
THE STAFF AND EDUCATIONAL DEVELOPMENT ASSOCIATION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2020

Company number: 03709481

Charity number: 1089537

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DIRECTORS' AND TRUSTEES' REPORT

Year ended 31 December 2020

The Executive Committee, the members of which are the directors and the trustees of The Staff and Educational Development Association (SEDA) the charitable company, present their report and the audited accounts for the year ended 31 December 2020.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charitable company.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Chairs' report

SEDA continues to promote innovation and good practice in higher education. SEDA is seen by many as the shaper of thought and initiator of action in staff and educational development, not only in the UK but in the international domain also.

We have had another very active year, arranging our normal calendar of conferences and events, publishing regular periodicals and new works, and providing grants to support members. In terms of finance, we have recorded a deficit in 2020 (deficit in 2019). This is despite the many efforts to increase income and contain costs. Work will continue to redress this situation in 2021.

Thanks are due to the various Committee Chairs, members of the Executive (trustees listed on page 4) and staff in the ACU for their work, good judgment, advice and cooperation during the past year.

Carole Davis & Clara Davies, Co-Chairs

Aims and Activities

The primary objects of the charitable company are the advancement of education for the benefit of the public, particularly through the improvement of all aspects of learning, teaching and training in higher education through staff and educational development.

In shaping the charitable company's objectives for the year and planning its activities the Trustees have considered the Charity Commission's guidance on public benefit.

Review of Activities

Despite the effects of COVID-19 on SEDA and the Higher Education sector in general, SEDA has continued to be influential in Higher Education and has further developed its work in the areas of research, conferences, publications, professional development and membership services. Annual Reports of the Staff and Educational Development Association are available to download at: <http://www.seda.ac.uk/about> and give a detailed review of activities, together with details of SEDA's development and collaborative achievements and an exploration of its public benefit.

DIRECTORS' AND TRUSTEES' REPORT - continued
Year ended 31 December 2020

Achievements and Performance

SEDA continues to meet the needs of higher education in a time of considerable change and uncertainty in the sector - unrestricted income decreased by £111K to £197K as the sector faces a difficult financial situation.

Financial Review

The attached statement of accounts shows that SEDA has made £63K deficit on this year's unrestricted activities, £31K reduction on 2019 (£32K deficit). Membership subscription income decreased to £137K in 2020 (2019: £141K). Conferences income also fell to £5K (2019: £102K). While Conference costs also fell to £43K (2019: £104K), the net effect of £38K negative contribution.

The net expenditure for the two journals (*Innovations in Education* and *Teaching International and Educational Developments*) decreased to £24K (2019: £32K). Income from SEDA's publications decreased to £2K (2019: £5K), while costs increased to £17K (2019: £16K). This area of activity is subject to the same falling demand that faces all hard copy publishers. Production costs are under constant review. Professional development income fell to £25K (2019: £27K) due to reduced demand for this service. With professional development costs decreasing to £34K (2019: £36K), net expenditure remained at £9K negative contribution. Both publications and professional development are essential to SEDA's overall membership provision and continue to be a valuable resource for the sector.

Restricted funds show SEDA made a net income of £17K, £23K increase on 2019 (£6K net expenditure). Project Grants income increased to £54K in 2020 (2019: £40K). The costs for restricted project activities was £37K (2019: £46K).

Total funds for SEDA fell to £122k at the end of 2020 (2019: £168K) of which £31K (2019: £14K) related to restricted funds.

The Executive has met during the year to monitor SEDA's income and expenditure and to advise and guide on management, financial and operational issues. All SEDA's Committees continue to have important work to do to consider the costs of their activities and to advise on measures which can be taken to ensure SEDA continues to operate on a sound financial basis.

SEDA has, throughout the year, continued to chase debts with vigour and this will continue in 2021.

