Company registration number: 01200318

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

TECHUK LTD - FORMERLY
INFORMATION TECHNOLOGY
TELECOMMUNICATIONS AND
ELECTRONICS ASSOCIATION
(A company limited by guarantee)

TECHUK LTD - FORMERLY INFORMATION TECHNOLOGY TELECOMMUNICATIONS AND ELECTRONICS ASSOCIATION

(A company limited by guarantee)

COMPANY INFORMATION

Directors	J Allen Z Bahrololoumi L Bailey J Bhogal (appointed 3 July 2020) V Chavez (resigned 6 July 2020) R Checkley T Crofts Z Cunningham (resigned 17 February 2021) J Davey J David J de Rojas S Flavell C Francis S Gardner (resigned 6 May 2020) S Gill (resigned 20 October 2020) T Goldstaub D Greenwood (appointed 16 February 2021) A Gupta S Hansford R Haworth (resigned 3 July 2020) N Hodson A Johnson E Kanter (appointed 3 July 2020) M Keegan J Lennard (appointed 3 July 2020) T McGeehan D Meads (appointed 3 July 2020) G O'Toole R Petley K Ranger A Rogoyski (resigned 20 October 2020) N Sawyer P Struthers (appointed 4 November 2020) M Thompson W Touche J Towers G Wilson W Yao
Company secretary	J Allen
Registered number	01200318
Registered office	10 St Bride Street London EC4A 4AD

TECHUK LTD - FORMERLY INFORMATION TECHNOLOGY TELECOMMUNICATIONS AND ELECTRONICS ASSOCIATION

(A company limited by guarantee)

Independent auditor	BDO LLP 55 Baker Street London W1U 7EU
Solicitors	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN

TECHUK LTD - FORMERLY INFORMATION TECHNOLOGY TELECOMMUNICATIONS AND ELECTRONICS ASSOCIATION

(A company limited by guarantee)

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

Introduction

The directors are pleased to present their strategic report for the year ended 31 December 2020.

techUK is the trade association which brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve. techUK creates a network for innovation and collaboration across business, government and stakeholders to provide a better future for people, society, the economy and the planet. By providing expertise and insight, we support our members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.

Our vision is a world where we harness the power of technology to improve people's lives and create a thriving society, economy and planet. We are committed to working with our members to harness the power of technology to:

- Empower people - techUK works with the government, education providers and employers to expand skills, talent and opportunity in the digital sector to ensure that everyone can participate in the digitising world.

- Strengthen society - techUK believes technology has the power to strengthen society and we work with the government and stakeholders to build a smarter state that improves the wealth and wellbeing of all citizens.

- Drive the economy - techUK works with businesses and stakeholders to develop effective policy and regulatory solutions to promote the digitisation of the economy, and drive productivity and inclusive growth.

- Protect the planet - techUK leads the discussion on how technology and digital solutions can deliver sustainability and improve the health of our planet. We articulate the role that technology can play in tackling the climate emergency.

Business review

2020 was an unprecedented year for all companies and techUK was no different. Against the backdrop of a global pandemic, techUK seamlessly moved our entire member support operation on-line and have continued our daily interactions with senior government and public sector stakeholders. Whilst our offices have been closed to visitors since March 2020, we have seen even greater engagement of delegates since we moved to online events and have welcomed over 24,000 delegates to virtual events this year. Our reach and influence grew still further in 2020 with an additional c.3,000 LinkedIn followers this year, up from c.10,000 in 2019, c.5,000 new Twitter followers, now at c.35,000, and over 600,000 employees now employed by member companies.

As the pandemic hit, techUK was able to support the industry, government and communities as the nation responded to the public health crisis and the economic fallout. In the initial response, we acted as a conduit between those tech companies that could provide support and those that needed it. For example, we triaged over 100 support offers into the NHS and created a repository of offers from the tech sector to local authorities. We also offered timely updates on Government guidance and support to members as businesses had to react to changes with speed.

During 2020, we also welcomed a new subsidiary to the techUK group. On 1 October 2020, techUK became the sole member of Tech Partnership Degrees, a non-for-profit company which unites employers and universities to improve the flow of talent into the digital workforce. Tech Partnership Degrees is a company limited by guarantee and brings with it cash reserves in excess of £1million for future development of its activities.

