

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	East of England Local Government Association				
Year ended:	31st March 2021				
List No:	256E				
Head or Main Office:	West Suffolk House				
	Western Way				
	Bury St Edmunds				
	Suffolk				
Postcode	IP33 3YU				
Website address (if available)	www.eelga.gov.uk/				
Has the address changed during the year to which the return relates?	Yes		No	X	('X' in appropriate box)
General Secretary:	Cheryl Davenport				
Contact name for queries regarding the completion of this return:	Sebastian Reeves				
Telephone Number:	01284 758310				
E-mail:	sebastian.reeves@eelga.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: ymw@tcyoung.co.uk

Contents

Employers' Association's details.....	1
Return of members.....	2
Change of officers.....	2
Officers in post.....	2a
Revenue Account/General Fund.....	3
Accounts other than the revenue account/general fund.....	4-6
Balance sheet.....	7
Fixed Assets Account.....	8
Analysis of investments.....	9
Analysis of investments income (Controlling interests).....	10
Summary sheet.....	11
Summary Sheet (Only for Incorporated Bodies).....	11;
Notes to the accounts.....	12
Accounting policies.....	13
Signatures to the annual return.....	13
Checklist.....	13
Checklist for auditor's report.....	14
Auditor's report (continued).....	15
Guidance on completion.....	16

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
50				50

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
Project Support	N/A	Gill Searle	01 April 2020
Managing Director	N/A	Cheryl Davenport	11 May 2020
Project Administrator	N/A	Gemma Field	06 July 2020
Policy Officer	Matt Stewart (secondment)	Matt Stewart (FT post)	03 August 2020
BD & Comms Snr Mngr	N/A	Joe Winter	10 August 2020
Project Finance Officer	N/A	Karen Lowes	14 September 2020
Policy Officer	Adam Thorp (mat cover)	Adam Thorpe (FT Post)	01 October 2020
Administrator	Marcus Boon	Cath Mobbs	Oct 20 - 6/1/21
Project Policy Officer	Sue Hay	N/A	04 December 2020

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
Cheryl Davenport	Managing Director
Michelle Kirk	Director
Lucy Ashwell	Senior Manager
Royston Elmer	Senior Manager
Joseph Winter	Senior Manager - Business Development, Communications and
Kate O'Driscoll	SMP Senior Policy Officer
Annie Richardson	Policy Officer - Communication and Marketing
Emma Grant	Senior HR & LD Advisor
Hilary Jarrett-Friat	HR Advisor
Sebastian Reeves	Talent Bank Co-ordinator
Karen Lowes	Finance Administrator, Wellbeing & Work for Refugee Integrati
Malgorzata Strona	Senior Policy Officer
Rachel Heathcock	Project Officer
Matthew Stewart	Policy Officer
Louise Gooch	Project Manager
Enoch Kunarajah	Policy Officer
Helen Hancock	Policy Officer
Julie Cooke	Senior HR & LD Advisor
Sarah Golding	Personal Assistant
Adam Thorp	Programme & Policy Manager
Gemma Field	Project Administrator, Wellbeing & Work for Refugee
Jayne Cole	Events Co-ordinator
Gillian Searl	Regional ESOL Lead