Plans for the Future

It is crucial that SEDA maintains and continues to expand its membership base as this continues to provide the majority of its income. SEDA must also continue to seek to reduce its reliance on this form of funding, and explore opportunities to diversify its income. A time limited task group is to be established to advise SEDA on strategic measures to be taken to increase and diversify income and reduce costs whilst maintain the excellent quality of our products

SEDA must continue the measures already in place to ensure activities are correctly costed and identify and strive for efficiency savings wherever possible and appropriate. It is important that during 2021 all SEDA Committees continue to ensure the cost effectiveness of their operations. SEDA must maintain strict financial controls and good housekeeping through all its activities. Every effort must be made to maximise income opportunities and Committees must take on the responsibility to evaluate the cost effectiveness of activities. SEDA continues to have a wide range of good, necessary and marketable 'products' that are in demand in the sector. It is the responsibility of all committee members to ensure that the quality of these 'products' is maintained and enhanced and that marketing is put in place to ensure that they reach all of their potential markets.

DIRECTORS' AND TRUSTEES' REPORT - continued
Year ended 31 December 2020

Risk Management

Major risks have been reviewed and systems and procedures established to manage these risks, eg annual review of risk register.

The following key principles outline SEDA's approach to risk management and internal control. That the Executive Committee:

- has responsibility for overseeing risk management within the company as a whole;
- has an open and receptive approach to solving risk problems;
- makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks, whilst recognising them; and
- identifies key risk indicators and closely monitors them on a regular basis.

SEDA maintains a Register of Risks and this is assessed and updated annually. The key risks faced are the impact of the coronavirus to both SEDA and the sector, fast moving pace of developments in the Higher Education sector and the difficulty in communicating SEDA's work and impact to the sector.

Reserves Policy and Going Concern Basis

During the year the trustees reviewed the Reserves Policy. Reserves are held to accommodate structural changes in SEDA's activities – e.g. decline in income or investment for development of new activities. The trustees considered that a range between £175K and £225K is appropriate. This year's deficit decreases SEDA's unrestricted reserve and this now stands at £91K (2019: £155K), which is now outside that range. SEDA must strive to arrest this financial decline and ensure this reserve is increased to come back within the agreed range.

The sudden impact of COVID-19 on both SEDA and the sector and the consequential prohibition of business and social gatherings has produced a major challenge to certain established SEDA activities; notably Conferences and events. Rapid and decisive action is required to reduce expenditure, control costs and maximise income. Savings have been identified where possible in areas such as postage, travel, printing and administration costs to reduce the deficit.

SEDA will continue to control its finances rigorously, which together with the Reserves justify the trustees' opinion that it is a going concern.

Administration - structure, governance and management

Charity name	The Staff and Educational Development Association The charity is also known as SEDA.
Charity Registration Number	1089537
Company Registration Number	03709481
Registered office	Woburn House 20-24 Tavistock Square London WC1H 9HF

DIRECTORS' AND TRUSTEES' REPORT - continued
Year ended 31 December 2020

Executive Committee

David Baume (appointed 21st July 2020)
Sue Beckingham (resigned 21st July 2020)
Dr Rebecca Bilton
John Bostock (appointed 21st July 2020)
Penny Burden
Roisín Curran
Nigel Dandy
Dr Clara Davies
Dr Carole Davis
Elaine Fisher
Dr Mary Fitzpatrick (resigned 21st July 2020)
Charl Fregona
Professor Peter Hartley
Dr Lisa Hayes (resigned 3rd April 2020)
Dr Helen King
Dr Jenny Lawrence
Dr Jaki Lilly
Professor Pamela Parker
Jo Peat (resigned 21st July 2020)
Professor John Peters
Dr Clare Power
Dr Rowena Senior
Maurice L Teasdale
Dr David Walker
Professor James Wisdom
Professor Gina Wisker

Company Secretary

Professor James Wisdom

Senior Statutory Auditor

Annie Lee
PK Audit LLP
Statutory Auditors
Chartered Accountants

Bankers

NatWest plc
Tavistock House
Tavistock Square
London WC1H 9XA

Organisation

The charity is governed by its Executive Committee which is responsible for formulating the strategies and policies of the charity including the approval of budgets and the annual accounts. The Committee delegates the day to day running of the charity to the Association of Commonwealth Universities (ACU) which provides administration services under contract.

Executive Committee

The members of the Executive Committee serving during the course of the year are listed above.