The consolidation of Tech Partnership Degrees into the group accounts creates negative goodwill, and this goodwill is being amortised over nine years in the consolidated profit and loss account, in line with the expected period of benefit.

techUK aims to run its affairs to generate a small surplus after taxation, sufficient to enable continued investment in assets which assist in delivering value to our members and to preserve the real value of our reserves. Through a dedicated focus on providing value to members and a tight control on overheads we have managed to achieve this despite the difficulties of 2020. At the beginning of the pandemic when the prognosis was unclear, techUK applied for and received £71,767 in furlough funding, which has since been repaid to the Government.

The surplus for the year after taxation was £80,740 of which £29,089 related to a credit on the amortisation of negative goodwill from the acquisition of Tech Partnership Degrees.

Financial key performance indicators

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

	2020	**2019**
Membership income growth	6%	7%
Other income (reduction)/growth	(44%)	8%
Result for the year before taxation	£65,581	£80,995

Future prospects

The value techUK continues to deliver to its members has meant that we remain in a financially strong position as we enter 2021.

We remain in challenging times as the pandemic continues to impact the health of our population and the strength of the UK economy. We still do not yet know the full long term impact the crisis will have on our members and therefore on us. Whilst this represents an ongoing risk to our business, technology underpins every business and we remain well placed to address this challenge.

While income from events and training has seen an understandable dip in 2020, subscription fees from members remains our key income source and have continued to grow in 2020 and to date in 2021. Our business model of annual membership and six-month notice periods provides us with upfront cashflow and a degree of forward visibility of revenues to deal with any reduction in subscription income.

We enter 2021 in a very strong financial position, with £4.9m in cash, of which £2.4m is cash received in advance of provision of services, and £1.5m in reserves. £1.1m of our cash resources relate to Tech Partnership Degrees, and is ring-fenced for use by the subsidiary for the development of its activties.

Our membership has grown over the last year and we have a very strong recognition profile within our industry and with our key stakeholders, especially the Government. Whilst we are acutely aware of the financial difficulties many of our members are facing, our value to most members and stakeholders has continued to increase as they look to deal with the effects of the current crisis and the challenge of the recovery.

Our key areas of growth in 2021 include growing our national and regional footprint and expanding our offering to UK tech SMEs. We plan to grow our membership and increase influence by strengthening our political network and industry ties across different areas of the UK. We will also explore new ways to partner with existing communities to ensure the technology drives positive change for people, society, the economy and the planet.

Tech Partnership Degrees' strategic position will change as it becomes integrated into the techUK family. We are currently developing that strategy but key elements are to continue to drive the current offerings especially degree apprenticeships where we see potential for growth and expand the accreditation offer to other areas including further education and industry provided training.

Principal risks and uncertainties

The Board has no hesitation in considering techuk a going concern, but we recognise that there remains a higher than normal risk to our ongoing business as a result of the pandemic.

The principal risk facing the Group is a reduction in subscription and other income resulting in turnover insufficient to cover operational expenses in the long term.

We managed to increase our subscription income year on year in 2020 by focusing on the value we are delivering to members, however we expect to see downward pressure on our subscription income in 2021 as the continued restrictions and financial hardships caused by the pandemic impact our smaller members in particular. In 2020 we have already seen some membership resignations from smaller members who derived value from the use of our facilities and physical networking, and we expect this to continue in 2021.

We also expect to see continued downward pressure on other income streams, in particular our physical event programme. We have however been successful in delivering virtual flagship events during 2020 and expect to continue this into 2021 and beyond.

We are monitoring member movements closely in order to flex expenses where we believe this to be necessary.

As always, there is also a risk that we lack the ability to deliver value in a certain area for our members due to the loss of key people. Attracting and retaining sufficient skills and experience within the Group is always a risk as our people are experts in their fields and filling vacancies can be a time-consuming process. We were anticipating a reduction in this risk in 2020 as a result of the pandemic however our people continue to be highly sought after due to their expertise, and our attrition rates have not dropped during the pandemic. We therefore expect this to continue being a risk for 2021.

