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Publications

Annual Report 2025/26

National Association of Local Councils

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CONTENTS

Shaping the future of parish and town councils....................4

A year of influence, support and sector leadership....................7

The year in numbers....................10

Financial review....................13

Committee members' report....................14

Independent auditors' report....................16

Financial statements and notes....................20

Detailed profit and loss account....................29

Membership map....................30

Committee list....................31

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SHAPING THE FUTURE OF PARISH AND TOWN COUNCILS

We are honoured and excited to be elected as the senior governance team of the National Association of Local Councils (NALC) at such a pivotal moment for our sector.

Firstly, we pay tribute to the late Cllr Keith Stevens (East Sussex) for his leadership, dedication and commitment. He leaves a lasting legacy and strong foundations on which we will continue to build, and we are deeply conscious of the responsibility that comes with following in his footsteps.

We also thank Cllr Peter Davey (Essex) for his work as vice-chair (finance), particularly for securing our transition from 109 Great Russell Street and investing in modernising work practices.

Parish and town councils are the bedrock of community life across England. They are an invaluable asset to our country, essential to strong local government and central to the success of devolution. At a time of significant change, it is more important than ever that our collective voice is heard. We are determined to ensure that voice is stronger, clearer and more influential at every level of government.

Across the country, parish and town councils are stepping up to meet growing expectations and increasing responsibilities. They are taking on new assets and services, responding to financial pressures and navigating the impacts of devolution and local government reorganisation with resilience, innovation and a deep commitment to their communities.

Over the past year, we have worked to ensure that this reality is reflected in national decision-making, strengthening the sector's position in discussions on devolution, planning reform, local government finance, community empowerment and much more.

Our engagement with ministers, parliamentarians and stakeholders has achieved meaningful progress, including securing an amendment to the Devolution and Community Empowerment Act to give the sector a voice on new neighbourhood arrangements, improvements to audit arrangements for larger parish and town councils and to the Terrorism (Protection of Premises) Act, also known as Martyn's Law, making it more appropriate for the smallest councils. We continue to press the case for sanctions for poor behaviour and to allow remote and hybrid meetings. The establishment of our Westminster Forum has further amplified the sector's voice.

We continue to stand alongside parish and town councils by providing services and practical support they need to succeed. Through comprehensive guidance, advisory services and resources, we have helped councils navigate an increasingly complex governance and legislative landscape. The sustained demand for our support reflects both the challenges councils face and the trust they place in us to respond effectively.

Stronger governance remains at the heart of our work. We must continue to drive forward high standards across parish and town councils, from financial accountability and transparency to professionalism and ethical leadership. It is fundamental to maintaining public confidence and ensuring councils are well placed to deliver for their communities.

Through training, professional development, accreditation schemes and new governance initiatives, we have supported parish and town councils to build resilience, strengthen accountability and operate more effectively. Our continued focus on digital adoption and modernisation is also helping councils improve accessibility and transparency.

We have also remained committed to bringing the sector together. Over the past year, our events, networks and engagement activity have created valuable opportunities for collaboration, learning and shared problem-solving. These connections are vital in a diverse sector, ensuring that parish and town councils of all sizes feel supported, represented and able to learn from one another.

Strong partnerships underpin everything we do. Our work with government departments, sector bodies, professional organisations and community partners has enabled us to deliver shared priorities and extend the reach and impact of our support.

The relationship between NALC, county associations and parish and town councils is fundamental, and we are committed to strengthening how we communicate, collaborate and respond as a collective. We have allocated resources from reserves to initiate Project Keystone, a strategic review to support this.

As we look to the future, we must also embrace innovation and change. From digital transformation and climate adaptation to community resilience and new service models, the landscape in which parish and town councils operate is evolving rapidly. Through research, insight and new digital tools, we are supporting councils to anticipate these changes and adapt with confidence. At the same time, our campaigns and communications continue to promote the value of councils and encourage wider participation in local democracy.

We also recognise that strong parish and town councils depend on committed people. We must foster a culture of respect, compassion and care across the sector, acknowledging the dedication of councillors, clerks and council staff who serve their communities every day. Supporting their wellbeing and professionalism will remain critical to our success.

Financially, we remain stable and well-managed. This year's balanced position reflects a deliberate approach to investing in our strategic priorities, particularly in advocacy and digital development, while maintaining prudent financial oversight. Our reserves and treasury policies ensure we are well placed to manage risk and support future resilience.

