

THE ELECTRICAL SAFETY COUNCIL
(A Company Limited by Guarantee)

Company No. 570175
Charity (England and Wales) No. 257376: (Scotland) No. SC039990

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

THE ELECTRICAL SAFETY COUNCIL

ANNUAL REPORT YEAR ENDED 31 MARCH 2025

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THE ELECTRICAL SAFETY COUNCIL

LEGAL AND ADMINISTRATIVE INFORMATION

Patrons

Lord Graham Tope

Board Members and Management

E Hudson	Chair from 1 November 2024
S Frost	Chair, resigned 31 October 2024
A Chaplin	Resigned 10 October 2024
A Williams	Resigned 10 October 2024
T Connelly	
A Wells	
A Boisset	
R Olszewski	
M Desmond	
N Hussey	
P Neville	
R Bhalinge	
R Gosling	
R Vagdia	
N Guy	Appointed 10 October 2024
S Philbrick	Appointed 16 June 2025

Senior Staff and Officers – Charity

Lesley Rudd	Chief Executive Officer
Jennifer Trim	Company Secretary

Senior Staff and Officers – Trading Subsidiaries

ESF Enterprises Ltd

E Hudson	Non Executive Director
L Rudd	Non Executive Director

ESC Partnerships Ltd

E Hudson	Non Executive Director
P Neville	Non-Executive Director
J Trim	Non-Executive Director

Registered Charity (England and Wales) No. 257376

Registered Charity (Scotland) No. SC039990

Registered Company No. 570175

THE ELECTRICAL SAFETY COUNCIL

LEGAL AND ADMINISTRATIVE INFORMATION (Continued)

Financial Management Committee

E Hudson (Chair to 30 June 2025)	S Frost (to 31 October 2024)
A Chaplin (to 10 October 2024)	N Hussey
R Bhalinge	S Philbrick (from 16 June 2025, Chair from 1 July 2025)
R Olszewski	L Rudd
N Guy (from 12 December 2024)	J Trim (Secretary)

Electrical Installation Safety Forum

S Devine BEAMA (Chair)
R Harvey ESC (Secretary)
M Allen ESC
B F Walker (co-opted independent)
A Vassey EDA
M Coles IET
P Sayer BEAMA
B Cairney SELECT
F Bertie NAPIT
C Pugsley LFB
S Girling LFB
S Mason HSE
M Smith ECA
P Abreu ENA
T Connelly ESC
G Gundry (co-opted independent)
P Collins Certsure
Dr J Hodge BCA
A Wells ESC
L Osborne ESC
A Abdelwahab BASEC
C O'Neill IET
D Powell ESC
G Parker ECA
J Elliot Certsure
M Fitzsimons EDA
M Cullen LFB
N Hayler BEAMA
A Duffen NAPIT
C Stammers BEAMA
D Crannis ECA
S Khan BEAMA
S Humphries NAPIT

Electrical Safety of Products Committee

S Bounoua Tesco (Chair)
B F Walker (co-opted independent)
S Curtler ESC (Secretary)
M Dyer Intertek
N Hayler BEAMA
R Vagdia BEAMA
H Patel BEIS
C Heemskerk CTSI
P Hide AMDEA
D Lawson AMDEA
C Flynn ESC
G Capanna ESC
S Bounds BSI
A Boisset ESC
C Rose LFB
A Gordon Compliance Solutions
R Rashid Wickes
R Harris CPIN
P Cunningham SFRS
S Girling LFB
L Osborne ESC
R Hill LFB
C Pugsley LFB
R Gosling ESC/AMDEA

Remuneration & Appointments Committee

M Desmond (Chair)
E Hudson (from 1 Nov '24)
S Frost (to 31 Oct '24)
A Boisset
R Vagdia
L Rudd
J Trim

Certsure Committee (from 12 December 2024)

E Hudson
P Neville
T Connelly
A Wells
L Osborne
M Allen
L Rudd
J Trim

Bankers	HSBC, 28 Borough High Street, London SE11YB
Solicitors	Bristows, 100 Victoria Embankment, London EC4Y 0DH.
Auditor	Moore Kingston Smith LLP, 4 Victoria Square, St Albans, Herts AL1 3TF
Investment Managers	Cazenove Fund Management, 12 Moorgate, London EC2R 6DA Rathbone Investment Management Ltd, 1 Curzon Street, London W1J CCLA, Senator House, 85 Queen Victoria Street, London EC4V 4ET
Registered Office	45 Great Guildford Street, London SE1 0ES

THE ELECTRICAL SAFETY COUNCIL

CHAIR'S STATEMENT 2024/25

This has been my first year as Chair, and it is a position I am immensely proud to hold. Having been a trustee of the charity since 2018, I have already seen up close the amazing and vital work that the whole team is doing. This current year has certainly been no exception.

We have continued to make significant progress towards the goals set out in our five-year strategy, A Safer Future for an Electric World. The influence we are having on policy right across the four UK nations and at local government level is higher than ever before in the charity's history.

The development of the Product Regulation and Metrology (PRaM) Bill, changes to the Circular Economy Act in Scotland, the implementation of electrical safety checks in private rented housing in Northern Ireland, and progress on safety in short-term lets in Wales all came about thanks to the persistent campaigning of all our departments.

The new legal framework to strengthen product safety in the UK, which PRaM potentially offers, includes powers to better regulate online marketplaces and tackle the growing risk of e-bike battery fires. I was proud to see that we secured changes to the Bill to guarantee consumer voices will be heard in shaping the new safety rules.

To echo the sentiments expressed at our annual Electrical Product Safety Conference back in October 2024 by Justin Madders, Minister for Employment Rights, Competition and Markets, it is vitally important that we deliver change now as the electrical world is already getting more complicated. And good regulation supports growth and supports businesses to bring new products to market.

I was also delighted to see our work continue to be recognised with several more awards for our high-profile Battery Breakdown campaign. Our new modern brand is now firmly established, and our new website is well on the way to completion.

The excellent levels of engagement being achieved via media, social media – including our Electrical Safety Pro channels, aimed at professional electricians – and email marketing all go to show our ambitious mission is clearly striking a chord with both the electrical industry and public audiences.

All of us working at Electrical Safety First are united in our desire to ensure everyone is protected as the UK moves towards increased electrification. By giving people the right support and guidance, by supporting the safety knowledge of the next generation of electrical professionals, and by working with political leaders to introduce improved legislation, we can all safely use electricity in our homes.

The team, being led so well by our Chief Executive Lesley Rudd, continues to grow and deliver work which we are all extremely proud of. Both I and my fellow Trustees want to thank everyone for their hard work and collaborative approach. Serving as the Chair of Electrical Safety First is a real privilege and I am certain we can continue to build on the successes achieved this year.



Emma Hudson
Chair The Electrical Safety Council
9 October 2025

THE ELECTRICAL SAFETY COUNCIL

CHIEF EXECUTIVE OFFICER'S REVIEW

The theme for our popular annual conference this year was Time for Change – and I am really pleased to say this sentiment has been ringing true thanks to the impact of the work done by our fantastic team.

As a charity dedicated to ensuring people can use electricity safely in their homes, we were delighted to see the new Labour Government include legislation on product safety in the King's Speech and launch a consumer awareness-raising campaign – both important steps which we had recommended.

Following the 2024 King's Speech, the Product Regulation and Metrology Bill was introduced to deliver a step-change in consumer safety. Now enacted, the Product Regulation and Metrology Act gives powers to tackle two of the most pressing issues we face: unsafe e-bikes and third-party sellers offering dangerous goods online.

Through our own advocacy and in partnership with the British Toy and Hobby Association, the Chartered Trading Standards Institute, and Which?, we secured amendments that significantly strengthen the Act's provisions on online marketplaces. In addition, we successfully advanced a specific amendment to quickly identify and classify high-risk products, ensuring that proportionate and timely safety measures can be applied.

Our ongoing work on the worrying numbers of e-bike and e-scooter fires across the UK due to poor quality or mistreated batteries – devastating fires which are killing people – has seen other important successes this year.

The UK Government committed to introducing a standard for conversion kits – a key recommendation in our groundbreaking Battery Breakdown report – this is underway through BSI/PEL/69/1 with the Charity as an active participant. Wish.com banned the private sale of e-bike and e-scooter chargers, motors and converter kits in the UK. E-Bay banned private sellers from listing e-bikes and e-bike batteries for sale in the UK.

Amazon worked with us to develop guidance accompanying the sales of electrical products as well as providing their distributors with electrical safety training developed by our expert technical team.

We have also continued our work ensuring safety is embedded at every stage of the UK's energy transition to protect consumers, as millions of homes are unable to handle the increased electrical load needed by low-carbon technology. I strongly believe in the need to transition to low-carbon energy, but safety must be at the heart of both technology and policy decisions.

The skills gap in the workforce is a pressing concern. Without enough properly trained electricians, we cannot safely deploy heat pumps, EV chargers, solar panels, and other emerging technologies.

Our team has continued to grow this year, and I am delighted to see the fresh energy and ideas we all bring to the cause. Electrical safety is vital, life-saving work and the talent of the people at the charity – and our network of valuable partners – is creating effective change for the whole country.

I want to thank our outstanding staff for their hard work, our dedicated Board of Trustees who give their time and valuable skills for free, and our stakeholders and partners for their support and collaboration.



Lesley Rudd
Chief Executive Officer, The Electrical Safety Council
9 October 2025

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Directors, who are also the Trustees of the Charity, submit their annual report and the audited financial statements for the year ended 31 March 2025. The Directors have adopted the provisions of the Statement of Recommended Practice (SORP) *Accounting and Reporting by Charities* (2nd Ed. Oct. 2019) consistent with Financial Reporting Standard (FRS) 102 in preparing this report. The legal and administrative information on pages 1 and 2 form part of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Electrical Safety Council is a company limited by guarantee and a registered Charity. The Charity is governed by its Articles of Association which were amended on 12 March 2020.

The Charity is not required to convene an AGM; engagement with stakeholders and representatives of beneficiary groups is undertaken through a variety of channels which include media and digital campaigns to encourage safer behaviours and address product safety. The Charity continued to work with the Government in Westminster and with the Welsh Assembly, Scottish Parliament and the Northern Ireland Assembly.

Board Members are Directors for the purposes of company law, are Trustees for charity purposes and also comprise the Charity's Members. All new director appointments are based on selection criteria which ensure that, collectively, the Board maintains a broad range of relevant skills and experience.

No monetary value has been attributed to the work of volunteers, which comprises mostly the unpaid time of the Charity's Board of Directors, although their contribution is significant and vital to the current activities and continued future success of the Charity and its subsidiaries. The Charity continued to utilise the Google adverts charity scheme and secured \$349k (2024: \$291k) worth of free advertising during the year.

An induction programme is offered to all new Trustees to ensure that they are briefed on the Charity's objects, strategy and activities. Directors are encouraged to attend relevant training seminars during the course of the year. Training is also provided on a group basis to the Board on relevant and topical issues.

The Charity's strategy is set by the Board of Directors – the Electrical Safety Board. The Board meets four times a year, plus other meetings as required. The Trustees keep the governance arrangements and the constitution of Charity Committees under review. The Directors are covered by indemnity insurance.

The Board delegates to the Charity's Executive Team the exercise of certain powers in connection with the management, administration and financial management of the Charity, with regular reporting on these matters to the Board.