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
645,926	From Members	Subscriptions, levies, etc	664,634	664,634
	Investment income	Interest and dividends (gross)		
4,044		Bank interest (gross)	1,750	1,750
		Other (specify)		
		Total Investment Income	1,750	1,750
	Other Income	Rents received		
		Insurance commission		
1,713,483		Consultancy fees	1,717,562	1,717,562
		Publications/Seminars		
		Miscellaneous receipts (specify)		
703,135		Grants and Project Support	1,528,236	1,528,236
29,828		Other income	140,024	140,024
30,380		Hosting fees	35,398	35,398
		Total of other income		3,421,220
3,126,796		Total income		4,087,604
	Interfund Transfers IN			
	Expenditure			
1,198,033	Administrative expenses	Remuneration and expenses of staff	1,292,777	1,292,777
48,465		Occupancy costs	49,822	49,822
2,684		Printing, Stationery, Post	444	444
2,479		Telephones	3,707	3,707
14,914		Legal and Professional fees	9,931	9,931
		Miscellaneous (specify)		
5,114		Office Publications	6,420	6,420
23,151		IT Costs	24,312	24,312
15,386		Insurance	15,554	15,554
54,123		Miscellaneous expenses	767,717	767,717
159,600		Miscellaneous - Brussels Office		
		Total of Admin expenses		2,170,684
	Other Charges	Bank charges	241	241
		Depreciation		
		Sums written off		
		Affiliation fees		
		Donations		
18,486		Conference and meeting fees	2,589	2,589
		Expenses		
		Miscellaneous (specify)		
1,452,802		Training and Consultancy	1,428,606	1,428,606
253,317		Project Costs	412,948	412,948
153,000		Other Finance Costs	119,000	119,000
-1,400,000		Pension Scheme losses/(gains)	1,877,000	1,877,000
		Total of other charges		3,840,384
	Taxation			
2,001,813		Total expenditure		6,011,068
	Interfund Transfers OUT			
1,124,983		Surplus/Deficit for year		-1,923,464
-4,028,022		Amount of fund at beginning of year		-2,903,039
-2,903,039		Amount of fund at end of year		-4,826,503

(see notes 17 to 18)

[illegible]

(see notes 17 to 18)

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)	

(see notes 17 to 18)

[illegible]

Balance Sheet as at [31 March 2021]

(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		
883,907	Sundry debtors	507,982	507,982
1,896,152	Cash at bank and in hand	2,720,935	2,720,935
	Stocks of goods		
	Others (specify)		
2,780,059	Total of other assets	3,228,917	3,228,917
	Total Assets		3,228,917
-2,903,039	Revenue Account/ General Fund	-4,826,503	
	Revaluation Reserve		
	Liabilities		
18,092	Loans	18,092	
71,049	Tax payable	95,837	
223,080	Sundry creditors	339,883	
226,877	Accrued expenses	397,608	
5,144,000	Pension Scheme Liabilities	7,204,000	
5,683,098	Total Liabilities		8,055,420
2,780,059	Total Assets		3,228,917

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period		14,324		14,324
Additions during period				
Less: Disposals				
Less: Depreciation		-14,324		-14,324
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

If Yes name the relevant companies:

Company name

Company registration number (if not registered in England & Wales, state where registered)

Incorporated Employers' Associations

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

Yes

No

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

Company name

Names of shareholders

Unincorporated Employers' Associations

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

Yes

No

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

Company name

Names of shareholders

Summary Sheet

(see notes 24 to 33)

		All Funds	Total Funds
		£	£
Income			
From Members		664,634	664,634
From Investments		1,750	1,750
Other Income (including increases by revaluation of assets)		3,421,220	3,421,220
	Total Income	4,087,604	4,087,604
Expenditure			
(including decreases by revaluation of assets)			
	Total Expenditure	6,011,068	6,011,068
Funds at beginning of year			
(including reserves)		-2,903,039	-2,903,039
Funds at end of year			
(including reserves)		-4,826,503	-4,826,503
ASSETS			
	Fixed Assets		
	Investment Assets		
	Other Assets		3,228,917
	Total Assets		3,228,917
Liabilities			
	Total Liabilities		8,055,420
Net Assets (Total Assets less Total Liabilities)			-4,826,503

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.

See attached accounts.

Accounting policies

(see notes 35 & 36)



See attached accounts.

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:	
			(or other official whose position should be stated)
Name:	Cheryl Davenport	Name:	Michelle Kirk
Date:	24 August 2021	Date:	24 August 2021

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)

See attached accounts.

