

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

TECHUK LTD
(A company limited by guarantee)

TECHUK LTD

(A company limited by guarantee)

COMPANY INFORMATION

Directors

J Allen
Z Bahrololoumi
S Bagshaw (appointed 23 February 2022)
L Bailey (resigned 14 July 2021)
J Bhogal
R Checkley (resigned 11 April 2022)
T Crofts
Z Cunningham (resigned 17 February 2021)
J Davey (resigned 26 January 2022)
J David
J de Rojas
S Flavell
C Francis (reappointed 23 February 2022)
T Goldstaub
D Greenwood (appointed 16 February 2021, resigned 10 November 2021, reappointed 23 February 2022)
A Gupta
S Hansford
N Hodson
C Holloway (appointed 19 May 2021)
A Johnson
E Kanter
M Keegan
J Lennard
T McGeehan
D Meads
G O'Toole
J Pan (appointed 19 May 2021)
R Petley (resigned 16 March 2022)
S Preston (appointed 19 May 2021)
K Ranger
P Robson (appointed 19 May 2021, resigned 10 January 2022)
N Sawyer (resigned 10 November 2021, reappointed 23 February 2022)
S Sayed (appointed 19 May 2021)
P Struthers
M Thompson (resigned 11 April 2022)
W Touche
J Towers
G Wilson
W Yao (resigned 19 May 2021)

TECHUK LTD

(A company limited by guarantee)

Company secretary	J Allen
Registered number	01200318
Registered office	10 St Bride Street London EC4A 4AD
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Centrum House 36 Station Road Egham Surrey TW20 9LF
Solicitors	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN

TECHUK LTD

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CONTENTS

	Page
Group strategic report	1 - 3
Directors' report	4 - 5
Independent auditors' report	6 - 9
Consolidated statement of comprehensive income	10
Consolidated statement of financial position	11
Company statement of financial position	12
Consolidated statement of changes in equity	13
Company statement of changes in equity	14
Consolidated Statement of cash flows	15
Consolidated analysis of net debt	16
Notes to the financial statements	17 - 32

TECHUK LTD

(A company limited by guarantee)

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors are pleased to present their strategic report for the year ended 31 December 2021.

TechUK is the trade association for the technology industry. We champion technology's role in preparing and empowering the UK for what comes next, delivering a better future for people, society, the economy and the planet.

Our members develop strong networks, build meaningful partnerships and grow their businesses as we all work together to create a thriving environment where industry, government and stakeholders come together to realise the positive outcomes tech can deliver.

Our focus for the year ahead encompasses;

Shaping policy – from economic policy to skills and diversity, we will continue to work with members to develop a comprehensive policy platform with clear asks of government. Our relationship with government and regulators helps create the right market conditions for technology to flourish.

Accelerating innovation – we continue to explore the application of emerging technologies and champion their use. From cloud and 5G to artificial intelligence and quantum, we analyse the significance of new tech and identify how it can fit into the thriving UK tech ecosystem.

Developing markets – We will identify where technology can power progress and advance innovation. From financial services to health and social care, we help the tech sector and its customers understand how technology can improve productivity, facilitate growth and overcome challenges.

Business review

2021 was another unparalleled year for the country and the company. As the global pandemic continued much longer than initially envisaged, techUK continued to provide member support and host daily interactions with stakeholders and senior government online.

Although our offices remained closed to visitors for much of the year, we were able to host some in-person meetings and events, including our highly successful Annual Dinner in November. However, the continuation of virtual and hybrid for many events helped to further increase delegate numbers to record levels.

Our reach and influence continued to grow, with a record number of LinkedIn and Twitter followers this year as well as an increase in media coverage across national publications and broadcast.

We had an exceptional year in terms of membership recruitment and retention. This positive performance was reflected in our annual member survey which reported that 95% of all respondents were either 'satisfied' or 'highly satisfied' with the value that they receive from their techUK membership. Our members now employ over 600,000 employees in their companies.