Responsibilities delegated to the Board's sub-committees are ratified through the Board of Directors. The Chief Executive Officer and other members of executive management attend meetings of the Board of Trustees and the sub-committees.

The Board of ESF Enterprises Ltd includes a Trustee of the Charity. In addition to the appointment of this Trustee to the Board, oversight was achieved by the establishment of clear terms of reference in relation to the Trading Group's activities – alongside a scheme of delegated financial authority. The same scheme of oversight covers ESC Partnerships Ltd whose Board comprises two Trustees.

Certsure LLP, the joint venture with the Electrical Contractors Association from which a wholly owned subsidiary of the Charity, ESC Partnerships Ltd, is currently entitled to 75% of the profits, has a Management Board with responsibility for day to day management and control. There is equal representation on the Management Board from each partner and decisions are taken by majority voting with the requirement that at least one member from each partner should be in favour. Two of the representatives are Trustees of the Charity with the other two being the Chief Executive Officer and Finance Director of the Charity which means oversight is achieved and regular reports are also provided to the Financial Management Committee and the full Board of the Charity.

The Charity's Committees in operation during the year were:

- Electrical Safety of Products Committee
- Electrical Installation Safety Forum
- Financial Management Committee
- Remuneration and Appointments Committee

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

- Certsure Committee (to assist with the Charity's oversight of its stake in its Certsure Joint Venture in line with good charity governance principles and Charity Commission guidance)

The Charity does not raise funds from the general public and therefore does not undertake, or engage with or permit third parties to undertake on its behalf, fundraising activities to raise funds for the Charity.

The Charity believes that everyone has the right to be safe from the dangers that electricity can present. It is committed to a culture of inclusivity and equality and believes that the diversity of its team is what empowers it to campaign on behalf of everyone in the UK, to keep them safe from electrical risk. The Charity endeavours to ensure that every member of staff and Trustees voice is heard and that it is able to use individual experiences and unique talents in a truly collaborative approach to achieving the Charity's goals. The Charity's staff are valued and supported, and by acknowledging and respecting that we are all different, the Charity believes it is better able to represent all of the people it is working to protect.

PUBLIC BENEFIT

The Directors are mindful of their duties, and have paid due regard to the guidance provided by the Charity Commission, to ensure that the Charity continues to carry out its charitable aims being the advancements of health and the saving of lives with the aim of delivering public benefit activities which include:

- Dedicated campaigning activities targeted at increasing awareness and reducing risks to the general public.
- Parliamentary lobbying for changes to legislation to improve electrical safety for all.
- Participation on national and international committees overseeing and developing electrical standards which aim to maintain and improve the safety of all users of electricity.
- Maintenance of a website providing information and education on electrical safety.
- The operation of a free of charge email address providing advice and guidance on electrical safety matters to all members of the general public.
- Provision of grants focused on reducing risks posed by electrical products and/or installations.

STRATEGIC REVIEW

The Objectives of the Charity

The principal objective of the Charity remains the protection of users of electricity against the hazards of faulty, unsafe and otherwise defective electrical installations and products. Achievement of the charitable objective is undertaken by both the Electrical Safety Council and its Joint Venture with the Electrical Contractors' Association, Certsure LLP.

The Charity's mission is the safety of **all** users of electricity with a specific focus on:

- Improving the safety of electrical installations.
- Improving the safety of electrical products.
- Direct interventions and grants.

Charitable activities undertaken by the Charity's Joint Venture with the Electrical Contractors' Association, Certsure LLP, which supported the Charity's safety objectives included:

- Assessment, certification and registration of individuals and entities carrying out electrical work through:
 - Operating the Approved Contractors' Scheme which is a voluntary electrical safety self-regulating body.
 - Running the Part P CPS Scheme, a self-certification scheme for providers of electrical services and related ancillary trades to domestic dwellings under Part P of the Building Regulations.
- Distribution and retail of technical publications and certificates.
- Provision of electrical training courses.

Activities and Outcomes for the Year

During the year the Charity has continued working to ensure it fulfills the aims set out in its updated five year strategy running to 2028. The key strategic priorities of the Charity following the strategy review were agreed as:

- Be the recognised expert voice in electrical safety.
- Safer electrical installations.
- Safer products.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Towards these key strategic priorities the Charity has identified specific actions. There are seven key performance indicators (KPI) that the Charity aims to have achieved by 2028- and 12-month goals for 2024-25 in relation to each KPI were identified. Progress is recorded and regularly reported to quarterly Trustee meetings.

The seven KPIs are that the charity will have by 2028:

1. Persuaded UK Government to legislate to ensure online marketplaces face same responsibilities for safety of products sold on their platforms as high street stores.
2. Ended “tenure lottery” by ensuring all UK regions have mandatory EICRs every 5 years in private & social rented sectors and made progress in achieving regular checks in owner occupied sector.
3. Established targeted support for those more vulnerable to harm caused by electricity through free electrical safety checks akin to those already established for gas, and a grant scheme which runs regularly and supports our objects and impacts 250,000 individuals.
4. Achieved government recognition of electrical safety as a key consideration in its policy making towards net zero.
5. Enhanced technical integrity by influencing the improved quality and consistency of electrotechnical installation work and reporting on existing installations.
6. Established a sustainable position for the organisation in terms of financial and human resources and infrastructure. Put in place a spending and reserves strategy, together with a people strategy to support our staff to achieve our objects.
7. Established Electrical Safety First as leading go-to organisation for advice, research, views and comment in the field of electrical safety amongst consumers, politicians and the media.

KPI 1

Goal 1: Continue engagement with political decision makers and industry partners to ensure effective implementation of improved regulation for online marketplaces.

- The Charity welcomed the introduction of the Product Regulation and Metrology (PRaM) Bill, which aims to strengthen the UK's product safety laws and enhance the regulation of online marketplaces. This Bill marks a significant milestone for the Charity, aligning with its ongoing campaign for stronger online marketplace (OMP) regulation. The Charity's sustained engagement with policymakers helped keep this issue high on the political agenda, likely contributing to its early inclusion in the Labour Government's first legislative programme.
- We worked to secure amendments to the Bill, which has now been enacted, strengthening key provisions to protect consumers. As an enabling Act, its detailed regulations will be set through secondary legislation. To ensure robust safeguards, we campaigned both independently and in coalition with Which?, the Chartered Trading Standards Institute, and the British Toy and Hobby Association to secure amendments that legally define online marketplaces within the Act and guarantee parliamentary scrutiny of the secondary regulations.
- Before the Bill's introduction, the Charity engaged extensively with key figures in the new government, holding 26 meetings with policymakers. This included discussions with Jonathan Reynolds MP, Secretary of State for Business and Trade, Justin Madders MP, Minister for Business and Trade, and Minister Lord Leong, among others. The Charity also engaged with civil servants from the Department for Transport, the Department for Business and Trade, and the Ministry of Housing, Communities and Local Government to address product safety concerns across the government.
- The substantial national media coverage the Charity secured on this topic, combined with social media and email marketing pushed the OMP issue up the national agenda throughout the year. Publicity achieved included:
 - A summer 2024 campaign, highlighting AliExpress' sponsorship of the football European Championships.
 - A 'Summer Shocker' campaign using outdoor living products Tech tested that were all bought from OMPs (including electric BBQs and paddling pool heaters).
 - Individual campaigns around Black Friday, Cyber Monday, and Christmas shopping.
 - Coverage of the Apple report into counterfeit phone chargers in February 2025.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

- 5,000 'Safer Shopping' guides covering OMPs were also produced and sent to Electrical Safety Fund recipients.

Goal 2: Secure national political support for our legislation on e-bike and e-scooter regulations, aiming to double stakeholder sign-up support from 40 to 80 while securing impactful parliamentary initiatives.

- The PRaM Act which the Charity successfully amended gives powers to address high-risk products through secondary regulations, including e-bike and e-scooter batteries. As part of engagement on the Bill, the Charity successfully worked with Lord Foster to secure a government amendment and commitment to publish a new Code of Practice. This will provide policymakers with a structured approach to assessing and regulating products such as lithium-ion batteries, ensuring emerging risks are effectively identified and addressed.
- Ahead of the Bill's introduction, strong momentum was built behind the Charity's campaign, far exceeding original targets. The Charity secured the backing of 100 national organisations and around 800 local parish councils, demonstrating widespread support for its key asks. Supporters actively engaged with MPs, local councillors, and community safety partnerships, further amplifying the impact of the Charity's campaign.
- The Charity took its campaign directly to policymakers, attending four Westminster political party conferences. At the Labour Party Conference, the Charity hosted a well-attended fringe event on e-bike battery regulations, bringing together the Active Travel Minister Simon Lightwood and industry representatives, including key figures from the bicycle manufacturing sector.
- Additionally, the Charity showcased its model house at the Liberal Democrat and Labour Conferences, engaging parliamentarians and local councillors on this area and more widely on the importance of electrical safety in homes.
- Beyond national government, the Charity secured unanimous support for its policy asks in a London Assembly plenary session, adding further weight to its case for robust consumer protections.
- Alongside political engagement, the Charity strengthened partnerships with the bicycle industry, working with Brompton Bicycle and the Bicycle Association. These collaborations have expanded the reach of the Charity and provided valuable industry insights, ensuring its policy proposals account for business needs while maintaining strong consumer protections.
- The Charity significantly raised awareness of the dangers associated with e-bikes and e-scooters through targeted campaigns and media engagement. In June 2024, the Charity ran a dedicated e-bike safety campaign to mark the first anniversary of Scott Peden's house fire tragedy, using owned (website, social media and e-newsletters) and earned (traditional broadcast, print & online) media channels. Throughout the year, the Charity secured widespread media coverage through newsjacking and reactive interviews, including features on BBC One's Rip Off Britain and key moments such as the Bristol Coroner's report, Black Friday, and the Hampshire e-bike fire. Safety advice on e-bikes and e-scooters was consistently shared across social media.
- To further reinforce the message of the Charity, it ran online adverts on e-bike battery risks targeting political audiences, redesigned its Battery Breakdown report to reflect its new brand, and produced new consumer safety animations. Additionally, the Charity placed advertorials in The House and Holyrood magazines and distributed briefing materials to local and parish councils, ensuring policymakers at all levels remained engaged with the issue.

KPI 2

Goal 3: Achieve the introduction of electrical safety checks in Northern Ireland's social housing sector and government commitments for these checks in short-term lets (STLs) across the entire UK.

Northern Ireland

- Electrical safety regulations for the private rented sector (PRS) came into effect in April 2025, following a delay due to the Assembly's backlog of regulatory business after its re-establishment. The Charity supported the introduction with publicity from March 2025. This also postponed the efforts of the Charity to push for similar measures in the social rented sector. However, the Charity leveraged its engagement during the PRS regulation development to reinforce the case for extending safety checks across all rented sectors.

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

- The Charity's CEO and one of its Policy and Public Affairs Advisors were invited to present to the Northern Ireland Assembly's Communities Committee. This provided them with a key platform to highlight the need for consistent safety standards in private and social rented housing.
- Broader MLA engagement has also driven discussions on social housing safety. Over the past year, the Charity has engaged with 80% of the Communities Committee, including two meetings with its Chair, Colm Gildernew. The work of the Charity was referenced eight times in Assembly debates on PRS regulations, including by Minister Gordon Lyons, further strengthening the influence of the Charity and positioning it for future discussions with the department.

