

**ANNUAL STATEMENT TO MEMBERS 2022**  
**ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES**  
**AND SENIOR MANAGERS**

**STATEMENT TO MEMBERS ISSUED IN CONNECTION WITH THE UNION'S**  
**ANNUAL RETURN FOR PERIOD ENDED 31 DECEMBER 2022**  
**AS REQUIRED BY SECTION 32A OF TRADE UNION AND LABOUR**  
**RELATIONS (CONSOLIDATION) ACT 1992**

**Income and Expenditure**

The total income of the union for the period was £159,145. This amount included payments of £121,320 in respect of membership income of the union. The union's total expenditure for the period was £138,082.

**Political Fund**

In respect of the union's political fund, its total income was £NIL and total expenditure was £NIL. ALACE does not have a political fund.

**Salary paid to and other benefits provided to the General Secretary**

ALACE does not employ a full time Secretary. All the officers of the Association give their services voluntarily.

**Irregularity statement**

A member who is concerned that some irregularity may be occurring, or has occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concern with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of the rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice.

**Auditor's report**

The Association's auditors, THP Limited Chartered Accountants and Statutory Auditors, have reported on the annual accounts as attached.

**ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)  
REPORT OF THE COUNCIL AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)**  
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**ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)  
REPORT OF THE COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2022**

The ALACE Council present their report and the accounts for the year ended 31 December 2022.

**ACTIVITY**

The outturn figures for the year 2022 show that a surplus of £21,063 (2021: £41,767) was made in the year. The reserves stand at £160,001 on 31<sup>st</sup> December 2022 (2021: £138,938). I have summarised below the main differences in expenditure and income from the previous year.

- Membership Subscriptions decreased by £3.8K
- Income from Courses increased by £1.8k
- Consultants Costs increased by £13.9K
- Plymouth Contract included for full year - additional expenditure of £2.4K
- STRIPE Costs increased by £0.8k
- Members' subscriptions written off increased by £1k
- Payments by members for additional work increased by £13K
- Reimbursements by Local Authorities reduced by £0.8K
- The rest of the difference over 2021 relates to the net repayment in respect of legal costs amounting to £11.4K

During 2022 there were 88 new joiners (75 annual subscribers and 13 two-year discounters). All new members are now using the online STRIPE facility to join. On the other hand, we also had 57 members who left during 2022 and 2 members who changed their subscription from full member to retired member.

In terms of expenditure, the consultants' costs continue to be one of our two major items (the Plymouth contract being the other). These cost have increased by 22% in 2022, so it is imperative that we keep them under tight control as they present such a large proportion of our total expenditure.

**COUNCIL**

The members of the Council during the year were as follows:

Tracey Lee (Chair)  
David Perry (Vice Chair)  
Ian Miller (Honorary Secretary)  
Michel Saminaden (Honorary Treasurer)  
Janet Waggott  
Lee Harris  
Duncan Sharkey  
Cath Shaw  
Nicola Beach  
Rachael Shimmin  
Stephen Baker (until 14/12/22)  
Mark Williams  
Cleland Sneddon  
Scott Crudgington  
Jim Savege  
Rob Thomas  
Dan Swaine  
Jan Britton (from 6/7/22)  
Karen Bradford (from 9/7/22)

**ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)  
REPORT OF THE COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**STATEMENT OF COUNCIL MEMBERS RESPONSIBILITIES**

The members of the council are responsible for preparing accounts in accordance with applicable laws and regulations and for appointing an auditor to audit those accounts. Section 28 of The Trade Union and Labour Relations (Consolidation) Act 1992 requires that a trade union shall –

- (a) cause to be kept proper accounting records with respect to its transactions and its assets and liabilities, and
- (b) establish and maintain a satisfactory system of control of its accounting records, its cash holdings and all its receipts and remittances.

Proper accounting records shall not be taken to be kept with respect to the matters mentioned in subsection (a) unless there are kept such records as are necessary to give a true and fair view of the state of the affairs of the trade union and to explain its transactions.

Section 32 then provides that the Trade Union shall prepare an annual return, a form AR21, that contains the following accounts:

- (a)
  - (i) revenue accounts indicating the income and expenditure of the trade union for the period to which the return relates,
  - (ii) a balance sheet as at the end of that period, and
  - (iii) such other accounts as the Certification Officer may require, each of which must give a true and fair view of the matters to which it relates,
- (b) a copy of the report made by the auditor or auditors of the trade union on those accounts and such other documents relating to those accounts and such further particulars as the Certification Officer may require.

**STATEMENT OF DISCLOSURES TO AUDITORS**

So far as the Committee are aware, there is no relevant audit information of which the Trade Union's auditors are unaware, and each committee member has taken all the steps that he or she ought to have taken in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**APPROVAL**

This Report was approved by the Council on 3 May 2023 and signed on its behalf.