Signature(s) of auditor or auditors:

Whiting & Partners

Name(s):

Whiting & Partners

Profession(s) or Calling(s):

Statutory Auditor

Address(es)

Greenwood House
Skyliner Way
Bury St Edmunds
Suffolk
IP32 7GY

Date:

24 August 2021

Contact name for enquiries and telephone number:

J King
01284 752313

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

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Year Ended 31st March 2021

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

ASSOCIATION INFORMATION

Management Committee

Voting Members:

Cllr L Haysey (Vice Chairman)

Cllr M Hicks

Cllr A Walters

Cllr S Robinson

Cllr K Bentley

Cllr John Lodge

Non-Voting Members:

Cllr S Butikofer

Cllr Bryony Rudkin

Owen Mapley

Officers:-

Cheryl Davenport (Managing Director)

Principal Office

West Suffolk House

Western Way

Bury St Edmunds

Suffolk

IP33 3YU

Auditors

Whiting & Partners

Greenwood House

Skyliner Way

Bury St Edmunds

Suffolk

IP32 7GY

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF MANAGEMENT COMMITTEE RESPONSIBILITIES

For the Year Ended 31st March 2021

The Management Committee are required to prepare financial statements in accordance with applicable law and regulations for each financial year which give a true and fair view of the state of the affairs of the Association and of the surplus or deficit for that year. In preparing those financial statements, the Management Committee are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Management Committee are also responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and 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.

In so far as the Management Committee are aware:

- There is no relevant information of which the Association's auditor is unaware; and
- The Management Committee have taken all steps they ought to have taken to make themselves aware of any audit information and to ensure that the Association's auditors are aware of that information.

Signed on behalf of the Management Committee.


.....
C Davenport

Date: 27 July 2021

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION
For the Year Ended 31st March 2021

Opinion on Financial Statements

We have audited the financial statements of the East of England Local Government Association for the year ended 31 March 2021 which comprise the Revenue Statements, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2021 and of its result for the year then ended;
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Management Committees' 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 Association'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 Management Committee with respect to going concern are described in the relevant sections of this report.

Matters on Which we are Required to Report by Exception

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

- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records or returns; or
- we have not received all the information and explanations we need for our audit.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION (continued)
For the Year Ended 31st March 2021

Respective Responsibilities of the Management Committee

As explained more fully in the Statement of Management Committee Responsibilities, set out on page 1, the Management Committee are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Management Committee 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 Management Committee 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 Management Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities 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 Auditors' Report.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with Section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. 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 and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 27 July 2021

Whiting & Partners

WHITING & PARTNERS

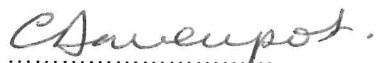
Chartered Accountants and Statutory Auditor
Greenwood House
Greenwood Court
Skyliner Way
Bury St Edmunds
Suffolk
IP32 7GY

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

BALANCE SHEET
At 31st March 2021

	Note	2021 £	£	2020 £	£
Fixed Assets					
Tangible Assets	4		-		-
Current Assets					
Debtors	5	507,982		883,907	
Cash at Bank and in Hand		<u>2,720,935</u>		<u>1,896,152</u>	
		<u>3,228,917</u>		<u>2,780,059</u>	
Creditors: Amounts Falling due Within One Year	6	<u>(851,420)</u>		<u>(539,098)</u>	
Net current Assets			2,377,497		2,240,961
Total Assets Less Current Liabilities			<u>2,377,497</u>		<u>2,240,961</u>
Net Assets Excluding Pension Scheme Liabilities			<u>2,377,497</u>		<u>2,240,961</u>
Defined Benefit Pension Scheme Liability	8	(7,204,000)		(5,144,000)	
Net Deficit Including Pension Scheme Liabilities			<u>(4,826,503)</u>		<u>(2,903,039)</u>
Representing:					
Members Funds - Deficit	7		<u>(4,826,503)</u>		<u>(2,903,039)</u>

The financial statements were approved by the Management Committee and signed on its behalf:


.....
C Davenport

Date: 27 July 2021

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION
LOCAL GOVERNMENT ASSOCIATION REVENUE ACCOUNT
For the Year Ended 31st March 2021

