

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	Yorkshire and Humber (Local Authorities) Employers Association		
Year ended:	31st March 2020		
List No:	CO/246E		
Head or Main Office:	C/O Martin Hunter, Wakefield Council, 3rd Floor		
	Wakefield One		
	Burton Street		
	Wakefield		
	West Yorkshire		
	Postcode	WF1 2EB	
Website address (if available)			
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	Steve Walmsely		
Contact name for queries regarding the completion of this return:	Martin Hunter		
Telephone Number:	01924 306992		
E-mail:	mhunter@wakefield.gov.uk		

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ywm@tcyoung.co.uk

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Return of Members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	Totals
27				27

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
101,858	From Members	Subscriptions, levies, etc	101,858	101,858
	Investment income	Interest and dividends (gross)		
		Bank interest (gross)	52	52
		Other (specify)		
		Total Investment Income	52	52
	Other Income	Rents received		
		Insurance commission		
11,011		Consultancy fees	23,343	23,343
		Publications/Seminars		
		Miscellaneous receipts (specify)		
5,000		Miscellaneous receipts - Apprenticeship		
1,000		Miscellaneous receipts – E-Pay Check	2,670	2,670
2,718		Miscellaneous receipts – Subscriptions	1,000	1,000
		Miscellaneous receipts – Events funding	670	670
		Total of other income		27,683
121,587		Total income		129,593
		Interfund Transfers IN		
	Expenditure			
92,565	Administrative expenses	Remuneration and expenses of staff	95,425	95,425
		Occupancy costs		
322		Printing, Stationery, Post	28	28
240		Telephones	242	242
8,462		Legal and Professional fees	9,097	9,097
		Miscellaneous (specify)		
1,364		Insurances	1,297	1,297
8,835		Subscriptions, Publications, Website	2,404	2,404
1,514		Computer & Software	342	342
		Total of Admin expenses		108,835
	Other Charges	Bank charges		
192		Depreciation		
		Sums written off		
		Affiliation fees		
		Donations		
1,246		Conference and meeting fees	11,991	11,991
		Expenses		
		Miscellaneous (specify)		
		Total of other charges		11,991
		Taxation		
114,740		Total expenditure		120,826
6,847		Interfund Transfers OUT		
170,893		Surplus/Deficit for year		8,767
177,740		Amount of fund at beginning of year		177,740
		Amount of fund at end of year		186,507

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 2		Fund Account	
Name of account:		£	£
Income			
	From members		
	Investment income		
	Other Income (specify)		
		Total Income	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 3		Fund Account	
Name of account:		£	£
Income			
	From members		
	Investment income		
	Other income (specify)		
		Total Income	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 4		Fund Account	
Name of account:		£	
Income			
	From members		
	Investment income		
	Other income (specify)		
		Total Income	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 5		Fund Account	
Name of account:		£	
Income			
	From members		
	Investment income		
	Other income (specify)		
		Total Income	
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
	Total Income		
	Interfund Transfers IN		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 7		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
	Total Income		
	Interfund Transfers IN		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Balance Sheet as at [31st March 2020]

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at Page 8)		
	Investments (as per analysis on page 9)		
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		
	Total Investments		
	Other Assets		
13,420	Sundry debtors	20,030	20,030
164,513	Cash at bank and in hand	166,670	166,670
	Stocks of goods		
	Others (specify)		
	Total of other assets	186,700	186,700
177,933			
	Total Assets		186,700
177,740	Revenue Account/ General Fund	186,507	
	Revaluation Reserve		
	Liabilities		
193	Sundry creditors		193
	Accrued expenses		
193			
	Total Liabilities		193
177,933			
	Total Assets		186,700

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period				
Additions during period				
Less: Disposals				
Less: Depreciation				
Total to end of period				
Book Amount at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets				

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Total Unquoted (as Balance Sheet)	
	Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

Analysis of investment income (Controlling interests)

(see note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes		No	X
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If Yes name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
None	

Incorporated Employers' Associations

Are the shares which are controlled by the association registered in the association's name

Yes		No	X
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If NO, please state the names of the persons in whom the shares controlled by the association are registered.

Company name	Names of shareholders
None	

Unincorporated Employers' Associations

Are the shares which are controlled by the association registered in the names of the association's trustees?

Yes		No	X
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If NO, state the names of the persons in whom the shares controlled by the association are registered.