A record number of new members and increased retention rates, along with a successful events program, led to an increase in revenue. Staff costs during the year remained broadly flat, however, due to higher than industry average levels of staff turnover and some difficulty in filling recruitment gaps due to the highly specialised nature of our employees' work. Office costs continued at a reduced level due to the pandemic. Together, these factors led to a profit for the year after taxation of £436,295, much higher than was initially budgeted. After this level of performance, TechUK's reserves stand at £1,499,354.

TechUK's aim is to run its affairs to generate a small surplus after taxation, sufficient to enable continued investment in people and assets which assist in delivering value to our members and to increase reserves at a level to preserve their real value. 2021's results were exceptional and have provided us with the opportunity to further invest in our staff and recruit for new positions in 2022 which will deliver real value to our members, as well as adding to reserves given the higher inflation outlook.

We are excited about 2022 and what can be achieved in the year ahead for members.

TECHUK LTD

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GROUP STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial key performance indicators

The key financial performance indicators for the group are growth in membership income, growth in other income and result for the year before taxation. The results for the year are as follows:

	2021	2020
Membership income growth	17%	6%
Other income growth/(reduction)	24%	(44%)
Retained net income added to reserves	£436,295	£80,740

Future prospects

The strength of the 2021 result means techUK enters the year ahead in a very strong position financially. We are actively recruiting for new positions that will see us further enhance our support to members.

We will continue to deliver value across all of our existing programme and policy areas, expanding our footprint in the regions and building on our existing SME programme. Specifics include;

- In **climate, environment and sustainability**, techUK will launch a new flagship conference to continue to showcase member innovations and advocate for policy that positions tech as a solution to climate change. We will also help members measure and implement net zero targets and champion member work on the environment.
- The vital importance of **cyber security** has been made even more clear given the recent invasion of Ukraine. 2022 will see techUK working with the UK government to deliver the National Cyber Strategy and the Government Cyber Security Strategy.
- In the **healthcare sector**, we will continue to work with our members to showcase how digital technologies can address and solve existing and future challenges faced by the NHS.
- A new **Data Analytics and AI Leadership Committee** will be elected in 2022 and we will bring together a **Quantum Working Group** to develop our first ever report on quantum technologies and respond to the BEIS UK quantum strategy call for evidence.
- The new **National Security Programme** will provide a forum for members and stakeholders to discuss National Security issues.
- Our **International Trade Programme** will continue to work with the EU during 2022 to minimise the negative impact of Brexit on the UK tech sector and we will have a renewed focus on the USA market.
- Our **Skills, Talent and Diversity programme** will continue to seek to ensure the UK has a world-leading tech workforce. The Tech Industry Gold accreditation programme, delivered by our subsidiary company Techskills organisation, is leading the debate on how Government and industry can work to expand short modular digital skills courses that focus on job readiness. We have committed to working with our members to ensure Digital T Level students have placements from Autumn 2022 with the best tech businesses.
- Finally, following the successful launch of the **Local Digital Capital Index** in September 2021 we will be following up with the 2022 Index and continuing to deepen our engagement with the devolved governments and combined authorities across the regions.

TECHUK LTD

(A company limited by guarantee)

GROUP STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Principal risks and uncertainties

The principal risk facing the Group is a reduction in revenue resulting in turnover insufficient to cover our operational expenses in the long term. Our principal source of revenue is from membership income hence our key risk is that members no longer see sufficient value in their membership.

We have continued to increase our membership numbers throughout the pandemic through our relevance, reliability and credibility to our members however there remains a risk that we will lack the ability to deliver value in certain areas due to the loss of key people. Our people are experts in their fields and hence are highly sought after, and filling vacancies is a time-consuming process. We work hard to ensure our people remain engaged, committed and effective and the risk is therefore reduced.

TechUK is driven by our commitment to showing the power of technology to fuel progress, deliver results and enhance lives. We have a dedicated team who will continue to deliver value to our members now and in the future.