Wales

- Short-term let (STL) legislation is currently under consultation. Draft regulations are expected to be laid before the Senedd in 2025 with the potential for implementation later in the year. The Charity is confident these will include a requirement for five-yearly EICRs in STL properties across Wales.

Westminster

- Since the new Labour Government took office, there has been a focus on the private rented sector, laying the groundwork for future housing safety reforms. While progress in the STL policy area has been gradual, the Charity anticipates broader safety measures will be addressed in upcoming legislative agendas.
- Electrical safety checks will also now be extended to the social rented sector (SRS). It is anticipated that the requirements will come into force for new tenancies from November 2025 and from January 2026 for existing tenancies.

Goal 4: Advocate for regular electrical safety checks in owner-occupied homes, garner backing from parliamentarians, policymakers, and influential stakeholders, and implement a focused campaign in Scotland advocating for compulsory EICRs during property sales to encourage widespread adoption nationwide.

- Charity representatives met with Scotland's Housing Minister and key civil servants to advocate for regular electrical safety checks in the owner-occupied sector. During discussions, the Charity was directed to the Scottish Government's new Heat in Buildings Bill, which will propose mandating low-carbon heating installation at the point of property sale.
- This aligns with the policy ask of the Charity to ask for EICRs at the point of sale while ensuring the safe integration of low-carbon technologies into domestic electrical systems. To support this, the Charity submitted a response to the Heat in Buildings Bill Consultation, positioning electrical safety as a key policy consideration. Engagement will continue once the Bill is published to drive progress.

KPI 3

Goal 5: Grow the Charity's grant scheme programme by allocating an increased budget of £500,000 to reach 600,000 people and directly benefit 60,000, implementing measures to assess the broader social benefits.

Electrical Safety Fund 24/25

- The 2024/25 Electrical Safety Fund had another highly successful year, supporting 106 projects across the UK with a total allocation of £502K. A full evaluation of funded partners activities was undertaken and provided to the Board in 25/26, key highlights include the continued development of a virtual reality educational experience with Flosverse Techsphere, multiple electrical safety awareness events at institutions such as Blackburn College and East Norfolk Sixth Form College, and targeted support for vulnerable groups through organisations like Deafblind Scotland and ReviveFM.
- This year, the Charity also introduced social value metrics into project evaluations, enabling it to measure and report the broader impact. These insights were presented to the Board in Summer 25, demonstrating the fund's wider social benefits through a 'social return on investment' metric. This included a financial proxy to quantify the value generated by the initiatives, reinforcing the long-term impact of the work of the Charity.
- To drive engagement and ensure a strong response to the fund, the Charity produced a promotional video and ran targeted paid social media posts aimed at key community groups. This highly successful approach generated such high demand that the application window had to close early. The fund also secured widespread regional media coverage, further increasing awareness. Additionally, an email marketing campaign reached 18,102 local councillors, MPs, peers, MSPs, MLAs, and MSs, ensuring key stakeholders were informed.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

- Successful grant recipients received posters, flyers, and safety guides to support their projects, alongside access to a bespoke publicity portal on Frontify, which provided guidance and campaign assets. The Charity also delivered workshops to help projects maximise their impact, with individual initiatives receiving tailored PR support. As a result, the Charity secured significant media coverage driven by customised support packages for funded partners, toolkits, and targeted communications.

Home Improvement Grants (HIGs) Scheme

- The Charity completed and evaluated its Home Improvement Grants Scheme in Scotland, which provided essential electrical safety repairs to 126 vulnerable households, ensuring they could continue living safely at home.
- Building on this success, the Charity launched the UK-wide HIGs scheme with an increased budget of £350K following Board approval. During the year over 25 projects were approved with a total cost of £238K.

Goal 6: To persuade energy suppliers to offer free electrical safety checks for the Priority Services Register

- Following the new government's decision in summer 2024 to scrap the planned 2035 ban on new gas boilers, along with other policy changes in this area, progress on this goal has been delayed as the Charity reviews its cost-benefit analysis. Conducted by external economists, this analysis assessed the cost for energy suppliers to offer vulnerable customers on priority services registers a free EICR every five years, mirroring their existing obligation to provide a free annual gas safety check.
- The Charity's original analysis estimated costs based on the current uptake of gas safety checks, assuming a natural decline as customers transitioned away from gas in line with government heat in buildings targets. However, the Government's policy change altered these assumptions, requiring updated projections. This work is now underway, and the Charity will engage with energy suppliers and Ofgem later in 2025.

Goal 7: Prepare the groundwork for an electrical safety programme targeting primary school children across the UK, developing suitable materials and resources, including lesson plans.

- The Charity collaborated with an external agency specialising in educational materials for teachers and primary school children to develop lesson plans which will be promoted to UK primary schools as part of our wider plans to engage these key audiences.
- A cross-dept Youth Engagement Working Group was set up within the Charity in Autumn 2024. It has met in three separate workshops, identified the main risks facing primary, secondary, and student/young adult audiences, and brainstormed tactics and activities to engage them. The recommendations can feed into the Charity's broader Increasing Impact agenda.

KPI 4

Goal 8: Encourage local governments to include electrical safety in their green policy development.

- The Charity completed a freedom of information (FOI) investigation into rogue trader reports, uncovering a growing issue of unqualified traders installing net-zero technologies.
- Usable responses from 108 local authorities revealed concerning trends. Among 24 trade categories analysed, rogue traders conducting electrical work ranked sixth in the number of reports submitted to local authorities. Additionally, the investigation highlighted a significant and consistent rise in rogue traders operating in the renewable energy sector, particularly in solar PV installations.
- These insights will support the efforts of the Charity to highlight the importance of consumer protection and encourage local governments to incorporate electrical safety into their green policy development.
- In Scotland, the Charity successfully secured an amendment to the Circular Economy Act, requiring policymakers to consider electrical safety as a key factor when developing the circular economy strategy.

Goal 9: Investigate risks from Prosumer Electrical Installations (PEI), including Solar PV, Battery Storage, heat pumps, EV charge points, and other low-carbon technologies (LCT).

- An academic paper was created by the Deputy Technical Director of the Charity as a final project of an MSc in Renewable Energy Systems Technologies on the subject of '*Do 'Low Carbon Technologies' and the rise of 'Prosumers Electrical Installations' present an increased risk to safety?*' This included a comparison of solar PV incidences versus general electrical appliances, the content of which will feature in future projects.

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

- The Charity completed a commissioned desktop analysis of 'balcony solar PV systems and the viability of these for being sold in the UK. This created test criteria for further physical testing.
- The Charity carried out in-house component testing on known system failure points, with external durability tests planned in 25/26.
- Installer surveys are underway to obtain qualitative data.
- The Charity had continued conversations regarding competent workforce for electric vehicle charge point (EVCP) installations with industry and the Department for Transport through its EVCP installation working group. This included bringing to attention concerns regarding understanding the complexities of vehicle-to-grid.
- A representative of the Charity now chairs the IET working group on cross-pavement charging solutions ensuring that the electric vehicle charge point installation working group discussions are reflected in this group.

Goal 10: Investigate how low carbon technology and household electronics like TVs, PCs, and chargers increase DC in home installations. Assess how this affects new and existing RCDs, including their ability to respond to faults under high DC levels.

- The Charity conducted phase 1 of a 'first of a kind' research on DC Earth leakage investigation, with results validating initial predictions. An industry paper was well received by JPEL and ESF committees, and the Charity is progressing to the second phase of the investigation with a wider rollout, using an alternative, easier-to-deploy approach.

KPI 5

Goal 11: Strengthen the influence of the Charity on UK wiring regulations by securing permanent positions on the BSI/IET BS7671 committees and sub-committees.

- The Charity gained full representation on JPEL sub-committees A/B/C/D, ensuring that the voice of consumer safety was adequately represented. Significant work includes analysis of all comments for the subsequent amendment of BS7671, The Wiring Regulations, due for release 2026.

Goal 12: Enhance electrical safety practices and awareness among installers by distributing safe isolation lock-out kits to apprentices nationwide. Integrate engaging content, such as video explainers accessible through hyperlinks and QR codes, into the Charity's guides, promoting its resources to broader audiences, including colleges.

- The Charity distributed over 2,500 ESF-branded lock-off kits to apprentices across the UK, working with Certsure in England and Wales, SECTT in Scotland, and ETT in Northern Ireland.
- The Charity incorporated our safe isolation guidance and flowchart into a National Industry Campaign used in multiple publications and events.
- The Charity filmed a Safe Isolation Masterclass delivered by its installation experts at an ELEX industry event. This has been shared with professionals, across the Charity's social media channels and in email marketing. The Charity redesigned its Best Practice Guides although filming of the QR code-linked bespoke video clips was delayed to 25/26.

Goal 13: Establish an Industry Futures Group to horizon scan and ensure the Charity is well placed to observe up-and-coming trends.

- BSI/L1 was deemed by the Charity's Technical Team to facilitate this, and a place was secured for the Charity in this committee, to avoid duplication of work. This will facilitate knowledge exchange between L1 and ESF working groups.
- The Charity undertook validation of scripts and technical content, provision of video recordings, and publicity for the Apprentice Channel of Excellence (ACE), its new collaboration with Learning Lounge, which provides free technical training content for all registered electrical apprentices throughout the UK.
- The Electrical Safety Professional sub-brand and new electrician-dedicated social media channels were launched.
- The Charity created a new Landlord's Guide for Northern Ireland, in line with new requirements for electrical safety checks in the private rented sector, and a brand refresh on the guides for Scotland and England & Wales.

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

- The Charity created and chaired a working group under the Construction Leadership Council to raise the bar of 'Product installation and maintenance' competencies and qualifications.

KPI 6

Goal 14: Develop the longer-term spending strategy and related reserves policy.

- The financial management committee considered the current position and identified areas to develop in an updated strategy/policy.
- The Charity continued to expand its current activities and spend through 24/25 and into the 25/26 budget.
- A staff away day was held which identified a growth roadmap for further development in 25/26.
- An additional Certsure Committee was instigated to consider matters about Certsure.

Goal 15: Implement People Strategy second-year activities.

- Developed and issued Safeguarding Guidelines.
- Identified and trained a safeguarding lead.
- Presented a succession planning strategy to the Remunerations and Appointment Committee.
- Leadership-related training (external courses) has been provided to leaders to assist them with their development, and more is planned.
- New starters all undergo an induction process involving introductions across the Charity. Following feedback, further improvements to the induction process are being made in 2025/26.
- Additional stage of life staff guidelines were developed and the Charity staff were invited to participate in a Wellness week. This included meetings and webcasts on a variety of topics, including men's mental health, menopause, and finance.

KPI 7

Goal 16: Create an engaging main website and implement a marketing plan to attract more visitors and boost brand recognition.

- Significant progress was made throughout the year, including:
 - A comprehensive tender process was carried out.
 - In-depth pre-wireframe planning was undertaken. Wireframes were created and reviewed across the Executive and Board.
 - Page and section designs were created and reviewed across the Executive and Board.
 - User testing and optimum terminology testing was carried out.
 - Copy and content was reviewed by a content expert with a clear and consistent approach identified to inform rewrite of new website's pages.
 - The launch of the new website is expected during 25/26.
- Enhanced content was created, such as the 'lightning strike' animated infographic, redesign of the Best Practice Guides, and video content on Tech's Safe Isolation Masterclass, Amendment 3, Amendment 4, Intro to WRAG, National Apprenticeship Week and International Women in Engineering Day.
- The charity's enhanced marcoms led to a doubling of Best Practice Guide downloads in year.
- Advertorial features across all key electrical trade publications increased the Charity's e-newsletters and social media subscribers.
- Significant progress was made in developing dedicated new professionals' resources area on the new website – quantitative surveys and qualitative user testing were conducted with electricians to inform this.