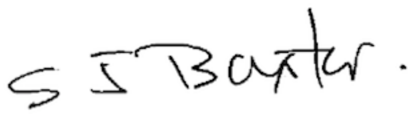
Looking ahead, our priorities are clear: stronger voices, stronger governance and stronger partnerships. These principles will guide our work and shape how we support parish and town councils in the years to come. Working with county associations through the National Assembly, we are committed to building an effective, inclusive and forward-looking organisation that equips our sector to meet both the challenges and opportunities ahead.

By strengthening our voice, our governance and our partnerships, we will ensure parish and town councils remain a powerful, valued and indispensable force within our communities.

Finally, we thank fellow councillors on the National Assembly, county associations, and our commercial and sector partners. And above all, thank you to our committed and industrious staff team for their support in a year which has seen the implementation of a significant staffing review.

We look forward to working with you all as we shape the future of our sector together.

Cllr Iain Hamilton (Merseyside)
NALC chair



Cllr Sue Baxter (Worcestershire)
NALC vice-chair (finance and resources)

Cllr David Francis (Northumberland)
NALC vice-chair (member services)

A YEAR OF INFLUENCE, SUPPORT AND SECTOR LEADERSHIP

Throughout 2025/26, we continued to champion parish and town councils as a vital part of local democracy. Through national advocacy, practical support, sector leadership and strong partnerships, we helped shape major policy developments, strengthened council capacity, and promoted the value of parish and town councils across England.

The following highlights showcase some of our key achievements during the year.

Shaping national policy and strengthening local democracy

We played a leading role in national discussions on devolution, local government reorganisation, planning reform, local government finance and community empowerment. Through direct engagement with ministers, parliamentarians, officials and stakeholders, we ensured parish and town councils were represented in key policy debates and consultations.

Major achievements included securing government support for the return of remote and hybrid council meetings, successfully advocating for an increase to the audit threshold for smaller authorities, contributing evidence to parliamentary inquiries, and helping strengthen recognition of parish and town councils within emerging devolution and local government reform proposals. The launch of our Westminster Forum further strengthened the sector's voice in national politics.

Providing guidance, advice and practical support

We delivered an extensive programme of guidance, resources and advisory support to help parish and town councils navigate governance, compliance and legislative change. Key publications included updated editions of the Practitioners' Guide and Local Councils Explained, alongside guidance on procurement, planning, staffing, governance, data protection and emerging legislation.

Our advisory services continued to provide direct support to parish and town councils across England, responding to hundreds of enquiries and helping councils address governance, legal and operational challenges. We also expanded support through new communications and compliance services, legal bulletins and specialist online resources.

Building sector resilience and capability

Supporting parish and town councils to be effective, resilient and well-governed remained a central priority. Throughout the year, we delivered training, professional development opportunities and peer support initiatives covering topics including finance, asset management, housing, governance, communications and workforce development.

We continued to support parish and town councils through accreditation programmes, Corporate Peer Challenges and the Local Council Award Scheme, while also helping more than 4,000 councils adopt .gov.uk domains. New initiatives such as the Councillor's Statement of Assurance and the Assertion 10 Hub further strengthened governance and accountability across the sector.

Bringing the sector together

Our events programme attracted more than 2,000 attendees during the year through our conference, online events, study tours, awards and reception, and specialist training sessions. Demand remained consistently strong, with many events selling out and attracting record attendance.

Highlights included Power Shift 2025, the Parliamentary Reception and Star Council Awards at the House of Lords, the Braunstone Town Council study tour, and a series of popular online events covering devolution, parks and open spaces, alternative income generation and other emerging issues.

Alongside these events, we continued to facilitate a wide range of national networks supporting coastal communities, micro councils, super councils, women councillors, young councillors and climate-focused councils.

Strengthening partnerships and sector collaboration

Collaboration remained at the heart of our work. We strengthened relationships with government departments, local government organisations, professional bodies and community partners to advance shared priorities and deliver practical support for parish and town councils.

Throughout the year, we worked closely with organisations including the Local Government Association, Society of Local Council Clerks, Action with Communities in Rural England, the Campaign to Protect Rural England, the Lawyers in Local Government, the Royal British Legion, the Home Office and the Centre for Ageing Better. These partnerships helped deliver joint guidance, research, campaigns and initiatives supporting stronger local democracy and community resilience.

Research, innovation and thought leadership

We continued to provide evidence, insight and leadership on issues affecting the sector, including publishing research with the London School of Economics on the role of parish and town councils in emergency response, alongside our annual report, election analysis, taxbase and precept analysis, and workforce guidance.