Dr Clara Davies and Dr Carole Davis are co-chairs of the Executive Committee. The Executive Committee meets three times a year. One of those meetings is a two day strategy and policy meeting.

As well as the Executive Committee, detailed above, there are the following sub-committees:

Publications – Papers
Publications – Education Developments
Professional Development Framework
Conference and Events
Scholarship & Research
Services & Enterprise

These sub-committees meet three to five times a year.

DIRECTORS' AND TRUSTEES' REPORT - continued
Year ended 31 December 2020

Recruitment and appointment of directors

Directors are appointed and resign in accordance with the Articles of Association. Directors are put forward for election at the AGM by the members. The initial period of membership of the Executive Committee is three years, followed by a two year period after which time a Director must retire. Members select appropriate members for nomination based on their experience in their fields. New nominees tend to have been sub-committee members, which is effectively their induction process.

Governing document

The charity is constituted as a company limited by guarantee with charitable status, having no share capital. It is exempt from using the title "limited" under section 60 of the Companies Act 2006. It was registered with the Charity Commission on 28 November 2001. It is governed by its memorandum and articles of association and the policies made from time to time by the Executive Committee.

Statement of Directors Responsibilities

The directors (who are also trustees of The Staff and Educational Development Association for the purposes of charity law) are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for

safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of the directors has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

DIRECTORS' AND TRUSTEES' REPORT - continued
Year ended 31 December 2020

Statement as to disclosure to our auditors

In so far as the directors (who are also trustees of The Staff and Educational Development Association for the purposes of charity law) are aware at the time of approving our trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the company's auditor is unaware, and
- The directors, having made enquiries of fellow directors and the company's auditor that they ought to have individually taken, have each taken all steps that he / she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Executive Committee on 09 September 2021.



9th September 2021

M L Teasdale
Director and trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE STAFF AND EDUCATIONAL DEVELOPMENT ASSOCIATION

Opinion

We have audited the financial statements of The Staff and Educational Development Association (the 'SEDA') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the SEDA 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 trustees 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 SEDA'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees is 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE STAFF AND EDUCATIONAL DEVELOPMENT ASSOCIATION - continued**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees report has 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 SEDA and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the SEDA for the purpose of company law, is 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 trustees determines 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 trustees is responsible for assessing the SEDA'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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE STAFF AND EDUCATIONAL DEVELOPMENT ASSOCIATION - continued**

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

Based on our understanding of the charitable company and the industry and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks are:

- Non-compliance with the provisions of laws and regulations generally recognised (related to health and safety, anti-bribery, money laundering legislation and tax law) to have a direct effect on the determination of material amounts and disclosures in the financial statements;
- The risk of management override of internal controls for any evidence of bias by the directors that represented a risk of material misstatement due to fraud; and
- The risk of not identifying related party transactions.

Audit procedures performed by the engagement team

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety, anti-bribery, money laundering legislation and tax law) and fraud;
- Performing low level analytical procedures to any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviews of minutes of meetings of those charged with governance;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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 a law or regulation 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Annie Lee

Annie Lee (Senior Statutory Auditor)
for and on behalf of PK Audit LLP

9 September 2021

Chartered Accountants
Statutory Auditor

1 Parkshot
Richmond
Surrey
TW9 2RD

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)
Year ended 31 December 2020

2020	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income and endowments from					
Project Grants		-	53,736	53,736	39,571
Charitable Activities					
Membership		137,188	-	137,188	141,486
IETI		13,462	-	13,462	13,609
Educational developments		725	-	725	1,059
Publications		1,546	-	1,546	4,928
Fellowships		6,057	-	6,057	6,538
Courses		8,612	-	8,612	11,685
Professional development		24,735	-	24,735	26,588
Research		-	-	-	425
Conferences and events		4,722	-	4,722	101,874
Bank interest receivable		425	-	425	766
Total income	2.1	197,472	53,736	251,208	348,529
Expenditure on					
Charitable Activities					
Project activities		-	37,144	37,144	45,787
Membership		55,293	-	55,293	59,640
IETI		10,619	-	10,619	10,726
Educational developments		27,370	-	27,370	36,128
Publications		16,680	-	16,680	16,419
Fellowships		16,336	-	16,336	15,692
Courses		20,893	-	20,893	20,707
Professional development		33,696	-	33,696	35,695
Research		12,362	-	12,362	11,973
Conferences and events		42,599	-	42,599	103,835
Governance		24,813	-	24,813	29,994
Total expenditure	3	260,661	37,144	297,805	386,596
Total net expenditure for the year		(63,189)	16,592	(46,597)	(38,067)
Total funds brought forward from previous year		154,428	14,019	168,447	206,514
Total funds carried forward		91,239	30,611	121,850	168,447