Goal 17: Implement a new email marketing strategy, grow Charity distribution lists in compliance with GDPR and PECR regulations, and implement a preference centre for personalised content.

- Staff analysed, cleansed and segmented distribution lists.
- The Charity sent over 50 email marketing campaigns during the year – with 370,000 individual emails sent, achieving an average of 32% open rate.
- Distribution lists were grown by 25% – from 52K to 65K. Local and Parish councillors were added.
- The Charity relaunched Switched On publication, which was segmented and divided into two tailored e-newsletters: *Switched on Consumers* and *Switched on Electricians*.
- The Charity successfully re-engaged 4,000 subscribers who had not opened anything for three years.

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Goal 18: Utilise Certsure, the Electrical Contractors Association (ECA), and NICEIC registrants' channels for broader reach, leveraging the new Certsure LLP Marketing and Communications Working Group to amplify messages and ensure alignment where beneficial.

- This achieved an improvement in Certsure LLP partners' corporate channels sharing ESF content.
- Charity technical staff supported Certsure webinar 'The Wire', with two technical sessions.
- Joint LLP Marcoms working group was re-established.

Goal 19: Plan and execute a series of impactful events, including our inaugural installation safety event in April 2024, our annual product safety conference in November 2024, and partner with the UK Office of Public Safety and Standards (OPSS) and the International Consumer Product Health and Safety Organisation (ICPHSO) on a UK international product safety conference in 2025, with a dedicated focus on electrical safety.

- The Installation Seminar that the Charity ran in April 24 was successful and well attended.
- The Electrical Product Safety Conference 2024 facilitated debate across industry, political, and consumer stakeholders on the issue of online marketplaces (OMPs). The event featured the new government minister and representatives from eBay and Amazon, was attended by over 200 delegates, and featured the Safety Innovation Award.
- The Charity commenced planning for the 2025 Product Conference, in conjunction with OPSS and ICPHSO, with the new venue of The Mermaid being selected and preliminary discussions underway.

Goal 20: Research and develop various untapped areas: closing the skills gap for a safe transition to net zero, improving data collection on electrical injuries, evaluating safety standards in alternative housing, and testing smart home devices for safety.

Technical Integrity

- Collaborative work was undertaken, supporting industry partners, including The Electrotechnical Skills Partnership (TESP), National Electrotechnical Training (NET), The Electrical Contractors Association (ECA), and Certsure, to influence government and local authorities to increase support for apprenticeship schemes instead of stand-alone further education.
- Planned smart home device testing was not conducted as resources focused on wider, general electrical appliances including 'outdoor living', (known as presenting a direct risk to the end-user), along with the PV investigations.
- The Charity delivered multiple webinars and in-person training sessions at industry events, including Elex, Installer Show, Essex FRS, BSI, CTSI and Certsure 'The Wire', in addition to international presentations and panels at International Consumer Product Health and Safety Organisation (ICPHSO), EuropeOn (representing electrical installers across Europe) and The International Federation for the safety of users of electricity (Fisuel).
- The Charity provided an electrical safety webinar as part of PAS 7100 training (Producers responsibilities).
- The Charity advised Dunelm on a serious product recall campaign and delivered additional technical training.
- The Charity conducted a commissioned investigation and provided an 'expert-witness' report for Dudley City Council-Trading Standards on a substandard domestic installation.

Data strategy

- Further work was undertaken on developing a data strategy, ensuring alignment with GDPR compliance. This initiative will help the Charity identify the additional data needed to effectively achieve its goals and KPIs while ensuring transparent data management and storage processes.

Alternative housing research

- The Charity continued progressing its alternative housing safety research, using internal insights and external data to identify the most at-risk and relevant housing types.
- The Charity organised parliamentary written questions across each devolved legislature to assess current legal requirements, standards gaps, and improvement areas. These findings will help the Charity decide its next steps in this area.

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Certsure Joint Venture

Charitable objectives continued to be delivered through the Certsure LLP joint venture. Certsure offers industry-leading certification services, Building Regulations schemes, training, products and support to the construction industry and beyond. Profits from these activities provide a significant part of the Charity's income.

Certsure carries out assessments on businesses designed to verify the ongoing competency of these businesses and ensure technical integrity and safety standards are continuously upheld. Regular assessments are a condition of being certified by NICEIC, the operating name of Certsure. Split into two key areas, the assessments include on-site scrutiny of representative examples of work, and office audits – to verify effective record keeping and that the correct qualifications, insurances, and policies are in place. Evidence that employees are adequately supervised, and that they are undertaking continuous professional development, is also required. To help people find their nearest NICEIC certified business, Certsure's website hosts a 'Find a Contractor' tool, which allows consumers to search for local businesses by postcode.

The activities listed as part of the achievements under the goals for the year include activities in partnership with Certsure. Certsure has been actively promoting the Electrical Safety First Best Practice Guides and Wiring Regulations Advisory Group (WRAG) 'Q&A' to apprentices and training centres, through their outreach program. In 24/25 this included providing over 1,000 Electrical Safety First updated and rebranded 'Safe Isolation Lock-off kits'. Both Certsure and Electrical Safety First have been supporters of an industry-wide Safe Isolation campaign, through industry events such as Elex, media such as Professional Electrician (which from June 2024 featured the Charity's safe isolation flow chart), as well as being the subject of a NICEIC technical webinar, *THE WIRE*, featuring the Charity's Installation Safety Engineers. *The WIRE* is broadcast live and also available on demand as part of the on-demand library, a valuable resource for electricians with over 30 hours of CPD accredited webinars.

Along with other key stakeholders including Electrical Safety First, Certsure is represented on the BSI JPEL/64 committee, a cross-industry group responsible for maintaining BS 7671, the Institution of Engineering and Technology (IET) Wiring Regulations. Certsure was influential in Amendment 3 of BS7671 released in July 24 which addressed the issue of ensuring that bi-directional devices are installed where solar Photovoltaic and Electrical Energy Storage Systems (EESS) are installed. Collectively, Certsure and Electrical Safety First have a strong presence on the committee and sub-committees, working to improve safety, and practice whilst ensuring consistency and clarity throughout the Regulations.

The Certsure technical helpline continues to assist contractors with their real-life queries. As a leading training provider for the electrotechnical industry, Certsure offers a wide range of highly regarded industry-recognised training, delivered via various platforms. As technologies and demand have evolved, their offerings have also developed, particularly with the provision of Electrical Energy Storage Systems courses. Through both formal training courses and free CPD, Certsure is helping thousands of electrical contractors keep their technical knowledge and skills up to date – and helping to ensure they deliver safe, compliant, installations to consumers.

Future Plans for 2025-26

The plan is to continue working to ensure the Charity fulfills the aims set out in its updated five-year strategy running to 2028. The key strategic priorities of the Charity following the strategy review were set out on page 6 along with the seven key performance indicators that the Charity will aim to have achieved by 2028. New 12-month goals for 2025-26 in relation to each KPI have been identified. Progress will be recorded and regularly reported to quarterly Trustee meetings.

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Financial Position and Reserves

The Group has recorded an increase in funds during 2024/25 of £2,315K consisting of net income of £2,116K and a £199K actuarial gain recorded on the Pension Scheme where the £200k liability at 31 March 2024 as the difference between the Scheme Assets and larger Defined Benefit Obligation has been eliminated (see note 17). The reserves at year end which are wholly unrestricted totaled £38,149K.

Gift aid of £6,235K (2024: £6,700K) has been received by the Charity from its subsidiaries. The Charity's subsidiaries include ESC Partnerships Ltd which is one of two members of Certsure LLP and which generated all of the 24/25 gift aid with none (2024:£700k) coming from ESF Enterprises Ltd. The other member of Certsure LLP is the Electrical Contractors' Association Ltd which is a wholly owned subsidiary of the Electrical Contractors' Association, a members' association.

Income

Total Charity income was £7,508k (2024: £7,939K), the main component of which was £6,235k (2024: £6,700K) received from subsidiaries in gift. Other incoming resources are income payable to the Charity by Certsure LLP for use of its properties together with investment income and income generated by Charitable Activities.

Expenditure

Total expenditure for the year was £4,929K (2024: £3,397K), a significant increase on the prior year. The biggest single cause is increasing the grants paid from £250k in 23/24 to £704k paid out in 24/25. There was also increased activity in the areas of installation and product safety and to a smaller extent research which was reflected in higher spend in all these areas.

Fixed Assets

The majority of the Charity's tangible fixed assets comprise the land, buildings, furniture, equipment and IT hardware used daily. Changes in tangible fixed assets are shown in note 10 to the financial statements.

Pension Scheme

The scheme assets of the closed final salary pension scheme are larger than the liabilities by £0.2m when measured in accordance with FRS 102. This surplus is not recognized under FRS 102 Section 28.22 as the employer has limited rights to benefit from it. Since October 2023 when the Trustee purchased a bulk annuity policy with an insurer securing members' benefits in the scheme in full, the asset value and funding basis are more aligned to the previous buy out funding position which had been a lower level of funding. The purchase of the bulk annuity policy significantly reduced the level of risk the Scheme is to the Charity.

Outlook

The Group's financial position overall remains healthy. The Charity holds significant reserves and now the risk of further significant funding being required for the Pension Scheme is almost eliminated, the Trustees are actively considering the best use of additional available resources to deliver on its objectives.

Cash, Investment Policy and Returns

Group cash and investment balances excluding joint ventures have increased over the last year to £26,525K (2024: £22,920K). Investments have decreased in value due to market conditions, but bank balances have increased.

The Charity's investment policy has as its objective "to produce returns and be a vehicle for holding the agreed level of Charity reserves". The investment target return is once any income required has been taken to maintain and where possible enhance the real value of the portfolio without taking unnecessary risks. A total return approach to investment is taken i.e. generating return from income and capital gains and losses.

An investment portfolio of £12.6M of funds with a long-term investment horizon was managed by three fund managers, Rathbones, Cazenove and CCLA. Poorer conditions in the financial markets over the course of the year resulted in a smaller return of £96K being delivered on the portfolio, comprising a £329K capital loss combined with £437K of income (which was paid out to the Charity) and £12k of management fees.

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

The investment policy is maintained under ongoing review in light of changing Group funding requirements and all portfolios are now balanced between equities, fixed interest investments, alternative investments and cash based on an intermediate risk profile. All income generated is being paid to the Charity to fund current spending.

The balance of the Charity's investments relate to the joint venture of Certsure LLP and property. Properties leased to group companies (including joint ventures) are not treated as investment properties. Therefore the investment property held by the Charity reflects the proportion of a property leased to a third party.

Reserves and Risk Assessment

Risk management processes are embedded in the day-to-day operations of the Charity and its trading activities which have their own separate risk register. Risk registers are reviewed regularly by management to ensure completeness and that the risk ratings and impacts remain appropriate.

Significant changes in the Charity's risk register are reported at the Electrical Safety Council's Board meetings. The full Board reviews the Charity's risk register. The risk register relating to Certsure LLP is reviewed by the Certsure Management Board which includes two Charity Trustees along with the Charity Chief Executive and Finance Director.