Innovation also remained a key focus, with the testing and development of NORA, our AI-powered online resource assistant, supporting our wider commitment to digital transformation and improved access to information for parish and town councils.

Promoting the sector and encouraging participation

We continued to raise the profile of parish and town councils and encourage greater participation in local democracy. Through campaigns such as Make a Change, councillor case studies, blogs and communications activity, we highlighted the positive impact councils make in their communities and encouraged more people to become involved in local government.

Member engagement and website usage continued to grow throughout the year, reflecting increasing demand for our services, resources and support.

Building on this progress, we will continue to champion the sector, influence national policy, provide practical support and create opportunities for parish and town councils to learn, collaborate and thrive. Together, we remain committed to ensuring councils are recognised, empowered and equipped to make an even greater difference to the communities they serve.

THE YEAR IN NUMBERS

This year has seen continued momentum, particularly across our digital platforms, with strong growth in user accounts, sustained engagement with services, and increasing use of resources and events by parish and town councils nationwide.

Membership growth and sector coverage

Membership has remained stable, with modest net growth in absolute terms set against a significant increase in the overall number of eligible parish and town councils. It reflects both continued strong engagement across most county associations and the impact of structural growth within the sector.

- 7,557 member councils recorded in 2025/26, an increase of +15 year-on-year.
- 8,760 total eligible councils, up by +334, reflecting continued sector expansion.
- Overall membership coverage of 86.3%.
- Strong gains in several areas (including Cambridgeshire and Peterborough, Cheshire, and Wiltshire).

Growing our community

Our digital platform has expanded significantly, reflecting both new interest and sustained value in what we offer. User activity shows strong and sustained interaction with our digital platforms. It demonstrates not only reach but repeat engagement. Members are returning regularly and actively using the platform.

- Our digital platform now holds 19,680 contacts, with 4,736 new contacts added over the year, delivering 24% growth.
- Our organisational base has strengthened to 8,278 registered parish and town councils and organisations on our digital platform.
- 517,019 total user actions recorded.
- 334,247 page views.
- 121,052 member logins (around 10,000 per month).
- 227,829 interactions recorded (such as updated contact preferences) through our digital platform.

Strengthening our online presence

Our social media channels continued to strengthen connections with parish and town councils, partners and stakeholders, increasing visibility and encouraging meaningful engagement across the sector.

- 130,000+ people reached on Facebook.
- 74,000+ Facebook impressions generated.
- 78% of Facebook interactions were post reactions, demonstrating strong audience engagement.
- 21% of Facebook interactions resulted in content being shared, extending the reach of key messages.

- 5,300+ followers on X, providing a strong platform for sector news and advocacy.
- Almost one in three X engagements led to a click-through, showing audiences actively sought further information.
- Over 430 engagements and 65 direct mentions on X, supporting conversations across the local government community.

Events that bring us together

Our events programme continues to be a cornerstone of engagement and learning across the sector. Beyond the numbers, events continue to connect parish and town councils across the country, with strong booking conversion rates demonstrating continued trust in our offer and its relevance to councils.

- 21 new events delivered during the year.
- 2,630 bookings processed.
- 2,738 attendees engaged.

Resources with real impact

Our resource library continues to be widely used and valued across the sector. Showing clear demand for practical tools and guidance, with resources supporting councils of all sizes and types.

- 61,273 resource downloads/views.
- 6,984 users actively accessed resources (35% of all users).
- Average of 225 downloads/views per resource.
- 370 new resources added to the resource library to inform, support and advise.
- 25 new webpages developed to improve access and information

Recognising excellence in the sector and professional development

This year saw continued strong participation in the Local Council Award Scheme and strong engagement with our online learning offer.

- 49 councils accredited under the scheme.
- 10 Gold, 24 Silver, 15 Bronze
- 353 enrolments in online courses.

Expert legal support when it matters most

Our legal service continues to deliver high-quality, timely advice to parish and town councils, supporting them to navigate complex governance, employment and regulatory issues with confidence.

- 195 written legal advice documents delivered.
- All reported cases met the 15-day response target.
- 100% of urgent cases met their deadlines.
- 415 additional enquiries handled outside the formal logging system.

Keeping members informed

Email remains one of our most effective channels for sharing news, guidance, events and sector updates, delivering information directly to members at scale.

- 1,699,053 emails delivered during the year.
- 97.6% delivery rate, ensuring communications consistently reached members' inboxes.
- 518,766 unique email opens, achieving a 30.5% open rate.
- 52,881 unique recipients clicked through to learn more or act.