*Michel Saminaden*

M Saminaden  
(Honorary Treasurer)

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)**

**Opinion**

We have audited the financial statements of the ALACE (The "Union") for the period ended 31 December 2022 which comprise the income and expenditure account, the 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 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 Union's affairs as at 31 December 2022 and of its results for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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*.

**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 Union 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 Council's 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 union's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council 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 Council are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters to which the *Trade Union and Labour Relations (Consolidation) Act 1992* and the *Trade Union Reform and Employment Rights Act 1993* require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Union, or returns adequate for our audit have not been received from branches not visited by us; or
- the Union has not maintained a satisfactory system of controls over transactions; or
- the financial statements are not in agreement with the accounting records and returns; or

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)**

- we have not obtained all the information and explanations necessary for the purposes of our audit.

### **Respective responsibilities of the Council**

As explained more fully in the Statement of the Council's Responsibilities, the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the Union'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 members either intend to liquidate the Union 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.

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

Our approach to identifying and assessing the risks 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 Union through discussions with council members and other management, and from our commercial knowledge and experience of the sector in which the union operates;
- 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 union, including the Trade Union and Labour Relations (Consolidation) Act 1992, UK accounting and taxation legislation, data protection, anti-bribery and employment law;;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- 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 Union'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; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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 were indicative of potential bias; and
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with Certification Office and any other relevant regulators as required.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)**

A further description of our responsibilities is available on the Financial Reporting Councils website at: [www.frc.org.uk/auditorsresponsibilities](http://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 Union's members, as a body, in accordance with the provisions of the *Trade Union and Labour Relations (Consolidation) Act 1992*. Our audit work has been undertaken so that we might state to the Union'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 Union's members as a body, for our audit work, for this report, or for the opinions we have formed.



THP Limited Chartered Accountants  
and Statutory Auditors  
34-40 High Street  
Wanstead  
London  
E11 2RJ

3 May 2023



**ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)  
SUMMARY INCOME AND EXPENDITURE REVENUE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>INCOME</b>		
Subscriptions	144,075	135,823
Subscriptions in relation to later years	(22,755)	(10,690)
Stripe contribution & Loyalty rewards	258	-
Bank interest	208	16
Sundry income	1,800	750
Additional Work	35,559	22,545
	<b>159,145</b>	<b>148,443</b>
<b>EXPENDITURE</b>		
Accountancy assistance	5,000	5,000
Plymouth consultancy	44,001	41,571
Stripe costs	978	198
Consultant's fees and expenses	77,283	63,349
Solicitors/Professional fees	1,340	(11,419)
Scottish branch contribution	1,950	2,145
Audit fee	2,608	2,160
Insurance	1,002	933
Taxation/fees	39	3
Members' Subs written off	1,025	-
Website costs	2,412	2,400
Bank charges	444	316
Sundry expenses	-	20
	<b>138,082</b>	<b>106,676</b>
Surplus for the period	<b>21,063</b>	<b>41,767</b>

The notes form part of these financial statements.

**ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)  
BALANCE SHEET  
AT 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>ASSETS</b>		
Debtors	4,137	13,984
Local Authority Contribution	-	750
Business tracker account	194,568	133,360
Current account	9,158	9,343
	<b><u>207,863</u></b>	<b><u>157,437</u></b>
<b>LIABILITIES</b>		
Creditors	45,362	16,339
Provision for audit fees	2,500	2,160
	<b><u>47,862</u></b>	<b><u>18,499</u></b>
<b>NET ASSETS</b>	<b><u>160,001</u></b>	<b><u>138,938</u></b>
<b>RESERVES</b>		
Accumulated funds brought forward	138,938	97,171
Surplus for the year	21,063	41,767
	<b><u>160,001</u></b>	<b><u>138,938</u></b>

The financial statements were approved by the Council on 3 May 2023 and signed on its behalf.

*Michel Saminaden*

M Saminaden  
Honorary Treasurer

The notes form part of these financial statements.

**ASSOCIATION OF LOCAL AUTHORITY CHIEF EXECUTIVES (ALACE)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. STATUTORY INFORMATION**

ALACE is a trade union within the Trade Union and Employer Relations (Consolidation) Act 1992.

The functional and presentation currency is Pound Sterling (£).

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities".

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements and going concern**

The financial statements have been prepared under the historical cost convention.

**Income Recognition**

Income is measured at the fair value of consideration received or receivable, net of any discounts.

Subscription income is recognised in the period to which it relates and income received in advance is deferred on the balance sheet at year end.

All other income is recognised on a receivable basis.

**Creditors**

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 accrued expenses.

**Provisions for liabilities**

Provisions are recognised when there is a legal or constructive present obligation as a result of a past event, it is probable that the trade union will be required to settle that obligation and, a reliable estimate can be made of the amount of the obligation.