Illness caused by the pandemic has thankfully been limited and our people have continued to work from home since the initial lockdown. Remote working is however a challenging environment for operations particularly for a sustained period, and the Board and management are working hard to ensure that our people are able to deliver for our members and remain engaged, committed and effective.

techUK has a strong mission and a dedicated team, we have continued to deliver value for our members throughout this crisis and will continue to do so in the future.

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

J Allen
Director

Date: 19 May 2021

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 £80,740 *(2019 - £62,297)* of which £29,089 related to a credit on the amortisation of negative goodwill from the acquisition of Tech Partnership Degrees. The result for the year also includes a loss of £218,808 on disposal in respect of the Group's previous CRM system which was replaced in the year.

Directors

The directors who served during the year were:

J Allen
Z Bahrololoumi
Bailey
J Bhogal (appointed 3 July 2020)
V Chavez (resigned 6 July 2020)
R Checkley
T Crofts
Z Cunningham (resigned 17 February 2021)
J Davey
J David
J de Rojas
S Flavell
C Francis
S Gardner (resigned 6 May 2020)
S Gill (resigned 20 October 2020)
T Goldstaub
A Gupta
S Hansford
R Haworth (resigned 3 July 2020)

N Hodson
A Johnson
E Kanter (appointed 3 July 2020)
M Keegan
J Lennard (appointed 3 July 2020)
T McGeehan
D Meads (appointed 3 July 2020)
G O'Toole
R Petley
K Ranger
A Rogoyski (resigned 20 October 2020)
N Sawyer
P Struthers (appointed 4 November 2020)
M Thompson
W Touche
J Towers
G Wilson
W Yao

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.

Post balance sheet events

We are not aware of any post balance sheet events that impact the financial statements.

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

J Allen
Director

Date: 19 May 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHUK LTD - FORMERLY INFORMATION TECHNOLOGY TELECOMMUNICATIONS AND ELECTRONICS ASSOCIATION

Opinion on the financial statements

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 2020 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 2020 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 Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 - FORMERLY INFORMATION TECHNOLOGY TELECOMMUNICATIONS AND ELECTRONICS ASSOCIATION (CONTINUED)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Other Companies Act 2006 reporting

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.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHUK LTD - FORMERLY INFORMATION TECHNOLOGY TELECOMMUNICATIONS AND ELECTRONICS ASSOCIATION (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, 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.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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.

Our testing included, but was not limited to:

- testing the financial statement disclosures to supporting documentation, performing substantive testing on account balances which were considered to be of greater risk of susceptibility to fraud;

- performing targeted journal entry testing based on identified characteristics the audit team considered could be indicative of fraud, for example credit entries to revenue without a corresponding entry to trade receivables, accrued income or deferred income; and

- critically assessing areas of the financial statements, which include judgement and estimates, as set out in note 3 of the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHUK LTD - FORMERLY INFORMATION TECHNOLOGY TELECOMMUNICATIONS AND ELECTRONICS ASSOCIATION (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.

Mark Ayres (Senior statutory auditor)
for and on behalf of
BDO LLP
Statutory Auditor
55 Baker Street
London
W1U 7EU

Date:11 June 2021

BDO LLP is a limited liability parternship registered in England and Wales (with registration number OC305127)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 £	2019 £
Turnover	4	**6,523,129**	*6,972,331*
Administrative expenses		**(6,461,890)**	*(6,912,226)*
Operating profit	5	**61,239**	*60,105*
Interest receivable and similar income	9	**5,095**	*21,558*
Interest payable and expenses	10	**(753)**	*(668)*
Profit before taxation		**65,581**	*80,995*
Taxation	11	**15,159**	*(18,698)*
Profit for the financial year		**80,740**	*62,297*
Total comprehensive income for the year		**80,740**	*62,297*