Supporting members every day

Providing responsive, accessible support remains at the heart of our work, with thousands of enquiries handled throughout the year by email and telephone.

- 3,736 emails received through the NALC mailbox.
- 3,081 telephone calls managed across the switchboard, direct lines and outbound calls.
- 447 website contact form submissions.

Specialist communications, compliance and HR support

Our communications, compliance and HR advice services continue to provide practical, timely support to parish and town councils, helping them manage specialist HR queries, strengthen governance, and communicate effectively with their communities. External experts provide these advice services.

- 270 advice sessions on council and crisis communications, freedom of information and data protection.
- 126 hours made up of 1,230 activities of specialist HR support covering topics such as employment contracts, sickness-related absence and disciplinary matters.

FINANCIAL REVIEW

The 2025/26 financial year reflects a break-even net result, following a transfer from reserves agreed during 2024/25 to support public affairs activities promoting the sector in parliament and with the new government.

We are largely financed through subscriptions or affiliation fees paid by parish and town councils in membership. These are based on a pence per elector fee capped for the largest councils. The membership base remains strong, both in terms of the number of councils in membership and the electorate of the member councils.

The increase in both cost of sales and overheads expenditure reflects investments in advocacy on behalf of our members, our contribution to sector projects and to forward our digital-first commitment through our new website, all of which underpin the implementation of our overall strategic objectives.

Looking ahead, we will continue to balance targeted investment with prudent financial management. Our reserves and treasury management policies provide a strong basis for managing risk, supporting resilience, and ensuring resources are used effectively in the interest of our members.

Reserves policy

The reserves policy aims to mitigate risks of sudden business closure, leaving members without liabilities, support improvement and innovation in NALC and the sector and enable future property options. These general reserves will cover:

- Cost of closing present pension options.
- Business closure – Redundancies, contract cancellation, etc.
- Future property needs.
- Invest to save developments and service improvements identified by NALC or county associations.

Current treasury management policy

We currently adopt a risk-free approach to investments. Funds may only be deposited with a UK Bank or Financial Institution named on the approved list. Considering the current market, the Scrutiny Committee will review the names on the approved list as necessary, taking into account current ratings and the latest reports. For the time being, we will not invest in Equities, Corporate Bonds, and other financial instruments.

The approved bank list includes our two current banks, CCLA and Co-operative Bank. The current yield on the CCLA deposit account is around 3.8%. Their credit ratings are good. Feedback suggests returns from other low-risk investments are not currently significantly higher. This policy will need to be reviewed with external assistance, taking into account the current national and international financial context.

National Association of Local Councils
Committee Members' Report
For the Year Ended 31 March 2026

The Scrutiny Committee members present their report and the financial statements for the year ended 31 March 2026.

Committee members' responsibilities statement

The Scrutiny Committee members are responsible for preparing the committee members' report and the financial statements in accordance with applicable law and regulations.

Scrutiny Committee members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the committee members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Association and of the profit or loss of the Association for that period.

In preparing these financial statements, the Committee members are required to:

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

The Scrutiny Committee members are 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 Companies Act 2006. 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.

National Association of Local Councils
Committee Members' Report (continued)
For the Year Ended 31 March 2026

Disclosure of information to auditors

Each of the persons who are Committee members at the time when this committee report is approved has confirmed that:

- So far as the Committee is aware, there is no relevant audit information of which the Association's auditors are unaware, and
- The Committee has taken all the steps that ought to have been taken in order to be aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

This report was approved by the Committee and signed on its behalf.

Cllr Sue Baxter
NALC vice-chair (finance and resources)
16 June 2026

Independent Auditors' Report to the Members of the National Association of Local Councils

Opinion

We have audited the financial statements of the National Association of Local Councils (the 'Association') for the year ended 31 March 2026, which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Changes in Equity, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Association's affairs as at 31 March 2026 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the information given in the finance section of the annual report is consistent with the financial statements.

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 ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including 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 Committee members' 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 Committee members with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the Members of the National Association of Local Councils (continued)

Other Information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Committee members 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.

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

- the information given in the Committee members' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Committee members' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Committee members' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Committee members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Committee members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Independent Auditors’ Report to the Members of the National Association of Local Councils (continued)

Responsibilities of the Scrutiny Committee

As explained more fully in the Committee members' Responsibilities Statement set out on pages 14 to 15, the Committee 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 the Committee members 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 Committee 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 Committee members 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 statement

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 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the Association’s Constitution and considered acts which were contrary to the applicable guidance set out by the General Meeting, including fraud.