Company name	Names of shareholders
None	

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members	101,858	101,858
From Investments	52	52
Other Income (including increases by revaluation of assets)	27,683	27,683
Total Income	129,593	129,593
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	120,826	120,826
Funds at beginning of year (including reserves)	177,740	177,740
Funds at end of year (including reserves)	186,507	186,507
ASSETS		
Fixed Assets		
Investment Assets		
Other Assets		186,700
Total Assets		186,700
Liabilities		
Total Liabilities		193
Net Assets (Total Assets less Total Liabilities)		186,507

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members		
From Investments		
Other Income (including increases by revaluation of assets)		
Total Income		
Expenditure (including decreases by revaluation of assets)		
Total Expenditure		
Funds at beginning of year (including reserves)		
Funds at end of year (including reserves)		
ASSETS		
	Fixed Assets	
	Investment Assets	
	Other Assets	
	Total Assets	
Liabilities	Total Liabilities	
Net Assets (Total Assets less Total Liabilities)		

Notes to the accounts

(see note 34)

All notes to the accounts must be entered on or attached to this part of the return.

Please see attached company accounts.

Accounting policies

(see notes 35 & 36)

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Please copy and paste your electronic signature here

Secretary's Signature:	<i>S. Walmsley</i>	Chairman's Signature:	<i>James Lewis</i>
			(or other official whose position should be stated)
Name:		Name:	
Date:	20/08/2020	Date:	21/08/2020

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate? (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 43)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)



Signature(s) of auditor or auditors:	<i>Garbutt & Elliott Audit Ltd.</i>	
Name(s):	Garbutt & Elliott Audit Ltd	
Profession(s) or Calling(s):	Statutory Auditor	
Address(es)	Triune Court, Monks Cross Drive, York, YO32 9GZ	
Date:	01/09/2020	
Contact name for enquiries and telephone number:	Alan Sidebottom 01904 464100	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

**Yorkshire and Humber (Local Authorities)
Employers' Association**

**Financial Statements
for the year ended 31 March 2020**

Yorkshire and Humber (Local Authorities) Employers' Association

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Yorkshire and Humber (Local Authorities) Employers' Association

Statement of Council Members' Responsibilities

Applicable law requires the Yorkshire and Humber (Local Authorities) Employers' Association ("YHEA") Council Members to prepare financial statements for each financial year which give a true and fair view of the state of the affairs and of the surplus or deficit of the Association for that year. In preparing these financial statements, the YHEA Council Members are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Association will continue in operation.

The YHEA Council Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The YHEA Council Members also confirm that, so far as they are aware, there is no relevant audit information of which the Association's auditor is unaware and they have taken all steps that they ought to have taken as YHEA Council Members in order to make themselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

Confirmed by the YHEA Council on **20/08/2020** 2020 and signed on its behalf by:

S. Walmsley
.....
Mr S Walmsley

Yorkshire and Humber (Local Authorities) Employers' Association

Independent Auditor's Report to the Members of Yorkshire and Humber (Local Authorities) Employers' Association (cont..)

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the financial statements.

We have nothing to report in respect of the following matters in relation to which the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept in accordance with Section 28; or
- a satisfactory system of control over transactions has not been maintained; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the YHEA Council Members

As explained more fully in the Statement of Council Members' Responsibilities, the YHEA Council Members 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 they 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 YHEA Council Members are responsible for assessing the Association'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 YHEA Council Members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Our 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.

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

Use of our report

This report is made solely to the Association's members, as a body. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Garbutt & Elliott Audit Ltd.

Garbutt & Elliott Audit Limited
Statutory Auditor

..... 21/08/2020 2020

Triune Court
Monks Cross Drive
York
YO32 9GZ

Yorkshire and Humber (Local Authorities) Employers' Association

Income and Expenditure Account for the year ended 31 March 2020

	Notes	2020 £	2019 £
INCOME			
<i>Income from members</i>			
Subscriptions, levies etc.		101,858	101,858
<i>Investment income</i>			
Bank interest		52	-
<i>Other income</i>			
Consultancy fees (seminars, conferences and exhibitions)		23,343	11,011
Information services, handbooks, sundry income		4,340	8,718
Total income		129,593	121,587
EXPENDITURE			
<i>Administrative expenses</i>			
Staff remuneration and expenses		95,425	92,565
Computer expenses and software		342	1,514
Printing, stationery, postage and telephone		270	562
Legal and professional fees		9,097	8,462
Insurances		1,297	1,364
Subscriptions, publications, website		2,404	8,835
<i>Other charges</i>			
Bank charges		-	192
Meeting expenses		11,991	1,246
Total expenditure		120,826	114,740
Net surplus / (deficit)		8,767	6,847
Funds brought forward at 1 April 2019		177,740	170,893
Funds carried forward at 31 March 2020	6	186,507	177,740

Yorkshire and Humber (Local Authorities) Employers' Association

Balance Sheet as at 31 March 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Debtors	4	20,030		13,420	
Cash at bank and in hand		166,670		164,513	
		186,700		177,933	
Creditors: amount falling due within one year	5	(193)		(193)	
Net assets			186,507		177,740
Reserves					
General reserve	6		186,507		177,740