The notes on pages 16 to 33 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note		2020 £		*2019 As restated* £*
Fixed assets					
Intangible assets	13		**(1,018,128)**		-
Tangible assets	14		**849,001**		*1,187,490*
			(169,127)		*1,187,490*
Current assets					
Debtors: amounts falling due within one year	17	**966,525**		*1,039,628*	
Money-market investments	18	**-**		*2,000,000*	
Cash and cash equivalents	19	**4,918,572**		*1,196,759*	
		5,885,097		*4,236,387*	
Creditors: amounts falling due within one year	20	**(3,828,295)**		*(3,609,943)*	
Net current assets			**2,056,802**		*626,444*
Total assets less current liabilities			**1,887,675**		*1,813,934*
Creditors: amounts falling due after more than one year	21		**(5,666)**		*(7,869)*
Provisions for liabilities					
Deferred taxation	24	**(5,925)**		*(10,721)*	
Provisions		**(477,095)**		*(477,095)*	
			(483,020)		*(487,816)*
Net assets			**1,398,989**		*1,318,249*
Capital and reserves					
Profit and loss account	26		**1,398,989**		*1,318,249*
			1,398,989		*1,318,249*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 May 2021.

J Allen
Director

W Touche
Director

The notes on pages 16 to 33 form part of these financial statements.

* The restatement is to show money market investments greater than three months separately from cash and cash equivalents.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note		2020 £		*2019 As restated* £*
Fixed assets					
Tangible assets	14		**849,001**		*1,187,490*
Investments	15		**1,002**		*1,002*
			850,003		*1,188,492*
Current assets					
Debtors: amounts falling due within one year	17	**847,338**		*1,034,457*	
Money-market investments	18	**-**		*2,000,000*	
Cash and cash equivalents	19	**3,484,078**		*988,782*	
		4,331,416		*4,023,239*	
Creditors: amounts falling due within one year	20	**(3,585,404)**		*(3,608,240)*	
Net current assets			**746,012**		*414,999*
Total assets less current liabilities			**1,596,015**		*1,603,491*
Creditors: amounts falling due after more than one year	21		**(5,666)**		*(7,869)*
Provisions for liabilities					
Deferred taxation	24	**(5,925)**		*(10,721)*	
Provisions	25	**(477,095)**		*(477,095)*	
			(483,020)		*(487,816)*
Net assets			**1,107,329**		*1,107,806*
Capital and reserves					
Profit and loss account carried forward			**1,107,329**		*1,107,806*
			1,107,329		*1,107,806*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 May 2021

J Allen
Director

W Touche
Director

The notes on pages 16 to 33 form part of these financial statements.

* The restatement is to show money market investments greater than three months separately from cash and cash equivalents.

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 16 to 33 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Profit and loss account	Total equity
	£	£
At 1 January 2019	**1,255,952**	**1,255,952**
Comprehensive income for the year		
Profit for the year	**62,297**	**62,297**
At 31 December 2019	**1,318,249**	**1,318,249**

The notes on pages 16 to 33 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 16 to 33 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Profit and loss account	Total equity
	£	£
At 1 January 2019	1,086,516	1,086,516
Comprehensive income for the year		
Profit for the year	21,290	21,290
At 31 December 2019	1,107,806	1,107,806

The notes on pages 16 to 33 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	*As restated** *2019* *£*
Cash flows from operating activities		
Operating profit	**61,239**	*60,105*
Adjustments for:		
Amortisation of intangible assets	**(29,089)**	*-*
Depreciation of tangible assets	**254,707**	*239,471*
Loss on disposal of tangible assets	**218,808**	*-*
Decrease/(increase) in debtors	**172,427**	*(188,559)*
Increase in creditors	**136,947**	*133,701*
Increase in provisions	**-**	*10,000*
Corporation tax (paid)/received	**(6,056)**	*11,421*
Net cash generated from operating activities	**808,983**	*266,139*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(135,024)**	*(125,519)*
Return of/ (investment in) money market deposit	**2,000,000**	*(2,000,000)*
Cash acquired on acquisition	**1,045,545**	*-*
Interest received	**5,093**	*21,558*
Net cash from investing activities	**2,915,614**	*(2,103,961)*
Cash flows from financing activities		
Repayment of finance leases	**(2,031)**	*(1,419)*
Interest paid	**(753)**	*(668)*
Net cash used in financing activities	**(2,784)**	*(2,087)*
Net increase/(decrease) in cash and cash equivalents	**3,721,813**	*(1,839,909)*
Cash and cash equivalents at beginning of year	**1,196,759**	*3,036,668*
Cash and cash equivalents at the end of year	**4,918,572**	*1,196,759*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**4,918,572**	*1,196,759*
	4,918,572	*1,196,759*

The notes on pages 16 to 33 form part of these financial statements.