We considered compliance with this framework and performed audit procedures on these areas as considered necessary. Our procedures involved enquiries with management, review of the reporting to the directors with respect to compliance with laws and regulation, review of committee meeting minutes and review of legal correspondence.

We focused on laws and regulations that could give rise to a material misstatement in the Association’s financial statements. Our tests included but were not limited to:

Independent Auditors' Report to the Members of the National Association of Local Councils (continued)

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- testing of journal postings made during the year to identify the potential management override of controls;
- review of minutes of committee meetings throughout the period; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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. 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 Auditors' 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.

Stephen Sampson (Senior Statutory Auditor)
16 June 2026

for and on behalf of
Milton Avis LLP

Chartered Accountants
Statutory Auditors

Pitt House
120 Baker Street
London
W1U 6TU

National Association of Local Councils
Statement of Income and Retained Earnings
For the Year Ended 31 March 2026

	Note	2026	2025
		£	£
Turnover		**1,811,012**	1,711,337
Cost of sales		**(116,731)**	(67,458)
Gross profit		**1,694,281**	1,643,879
Administrative expenses		**(1,745,028)**	(1,673,211)
Exceptional items	4	**-**	(13,785)
Operating loss		**(50,747)**	(43,117)
Interest payable and similar expenses		**(1,825)**	(3,178)
Loss before tax		**(52,572)**	(46,295)
Loss after tax		**(52,572)**	(46,295)

Retained earnings at the beginning of the year	**2,914,074**	2,999,109
Profit for the year	**458**	14,965
Transfer (to) / from other reserves	**(50,000)**	(100,000)
Retained earnings at the end of the year	**2,864,532**	2,914,074

The notes from pages 23 - 28 form part of these financial statements.

National Association of Local Councils
Balance Sheet
As At 31 March 2026

	Note	2026 £	2025 £
Fixed assets			
Tangible assets	5	**46,828**	80,082
Current assets			
Debtors: amounts falling due within one year	6	**103,166**	139,143
Cash at bank and in hand	7	**2,930,032**	2,910,018
		3,033,198	3,049,161
Current liabilities			
Creditors: amounts falling due within one year	8	**(165,494)**	(162,139)
		(165,494)	(162,139)
Net current assets		**2,867,704**	2,887,022
Total assets less current liabilities		**2,914,532**	2,967,104
Net assets		**2,914,532**	2,967,104
Capital and reserves			
Promotion reserve		**-**	53,030
Strategy reserve		**50,000**	-
Accumulated fund		**2,864,532**	2,914,074
Total Capital and reserves		**2,914,532**	2,967,104

The Association's financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the scrutiny committee and were signed on its behalf on 16 June 2026.

S J Baxter.

Cllr Sue Baxter
NALC vice-chair (finance and resources)
16 June 2026

The notes from pages 23 - 28 form part of these financial statements.

National Association of Local Councils
Statement of Changes in Equity
For the Year Ended 31 March 2026

	Equipment reserve	Publication reserve	Promotion reserve	Strategy reserve	Accumulated fund	Total equity
	£	£	£	£	£	£
At 1 April 2024	14,290	-	-	-	2,999,109	3,013,399
(Loss) / profit for the year	-	(14,290)	(46,970)	-	14,965	(46,295)
Transfers between reserves	(14,290)	14,290	100,000	-	(100,000)	-
At 1 April 2025	**-**	**-**	**53,030**	**-**	**2,914,074**	**2,967,104**
(Loss) / profit for the year	**-**	**-**	**(53,030)**	**-**	**458**	**(52,572)**
Transfers between reserves	**-**	**-**	**-**	**50,000**	**(50,000)**	**-**
At 31 March 2026	**-**	**-**	**-**	**50,000**	**2,864,532**	**2,914,532**

The notes from pages 23 - 28 form part of these financial statements.

National Association of Local Councils
Notes to the Financial Statements
For the Year Ended 31 March 2026

1 Accounting Policies
1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Association's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Revenue recognition

Revenue is the amount derived from ordinary activities and is measured at fair value of the consideration receivable. Revenue is reduced for issued credit notes and is stated net of vat.

Revenue from affiliation fees is recognised when all the conditions are satified.

- The amount of revenue can be measured reliably.
- It is probable that economic benefits associated with the transaction will flow to the Association.
- Costs incurred in respect of the transaction can be measured reliably.
- Association retains managerial involvement to the degree usually associated with services provided in respect of subscription sold.