This report was approved by the board and signed on its behalf.

J Allen
Director

Date: 19 May 2022

TECHUK LTD

(A company limited by guarantee)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £436,295 (2020 - £80,740) of which £116,356 related to a credit on the amortisation of negative goodwill from the acquisition of Techskills Organisation.

Directors

The directors who served during the year were:

J Allen
Z Bahrololoumi
L Bailey (resigned 14 July 2021)
J Bhogal
R Checkley (resigned 11 April 2022)
T Crofts
Z Cunningham (resigned 17 February 2021)
J Davey (resigned 26 January 2022)
J David
J de Rojas
S Flavell
C Francis
T Goldstaub
D Greenwood (appointed 16 February 2021, resigned 10 November 2021, reappointed 23 February 2022)
A Gupta
S Hansford
N Hodson
C Holloway (appointed 19 May 2021)

TECHUK LTD

(A company limited by guarantee)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

A Johnson
E Kanter
M Keegan
J Lennard
T McGeehan
D Meads
G O'Toole
J Pan (appointed 19 May 2021)
R Petley (resigned 16 March 2022)
S Preston (appointed 19 May 2021)
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S Sayed (appointed 19 May 2021)
P Struthers
M Thompson (resigned 11 April 2022)
W Touche
J Towers
G Wilson
W Yao (resigned 19 May 2021)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

Menzies LLP were appointed in July 2021 to fill a casual vacancy and have been appointed as auditor for the ensuing period in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

J Allen
Director

Date: 19 May 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHUK LTD

Opinion

We have audited the financial statements of TechUK Ltd (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, 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 Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit 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.

We have audited the financial statements of techUK Ltd ("the parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2021 which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and related 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).

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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHUK LTD
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 4, 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 is 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHUK LTD (CONTINUED)

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 an Auditors' report 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including, UK Companies Act, employment law, health and safety, pensions legislation and tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We understood how the Company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal and compliance procedures.

The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: the posting of unusual journals and complex transactions and the use of management override of controls to manipulate results, or to cause the Company to enter into transactions outside of the ordinary course of business.

Audit procedures performed by the engagement team included:

- identifying and assessing the design and effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with law or regulations is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

TECHUK LTD

(A company limited by guarantee)

MENZIES
BRIGHTER THINKING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHUK LTD (CONTINUED)

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 an Auditors' 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.

Janice Matthews (Senior statutory auditor)
for and on behalf of

Menzies LLP
Chartered Accountants
Statutory Auditor
Centrum House
36 Station Road
Egham
Surrey
TW20 9LF

16 June 2022

TECHUK LTD

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	7,695,392	6,523,129
Gross profit		7,695,392	6,523,129
Administrative expenses		(7,171,881)	(6,461,890)
Operating profit	5	523,511	61,239
Interest receivable and similar income	9	436	5,095
Interest payable and similar expenses	10	(580)	(753)
Profit before taxation		523,367	65,581
Tax on profit	11	(87,072)	15,159
Profit for the financial year		436,295	80,740
Total comprehensive income for the year		436,295	80,740

The notes on pages 17 to 32 form part of these financial statements.

TECHUK LTD
(A company limited by guarantee)
REGISTERED NUMBER:01200318

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	13	(901,772)	(1,018,128)
Tangible assets	14	764,960	849,001
		(136,812)	(169,127)
Current assets			
Debtors: amounts falling due within one year	16	1,054,561	966,525
Cash at bank and in hand	17	5,771,346	4,918,572
		6,825,907	5,885,097
Creditors: amounts falling due within one year	18	(4,331,136)	(3,828,295)
Net current assets		2,494,771	2,056,802
Total assets less current liabilities		2,357,959	1,887,675
Creditors: amounts falling due after more than one year	19	(3,275)	(5,666)
Provisions for liabilities			
Deferred taxation	22	(42,305)	(5,925)
Other provisions	23	(477,095)	(477,095)
		(519,400)	(483,020)
Net assets		1,835,284	1,398,989
Capital and reserves			
Profit and loss account	24	1,835,284	1,398,989
		1,835,284	1,398,989

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 May 2022.