	2021	2020
	£	£
Income		
Local Authority Subscriptions	664,634	645,926
Commercial Services	51,139	180,558
Talent Bank	1,666,423	1,532,925
Productivity Programme Income	-	22,880
Support Services	-	6,852
Interest	1,750	4,044
Staff Income	139,525	29,549
Hosting Fees	35,398	30,380
ELAINE project	303	3,827
Parallel Lives	19,285	74,023
Brexit Regional HUB	150,000	150,683
Transport East	291,763	214,549
	<u>3,020,219</u>	<u>2,896,197</u>
Expenditure		
Accommodation Costs	100,907	106,040
Staff Costs	977,748	969,999
Regional Operations	6,420	164,714
Commercial Services	67,956	130,016
Talent Bank	1,367,631	1,357,608
Productivity Programme	-	64,950
Support Services	2,563	27,582
Other Finance Costs - Pension Scheme	98,465	139,510
Active Citizens Together Expenditure	-	5,206
ELAINE project	303	3,530
Parallel Lives	19,285	74,023
Brexit Regional HUB	142,408	29,883
Transport East	251,418	75,952
	<u>3,035,104</u>	<u>3,149,014</u>
Deficit for year	<u>(14,885)</u>	<u>(252,817)</u>
Actuarial gains/(losses)	(1,877,000)	1,400,000
Total comprehensive surplus/(deficit) for year	<u><u>(1,891,885)</u></u>	<u><u>1,147,183</u></u>

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

HOSTED PROJECTS REVENUE ACCOUNT
For the Year Ended 31st March 2021

	2021 £	2020 £
Income		
Home Office Enabling Grant	120,956	111,553
Home Office ESOL Grant	24,527	25,115
Home Office Syrian Resettlement Programme	35,147	45,555
Home Office UASC Grant	44,901	48,097
EU funded project	841,354	-
Other Income	500	278
	<u>1,067,385</u>	<u>230,599</u>
Expenditure		
Staff Costs	302,004	172,970
ESOL Project Costs	9,489	24,441
Meeting Expenses	-	4,009
Travel and Subsistence	605	4,537
Other Finance Costs - Pension Scheme	20,535	13,490
Miscellaneous Expenses	766,331	33,352
	<u>1,098,964</u>	<u>252,798</u>
(Deficit)/Surplus for the year	<u><u>(31,579)</u></u>	<u><u>(22,200)</u></u>

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2021

1. General Information

The East of England LGA is a politically-led, cross party organisation which works on behalf of the 50 local councils in the East of England to harness their collective strength to shape and serve their communities and localities.

2. Accounting Policies

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the applicable UK accounting standards.

b. Going Concern

The financial statements have been prepared on the going concern basis which assumes that the Association will continue to operate for the foreseeable future. Under the Constitution each member undertakes jointly to underwrite the liabilities of the Association.

c. Tangible Fixed Assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment	-	3 to 4 years straight line method
------------------	---	-----------------------------------

d. Pension

The Association contributes to the Cambridgeshire County Council Pension Fund, which is a Defined Benefit Scheme. Employer contributions are charged to the Revenue accounts so as to spread the costs over the employees' working lives.

The cost of the defined benefit pension plan is determined using an actuarial valuation. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future inflation rates. Further details are given in note 8.

e. Income

Subscription income is recognised in the year to which the subscriptions relate. Income from training, consultancy and conferences is recognised in the period the service is provided.

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st March 2021

f. Government Grants

Grants of a revenue nature are credited to income in the period to which they relate. Where not all of the conditions attaching to grants have been fulfilled at the Balance Sheet date, income is deferred. Contributions towards capital expenditure are deducted from the cost of the assets to which they relate.

g. Financial Instruments

The Association only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Revenue Account.

Financial assets cease to be recognised only when the contractual rights to the cash flows expire, or when substantially all the risks and rewards of ownership are transferred to another entity.

Financial liabilities cease to be recognised when and only when the Association's obligations are discharged, cancelled or they expire.

h. Operating Leases

Rentals paid under operating leases are charged to the Revenue Account on a straight line basis over the lease term.

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2021

3. Employees

The average monthly number of persons employed by the Association during the year was:

2021 Number	2020 Number
<u>22</u>	<u>17</u>

4. Fixed Assets

Fixed assets comprised office equipment which was fully depreciated in the 2016/17 accounts, and as such is not shown in the balance sheet or this note.