Revenue from event sponsorship are recognised once it is probable that economic benefit associated with the transaction will flow to the Association.

1.3 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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:
- Freehold property - no depreciation provided
- Fixtures and fittings - 20%
- Office equipment - 25%
- Web development costs - 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

1.4 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

National Association of Local Councils
Notes to the Financial Statements (continued)
For the Year Ended 31 March 2026

1.5 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.7 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.8 Taxation

The Association is exempt from income tax on its income under section 838 of the Income Tax Act 2007 and from corporation tax under section 984 of the Corporation Tax Act 2010.

1.9 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Association but are presented separately due to their size or incidence.

2 Judgments in applying accounting policies and key sources of estimation uncertainty

In application of the Association's accounting policies, management are required to make judgements estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 Employees

The average monthly number of employees during the year was as follows:

	2026	2025
	No.	No.
Average number	**19**	20

4 Exceptional items

	2026	2025
	£	£
Website development expenditure	**-**	13,785

National Association of Local Councils
Notes to the Financial Statements (continued)
For the Year Ended 31 March 2026

5 Fixed assets

	Computer equipment	Website and CRM	Total
	£	£	£
Cost or valuation			
At 1 April 2025	**35,402**	**80,332**	**115,734**
Additions	**2,241**	**-**	**2,241**
Disposals	**(17,650)**	**-**	**(17,650)**
At 31 March 2026	**19,993**	**80,332**	**100,325**
Depreciation			
At 1 April 2025	**22,397**	**13,255**	**35,652**
Charge for the year on owned assets	**8,986**	**26,509**	**35,495**
Disposals	**(17,650)**	**-**	**(17,650)**
At 31 March 2026	**13,733**	**39,764**	**53,497**
Net book value			
At 31 March 2026	**6,260**	**40,568**	**46,828**
At 31 March 2025	13,005	67,077	80,082

6 Debtors

	2026	2025
	£	£
Trade debtors	**22,644**	53,502
Other debtors	**175**	275
Prepayments and accrued income	**80,347**	85,366
	103,166	139,143

7 Cash and cash equivalents

	2026	2025
	£	£
Cash at bank and in hand	**2,930,032**	2,910,018
	2,930,032	2,910,018

8 Creditors: Amounts falling due within one year

	2026	2025
	£	£
Trade creditors	**25,316**	16,034
Other taxation and social security	**37,559**	49,372
Other creditors	**24,946**	15,595
Accruals and deferred income	**77,673**	81,138
	165,494	162,139

9 Pension scheme

NALC participates in two pension schemes, administered by the London Borough of Camden and by the The Pensions Trust, on behalf of its members.

London Borough of Camden

The London Borough of Camden scheme is a multi-employer defined benefit pension scheme. As NALC is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis, the scheme is accounted for as if it were a defined contribution scheme.

The pension cost recognised in the year in respect of this scheme was £86,837 (2025: £92,949). NALC has agreed to pay contributions of £nil (2025: £nil) per annum under a deficit recovery plan. At the reporting date, contributions of £9,182 (2025: £8,898) were outstanding and included within creditors.

The Pensions Trust- multi-employer defined benefit pension scheme

NALC participates in The Pension Trust multi-employer defined benefit pension scheme. As NALC is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis, the scheme is accounted for as if it were a defined contribution scheme.

The pension cost recognised in the year in respect of this scheme was £nil (2025: £nil). NALC has agreed to pay contributions of £4,191 per annum under a deficit recovery plan, payable until 31 March 2028. At the reporting date, contributions of £nil (2025: £nil) were outstanding and included within creditors.

The Pensions Trust- defined contribution pension scheme

NALC participates in The Pension Trust defined contribution pension scheme, membership of which is offered to qualifying employees. The assets of the scheme are held by The Pension Trust.

Contributions are recognised as an expense in the period in which they become payable. The total pension cost recognised in the year in respect of this defined contribution scheme was £56,159 (2025: £51,299). At the reporting date, contributions of £8,290 (2025: £5,248) were outstanding and included within creditors. There were no prepaid contributions at the year end (2025: none).