J Allen
Director

W Touche
Director

The notes on pages 17 to 32 form part of these financial statements.

TECHUK LTD
(A company limited by guarantee)
REGISTERED NUMBER:01200318

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	764,960	849,001
Investments	15	1,002	1,002
		765,962	850,003
Current assets			
Debtors: amounts falling due within one year	16	974,822	847,338
Cash at bank and in hand	17	4,486,739	3,484,078
		5,461,561	4,331,416
Creditors: amounts falling due within one year	18	(4,205,494)	(3,585,404)
Net current assets		1,256,067	746,012
Total assets less current liabilities		2,022,029	1,596,015
Creditors: amounts falling due after more than one year	19	(3,275)	(5,666)
Provisions for liabilities			
Deferred taxation	22	(42,305)	(5,925)
Other provisions	23	(477,095)	(477,095)
		(519,400)	(483,020)
Net assets		1,499,354	1,107,329
Capital and reserves			
Profit and loss account carried forward		1,499,354	1,107,329
		1,499,354	1,107,329

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 May 2022.

J Allen
Director

W Touche
Director

The notes on pages 17 to 32 form part of these financial statements.

TECHUK LTD

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Profit and loss account £	Total equity £
At 1 January 2021	1,398,989	1,398,989
Comprehensive income for the year		
Profit for the year	436,295	436,295
At 31 December 2021	1,835,284	1,835,284

The notes on pages 17 to 32 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Profit and loss account £	Total equity £
At 1 January 2020	1,318,249	1,318,249
Comprehensive income for the year		
Profit for the year	80,740	80,740
At 31 December 2020	1,398,989	1,398,989

The notes on pages 17 to 32 form part of these financial statements.

TECHUK LTD

(A company limited by guarantee)

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Profit and loss account £	Total equity £
At 1 January 2021	1,107,329	1,107,329
Comprehensive income for the year		
Profit for the year	392,025	392,025
At 31 December 2021	1,499,354	1,499,354

The notes on pages 17 to 32 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Profit and loss account £	Total equity £
At 1 January 2020	1,107,806	1,107,806
Comprehensive income for the year		
Loss for the year	(477)	(477)
At 31 December 2020	1,107,329	1,107,329

The notes on pages 17 to 32 form part of these financial statements.

TECHUK LTD

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	436,295	80,740
Adjustments for:		
Amortisation of intangible assets	(116,356)	(29,089)
Depreciation of tangible assets	157,186	254,707
Loss on disposal of tangible assets	-	218,808
Interest paid	580	753
Interest received	(436)	(5,095)
Taxation charge	87,072	(15,159)
(Increase)/decrease in debtors	(88,036)	172,427
Increase in creditors	462,061	136,947
Corporation tax (paid)	(10,100)	(6,056)
Net cash generated from operating activities	928,266	808,983
Cash flows from investing activities		
Purchase of tangible fixed assets	(73,145)	(135,024)
Interest received	436	5,093
Money Market Deposit	-	2,000,000
Cash acquired	-	1,045,545
Net cash from investing activities	(72,709)	2,915,614
Cash flows from financing activities		
Repayment of/new finance leases	(2,203)	(2,031)
Interest paid	(580)	(753)
Net cash used in financing activities	(2,783)	(2,784)
Net increase in cash and cash equivalents	852,774	3,721,813
Cash and cash equivalents at beginning of year	4,918,572	1,196,759
Cash and cash equivalents at the end of year	5,771,346	4,918,572
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,771,346	4,918,572
	5,771,346	4,918,572

The notes on pages 17 to 32 form part of these financial statements.