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)
Year ended 31 December 2020

2019	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Income and endowments from				
<i>Project Grants</i>		-	39,571	39,571
<i>Charitable Activities</i>				
Membership		141,486	-	141,486
IETI		13,609	-	13,609
Educational developments		1,059	-	1,059
Publications		4,928	-	4,928
Fellowships		6,538	-	6,538
Courses		11,685	-	11,685
Professional development		26,588	-	26,588
Research		425	-	425
Conferences and events		101,874	-	101,874
Bank interest receivable		766	-	766
Total income	2	308,958	39,571	348,529
Expenditure on				
<i>Charitable Activities</i>				
Project activities		-	45,787	45,787
Membership		59,640	-	59,640
IETI		10,726	-	10,726
Educational developments		36,128	-	36,128
Publications		16,419	-	16,419
Fellowships		15,692	-	15,692
Courses		20,707	-	20,707
Professional development		35,695	-	35,695
Research		11,973	-	11,973
Conferences and events		103,835	-	103,835
Governance		29,994	-	29,994
Total expenditure	3	340,809	45,787	386,596
Total net expenditure for the year		(31,851)	(6,216)	(38,067)
Total funds brought forward from previous year		186,279	20,235	206,514
Total funds carried forward		154,428	14,019	168,447

BALANCE SHEET
31 December 2020

	Note	2020	2019
		£	£
Current assets			
Debtors	5	39,726	39,740
Cash at bank and in hand		155,686	198,609
		<u>195,412</u>	<u>238,349</u>
Creditors: amounts falling due within one year			
	6	<u>(73,562)</u>	<u>(69,902)</u>
Total assets less current liabilities		<u>121,850</u>	<u>168,447</u>
Reserves			
Unrestricted funds	7	91,239	154,428
Restricted funds		30,611	14,019
Total charity funds	8	<u>121,850</u>	<u>168,447</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 13 to 18 form part of these accounts.

Approved by the Executive Committee on 09 September 2021 and signed on its behalf by

M Teasdale

9th September 2021

M L Teasdale
Director and trustee

NOTES TO THE ACCOUNTS

1 Accounting policies

Charity information

The Staff and Educational Development Association is a Charity which is a private company and limited by guarantee. It is incorporated in England and Wales. The registered office is Woburn House, 20-24 Tavistock Square, London WC1H 9HF.

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include financial instruments at fair value. The principal accounting policies adopted are set out below.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

1.2 Preparation of the accounts on a going concern basis

The Trustees consider that there are no material uncertainties regarding the charitable company's ability to continue as a going concern.

After considering future plans, budgets, cash and reserve levels as well as the risks and uncertainties, the trustees have a reasonable expectation that the company has adequate resources and facilities in place to continue its activities for the foreseeable future. Accordingly the company continues to adopt the going concern basis in preparing the financial statements.

1.3 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments and section 12 'Other Financial Instrument Issues of FRS102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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. Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

NOTES TO THE ACCOUNTS - continued

1.5 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

1.6 Income recognition policies

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grant and other income is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant or other income have been met or are fully within the control of the charity, it is probable that the income will be received and the amount can be measured reliably. Grant income is not deferred.

Income received in advance of a membership period or event is deferred until the criteria for income recognition are met.

1.7 Expenditure recognition

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure includes expenditure associated with the delivery of activities meeting charitable objects and comprises both the direct costs and support costs relating to these activities.