The Financial Management Committee, on behalf of the Board, conducts an annual review of the level of unrestricted reserves by considering the risks associated with the various income streams, expenditure plans and Balance Sheet items. In setting the reserves target the Committee considers the future resources needed for the Charity to continue meeting its charitable objectives. The Committee also recognises that assets such as fixed assets are not easily or quickly realised.

This review enables an estimate to be made of the level of reserves that will be sufficient to allow time to re-organise and dispose of long term assets in the event of a down turn whilst maintaining core charitable activities including the Charity's:

- consumer awareness and campaigning activities;
- objectives to improve electrical product and installation safety;
- commitment to technical excellence

The reserves policy is kept under review and states that reserves, which are defined as the charity's and its wholly owned subsidiaries' cash and investment portfolio, amounting to at least two years pure /discretionary charitable expenditure be maintained after provision for the next three years' pension deficit payments.

The policy goes on to state that if the level of reserves exceeds the minimum amount, the Trustees will consider the best use of the "excess" funds. Matters to be taken into account include the progress of the defined benefit pension scheme to self-sufficiency, the merits of holding or investing the additional amount to fund future spend and the merits of undertaking additional charitable activities. Now that significant further funds are unlikely to be required for the pension scheme, the Trustees are continuing to actively consider the Charity's position, how/if the policy should be amended and how any difference between actual reserves and policy should be dealt with.

The Trustees have ultimate responsibility for ensuring the activities are planned, directed and controlled although day to day management of the Charity is delegated to Senior Management. Trustees are unremunerated and the remuneration of the Key Management Personnel is determined by the Remuneration and Appointments Committee who take into consideration general pay increases awarded under the collective agreement which covers the majority of staff as well as external comparatives.

Financial Instruments

The Group's policy including Joint Ventures is to finance working capital through retained reserves and in the case of the Certsure Joint Venture, monies received in advance from customers as a result of its annual fee cycle.

THE ELECTRICAL SAFETY COUNCIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

The Group does not actively use other financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. It is exposed to minimal foreign exchange risk as the customer base is mostly within the UK. The nature of the Group's financial risk instruments means that they are not subject to price or liquidity risk.

The Board does not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or results.

Employee Training and Recruitment

The Group including Joint Ventures has an active personal development training programme to ensure that all employees have the skills and knowledge necessary to achieve the business and personal goals to which they aspire. The Group is an equal opportunity employer that values diversity in its employees and it has recruitment policies directed to ensure that it is open to all.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' annual report incorporating a strategic review and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. 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 Group and parent Charity and of the incoming resources and application of resources, including its income and expenditure, of the Group for the year. 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Charity will continue in business.

The Directors are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and parent Charity 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 Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Directors' Awareness Statement

Each of the Directors has confirmed that so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware, and that they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Auditor

A resolution to appoint Moore Kingston Smith LLP as auditor will be proposed at a future Board meeting.



By order of the Board
Jennifer Trim, Company Secretary, 9 October 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ELECTRICAL SAFETY COUNCIL

Opinion

We have audited the financial statements of The Electrical Safety Council (the “parent charitable company”) and its subsidiaries (the “group”) for the year ended 31 March 2025 which comprise the consolidated and charity statement of financial activities, consolidated and charity balance sheets, consolidated statement of cash flows, charity statement of cash flows and 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 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 group’s and the parent charitable company’s affairs as at 31 March 2025 and of the groups incoming resources and application of resources, including its income and expenditure, 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, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 group 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 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 audit 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 charitable 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 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 directors are responsible for the other information. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 MEMBERS OF THE ELECTRICAL SAFETY COUNCIL (Continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Chairman's Statement, Chief Executive Officer's Review, Directors' Report and Strategic Review for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chairman's Statement, Chief Executive Officer's Review, Directors' Report or Strategic Review.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 17, 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 parent charitable 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 trustees either intend to liquidate the group or the parent 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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ELECTRICAL SAFETY COUNCIL (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ELECTRICAL SAFETY COUNCIL (Continued)

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

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 and to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act and with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Roger Ogden, *Senior Statutory Auditor*

For and on behalf of Moore Kingston Smith LLP, Statutory Auditor
4 Victoria Square
St Albans
Herts AL1 3TF

Date: 10 October 2025

Moore Kingston Smith LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE ELECTRICAL SAFETY COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2025 (incorporating Consolidated Income and Expenditure Account)

				2025	2024
	Note	Unrestricted Charity Funds	Trading Subsidiaries	Total Funds	Total Funds
		£'000	£'000	£'000	£'000
<u>INCOME FROM:</u>					
Investment Income – Investments	5	725	81	806	785
Investment Income – Properties		461	-	461	461
Other Trading activities - Share of profits in Joint Ventures	12	-	5,818	5,818	7,907
Income from Charitable Activities		87	-	87	90
TOTAL INCOME		1,273	5,899	7,172	9,243
<u>EXPENDITURE ON:</u>					
Raising funds					
Continuing trading operations		-	3	3	4
Discontinued trading operations		-	2	2	4
Investment Management Costs		12	-	12	11
Fundraising Costs		59	-	59	62
Subtotal - Raising Funds	4	71	5	76	81
Charitable Activities					
Installation Safety		1,348	-	1,348	1,059
Product Safety		2,152	-	2,152	1,671
Grants and Direct		704	-	704	250
Research		218	-	218	190
Subtotal - Charitable activities	4	4,422	-	4,422	3,170
Other Expenditure	4	431	-	431	146
TOTAL EXPENDITURE		4,924	5	4,929	3,397
Net Investment (Losses) / Gains - Investments	12	(329)	-	(329)	877
Net Investment (Losses) / Gains – Property		202	-	202	(71)
NET (EXPENDITURE) / INCOME		(3,778)	5,894	2,116	6,652
Actuarial Gain / (Loss) on Pension Scheme					
	17	399	-	399	(11,600)
Effect of non-recognition of Pension Asset / Change in irrecoverable surplus	17	(200)	-	(200)	9,506
Transfer of Gift Aid		6,235	(6,235)	-	-
NET MOVEMENT IN FUNDS		2,656	(341)	2,315	4,558
Total Funds at 1 April 2024				35,834	31,276
Total Funds at 31 March 2025				38,149	35,834

All Charitable funds are unrestricted. All recognised gains and losses are included above.

The notes on pages 26 to 41 form part of these financial statements.

THE ELECTRICAL SAFETY COUNCIL

BALANCE SHEETS AS AT 31 MARCH 2025

	Note	<u>Group</u> 2025 £'000	<u>Charity</u> 2025 £'000	<u>Group</u> 2024 £'000	<u>Charity</u> 2024 £'000
FIXED ASSETS :					
Tangible Assets – used	10	4,516	4,516	4,625	4,625
Tangible Assets - investment properties	11	914	914	712	712
Investments	12	12,600	12,600	12,941	12,941
Investments in Joint Ventures	12	6,627		7,907	
		<u>24,657</u>	<u>18,030</u>	<u>26,185</u>	<u>18,278</u>
CURRENT ASSETS :					
Debtors	13	342	344	433	437
Cash at Bank and in Hand		13,925	10,688	9,979	7,681
		<u>14,267</u>	<u>11,032</u>	<u>10,412</u>	<u>8,118</u>
CURRENT LIABILITIES :					
Amounts Falling Due Within One Year	14	775	769	563	559
NET CURRENT ASSETS/(LIABILITIES) :		13,492	10,263	9,849	7,559
TOTAL ASSETS LESS CURRENT LIABILITIES :		38,149	28,293	36,034	25,837
DEFINED BENEFIT PENSION SCHEME LIABILITY					
	17	-	-	(200)	(200)
		<u>38,149</u>	<u>28,293</u>	<u>35,834</u>	<u>25,637</u>
RESERVES					
UNRESTRICTED INCOME FUNDS		38,149	28,293	36,034	25,837
PENSION RESERVE	17	-	-	(200)	(200)
TOTAL RESERVES		38,149	28,293	35,834	25,637

As permitted by Section 408 of the Companies Act 2006, a separate income and expenditure account is not presented in respect of the charitable company. For the purposes of the Companies Act, net income of the Charity for the year is £2,243K (2024: £5,846K).

The notes on pages 26 to 41 form part of these financial statements.

Approved by the Board of Directors and authorised for issue on 9th October 2025, and signed on their behalf by:



E Hudson - Chair

THE ELECTRICAL SAFETY COUNCIL

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	TOTAL FUNDS 2025 £'000	2024 FUNDS £'000
Net cash (used in) operating activities (Note A)	(4,430)	(5,287)
Net cash provided by investing activities (Note B)	8,376	7,264
Cash flows from financing activities	-	-
	3,946	1,977
Analysis of Net Funds £'000	At 1 Apr 2023	23/24 Movement
Cash at bank and in hand	8,002	1,977
	At 31 Mar 2024	24/25 Movement
	9,979	3,946
		13,925

CASHFLOW STATEMENT NOTES

A. Net cash used in operating activities

Net income for the reporting period	2,116	6,652
Share of profits in Joint Ventures	(5,818)	(7,907)
Depreciation	109	109
Dividends, interest and rents from investments	(806)	(785)
Rents from properties	(461)	(461)
Losses / (Gains) on investments	127	(806)
Loss on disposal of fixed assets	-	-
FRS 102 Pension operating movement	-	(1,894)
(Increase) / Decrease in debtors	91	(177)
(Decrease) / Increase in creditors	212	(18)
Net cash used in operating activities	(4,430)	(5,287)

B. Net cash provided by investing activities

Dividends, interest and rents from investments	806	785
Rents from properties	461	461
Distributions from Joint Ventures	7,098	6,012
Purchase of property, plant & equipment	-	-
Proceeds from the sale of investments	12	6
Purchase of investments	(1)	-
Net cash provided by investing activities	8,376	7,264

Analysis of changes in net debt

£'000	At 31 Mar 2024	Cashflow	At 31 Mar 2025
Cash	9,979	3,946	13,925
Cash equivalents	-	-	-
Total	9,979	3,946	13,925

THE ELECTRICAL SAFETY COUNCIL

CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

				TOTAL FUNDS 2024 £'000	2024 FUNDS £'000
Net cash (used in) operating activities (Note A)				(4,425)	(5,995)
Net cash provided by investing activities (Note B)				7,432	7,855
				3,007	1,860
Analysis of Net Funds £'000	At 1 Apr 2023	23/24 Movement	At 31 Mar 2024	24/25 Movement	At 31 Mar 2025
Cash at bank and in hand	5,821	1,860	7,681	3,007	10,688

CASHFLOW STATEMENT NOTES

A. Net cash (used in) operating activities

Net income for the reporting period	(3,778)	(1,344)
Depreciation	109	109
Dividends, interest and rents from investments	(725)	(688)
Rents from properties	(461)	(461)
Losses / (Gains) on investments	127	(806)
Loss on disposal of fixed assets	-	-
FRS 102 Pension operating movement	-	(1,894)
(Increase) /Decrease in debtors	93	(181)
(Decrease) /Increase in creditors	210	(730)
Net cash provided by (used in) operating activities	<u>(4,425)</u>	<u>(5,995)</u>

B. Net cash provided by investing activities

Dividends, interest and rents from investments	725	688
Rents from properties	461	461
Gift aid from trading activities	6,235	6,700
Purchase of property, plant & equipment	-	-
Proceeds from the sale of investments	12	6
Purchase of investments	(1)	-
Net cash provided by investing activities	<u>7,432</u>	<u>7,855</u>

Analysis of changes in net debt

£'000	At 31 Mar 2024	Cashflow	At 31 Mar 2025
Cash	7,681	3,007	7,681
Cash equivalents	-	-	-
Sub-Total	<u>7,681</u>	<u>3,007</u>	<u>10,688</u>
Loans due in 1 year	3	-	3
Total	<u>7,684</u>	<u>3,007</u>	<u>10,691</u>

THE ELECTRICAL SAFETY COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The Electrical Safety Council is a company limited by guarantee (No. 570175) and a registered Charity (England and Wales No. 257376; Scotland No. SC039990).