TECHUK LTD

(A company limited by guarantee)

CONSOLIDATED ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 DECEMBER 2021

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	4,918,572	852,774	5,771,346
Debt due within 1 year	(21,995)	(45,441)	(67,436)
Finance leases	(7,869)	2,203	(5,666)
	<u>4,888,708</u>	<u>809,536</u>	<u>5,698,244</u>

The notes on pages 17 to 32 form part of these financial statements.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

TechUK Ltd, is a company limited by guarantee and is incorporated in England and Wales. The address of the registered office is 10 St Bride Street, London, EC4A 4AD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. The subsidiary entities included within the consolidation are detailed in note 15.

2.3 Going concern

The financial statements have been prepared using the going concern basis of accounting. The Directors have considered the future expected cash flows of the Group under various negative scenarios of future revenue streams. The cashflow forecasts show a positive cash position for the foreseeable future under all scenarios and hence the Directors are confident the going concern basis of accounting is appropriate in preparing the financial statements.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Subscriptions are recognised as turnover over the period to which they relate.

Conference fees and event sponsorships are recognised on the date of the event to which they relate.

Turnover from project work represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the services provided to date based on proportion of the total contract value, where payments are received from customers in advance of services provided. The amounts are recorded as deferred income and included as part of creditors due within one year. Turnover not billed to clients is recorded within debtors as accrued income.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- from completion of works to end of lease
Fixtures and fittings	- 20% straight line
Computer equipment	- 20-33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. Cash equivalents that mature in more than three months from the date of acquisition are included in money market investments.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.9 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Financial instruments (continued)

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs) unless the arrangement constitutes a financing transaction.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.12 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.13 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.15 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.18 Dilapidation costs

The Group provides for contractual dilapidation costs where the liability is probable and can be reliably estimated.

2.19 Business combinations

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination.

Where the fair value of the group's interest in the assets, liabilities and contingent liabilities acquired exceeds the cost of the business combination, negative goodwill arises. The group recognises negative goodwill on the balance sheet and releases this to profit and loss, up to the fair value of non-monetary assets acquired, over the periods in which the non-monetary assets are recovered and any excess over the fair value of non-monetary assets over the period expected to benefit.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.20 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life which is considered to be nine years.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Goodwill on business combinations is amortised over its useful economic life. The useful economic life in respect of the goodwill arising on the acquisition of Teckskills Organisation (formally Tech Partnership Degrees) is considered to be nine years.

Dilapidation provisions are made on the basis of estimates of building costs made by the Company's commercial property advisors. These are reviewed annually and updated for changes in the index of building costs for central London.

With the exception of the useful economic life of goodwill and dilapidation provisions there are no material judgements or estimates applied in the preparation of these accounts.

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Membership subscriptions	6,504,000	5,560,446
Training, conferences and events	470,225	184,161
Project work	721,167	778,522
	<u>7,695,392</u>	<u>6,523,129</u>

All turnover arose within the United Kingdom. Included within turnover received from project work is £142,459 (2020: £118,310) of funds received from government bodies.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Amortisation of negative goodwill	(116,356)	(29,089)
Depreciation of tangible fixed assets	157,182	254,705
Loss on disposal of tangible fixed assets	-	218,808
Exchange differences	5,177	2,679
Property lease rentals	401,629	401,628
	<u>401,629</u>	<u>401,628</u>

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>14,500</u>	<u>24,500</u>
Fees payable to the Group's auditor and its associates in respect of:		
Audit of subsidiaries	6,850	5,000
Taxation compliance services	4,000	-
	<u>10,850</u>	<u>5,000</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	3,486,809	3,074,273
Social security costs	422,490	328,739
Costs of defined contribution scheme	167,038	212,510
	<u>4,076,337</u>	<u>3,615,522</u>

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Administrative staff	65	63
	<u>65</u>	<u>63</u>

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	351,285	283,763
Company contributions to defined contributions pension scheme	10,600	10,600
	<u>361,885</u>	<u>294,363</u>

During the year retirement benefits were accruing to 2 directors (2020 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £277,263 (2020 - £204,188).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,000 (2020 - £10,000).

