme (Continued)

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 £348,629. Employees are granted the option to enhance and maintain benefits at the pre-April 2003 level, but at their own cost.

The participating employers had agreed to meet the pension deficit, identified at the previous triennial valuation, over a ten year period which equated to a level amount of £453,048 additional contribution per annum. However towards the end of 2006 they agreed to pay an amount of £3,500,000 to meet the deficit in full. The Company's share of this was £2,835,000 and added to this were additional payments of £366,969 had that already been made in respect of the deficit during that year.

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 £133,049. The employee's contribution to this scheme is 5%.

10. Taxation

	2007 £	2006 £
UK corporation tax for the year	50,367	43,368
Receipts for tax losses from other group undertakings - ECIC	(1,364,688)	(556,442)
Receipts for tax losses from other group undertakings - ECIS	(232,017)	(1,027,883)
	<u>(1,546,338)</u>	<u>(1,540,957)</u>
Income tax repayable	(7,082)	(13,405)
Deferred tax (see note 11)	273,405	(698,586)
	<u><u>£(1,280,016)</u></u>	<u><u>£(2,252,948)</u></u>

The tax assessed for the year differs from the standard corporation tax rate in the UK of 30%.

The differences are explained below:

Profit on ordinary activities before tax	<u>£852,063</u>	<u>£3,548,189</u>
Profit before tax multiplied by the standard corporation tax rate of 30%	255,619	1,064,457
Effects of:		
Capital allowances in excess of depreciation	(3,034)	11,086
Amounts disallowed for tax purposes	148,369	25,936
Indexation allowance	(36,364)	(310,719)
Other timing differences	(244,833)	634,756
Dividend and distribution income	620	-
Adjustments in respect of previous periods	43,285	-
Group relief surrender	1,596,705	1,584,325
Utilisation of capital losses brought forward	-	(266,473)
Income not assessable to tax	(1,710,000)	(2,700,000)
Total current tax charge	<u><u>£50,367</u></u>	<u><u>£43,368</u></u>

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

11. Deferred Tax Asset

	2007 £	2006 £
At 1 January 2007	698,586	-
Movement in the year	(273,405)	698,586
At 31 December 2007	<u>£425,181</u>	<u>698,586</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 2007	5,095,165	152,227	1,679,675	581,798	7,508,865
Additions	697,279	-	193,364	213,886	1,104,529
Disposals	-	-	(64,324)	(168,079)	(232,403)
Transfer to Subsidiary	-	-	(34,185)	(98,869)	(133,054)
At 31 December 2007	<u>5,792,444</u>	<u>152,227</u>	<u>1,774,530</u>	<u>528,736</u>	<u>8,247,937</u>
ACCUMULATED DEPRECIATION					
At 1 January 2007	287,560	9,347	1,129,086	351,766	1,777,759
Charge for the year	98,402	1,335	149,321	113,547	362,605
Disposals	-	-	(64,916)	(113,267)	(178,183)
Transfer to Subsidiary	-	-	(21,639)	(62,711)	(84,350)
At 31 December 2007	<u>385,962</u>	<u>10,682</u>	<u>1,191,852</u>	<u>289,335</u>	<u>1,877,831</u>
NET BOOK VALUE					
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>
31 December 2006	<u>£4,807,605</u>	<u>£142,880</u>	<u>£550,589</u>	<u>£230,032</u>	<u>£5,731,106</u>

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2007

13 Fixed Asset Investment

	2007 £	2006 £
SUBSIDIARY UNDERTAKINGS		
The investments comprise		
Elecsa Ltd	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>8,300,100</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>270</u>	<u>270</u>
Total Fixed Asset Investments at cost	<u>£10,430,420</u>	<u>£8,330,420</u>

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 2007

14. Current Asset Investments

	Cost		Market Value	
	2007 £	2006 £	2007 £	2006 £
Listed Securities				
United Kingdom				
Unitised Funds	17,813,246	17,851,454	36,025,172	32,184,798
Overseas				
Unitised Funds	7,999,924	7,999,924	7,695,124	8,283,634
Provision for loss of value	(400,000)	-	-	-
Short Term Deposits				
awaiting investment	41,969	41,969	41,969	41,969
	<u>£25,455,139</u>	<u>£25,893,347</u>	<u>£43,762,265</u>	<u>£40,510,401</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

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

	2007 £	2006 £
Trade debtors	179,490	171,350
Other debtors	181,537	114,794
Prepayments and accrued income	104,548	227,026
Value Added Tax	-	120,582
Deferred tax asset	425,181	698,586
Due from subsidiary undertakings		
- Elecsa Ltd	389,333	-
- Electrical Contractors' Insurance Company Ltd	1,489,114	602,618
Due from associated undertakings		
- Esca Estates Ltd	-	68,773
- JIB Pension Scheme Trustee Company Ltd	35,077	175,349
	<u>£2,804,280</u>	<u>£2,179,078</u>

Of the deferred tax asset £217,338 (2006 £465,724) is due after more than one year

16 Creditors

	2007 £	2006 £
Amounts falling due within one year		
Trade creditors	11,498,091	11,577,642
Accruals and deferred income	1,522,206	1,946,995
Other creditors including taxation and social security	139,011	105,864
Value Added Tax	249,048	-
Due to subsidiary undertakings		
- Electrical Contractors Insurance Services Ltd	2,758,477	2,841,541
Due to associated undertakings		
- Esca Estates Ltd	23,235	-
	<u>£16,190,068</u>	<u>£16,472,042</u>

THE ELECTRICAL CONTRACTORS' ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

17. Share Capital

	Authorised		Issued and fully paid	
	2007	2006	2007	2006
	£	£	£	£
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

	2007	2006
	£	£
At 1 January 2007	31,113,489	25,312,352
Profit for the year	2,132,079	5,801,137
At 31 December 2007	<u>£33,245,568</u>	<u>£31,113,489</u>

19. Reconciliation Of Movements In Shareholders' Funds

	2007	2006
	£	£
Profit for the financial year	2,132,079	5,801,137
Opening shareholders' funds at 1 January 2007	31,114,996	25,313,859
Closing shareholders' funds at 31 December 2007	<u>£33,247,075</u>	<u>£31,114,996</u>

20. Operating Lease Commitments

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

	2007		2006	
	Land & Buildings	Other	Land & Buildings	Other
	£	£	£	£
Within one year	134,758	-	110,445	-
Between two to five years	-	27,862	-	12,235
	<u>£134,758</u>	<u>£27,862</u>	<u>£110,445</u>	<u>£12,235</u>

21. Post Balance Sheet Events

The Company assumed the liability for the deficit on the JIB Staff Pension Scheme with effect from 1 January 2008

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22. Related Party Transactions

	2007	2006
	£	£
Transactions with related parties		
Rent rebate received from Esca Estates Ltd	4,313	8,445
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	201,889	220,420

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.

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.