The financial statements are prepared in compliance 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 (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102) (second edition – October 2019)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, and the Charities Act 2011. The Electrical Safety Council meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared on the historical cost basis and presented in GBP£, rounded to the nearest thousand, which is the functional currency of the Charity.

(b) Basis of Consolidation

The consolidated accounts include the results of the charitable company and its subsidiaries, ESF Enterprises Ltd and ESC Partnerships Ltd from the date of acquisition, together with a share of the results, assets and liabilities of jointly controlled entity (joint venture) Certsure LLP using the equity method of accounting, where the investment is carried at cost plus post-acquisition changes in the share of net assets of the joint venture, less any provision for impairment.

As permitted by Section 408 of the Companies Act 2006, a separate income and expenditure account is not presented in respect of the charitable company. The Charity's gross income for the year was £7,508K (2024 - £7,939K) and the result was £2,457K surplus (2024 - £5,356K surplus).

(c) Income

Fees and other income are accounted for on the provision of the service and are exclusive of VAT.

(d) Investment Income

Investments listed on a recognised stock exchange are included in the balance sheet at market value. Unrealised gains and losses arising during the year are included in the Statement of Financial Activities. Investment income is the amount receivable by the group in the year.

(e) Basis of Expenditure Allocation

Charities SORP requires that support costs are allocated where appropriate to direct charitable activities. The analysis provides an understanding of the nature of the activities undertaken and the resources expended on their provision.

(f) Operating Leases

Costs arising under operating lease agreements have been charged to the Statement of Financial Activities as incurred.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

THE ELECTRICAL SAFETY COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES (Continued)

(g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at historical and deemed 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.

Land is not depreciated as it is deemed to have an indefinite useful life. Depreciation is charged on other assets so as to write off the cost or valuation of assets, over their estimated useful lives, less estimated residual value, using the straight-line method on the following bases:

Computer software	- Between 3 and 5 years
IT equipment	- Over 3 years
Office equipment	- Between 2 and 5 years
Freehold buildings	- 2% on cost
Freehold refurbishment	- 10% on cost
Leasehold buildings	- Over the life of the lease

(i) Foreign Exchange

Assets and liabilities are translated into sterling at rates ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at rates ruling on the date of the transaction.

(j) Valuation of Fixed Asset Investments

Investments in Group undertakings are carried at historical cost, adjusted in the case of the joint ventures to reflect the Group's share of the underlying results. The Council considers this to be the most appropriate method of valuation of these holdings for the purpose of the consolidated financial statements.

Financial investments are valued at mid market value at the year end.

(k) Valuation of Investment Property

Investment properties are valued at market value. The investment property owned by The Electrical Safety Council was valued at 1 April 2025 by a professional valuer in accordance with the Royal Chartered Surveyors Valuation – Global Standards (The Red Book) effective from 31 January 2025 (which incorporate the International Valuation Standards) and the UK National supplement. No departures were made from this standard. Gains or losses arising on revaluation are taken to the statement of financial activities. No depreciation is provided on investment properties. The property rented to group companies (including joint ventures) is treated as not being held for investment so the value of investment properties is less material.

(l) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and short term deposits with original maturities of three months or less and that are subject to an insignificant risk of changes in value.

THE ELECTRICAL SAFETY COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES (Continued)

(m) Pension Costs

For the Defined Benefit Scheme, the Statement of Financial Activities is charged with the current service costs and the net return on assets. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown in aggregate. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

The Defined Benefit Scheme is funded, with the assets of the scheme held in a fund administered by the NICEIC Pension Scheme. Pension scheme assets are measured at fair market value and liabilities are measured on an actuarial basis using the projected unit credit method of valuation and discounted at a rate based on the yield of an AA rated Corporate Bond. For benefits covered by a bulk annuity policy, the fair market value of the policy (asset) is considered as equal to the value of the benefits covered. Actuarial valuations for the purposes of FRS 102 are updated at each balance sheet date.

The resulting defined benefit asset or liability is presented separately after total assets less current liabilities on the face of the balance sheet. Where by virtue of FRS102 Section 28.22 the employer is not entitled to a refund of a surplus, an asset is not recognized.

The Defined Contribution Scheme is a “Group Personal Pension” whereby participating employees have individual contracts with an insurance company providing a range of investment alternatives. Employer contributions are charged to the Statement of Financial Activities in the year to which they relate.

(n) Financial Instruments

a. Financial assets

The Charity and Group’s financial assets comprise basic financial instruments, being trade and other debtors and cash and bank balances. Trade and other debtors are measured at transaction price less any impairment. Any impairment loss is recognised in the statement of financial activities.

The impairment loss is measured as the difference between an asset’s carrying amount and best estimate, 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 are derecognised when contractual rights to the cash flows from the financial asset expire or are settled, or when substantially all the risks and rewards of ownership have been transferred.

b. Financial liabilities

The Charity and Group’s financial liabilities comprise basic financial liabilities, being trade and other creditors. These are initially recognised at transaction price and are measured subsequently at amortised cost. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

c. Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

THE ELECTRICAL SAFETY COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES (Continued)

(o) Going Concern

The financial statements are drawn up on the going concern basis which assumes the group will continue in operational existence for the foreseeable future. The Trustees have given due consideration to the working capital and cash flow requirements of the group for at least 12 months from the date of signature on the accounts.. The Group and the Charity have a strong cash and reserves position at the time of approval of these financial statements and the Trustees have concluded that there is a reasonable expectation that the Group and the Charity have adequate resources to continue in operational existence for at least 12 months from the date of the audit report of these financial statements.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Charity and Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions which affect the amounts reported for assets and liabilities as at the year end date and the amounts reported for income and expenditure during the year. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, the nature of the estimation means that actual outcomes could differ from these estimates.

Defined benefit pension and other post-employment benefits

The present value of the defined benefit pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pension and other post-employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of pension and other post-employment benefits.

After taking appropriate professional advice, group management determines the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions relevant to the defined benefit pension and other post-employment benefit obligations are based in part on current market conditions. Additional disclosures concerning these obligations are given in note 17.

Revaluation of investment properties

The Group carries its investment properties at fair value, with changes being recognised in income and expenditure. The trustees review the valuation of the properties on an annual basis and, taking the market conditions into account, consider the values included in the accounts to be the fair value of the properties.

3. FINANCIAL RISK MANAGEMENT

The Trustees have overall responsibility for the establishment and oversight of the Charity and Group's risk management framework. The full Trustee Board retains responsibility for developing and monitoring the Charity and Group's risk management strategy and policies. The senior leadership team maintain a risk register which is considered regularly by all the Trustees. There have been no changes to the Charity and Group's exposures and risks or methods used to measure and manage these risks during the year. The Charity and Group seeks to minimise these risks as detailed below:

THE ELECTRICAL SAFETY COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2025

3. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

The objective of the Group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Group aims to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the Group has financial investments available. The Group maintains a long term (up to five years) monthly cash forecast and is currently in a position to meet its commitments and obligations as they come due.

The Group is significantly dependent on Certsure, its Joint Venture with the Electrical Contractors Association for its income, it is entitled to 75% of the profits. The Charity also leases three properties to Certsure. Certsure has a Management Board with responsibility for day to day management and control. There is equal representation on the Management Board from each partner and decisions are taken by majority voting with the requirement that at least one member from each partner should be in favour. Two of the representatives are Trustees of the Charity and the other two are the Chief Executive Officer and Finance Director of the Charity, by which means oversight is achieved and regular reports are also provided to the Financial Management Committee and the full Board of the Charity.

Market risk

The Charity is exposed to market conditions affecting the size of its investment portfolio. The value is regularly monitored and investment managers are required to attend meetings of the Financial Management Committee at least annually. The Trustees maintain the investment policy under review. The portfolio is spread across three managers to help mitigate the risks of manager underperformance. Investments are not made for a period of under five years and cash deposits are held to manage short term requirements rather than divesting investments.

The Charity is also exposed to the effect of market conditions on the position of the closed defined benefit pension scheme. The Trustees of the Charity and the Pension Scheme work closely together and the Trustees of the Pension Scheme have been working on a journey plan based on self-sufficiency leading to being able to buy the liabilities out with an insurance company. During the year ended 31 March 2024 the Trustees of the Pension Scheme arranged a bulk annuity policy with Just Retirement that covers all the current members.

The Trustees do not feel the Charity is exposed to any other significant financial risk.

4. NET INCOME FROM TRADING ACTIVITY OF SUBSIDIARIES

Support costs totalling £464k (2024: £480k) have been allocated to Charitable Activities in accordance with the level of direct spend on those activities which is considered the fairest method of apportionment. Support costs comprise the costs of Charity premises, finance, governance and other overhead costs and are not separately identified by function.

	2025 £'000	2024 £'000
Installation safety	165	170
Product safety	263	268
Research	27	30
Fundraising	9	12
Total	<u>464</u>	<u>480</u>

Other costs are the costs of administration and the interest on the net defined benefit liability of the defined benefit scheme that is closed to future accrual. These costs therefore do not contribute to the current cost of charitable activities.

THE ELECTRICAL SAFETY COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2025

5. INVESTMENT INCOME AND INTEREST

	<u>2025</u> £'000	<u>Group</u> <u>2024</u> £'000
Bank interest	369	347
Investment income	437	438
	<u>806</u>	<u>785</u>

6. STAFF COSTS

	<u>2025</u> £'000	<u>Charity</u> <u>2024</u> £'000	<u>2025</u> £'000	<u>Group</u> <u>2024</u> £'000
Staff costs				
Wages and salaries	1,476	1,271	1,476	1,271
Agency salaries	-	-	-	-
Social security costs	184	147	184	147
Pension costs	154	131	154	131
Healthcare plan	9	6	9	6
	<u>1,823</u>	<u>1,555</u>	<u>1,823</u>	<u>1,555</u>

The average number of staff employed during the period was 26 (2024: 23).

As a Charity, Trustees who are unremunerated and receive no other benefits from employment, have ultimate responsibility for ensuring the activities are planned, directed and controlled although day to day management of the Charity is delegated to senior management who are also considered to be key management personnel. Total remuneration paid to key management personnel in the year was £532,739 (2024: £487,382). Details of reimbursed expenses incurred by Trustees are set out in note 18.