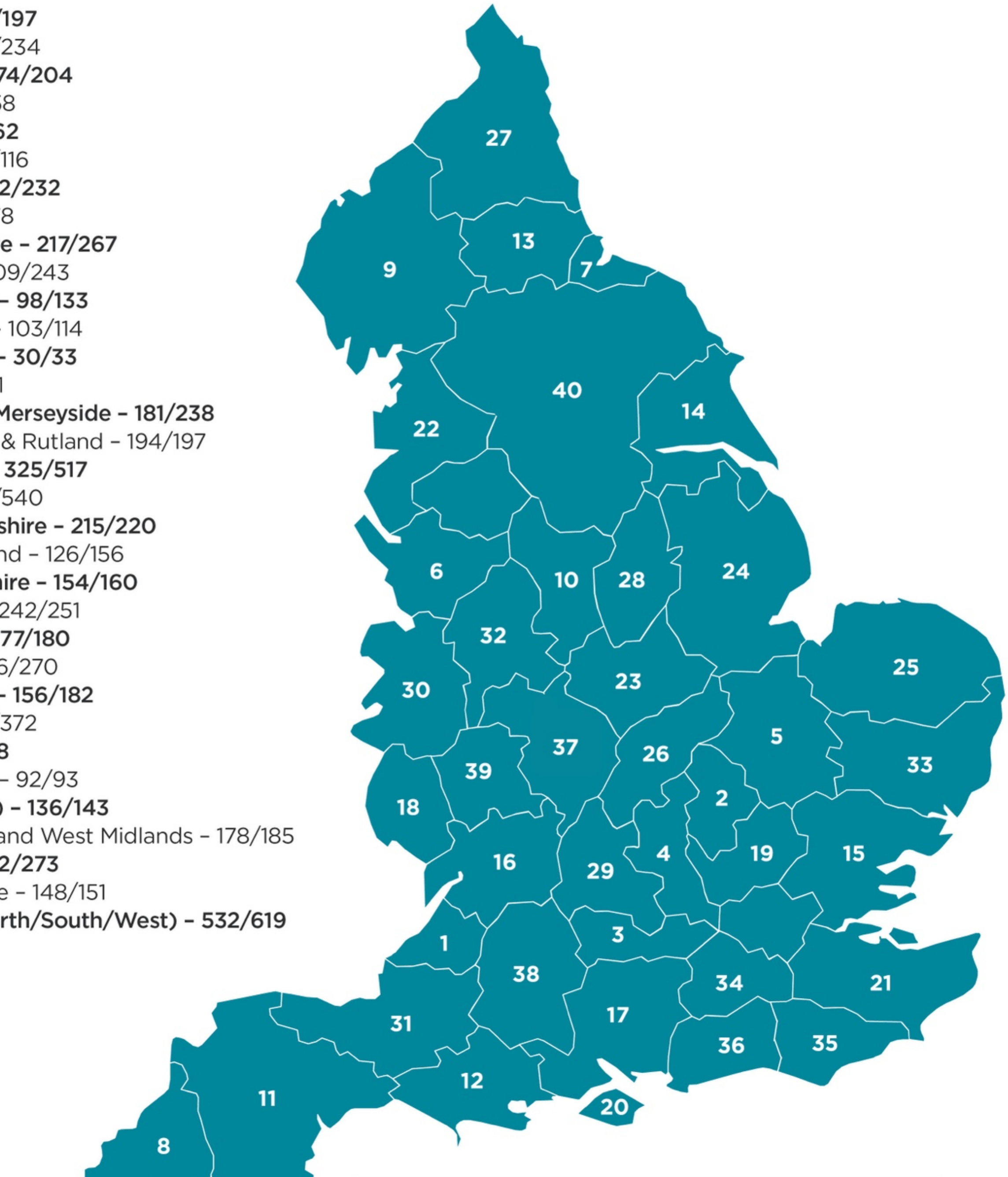
National Association of Local Councils
Detailed Profit and Loss Account
For the Year Ended 31 March 2026

		Note	2026	2025
			£	£
A	Turnover		**1,811,012**	1,711,337
B	Cost of sales		**(116,731)**	(67,458)
	Gross profit		**1,694,281**	1,643,879
	Less: overheads			
C	Administration expenses		**(1,745,028)**	(1,673,211)
D	Exceptional Items	4	**-**	(13,785)
	Operating (loss) / profit		**(50,747)**	(43,117)
E	Interest payable and similar charges		**(1,825)**	(3,178)
	(Loss) for the year		**(52,572)**	(46,295)