* The restatement is to show money market investments greater than three months separately from cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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 judgement 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 16.

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 forseeable 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 turnover 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 turnover 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.

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 prior year, a twelve month money market investment of £2,000,000 was included within cash and cash equivalents. The comparatives have been restated to show this as a money market investment.

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. Accounting policies (continued)

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.

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. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation 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 reporting date 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.

2.13 Operating leases

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. Accounting policies (continued)

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 the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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.

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 Statement of financial position 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. Accounting policies (continued)

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.

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. Judgements 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 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, doubtful debts 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:

	2020 £	2019 £
Membership subscriptions	**5,560,446**	*5,260,228*
Training, conferences and events	**184,161**	*757,620*
Project work	**778,522**	*954,483*
	6,523,129	*6,972,331*

All turnover arose within the United Kingdom. Included within turnover received from project work is £118,310 (2019: £265,293) of funds received from government bodies.

5. Operating profit

The operating profit is stated after charging/(crediting):

	2020 £	2019 £
Amortisation of negative goodwill	**(29,089)**	-
Depreciation of tangible fixed assets	**254,705**	*247,763*
Loss on disposal of tangible fixed assets	**218,808**	-
Exchange differences	**2,679**	*1,556*
Property lease rentals	**401,628**	*401,727*

6. Auditors' remuneration

	2020 £	2019 £
Audit fee	**29,500**	*24,500*

7. Employees

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

	2020 £	2019 £
Wages and salaries	**3,074,273**	*3,004,757*
Social security costs	**328,739**	*336,547*
Costs of defined contribution scheme	**212,510**	*210,483*
	3,615,522	*3,551,787*

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

	2020 No.	2019 No.
Administrative staff	**63**	*60*

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	**283,763**	*320,155*
Company contributions to defined contributions pension scheme	**10,600**	*13,520*
	294,363	*333,675*

During the year retirement benefits were accruing to 2 directors (2019 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £204,188 (2019 - £260,326).

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 (2019 - £13,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Interest receivable

	2020 £	*2019* *£*
Other interest receivable	**5,095**	*21,558*
	5,095	*21,558*

10. Interest payable and similar expenses

	2020 £	*2019* *£*
Bank interest payable	**753**	*668*
	753	*668*

11. Taxation

	2020 £	*2019* *£*
Corporation tax		
Current tax on profits for the year	**13,426**	*15,182*
Adjustments in respect of previous periods	**(23,789)**	*(11,418)*
	(10,363)	*3,764*
Total current tax	**(10,363)**	*3,764*
Deferred tax		
Origination and reversal of timing differences	**(6,057)**	*14,934*
Changes to tax rates	**1,261**	*-*
Total deferred tax	**(4,796)**	*14,934*
Taxation on profit on ordinary activities	**(15,159)**	*18,698*

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2019 - higher than)* the standard rate of corporation tax in the UK of 19% *(2019 - 19%)*. The differences are explained below:

	2020 £	*2019* *£*
Profit on ordinary activities before tax	**65,581**	*80,995*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	**12,460**	*15,389*
Effects of:		
Expenses not deductible for tax purposes	**436**	*15,163*
Difference in tax rates	**1,261**	*(436)*
Prior periods research and development claims	**(23,789)**	*(11,418)*
Amortisation of negative goodwill	**(5,527)**	*-*
Total tax charge for the year	**(15,159)**	*18,698*

Factors that may affect future tax charges

The Company is amortising negative goodwill of £1,047,217 over nine years, of which £29,089 was recognised in 2020. The amortisation charge will create a credit to the income statement each year however there will be no impact on the tax charge.

12. Company profit for the year

techUK has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own income statement in these financial statements. The loss after tax of the parent Company for the year was £477 *(2019 - profit £21,290)*.