7. EMOLUMENTS OF EMPLOYEES AND DIRECTORS

Employees who received employee benefits (excluding pension contributions) of greater than £60,000 fell into the following bands. All of these employees were participating in the group personal pension scheme:

	<u>2025</u>	<u>2024</u>
£60,001 to £70,000	4	2
£70,001 to £80,000	1	-
£80,001 to £90,000	-	1
£90,001 to £100,000	1	1
£100,001-£110,000	1	-
£110,001-£120,000	1	-
£120,001-£130,000	-	1
	<u>8</u>	<u>5</u>

Aggregate pension contributions paid on behalf of the above higher paid employees were £67,386 (2024: £46,072).

THE ELECTRICAL SAFETY COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2025

8. NET INCOMING RESOURCES	2025 £'000	2024 £'000
The Group's net incoming/(outgoing) resources are stated after charging/(crediting):		
Audit fees		
Parent	15	16
Subsidiaries	2	5
Non audit fees paid to auditors	40	55
Depreciation of tangible fixed assets	109	109

9. TAXATION

The Electrical Safety Council is a Charity with the registration number 257376. No UK taxation is therefore due on profits, income and gains arising from the charitable activities of the company. The subsidiaries pay over most of their taxable profits to The Electrical Safety Council, under a Gift Aid Scheme. The tax charges in relation to subsidiaries, if applicable, are disclosed in Note 8.

10. TANGIBLE FIXED ASSETS

Group & Charity	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Office & IT equipment £'000	Computer software £'000	TOTAL £'000
<u>COST</u>					
B/fwd	5,824	-	222	-	6,046
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
C/fwd	5,824	-	222	-	6,046
<u>DEPRECIATION</u>					
B/fwd	1,219	-	202	-	1,421
Charge	100	-	9	-	109
Disposals	-	-	-	-	-
C/fwd	1,319	-	211	-	1,530
<u>NET BOOK VALUE</u>					
As at 31 March 2024	4,605	-	20	-	4,625
As at 31 March 2025	4,505	-	11	-	4,516

Land, which is not depreciated, amounting to £2,308K (2024: £2,308K) is included in net book value

11. FREEHOLD INVESTMENT PROPERTY, Group & Charity

	£'000
B'fwd	712
Change in market value	<u>202</u>
C'fwd	<u>914</u>

THE ELECTRICAL SAFETY COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2025

12. INVESTMENTS - GROUP

Group	<u>2025</u> <u>£'000</u>	<u>2024</u> <u>£'000</u>
Joint Ventures:		
At 1 April 2024	7,907	6,012
Share of profit for the year	5,818	7,907
Less: remitted to the Group	(7,098)	(6,012)
At 31 March 2025	<u>6,627</u>	<u>7,907</u>
Share of Joint Ventures represented by:		
Fixed assets	3,346	2,299
Current assets	18,469	20,650
Creditors	(15,188)	(15,042)
	<u>6,627</u>	<u>7,907</u>
Other Investments	<u>2025</u> <u>£'000</u>	<u>2024</u> <u>£'000</u>
Market value as at 1 April 2024	12,901	12,028
Purchases (at cost)	1	-
Disposal proceeds	(13)	(4)
Net investment gains / (losses)	(329)	877
	<u>12,560</u>	<u>12,901</u>
Cash balances held by investment managers	40	40
Market value at 31 March 2025	<u>12,600</u>	<u>12,941</u>
Other investments are represented by:		
UK Equities	1,136	1,168
Overseas Equities	7,265	7,741
UK Bonds & Fixed Interest	1,060	949
Global Bonds & Fixed Interest	679	688
Hedge Funds	268	233
Portfolio Funds	-	-
Property	553	584
Infrastructure	377	534
Cash funds	668	444
Commodities	341	371
Others	213	218
Cash securities	40	40
Market value as above	<u>12,600</u>	<u>12,941</u>
Investments Total (Group)	<u>19,227</u>	<u>20,848</u>
Charity	<u>2025</u> <u>£'000</u>	<u>2024</u> <u>£'000</u>
Subsidiaries (See Note 20)	-	-
Other Investments	12,600	12,941
Investments Total (Charity)	<u>12,600</u>	<u>12,941</u>

ESC Partnerships Ltd holds member rights in Certsure LLP.

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13. DEBTORS	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Trade debtors	148	148	329	329
Prepayments	85	85	54	54
Amount due from subsidiary undertakings	-	3	-	5
Other debtors	7	6	1	-
Social Security and Other Taxes	<u>102</u>	<u>102</u>	<u>49</u>	<u>49</u>
	<u>342</u>	<u>344</u>	<u>433</u>	<u>437</u>

Trade debtors and amounts due from related companies included in the above are held at amortised cost.

14. CREDITORS	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Amounts falling due within one year				
Trade creditors	381	381	162	162
Social security and other taxes	48	48	43	43
Amount due to subsidiary undertakings	-	-	-	-
Accruals and deferred income	<u>346</u>	<u>340</u>	<u>358</u>	<u>354</u>
	<u>775</u>	<u>769</u>	<u>563</u>	<u>559</u>

Deferred income comprises of payments received on account and income relating to services not yet delivered. Trade creditors, amounts due to related companies and accruals are held at amortised cost.

15. OPERATING LEASES

The Group has no financial commitments in respect of non-cancellable operating leases payable. Non-cancellable operating lease rentals are receivable as follows:

	Charity		Group	
	2025 £000	2024 £000	2025 £000	2024 £000
Not later than one year	398	398	105	105
Later than one and not later than five years	796	1,194	211	-
Later than five years	-	-	-	-
Total commitment	<u>1,194</u>	<u>1,592</u>	<u>316</u>	<u>105</u>

The operating lease receivables are in respect of the properties held by the Charity and the Group which are leased to third parties, or in the case of the Charity, to either third parties or group companies (including joint ventures). Two of the properties held by the Charity were leased to Certsure LLP, its joint venture for a minimum period of five years commencing 1 April 2013 on a fully tenant repairing basis, with a rent review date that has expired with the leases running on at the same rental figure on a rolling basis. A further property is leased by the Charity to Certsure on a lease which commenced on 1 April 2023 and runs for a minimum period of five years on a fully tenant repairing basis. Certsure lease a portion of this property to NQA under a lease which was agreed for five years from 29 March 2023 and had a mutual break date of 28 February 2025 which was not exercised. The other property owned by the Charity is occupied by the Charity.

16. INSURANCE

Insurance costs charged to the revenue account include professional indemnity cover in respect of the Board of Directors. It is not possible to separately identify the cost of this from the total insurance premium for the Group.

17. PENSION SCHEME

The Group operates a pension scheme providing benefits based on final pensionable pay. The Scheme

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operates under trust law and is managed and administered by the Trustees on behalf of the members in accordance with the terms of the Trust Deed and Rules and relevant legislation. The assets of the scheme are held by the Trust and during the year were invested with Towers Watson Investment Management. The Trust also holds a bulk annuity policy (“buy-in”) with Just Retirement that covers all current members.

The Scheme was closed to new members with effect from 31 December 2006 and was closed to future accrual of benefits on 28 February 2013.

The Scheme is a funded scheme and the Trustee’s funding objective is to hold assets which are at least equal to the technical provisions, i.e. to meet the statutory funding objective. The contributions paid to the Scheme are agreed by the Trustee and Employer every three years, after obtaining the actuarial advice of the Scheme Actuary. Principal factors in determining the level of contributions include the covenant offered by the sponsor, the level of risk in the Scheme, the expected return on the Scheme’s assets and the discontinuance funding level.

The main risks to the Scheme prior to the purchase of the buy-in policy are included in the list below, these have either been eliminated or significantly reduced following the buy-in:

- Investment returns insufficient to pay for the Scheme benefits
- Significant deterioration in the Employer’s covenant
- Increase in the life expectancy of members
- Significant changes in the market yields on high quality UK non-government corporate bonds, which are used to determine the discount rate

The focus for the Trustee is now to mitigate the risks in respect of meeting the cashflow requirements as they fall due and the possibility of the Insurer not meeting their agreed obligations, either entirely or on time.

The most recent comprehensive actuarial valuation was carried out by the Trustee of the Scheme as at 31 March 2023 for funding monitoring purposes. The Employer has employed an actuary who is not the Scheme Actuary to approximately update that actuarial valuation allowing for differences between the actuarial assumptions used by the Scheme for funding purposes and those adopted by the Employer to measure the defined benefit obligation (DBO), as well as adjusting for benefits paid from Scheme.

It was agreed following the latest formal actuarial funding valuation as at 31 March 2023, that no regular contributions were required from the Employer as there was a technical provisions surplus. Special contributions of such amounts as agreed between the Trustee and the Employer, are payable within three months of the date of the agreement. The Employer paid £1.5m at the time of the buy-in transaction in October 2023. The Employer meets the administration expenses of the Scheme and levies of the Pension Protection Fund. The scheme rules were amended in October 2022 to allow the scheme to pay administration and levy costs.

Scheme Asset Information	Allocation Percentage 31-Mar-25	Allocation Percentage 31-Mar-24
Debt securities	0%	0%
Diversified fund	0%	0%
Buy-in policy	98%	99%
TW Secure Income Fund	2%	7%
Cash / liquidity	<1%	<1%
Loan of outstanding premium	(<1)%	(6)%
Total	100%	100%
Fair value of Scheme assets (£ million)	55.7	61.7
	31-Mar-25	31-Mar-24
Included in the above:		
Value of entity’s own financial instruments	0	0
Value of property and other assets used by the Employer	0	0

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17. PENSION SCHEME (Continued)

The figures stated are in line with the requirements of FRS 102. All figures in this note are in £ million.

Defined Benefit Cost - Period Ending	31-Mar-25	31-Mar-24
A Profit & Loss (P&L)		
1 Effect of employee service in the current period	-	-
2 Net interest on net defined benefit liability/(asset)	-	(0.4)
3 Scheme introductions, changes, curtailments and settlements	-	-
4 Defined benefit cost recognised in P&L	-	(0.4)
5 Cost of termination benefits (1)	-	-
6 Administration costs incurred during the period	-	-
7 Cost recognised in P&L	-	(0.4)
B Other Comprehensive Income (OCI)		
1 Actuarial (gain)/loss arising during period	(5.9)	(2.3)
2 Return on Scheme assets (greater)/less than discount rate	5.5	13.9
3 Change in irrecoverable surplus (2)	0.2	(9.5)
4 Remeasurement effects recognised in OCI	(0.2)	2.1
C Total Defined Benefit Cost		
1 Cost recognised in P&L	-	(0.4)
2 Remeasurement effects recognised in OCI	(0.2)	2.1
3 Defined benefit cost	(0.2)	1.7
D Assumptions Used to Determine Defined Benefit Cost ⁽³⁾		
1 Discount rate	4.8%	4.8%
2 Price inflation (RPI)	3.4%	3.5%
3 Price inflation (CPI)	3.0%	3.1%
4 Pension increases for in-payment benefits		
CPI maximum 5%	3.0%	3.1%
- CPI maximum 2.5%	2.3%	2.3%
5 Pension increases for deferred benefits	2.8%	2.9%

The fair value of assets is used to determine the expected investment return during the year.

The demographic assumptions are consistent with those chosen by the Trustee for the 31 March 2023 valuation. In particular, the mortality assumptions are consistent with the 2023 valuation assumptions but with margins for prudence removed and updating to use the latest version of the CMI future improvements model. That is, using 100% of the SAPS “S3” all pensioner retirements table with future improvements in longevity in line with ‘CMI core projection model’ (2023 version) subject to a long term improvement rate of 1.25% pa, using the core value of the smoothing parameter, an initial addition to mortality improvements of 0.5% pa and the default weightings to mortality data after 2020.