5. Debtors

Amounts falling due within one year:	2021 £	2020 £
Trade Debtors	472,085	800,008
Prepayments and Accrued Income	35,897	83,899
	<u>507,982</u>	<u>883,907</u>

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2021

6. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Loans	18,092	18,092
Trade Creditors	322,122	205,313
Other Taxation and Social Security	95,837	71,049
Other Creditors	17,761	17,767
Accruals and Deferred Income	397,608	226,877
	851,420	539,098

Loans were provided by the members of the Association and are being repaid following the sale of land and buildings.

7. Members' Funds

	Balance at 1 April 2020 £	Surplus / (deficit) £	Gains / (Losses) £	Balance at 31 March 2021 £
Local Government Association	2,204,656	136,536	-	2,341,192
Defined Benefit Pension Scheme	(5,144,000)	(183,000)	(1,877,000)	(7,204,000)
	(2,939,344)	(46,464)	(1,877,000)	(4,862,808)
Hosted Projects	36,305	0	-	36,305
	(2,903,039)	(46,464)	(1,877,000)	(4,826,503)

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

For the Year Ended 31st March 2021

8. Pension Scheme

Defined benefit scheme

The Association participates in the Local Government Pension Scheme, a funded defined benefit pension scheme, administered by Cambridgeshire County Council.

A comprehensive actuarial valuation of the Association pension scheme, using the projected unit credit method, was carried out at 31 March 2021 by Hymans Robertson LLP, independent consulting actuaries.

Adjustments to the valuation at that date have been made based on the following assumptions:

	2021	2020
Expected rate of salary increases	3.35%	2.40%
Expected rate of increase of pensions in payment	2.85%	1.90%
Discount rate	2.00%	2.30%
The mortality assumptions used were as follows:		
	2021	2020
	Years	Years
Longevity at age 65 for current pensioners		
- Men	22.2	22.0
- Women	24.4	24.0
Longevity at age 65 for future pensioners		
- Men	23.2	22.7
- Women	26.2	25.5

Reconciliation of the scheme assets and liabilities

	Assets	Liabilities	Total
	£	£	£
At 1 April 2020	13,064,000	(18,208,000)	(5,144,000)
Current Service Cost	-	(286,000)	(286,000)
Interest Income / (Expense)	298,000	(417,000)	(119,000)
Employee Contributions	65,000	(65,000)	-
Benefits Paid	(486,000)	486,000	-
Employer Contributions	222,000	-	222,000
Remeasurement gains / (losses)			
- Actuarial gains	-	(4,723,000)	(4,723,000)
- Return on plan assets excluding interest income	2,846,000		2,846,000
At 31 March 2021	16,009,000	(23,213,000)	(7,204,000)

EAST OF ENGLAND LOCAL GOVERNMENT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

For the Year Ended 31st March 2021

8. Pension Scheme (continued)

Total cost recognised as an expense:

	2021	2020
	£	£
Current service cost	286,000	305,000
Net Interest Expense	119,000	153,000
Total cost recognised as an expense:	405,000	458,000

No amounts (2020: nil) were included in the cost of assets.

The major categories of scheme assets as a percentage of total scheme Assets were as follows:

	2021	2020
Equity Instruments	69%	69%
Bonds	15%	13%
Property	15%	17%
Cash	1%	1%

The plan assets do not include any of the Association's financial instruments nor is any property occupied by any Association entity.

The return on the plan assets was:

	2021	2020
	£	£
Interest Income	298,000	339,000
Return on plan assets less interest income	2,846,000	(1,262,000)
Total return on plan assets:	3,144,000	(923,000)

The Association expects to contribute £192,000 to the defined benefit pension scheme in 2021.

Lloyds Group Pensions Trustees Limited v Lloyds Bank PLC

A High Court ruling in October 2018 held that relevant defined benefit pension schemes with Guaranteed Minimum Pensions ("GMP") accruals between certain dates must equalise for the different effect of these GMP's between men and women. This may result in an additional scheme funding requirement but it is not possible at this stage to quantify the amount of the potential obligation, if any.

Our position on the above case is consistent with the advice received from the scheme actuaries, Hymans Robertson, and from the Chartered Institute of Public Finance and Accountancy (CIPFA).

9. Related Party Transactions

Subscription income is wholly attributable to members and subscribing partners. The income from training and consultancy services is derived principally from members.