13. Intangible assets

Group

	Goodwill £
Cost	
On acquisition of subsidiaries	**(1,047,217)**
At 31 December 2020	**(1,047,217)**
Amortisation	
Released in the year	**(29,089)**
At 31 December 2020	**(29,089)**
Net book value	
At 31 December 2020	**(1,018,128)**

Negative Goodwill

On 1 October 2020 the company became the sole member of Tech Partnership Degrees. The membership was transferred for zero consideration however the fair value of the net assets of 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Tangible fixed assets

Group and Company

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2020	**1,201,235**	**401,126**	**1,079,706**	**2,682,067**
Additions	**-**	**2,703**	**132,321**	**135,024**
Disposals	**-**	**(180,479)**	**(681,425)**	**(861,904)**
At 31 December 2020	**1,201,235**	**223,350**	**530,602**	**1,955,187**
Depreciation				
At 1 January 2020	**500,302**	**283,372**	**710,903**	**1,494,577**
Charge for the year	**82,136**	**27,866**	**144,703**	**254,705**
Disposals	**-**	**(179,706)**	**(463,390)**	**(643,096)**
At 31 December 2020	**582,438**	**131,532**	**392,216**	**1,106,186**
Net book value				
At 31 December 2020	**618,797**	**91,818**	**138,386**	**849,001**
At 31 December 2019	*700,933*	*117,754*	*368,803*	*1,187,490*

Included in tangible assets fixed assets are assets held under finance lease with a net book value of £7,735 (2019: £9,621)

15. Fixed asset investments

Company

	Investments in subsidiary companies
	£
Cost or valuation	
At 1 January 2020	**1,002**
Addition (see note 17)	**-**
At 31 December 2020	**1,002**
Net book value	
At 31 December 2020	**1,002**
At 31 December 2019	*1,002*

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	**Principal activity**	**Holding**
Intellect Enterprises Limited	Provision of software escrow services	100%
Electronics Technology Network Limited	Dormant company	100%
TechUK (Dormant) Ltd	Dormant company	100%
Tech Partnership Degrees	Educational support services	100%

16. Business combinations

On 1 October 2020 techUK obtained control of Tech Partnership Degrees, a company limited by guarantee.

Tech Partnership Degrees promotes excellence in IT education, skills and qualification in particular across Higher Education and Apprenticeships.

Tech Partnership Degrees chose to join the techUK group in order to strengthen its ability to help improve the flow of talent into the digital workforce. As part of the business combination, techUK agreed that the cash reserves of Tech Partnership Degrees would only be utilised in furthering these aims rather than for use by techUK for general corporate purposes.

The sole membership of Tech Partnership Degrees was transferred to techUK for nil consideration and therefore negative goodwill arises on the acquisition as follows:

	2020 **£**
Debtors and accrued income	**76,503**
Cash	**1,045,545**
Creditors	**(74,831)**
Less consideration	**-**
	1,047,217

In the Consolidated Statement of Comprehensive Income, revenue of £113,199 and profit before tax of £28,113 relates to Tech Partnership Degrees.

17. Debtors

	Group **2020** **£**	*Group* *2019* *£*	**Company** **2020** **£**	*Company* *2019* *£*
Trade debtors	**526,574**	*774,984*	**442,544**	*770,071*
Amounts owed by group undertakings	**-**	*-*	**46,200**	*-*
Other debtors	**37,385**	*11,271*	**37,385**	*11,269*
Prepayments and accrued income	**402,566**	*253,373*	**321,209**	*253,117*
	966,525	*1,039,628*	**847,338**	*1,034,457*

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. Money-market investments

	Group	*Group As restated*	**Company**	*Company As restated*
	2020	*2019*	**2020**	*2019*
	£	*£*	**£**	*£*
Money-market investments	**-**	*2,000,000*	**-**	*2,000,000*
	-	*2,000,000*	**-**	*2,000,000*

19. Cash and cash equivalents

	Group	*Group As restated*	**Company**	*Company As restated*
	2020	*2019*	**2020**	*2019*
	£	*£*	**£**	*£*
Cash at bank and in hand	**4,918,572**	*1,196,759*	**3,484,078**	*988,782*
	4,918,572	*1,196,759*	**3,484,078**	*988,782*

Included within cash at bank at 31 December 2020 is £1,137,636 held by Tech Partnership Degrees. techUK gave an undertaking to the Directors of Tech Partnership Degrees at acquisition that the resources will only be utilised in the furtherance of the aims of the subsidiary.