The financial statements were approved by YHEA Council on 20/08/2020 2020 and signed on its behalf by:

S. Walmsley
.....
Mr S Walmsley

Yorkshire and Humber (Local Authorities) Employers' Association

Statement of Cash Flows for the year ended 31 March 2020

	2020	2019
	£	£
Cash flows from operating activities		
Cash generated from operations (see below)	2,157	8,132
Interest received	-	-
Net increase / (decrease) in cash and cash equivalents	2,157	8,132
Cash and cash equivalents at beginning of year	164,513	156,381
Cash and cash equivalents at end of year	166,670	164,513
Relating to:		
Cash at bank and in hand	166,670	164,513

Cash generated from operations

	2020	2019
	£	£
Net surplus / (deficit) for the year	8,767	6,847
Adjustments for:		
Returns on investments and servicing of finance	-	-
Interest received	-	-
Movements in working capital:		
(Increase) / decrease in debtors	(6,610)	6,092
Decrease in creditors	-	(4,807)
Cash generated from/(used in) operations	2,157	8,132

Yorkshire and Humber (Local Authorities) Employers' Association

Notes to the Financial Statements for the year ended 31 March 2020

1. Accounting policies

1.1 Association information

The Association is limited by guarantee and does not have share capital. The liability of members is limited to £1 per member. The Association is incorporated in England and the registered office is C/O Martin Hunter, Finance Team, Wakefield Council, Wakefield One, Burton Street, Wakefield, WF1 2EB.

1.2 Accounting convention

These financial statements have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the Association. Monetary amounts in these financial statements are rounded to the nearest £1.

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

1.3 Going concern

The Council Members have considered all factors in light of the Covid-19 pandemic, including in the wider economy, as part of their assessment of going concern. Although the current economic climate creates both cashflow and profitability risks for the Association, the Council Members believe on balance that they have sufficient resources to enable trading to continue for a period of at least one year from the date of approval of the financial statements. Accordingly, these financial statements have been prepared on the going concern basis

1.4 Income

Income is generated from members and derived wholly from the UK. It comprises:

- member organisation subscriptions which are recognised over the period to which the subscription relates;
- special project income which is recognised based on the level of completion of the individual project; and
- other income streams which are included at the invoiced value of services supplied, net of value added tax and any discounts.

1.5 Staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

1.6 Tangible fixed assets and depreciation

Tangible fixed asset purchases below £1,750 are written off fully in the year of acquisition.

1.7 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Bank overdrafts are shown within borrowing in current liabilities.

1.8 Financial instruments

The Association has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Yorkshire and Humber (Local Authorities) Employers' Association

Notes to the Financial Statements for the year ended 31 March 2020 (cont..)

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Association transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Association after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Yorkshire and Humber (Local Authorities) Employers' Association

Notes to the Financial Statements for the year ended 31 March 2020 (cont..)

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Association's contractual obligations expire or are discharged or cancelled.

1.9 Debtors

Prepayments and accrued income represent time apportioned expenses or income to be recognised in a future accounting period.

Debtors, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Debtors are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

1.10 Creditors, loans and provisions

Creditors, loans and provisions are recognised where the Association has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Creditors are derecognised when, and only when, obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Yorkshire and Humber (Local Authorities) Employers' Association

Notes to the Financial Statements for the year ended 31 March 2020 (cont..)

2. Net surplus /(deficit) for the year

	2020 £	2019 £
<i>Is stated after charging:</i>		
Auditor's remuneration	2,335	2,335

3. Employees

The Association has no employees. Staff support is provided by member organisations of the Association and recharged on a cost basis.

4. Debtors

	2020 £	2019 £
Trade debtors	11,952	8,986
VAT	5,770	4,434
Prepayments and accrued income	2,308	-
	20,030	13,420

5. Creditors

	2020 £	2019 £
Accruals and deferred income	193	193

6. General reserve

	2020 £	2019 £
General reserve brought forward	177,740	170,893
Net surplus/(deficit) for the year	8,767	6,847
General reserve carried forward	186,507	177,740

7. Pension costs

Pension charges represent cost recharges from member organisations and are accounted for on a defined contribution basis.

8. Related party transactions

Yorkshire and Humber (Local Authorities) Employers' Association ('YHEA') exists to promote effective working between its member organisations. These member organisations provide the majority of YHEA's income, comprising subscriptions, levies and payments for specific services, as detailed in the income and expenditure account. They also provide staff support for the running of YHEA, as detailed in the income and expenditure account as staff remuneration and expenses.