9. Interest receivable

	2021 £	2020 £
Other interest receivable	436	5,095
	<u>436</u>	<u>5,095</u>

10. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	580	753
	<u>580</u>	<u>753</u>

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	62,179	13,426
Adjustments in respect of previous periods	(11,487)	(23,789)
	50,692	(10,363)
Total current tax	50,692	(10,363)
Deferred tax		
Origination and reversal of timing differences	36,380	(6,057)
Changes to tax rates	-	1,261
Total deferred tax	36,380	(4,796)
Taxation on profit/(loss) on ordinary activities	87,072	(15,159)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	523,367	65,581
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	99,440	12,460
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	506	436
Difference in tax rates	-	1,261
Losses not recognised	23,981	-
Prior periods research and development claims	(11,487)	(23,789)
Amortisation of negative goodwill	(22,108)	(5,527)
Short-term timing difference leading to an increase (decrease) in taxation	(3,260)	-
Total tax charge for the year	87,072	(15,159)

Factors that may affect future tax charges

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Taxation (continued)

The Company is amortising negative goodwill of £1,047,217 over nine years, of which £116,356 was recognised in 2021. The amortisation charge will create a credit to the income statement each year however there will be no impact on the tax charge.

12. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent Company for the year was £392,025 (2020 - loss £477).

13. Intangible assets

Group

	Goodwill £
Cost	
At 1 January 2021	(1,047,217)
At 31 December 2021	<u>(1,047,217)</u>
Amortisation	
At 1 January 2021	(29,089)
Charge for the year on owned assets	(116,356)
At 31 December 2021	<u>(145,445)</u>
Net book value	
At 31 December 2021	<u>(901,772)</u>
At 31 December 2020	<u>(1,018,128)</u>

Negative Goodwill

On 1 October 2020 the Company became the sole member of TechSkills Organisation (Formally Tech Partnership Degrees). The membership was transferred for zero consideration however the fair value of the net assets of TechSkills Organisation (Formally Tech Partnership Degrees) at the date of transfer were £1,047,217. The negative goodwill is being released to the profit and loss account over a period of nine years, being the average length of three cycles of degree courses, which is the estimated period of benefit.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

14. Tangible fixed assets

Group and Company

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2021	1,201,235	223,350	530,602	1,955,187
Additions	-	12,723	60,422	73,145
Disposals	-	-	(13,594)	(13,594)
At 31 December 2021	1,201,235	236,073	577,430	2,014,738
Depreciation				
At 1 January 2021	582,438	131,532	392,216	1,106,186
Charge for the year on owned assets	82,129	26,765	48,292	157,186
Disposals	-	-	(13,594)	(13,594)
At 31 December 2021	664,567	158,297	426,914	1,249,778
Net book value				
At 31 December 2021	536,668	77,776	150,516	764,960
At 31 December 2020	618,797	91,818	138,386	849,001

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2021	1,002
At 31 December 2021	1,002

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Holding
Intellect Enterprises Limited	Provision of software escrow services	100%
Techskills Organisation	Educational support services	100%
TechUK (Dormant) Ltd	Dormant company - Dissolved 18 May 2021	100%
Electronics Technology Network Limited	Dormant company	100%

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Intellect Enterprises Limited	318,646	54,135
Techskills Organisation	920,022	(126,219)
TechUK (Dormant) Ltd	-	-
Electronics Technology Network Limited	54	-

16. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	700,133	526,574	579,925	442,544
Amounts owed by group undertakings	-	-	118,567	46,200
Other debtors	33,638	37,385	33,638	37,385
Prepayments and accrued income	320,790	402,566	242,692	321,209
	1,054,561	966,525	974,822	847,338

All amounts shown under debtors fall due for payment within one year.