20. Creditors: Amounts falling due within one year

	Group	*Group*	**Company**	*Company*
	2020	*2019*	**2020**	*2019*
	£	*£*	**£**	*£*
Trade creditors	**236,666**	*147,446*	**213,505**	*147,446*
Amounts owed to group undertakings	**-**	*-*	**73,841**	*94,483*
Corporation tax	**21,587**	*15,185*	**-**	*4,096*
Other taxation and social security	**259,626**	*221,430*	**155,003**	*163,894*
Obligations under finance lease and hire purchase contracts	**2,203**	*2,031*	**2,203**	*2,031*
Other creditors	**183,822**	*90,088*	**183,570**	*89,836*
Accruals and deferred income	**3,124,391**	*3,133,763*	**2,957,282**	*3,106,454*
	3,828,295	*3,609,943*	**3,585,404**	*3,608,240*

Included in accruals and deferred income for the Group is deferred income of £2,422,990 *(2019: £1,954,102)* and for the company £2,262,469 *(2019: £1,931,570)* in respect of service fees received in advance of service provision.

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

	Group 2020 £	*Group 2019 £*	**Company 2020 £**	*Company 2019 £*
Finance leases	**5,666**	*7,869*	**5,666**	*7,869*
	5,666	*7,869*	**5,666**	*7,869*

22. Finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2020 £	*Group 2019 £*	**Company 2020 £**	*Company 2019 £*
Within one year	**2,784**	*2,784*	**2,784**	*2,784*
Between 1-5 years	**6,264**	*9,048*	**6,264**	*9,048*
Less: future finance charges	**(1,178)**	*(1,932)*	**(1,178)**	*(1,932)*
Present value of lease obligations	**7,870**	*9,900*	**7,870**	*9,900*
Current	**2,204**	*2,031*	**2,204**	*2,031*
Non-current	**5,666**	*7,869*	**5,666**	*7,869*
	7,870	*9,900*	**7,870**	*9,900*

23. Financial instruments

	Group 2020 £	*Group 2019 £*	**Company 2020 £**	*Company 2019 £*
Financial assets				
Financial assets measured at fair value through profit or loss	**4,918,572**	*1,196,759*	**3,484,078**	*2,988,782*

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

24. Deferred taxation

Group and company

	2020 £
At beginning of year	**(10,721)**
Movement in year	**4,796**
At end of year	**(5,925)**

The provision for deferred taxation is made up as follows:

	Group 2020 £	*Group 2019 £*	Company 2020 £	*Company 2019 £*
Accelerated capital allowances and other timing differences	**(53,069)**	*(100,272)*	**(53,069)**	*(100,272)*
Tax losses carried forward	**47,144**	*89,551*	**47,144**	*89,551*
	(5,925)	*(10,721)*	**(5,925)**	*(10,721)*

25. Provisions

	Dilapidation costs £
Group and company	
At 1 January 2020	**477,095**
Charge to profit or loss	**-**
At 31 December 2020	**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.

26. Reserves

Profit and loss account

Includes all current and prior period retained profit and losses.

27. Members' liability

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.

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

28. 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 £212,510 (2019 - £210,483). Contributions totalling £21,995 (2019 - £27,803) were payable to the fund at the reporting date.

29. Commitments under operating leases

At 31 December 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £	*Group 2019 £*	**Company 2020 £**	*Company 2019 £*
Not later than 1 year	**486,772**	*486,772*	**486,772**	*486,772*
Later than 1 year and not later than 5 years	**770,722**	*1,257,494*	**770,722**	*1,257,494*
	1,257,494	*1,744,266*	**1,257,494**	*1,744,266*

30. 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 and the Director of People and Talent Management. The total employee benefits for these personnel were £664,920 (2019: £754,185).

Included within Director's emoluments in note 9 and in payments to key management personnel above, is a payment of £67,575 (2019: £46,096) 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 9 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 to Digital Europe during the year was £43,435 (2019: £43,765) and to WITSA was £3,844 (2019: £3,821). 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.