Governance costs include those costs associated with the governance of the charitable company and include audit fees and costs limited to the strategic management of the charitable company.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

The charitable company accounts for expenditure on publications as it is incurred (instead of adding it to the value of publications stock). Thus no stock value is carried in the accounts.

1.8 VAT

Irrecoverable input VAT is included in expenditure on the basis of the costs to which it relates.

1.9 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2 Foreign Exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the time of the transaction. Gains and losses arising on translation are included in the statement of financial activities for the period.

NOTES TO THE ACCOUNTS - continued

2.1 Income

All income was derived from the main objectives of the charitable company - namely, the advancement of education for the benefit of the public, particularly through the improvement of all aspects of learning, teaching and training in higher education through staff and educational development.

NOTES TO THE ACCOUNTS - continued

3 Total expenditure

2020	Membership	IETI	Educational Developments	Publications	Fellowships	Courses	Professional development	Research	Conferences and Events	Governance	Total
	£	£	£	£	£	£	£	£	£	£	£
Venue hire & associated costs	-		390	-	-	-	79	33	440	-	942
Printing and Design	-		5,752	-	-	-	-		-	-	5,752
Publication costs	20,495		-	882	-	305	-		-	-	21,682
Administration	6,657		-	-	-	903	-		774	-	8,334
Travel	-		259	-	-	-	1,139	274	94	-	1,766
Other costs	2,614	7,892	2,788	2,201	2,700	6,049	5,180	3,328	343	-	33,095
Support costs	25,527	2,727	18,181	13,597	13,636	13,636	27,298	8,727	40,948	24,813	189,090
Total unrestricted charitable costs	<u>55,293</u>	<u>10,619</u>	<u>27,370</u>	<u>16,680</u>	<u>16,336</u>	<u>20,893</u>	<u>33,696</u>	<u>12,362</u>	<u>42,599</u>	<u>24,813</u>	<u>260,661</u>
Restricted project costs											<u>37,144</u>
Total											<u>297,805</u>
2019	Membership	IETI	Educational Developments	Publications	Fellowships	Courses	Professional development	Research	Conferences and Events	Governance	Total
	£	£	£	£	£	£	£	£	£	£	£
Venue hire & associated costs	-	-	99	26	-	-	66	-	60,452	-	60,643
Printing and Design	743	-	11,078	-	391	-	-	-	-	-	12,212
Publication costs	18,094	-	2,692	2,611	-	-	-	-	-	-	23,397
Administration	6,657	-	-	-	-	1,008	-	-	1,027	-	8,692
Travel	-	-	1,586	-	140	-	1,925	117	2,998	-	6,766
Other costs	9,652	8,109	3,228	734	2,076	6,615	7,510	3,482	67	-	41,473
Support costs	<u>24,494</u>	<u>2,617</u>	<u>17,446</u>	<u>13,047</u>	<u>13,084</u>	<u>13,084</u>	<u>26,194</u>	<u>8,374</u>	<u>39,291</u>	<u>29,995</u>	<u>187,626</u>
Total unrestricted charitable costs	<u>59,640</u>	<u>10,726</u>	<u>36,129</u>	<u>16,418</u>	<u>15,691</u>	<u>20,707</u>	<u>35,695</u>	<u>11,973</u>	<u>103,835</u>	<u>29,995</u>	<u>340,809</u>
Restricted project costs											<u>45,787</u>
Total											<u>386,596</u>

NOTES TO THE ACCOUNTS - continued

Support Costs

	2020	2019
	£	£
Administration service	140,120	143,375
Governance	24,813	29,994
Office costs	-	36
Legal & professional	2,027	1,677
Travel	-	87
Other costs	22,130	12,457
	<u>189,090</u>	<u>187,626</u>

Support costs are allocated to the different activities on a percentage basis based on an estimate of time spent.

The auditor's remuneration amounts to an audit fee of £6900 (2019 - £ 5700).

Project costs

	2020	2019
	£	£
Erasmus Lebanon	-	1,760
Erasmus Slovakia	-	13,563
PEBL	37,144	30,464
	<u>37,144</u>	<u>45,787</u>

4 Trustees

There were no employees during the year (2019: Nil).

No member of the Executive Committee received any emoluments for being a trustee in the period (2019: £Nil).

