

# Form AR27

## Trade Union and Labour Relations (Consolidation) Act 1992

### Annual Return for an Employers' Association

Name of Employers' Association:	East Midlands Councils		
Year ended:	31st March 2021		
List No:	1592E		
Head or Main Office:	East Midlands Councils		
	First Floor Offices, South Annexe		
	Pera Business Park		
	Nottingham Road		
	Melton Mowbray, Leicestershire		
Postcode	LE13 0PB		
Website address (if available)	<a href="mailto:www.eastmidlandscouncils@gov.uk">www.eastmidlandscouncils@gov.uk</a>		
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:	Samantha Maher		
Contact name for queries regarding the completion of this return:	Steve Charlesworth		
Telephone Number:	01664 502624		
E-mail:	<a href="mailto:steve.charlesworth@emcouncils.gov.uk">steve.charlesworth@emcouncils.gov.uk</a>		

**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](mailto:returns@certoffice.org)

For Employers' Associations based in Scotland: [ymw@tcyoung.co.uk](mailto:ymw@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
46				46

## 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
Casual HR & Development Manager		Suzanne Boulty	28 January 2020
Head of Rail Improvement		Kyle Butterworth	04 January 2021
Business Support Officer	Lois Dale		31 July 2020
Housing Officer	Catherine Jones		31 March 2021
Immigration Solicitor		Jaswinder Thapar	01 September 2020



## Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£000	£000
	<b>Income</b>			
273	From Members	Subscriptions, levies, etc	281	281
	Investment income	Interest and dividends (gross)		
5		Bank interest (gross)	3	3
		Other (specify)		
		Total Investment Income	3	3
	Other Income	Rents received		
		Insurance commission		
406		Consultancy fees	287	287
		Publications/Seminars		
		Miscellaneous receipts (specify)		
442		Government Grants	418	418
244		Prior year adjustment - Pension		
		Total of other income		705
1,370		<b>Total income</b>		989
		<b>Interfund Transfers IN</b>		
	<b>Expenditure</b>			
881	Administrative expenses	Remuneration and expenses of staff	816	816
23		Occupancy costs	23	23
6		Printing, Stationery, Post	4	4
4		Telephones	2	2
		Legal and Professional fees		
		Miscellaneous (specify)		
51		Pension charges	38	38
298		Supplies and Services	142	142
51		Transport Charges	7	7
		Total of Admin expenses		1,032
1,295	Other Charges	Bank charges		
		Depreciation		
		Sums written off		
		Affiliation fees		
		Donations		
		Conference and meeting fees		
		Expenses		
		Miscellaneous (specify)		
		Recharges	20	20
		Total of other charges		20
		Taxation		
1,295		<b>Total expenditure</b>		1,052
		<b>Interfund Transfers OUT</b>		
75		Surplus/Deficit for year		-63
573		Amount of fund at beginning of year		648
648		Amount of fund at end of year		585

**Accounts other than Revenue Account/General Fund**

(see notes 17 to 18)

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





## Fixed Assets account

(see note 21)

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

# 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



# Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
		£
<b>Income</b>		
From Members	281	281
From Investments	3	3
Other Income (including increases by revaluation of assets)	705	705
<b>Total Income</b>	989	989
<b>Expenditure</b> (including decreases by revaluation of assets)		
<b>Total Expenditure</b>	2,424	2,424
<b>Funds at beginning of year</b> (including reserves)	-1,002	-1,002
<b>Funds at end of year</b> (including reserves)	-2,437	-2,437
<b>ASSETS</b>		
Fixed Assets		
Investment Assets		
Other Assets		818
<b>Total Assets</b>		818
<b>Liabilities</b>		
<b>Total Liabilities</b>		3,255
<b>Net Assets (Total Assets less Total Liabilities)</b>		-2,437

# Summary Sheet

(see notes 24 to 33)

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

# Notes to the accounts

(see note 34)

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

## 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:		Chairman's Signature:	
			<small>(or other official whose position should be stated)</small>
Name:	Samantha Maher	Name:	Stuart Young
Date:	10 AUGUST 2021	Date:	10 August 2021

## Checklist

(see note 39)

(please enter 'X' as appropriate)

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

Please see pages 19 to 21 of the attached financial statements.

Signature(s) of auditor or auditors:

*M. Bailey*

Name(s):

*Melvin Bailey*

Profession(s) or Calling(s):

*Chartered Certified Accountant*

Address(es)

*Roger Spencer  
Chartered Accountants  
Newstead House  
Pelham Road  
Nottingham. NG5 1AP*

Date:

*11/8/21*

Contact name for enquiries and telephone number:

*Melvin Bailey  
0115 9608412*

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

# Copy of the report to the Executive Board of East Midlands Councils

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EXECUTIVE BOARD OF EAST MIDLANDS COUNCILS

### Report on the financial statements

#### Opinion

We have audited the non-statutory financial statements (the "financial statements") of East Midlands Councils for the year ended 31 March 2021, which comprise the following:

- the Statement of Financial Position as at 31 March 2021;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include the accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

In applying the financial reporting framework, the Executive Director of East Midlands Councils and The Strategic Director of Nottingham City Council have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2021 and of its profit and cash flows for the year then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union.

This opinion is to be read in the context of what we say in the remainder of this report.

#### Emphasis of matter

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the cash and cash equivalents figure which is not held separately by EMC as their cash balances are held within the local authorities' bank account. Due to this the cash and cash equivalent s figure is formulated using the cash flow statement. In view of the significance of this we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

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

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the organisation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

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

In connection with our audit of the financial statements, 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

## **Responsibilities of directors**

As explained more fully in the Statement of Responsibilities for the Statement of Financial Statements set out on page 21, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

### **The extent to which the audit was considered capable of detecting irregularities including fraud.**

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the local government sector.
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the council, including taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the council's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- Understanding the design of the council's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in notes 1 & 4 were indicative of potential bias.
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims.
- Reviewing correspondence with the Home Office, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

### Use of our report

This report is made solely to the organisation's directors, the Executive Director of East Midlands Councils and The Strategic Director of Nottingham City Council, as a body, for Requirements under the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the organisation's directors 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 organisation and the organisation's directors as a body, for our audit work, for this report, or for the opinions we have formed.



**Melvin Bailey FCCA DChA (Senior Statutory Auditor)**

**For and on behalf of Rogers Spencer  
Statutory Auditor  
Chartered Accountants  
Newstead House  
Pelham Road  
Nottingham  
NG5 1AP**

Date: 11/8/21