-
- 1 Includes only termination benefits to be paid from the Plan.
 - 2 Excludes amounts included in net interest/(income) on the defined benefit liability/(asset).
 - 3 These beginning of year assumptions were used to calculate the defined benefit cost recognised through P&L.

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17. PENSION SCHEME (Continued)

Under the mortality rates assumed as at 31 March 2025 the implied life expectancy for a member currently aged 63 is 23.8 years for a male and 26.4 years for a female. The life expectancy at age 63 for a member currently aged 43 is 25.2 for males and 27.8 for females.

An allowance has been made for non-pensioner members to commute 25% of their pension at retirement for tax free cash on terms that were in force at the valuation date (31 March 2023).

The proportion of member's deaths assumed to give rise to dependants' pension varies with age but is typically 93% for males and 80% for females at age 63. Male participants are assumed to be 3 years older than their spouses and female participants are assumed to be 3 years younger than their spouses.

Net Balance Sheet Position - Period Ending		31-Mar-25	31-Mar-24
A Development of Net Balance Sheet Position			
1	Defined benefit obligation (DBO) of Scheme	56.5	61.9
2	Fair value of assets (FVA) of Scheme	55.7	61.7
3	Surplus/(deficit) of Scheme	0.2	(0.2)
4	Irrecoverable surplus (effect of asset ceiling)	(0.2)	0.0
5	Net defined benefit asset/(liability)	0.0	(0.2)
B Reconciliation of Net Balance Sheet Position			
1	Net defined benefit asset/(liability) at end of prior period	(0.2)	0
2	Effect of employee service in the current period	-	-
3	Net interest on net defined benefit asset/(liability)		0.4
4	Remeasurement effects recognised in OCI	0.2	(2.1)
5	Scheme introductions, changes, curtailments and	-	-
6	Employer contributions	-	1.5
7	Benefits paid directly by the Employer	-	-
8	Transfer payments	-	-
9	Net defined benefit asset/(liability) at end of current period	0.0	(0.2)
C Assumptions and Dates Used for Measurements(3)			
1	Discount rate	5.7%	4.8%
2	Price inflation (RPI)	3.3%	3.4%
3	Price inflation (CPI)	2.9%	3.0%
4	Pension increases for in-payment benefits		
	- CPI maximum 5%	2.9%	3.0%
	- CPI maximum 2.5%	2.3%	2.3%
5	Pension increases for deferred benefits	2.9%	2.8%
6	Scheme participant census date	31-Mar-23	31-Mar-23

An allowance of 1% of the liabilities has been allowed for the cost of GMP equalisation which is consistent with the assumption used at 31 March 2024. The Actuary preparing these figures believes this continues to be an appropriate allowance. A loading of £0.1m has been added to the DBO to reflect the estimated additional liability in respect of a statutory minimum benefit rectification exercise, which was carried out in 2024 and resulted in a small uplift in some members benefits (which is not reflected in the underlying data received for the 2023 valuation). Neither of these additional liabilities are covered by the buy-in policy and therefore no adjustment is required to the asset side of the calculation for this exercise.

3 These assumptions are at the end of the fiscal year

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17. PENSION SCHEME (Continued)

Investigations into the potential impact of the Virgin Media case on the Scheme have not yet been completed, and so the position is currently uncertain. Therefore no allowance has been made for any potential impact from the Virgin Media case within the disclosures.

The employer meets the cost of administrative expenses and no inclusion of these is made in the disclosures.

The Projected Unit Credit Method is used to determine the present value of the DBO. Under this method, a “projected accrued benefit” is calculated based upon service as at the date of valuation. In normal circumstances, the DBO is based upon the Scheme's benefit formula.

Changes in reported benefit obligations & assets - Period Ending		31-Mar-25	31-Mar-24
A Change in Defined Benefit Obligation (DBO) (including URB)			
1	DBO at end of prior period	61.9	64.2
2	Effect of employee service in the current period	-	-
3	Interest cost on the DBO	2.9	3.0
4	Remeasurement of the DBO	(5.9)	(2.3)
5	Scheme introductions, changes, curtailments and settlements	-	-
6	Scheme participants' contributions	-	-
7	Benefits paid from Scheme assets	(3.4)	(3.0)
8	Benefits paid directly by the Employer	-	-
9	Taxes paid	-	-
10	Acquisitions	-	-
11	Divestitures	-	-
12	Termination benefits	-	-
13	DBO at end of current period	55.5	61.9
B Change in Scheme Assets			
1	Fair value of assets at end of prior period	61.7	73.8
2	Interest income on Scheme assets	2.9	3.4
3	Return on Scheme assets greater/(less) than discount rate	(5.5)	(13.9)
4	Scheme introductions, changes, curtailments and settlements	-	-
5	Employer contributions	-	1.5
6	Scheme participants' contributions	-	-
7	Benefits paid from Scheme assets	(3.4)	(3.0)
8	Administrative costs paid	-	(0.1)
9	Taxes paid	-	-
10	Acquisitions	-	-
11	Divestitures	-	-
12	Fair value of assets at end of current period	55.7	61.7
C Return on Scheme Assets			
1	Total return on Scheme assets	(2.6)	(10.5)

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17. PENSION SCHEME (Continued)

The DBO is based on an update of the results of the Trustee's actuarial valuation as at 31 March 2023, with the basis changed to reflect the assumptions set out above. Liabilities are projected to the measurement date by assuming no actuarial gains or losses in the interim, except for those assumption changes necessary to reflect the situation at the period end date and adjustments in respect of actual benefit payments and known inflation over the projection period. The objective of this calculation is to produce an estimate of the actuarial values required by FRS 102.

This approach introduces an element of approximation relative to the result of a hypothetical full actuarial valuation at the measurement date. The advantage of this approach is that it simplifies the computation required. The disadvantage is that this approach is inherently less accurate than fully detailed calculations and the loss of accuracy is difficult to quantify without carrying out the same detailed calculations.

Circumstances where the difference between the results obtained using a projection approach rather than a full actuarial valuation may be material include:

- where there is a long period of projection between the preceding actuarial valuation and the fiscal year end;
- where there are substantial differences between the assumptions used at this fiscal year end and the preceding actuarial valuation;
- where there are significant elements of Scheme experience which are not allowed for in the update, for example membership movements such as the rates of retirement or death; and
- where the assets at the end of the fiscal year have been estimated based upon unaudited financial information from the Scheme's investment managers at an effective date before the fiscal year end.

The calculations are based on the assumption that no asset ceiling restrictions apply. No allowance has been made in the assumptions for the future award of any discretionary benefits.

The Actuary preparing these figures has advised that the results documented are estimates based on data that may be imperfect and on assumptions about future events. She also stated that certain Scheme provisions may be approximated or deemed immaterial and therefore are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately. The Actuary preparing the figures advised he believed that the use of approximations in these calculations, if any, has not resulted in a significant difference relative to the results that would have been obtained by using more detailed calculations or more precise data.

A range of results, different from those presented in this report, could be considered reasonable. Any rounding (or lack thereof) used for displaying numbers in this report is not intended to imply a degree of precision, which is not a characteristic of actuarial calculations.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as:

- Scheme experience differing from that anticipated by the economic or demographic assumptions;
- changes in economic or demographic assumptions;
- changes in Scheme provisions or applicable law; and
- significant events such as restructurings, acquisitions and divestitures.

No analysis was performed of the potential range of such future measurements.

The surplus (asset) indicated by the difference between the value of the Scheme assets and the DBO at 31 March 2025 has not been recognised on the Balance Sheet in accordance with FRS102 Section 28.22. The employer does not have a right to a refund of the surplus.

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18. RELATED PARTY TRANSACTIONS

The charity rents three of its buildings to Certsure LLP. As part of its support activities (including IT, HR and facilities), Certsure LLP provided support to the Charity but the cost is not separately identified or charged.

	<u>Certsure LLP</u>	
	<u>2025</u> £'000	<u>2024</u> £'000
Charged by ESC		
Rent	467	469
Life Assurance	152	139
Staff recharges	-	-
Charged to ESC - Reimbursable expenses	76	32

At 31 March 2025 Certsure was owed £22k (2024: £nil) by ESC and owed £138k (2024: £nil) to ESC

The Charity received Gift Aid from ESC Partnerships Ltd, a wholly owned subsidiary, amounting to £6,235,000 during the year (2024: £6,000,000). It received Gift Aid from ESF Enterprises Ltd, a wholly owned subsidiary, amounting to £nil during the year (2024: £700,000)

During the year expenses were reimbursed to ten Trustees amounting to £4,162, (2024 – eight Trustees amounting to £3,630). These payments were to cover travel, subsistence and accommodation costs incurred.

19. STATUS OF COMPANY

- The Electrical Safety Council is a Charity in England and Wales with the registration number 257376. It also has Charity status in Scotland with the registration number SC039990. No UK taxation is due on profits, income or gains arising from the charitable activities of the company.
- The Electrical Safety Council is registered as a company in England and Wales with the number 570175 and is limited by guarantee.

20. GROUP UNDERTAKINGS

The following were the principal subsidiaries and joint ventures during the year, and have all been included in the consolidated financial statements for the whole year.

<u>Subsidiaries (& Cos Hse Registration)</u>	<u>Country of Incorporation</u>	<u>Class of share</u>	<u>Parent Company's Interest</u>	
			<u>Direct</u>	<u>Indirect</u>
(1)ESF Enterprises Limited (02513162)	Great Britain	Ordinary	100%	-
(2) ESC Partnerships Ltd (08281269)	Great Britain	Ordinary	100%	-

Financial information for the year and at the year end is shown below:

<u>Company</u>	<u>£'000 at 31 March 2025</u>			<u>£'000 for year ended 31 March 2025</u>		
	<u>Assets</u>	<u>Liabilities</u>	<u>Funds</u>	<u>Turnover</u>	<u>Expenditure</u>	<u>Profit/(Loss)</u>
ESF Enterprises Limited	15	7	8	-	2	(2)
ESC Partnerships Ltd	9,849	1	9,848	-	3	(340)

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20. GROUP UNDERTAKINGS (Continued)

<u>Joint Ventures</u>	<u>Country of Incorporation</u>	<u>Class of share</u>	<u>Parent Company's Interest</u>	
			<u>Direct</u>	<u>Indirect</u>
(1) Certsure LLP (OC379918)	UK	-	-	75%

Certsure LLP carries out certification and training and activities. The accounting date is the year to 31st March 2025.

The Charity during the year owned the entire issued share capital of the following subsidiary undertakings which are registered in England with a registered office at 45 Great Guildford Street, London, SE1 0ES and are dormant:

Electrical Safety Summit Ltd	8551833
Electrical Industry Safety Summit	8551701
Plugsafe UK Ltd	8565296
Electrical Safety First Ltd	8531140
Energy Safety First Ltd	8773701
Product Safety Round Table Ltd	8821644
Electrical Product Safety Round	8822216
Fire Safety First Ltd	8776272
Electrical Fire Safety First Ltd	8776489
Fire Safety First (UK) Ltd	8776490
Utilities Safety First Limited	8773777
Utility Safety First Limited	8773812

With the exception of Electrical Safety First Ltd (no. 8531140), applications to strike the above companies off the register were made on 16 January 2024. These 11 companies were all struck off on 2 April 2024 and dissolved on 9 April 2024.