7 members of the Executive Committee (2019: 10) received a total of £1,382 to reimburse expenses incurred during the period (2019: £6,287).

During the year members of the Executive Committee were paid for consultancy or tutorial services as follows:

- Payments relating to externally funded projects – Roisin Curran, (2019: £4,555) £0; Jo Peat, (2019: £1,250) £0.
- Payments for work to support ongoing SEDA activities - Roisin Curran, (2019:£280) £700; Elaine Fisher, (2019: £2,295) £560; Mary Fitzpatrick, (2019: £230) £0; Jenny Lawrence £620; Professor Pamela Parker, (2019: £395) £0; Rowena Senior £620; Professor Gina Wisker, (2019: £230) £0.

These sums were at arm's length and approved by the other members of the Executive Committee.

5 Debtors

	2020	2019
	£	£
Trade debtors	9,352	16,192
Accrued income	13,941	21,326
Prepayments	16,433	2,222
	<u>39,726</u>	<u>39,740</u>

NOTES TO THE ACCOUNTS - continued

6 Creditors: amounts falling due within one-year

	2020	2019
	£	£
Trade creditors	575	-
Subscriptions received in advance	20,632	12,873
Deferred income	26,119	3,668
Accruals	26,236	53,361
	<u>73,562</u>	<u>69,902</u>

7 Restricted Funds Reconciliation

2020

Restricted Fund	Fund balances At 1 Jan 2020	Income	Expenditure	Fund balances At 31 Dec 2020
	£	£	£	£
Erasmus Lebanon	2,440	-	-	2,440
Erasmus Slovakia	-	14,287	-	14,287
PEBL	11,579	39,449	37,144	13,884
Total funds	<u>14,019</u>	<u>53,736</u>	<u>37,144</u>	<u>30,611</u>

2019

Restricted Fund	Fund balances At 1 Jan 2019	Income	Expenditure	Fund balances At 31 Dec 2019
	£	£	£	£
Erasmus Lebanon	2,227	1,973	1,760	2,440
Erasmus Slovakia	5,373	8,190	13,563	-
PEBL	12,635	29,408	30,464	11,579
Total funds	<u>20,235</u>	<u>39,571</u>	<u>45,787</u>	<u>14,019</u>

8 Analysis of net assets between funds

2020	Unrestricted funds	Restricted funds	Total
	£	£	£
Debtors	39,726	-	39,726
Cash	125,075	30,611	155,686
Creditors	-73,562	-	-73,562
Total	<u>91,239</u>	<u>30,611</u>	<u>121,850</u>

NOTES TO THE ACCOUNTS - continued

2019	Unrestricted funds	Restricted funds	Total
	£	£	£
Debtors	39,740	-	39,740
Cash	184,590	14,019	198,609
Creditors	-69,902	-	-69,902
Total	154,428	14,019	168,447

9 Capital and financial commitments

Capital expenditure contracted for but not provided in the accounts is £Nil (2019: £Nil).

At 31 December 2020, the charitable company had non-cancellable financial commitments in respect of administrative services as follows:

	2020	2019
	£	£
Expiring within 1 year (January – July 2021)	<u>98,811</u>	<u>99,480</u>

10 Members

The charity is incorporated as a company limited by guarantee having no share capital. In accordance with the Memorandum of Association every member is liable to contribute a sum of £1 in the event of the company being wound up while he/she is a member or within one year afterwards.

11 Related Parties

Details of related party transactions are disclosed in Note 4 above.

12 Post Balance Sheet Events

The trustees have considered the effect of COVID-19 on the charity's financial situation and have estimated a net effect of £17k against charity funds and free reserves due to the cancellation of our annual conference. SEDA has revised budgets for 2021 and 2022 with the emphasis on reducing costs as far as possible. Changes such as improvements to the website and increasing the availability of publications online have already been started. A deficit of £13k has been projected for the year ended 31 December 2021. This will reduce general reserves down to £78k at the end of December 2021. While this is below the agreed range, the level is sufficient for SEDA to continue to invest in new activities to generate income and SEDA is expected to be back in a surplus position in 2022.