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

17. Cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Cash at bank and in hand	5,771,346	4,918,572	4,486,739	3,484,078
	5,771,346	4,918,572	4,486,739	3,484,078

18. Creditors: Amounts falling due within one year

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Trade creditors	195,351	236,666	163,369	213,505
Amounts owed to group undertakings	-	-	49,035	73,841
Corporation tax	62,179	21,587	49,497	-
Other taxation and social security	513,772	259,626	433,486	155,003
Obligations under finance lease and hire purchase contracts	2,391	2,203	2,391	2,203
Other creditors	157,591	183,822	157,339	183,570
Accruals and deferred income	3,399,852	3,124,391	3,350,377	2,957,282
	4,331,136	3,828,295	4,205,494	3,585,404

Included in accruals and deferred income for the Group is deferred income of £2,625,196 (2020: £2,422,990) and for the company £2,590,220 (2020: £2,262,469) in respect of service fees received in advance of service provision.

19. Creditors: Amounts falling due after more than one year

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Net obligations under finance leases and hire purchase contracts	3,275	5,666	3,275	5,666
	3,275	5,666	3,275	5,666

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Within one year	2,784	2,784	2,784	2,784
Between 1-5 years	3,480	6,264	3,480	6,264
Less: future finance charges	(599)	(1,178)	(599)	(1,178)
	5,665	7,870	5,665	7,870

21. Financial instruments

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Financial assets				
Financial assets measured at fair value through profit or loss	5,771,346	4,918,572	4,486,739	3,484,078

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents and money market investments.

22. Deferred taxation

Group and company

			2021 £
At beginning of year			(5,925)
Utilised in year			(36,380)
At end of year			(42,305)
	Group 2021 £	<i>Group 2020 £</i>	<i>Company 2020 £</i>
Accelerated capital allowances	(42,305)	(53,069)	(53,069)
Tax losses carried forward	-	47,144	47,144
	(42,305)	(5,925)	(5,925)

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

23. Provisions

	Dilapidation costs £
Group and Company	
At 1 January 2021	477,095
Charge to profit or loss	-
At 31 December 2021	477,095

The provision is based on an estimate of future dilapidation costs calculated by the Company's commercial property advisors at least every five years and reviewed and updated annually by the Directors.

24. Reserves

Profit and loss account

Includes all current and prior period retained profit and losses.

25. Members' liability

The Company is a private company limited by guarantee and consequently does not have share capital. The members of the Company are subscribing members of the Association at any one time, and their liability, in the event of the winding-up of the Association, is limited to £1 per member.

26. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £167,038 (2020 - £212,510). Contributions totalling £67,436 (2020 - £21,995) were payable to the fund at the reporting date.

27. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	486,772	486,772	486,772	486,772
Later than 1 year and not later than 5 years	283,950	770,722	283,950	770,722
	770,722	1,257,494	770,722	1,257,494

TECHUK LTD

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

28. Related party transactions

The key management personnel of the Association comprise the Chief Executive Officer, the Deputy Chief Executive Officer, the Finance Director, the Director of Marketing and Membership, the Director of Markets, the Director of People and Talent Management and the Director of Technology and Innovation. The total employee benefits for these personnel were £919,618 (2020: £664,920).

Included within Director's emoluments in note 8 and in payments to key management personnel above, is a payment of £60,989 (2020: £67,575) to Crescendo Consultancy Limited of which Joanne Allen is a director for her services as company secretary and head of finance.

Included within Director's emoluments in note 8 and payments to key management personnel above is remuneration paid to Julian David, techUK's Chief Executive Officer. Julian was also a board member of Digital Europe and WITSA throughout the year. The value of services procured by the Company from Digital Europe during the year was £46,075 (2020: £43,435) and from WITSA was £3,576 (2020: £3,844). There was no balance outstanding at the year end to either company.

From time to time, in the ordinary course of the business, the Association also enters into transactions with parties who are members or members who may have a director serving on the Board of the Association.