		2026	2025
		£	£
A	**Turnover**		
	Affiliation fees	**1,377,146**	1,277,140
	Publication fees and media sales	**19,045**	21,436
	Events and project income	**210,043**	128,970
	Other income	**204,778**	283,791
		1,811,012	1,711,337
B	**Cost of sales**		
	Direct expenditure	**116,731**	67,458
		116,731	67,458
C	**Administration expenses**		
	Staff salaries including recruitment and training	**1,100,284**	1,040,526
	Staff travel	**6,207**	6,208
	Member services and external support	**94,346**	138,527
	Non recoverable VAT	**64,406**	48,378
	Legal and professional	**51,996**	77,439
	Auditors' remuneration	**7,576**	11,606
	Bad debts	**-**	203
	Professional indemnity insurance	**21,127**	21,011
	Premises, accommodation and maintenance	**126,079**	130,982
	IT systems and subscriptions	**73,708**	54,484
	Depreciation and disposal of fixed assets	**35,496**	22,875
	Committee expenses	**9,978**	4,651
	Representative expenses	**18,041**	12,322
	Membership fees	**4,146**	3,671
	Books, periodicals & law library	**1,785**	1,926
	Information services	**12,485**	14,340
	Promotion	**103,351**	76,214
	Administration expenses	**5,017**	3,348
	Chair and Vice Chair's Allowances	**9,000**	4,500
		1,745,028	1,673,211
D	**Exceptional items**		
	Website development	**-**	13,785
		-	13,785
E	**Interest payable**		
	Interest and similar charges	**1,825**	3,178
		1,825	3,178

MEMBERSHIP MAP

1. Avon – 132/133
2. Bedfordshire – 116/118
3. Berkshire – 90/101
4. Buckinghamshire and Milton Keynes – 182/183
5. Cambridgeshire and Peterborough – 215/259
6. Cheshire – 184/202
7. Cleveland – 22/37
8. Cornwall – 170/197
9. Cumbria – 226/234
10. Derbyshire – 174/204
11. Devon – 337/358
12. Dorset – 157/162
13. Durham – 104/116
14. ERNLLCA – 182/232
15. Essex – 273/278
16. Gloucestershire – 217/267
17. Hampshire – 209/243
18. Herefordshire – 98/133
19. Hertfordshire – 103/114
20. Isle of Wight – 30/33
21. Kent – 300/321
22. Lancashire & Merseyside – 181/238
23. Leicestershire & Rutland – 194/197
24. Lincolnshire – 325/517
25. Norfolk – 239/540
26. Northamptonshire – 215/220
27. Northumberland – 126/156
28. Nottinghamshire – 154/160
29. Oxfordshire – 242/251
30. Shropshire – 177/180
31. Somerset – 256/270
32. Staffordshire – 156/182
33. Suffolk – 360/372
34. Surrey – 83/88
35. Sussex (East) – 92/93
36. Sussex (West) – 136/143
37. Warwickshire and West Midlands – 178/185
38. Wiltshire – 242/273
39. Worcestershire – 148/151
40. Yorkshire (North/South/West) – 532/619



This map represents county association administration areas by approximation. The data does not include Parish Meetings. Figure format: member councils / total councils

COMMITTEE LIST

Chair

- Cllr Iain Hamilton

Vice-chairs

- Cllr Sue Baxter (finance and resources)
- Cllr David Francis (member services)

National Assembly

- Cllr Mike Drew, Avon Local Councils Association
- Cllr Elizabeth Luder, Bedfordshire Association of Town and Parish Councils
- Cllr Roland Cundy, Berkshire Association of Local Councils
- Cllr Paul Harvey, Buckinghamshire and Milton Keynes Association of Local Councils
- Cllr Malcolm Watson, Cambridgeshire and Peterborough Association of Local Councils
- Cllr David Rowlands, Cheshire Association of Local Councils
- Vacant, Cleveland Local Councils Association
- Cllr Bob Drew, Cornwall Association of Local Councils
- Cllr Allan Blakemore, County Durham Association of Local Councils
- Cllr Mary Bradley, Cumbria Association of Local Councils
- Cllr Stephanie Marbrow, Derbyshire Association of Local Councils
- Cllr Ian Cowling, Devon Association of Local Councils
- Cllr Lindsey Dedden, Dorset Association of Parish and Town Councils
- Cllr Ian Blackburn, East Riding and North Lincolnshire Local Councils Association
- Cllr Keith Robertson, East Sussex Association of Local Councils
- Cllr Peter Davey, Essex Association of Local Councils
- Cllr Richard Page, Gloucestershire Association of Local Councils
- Cllr Brice Stratford, Hampshire Association of Local Councils
- Cllr Sam Potts, Herefordshire Association of Local Councils
- Cllr Rob McCarthy, Hertfordshire Association of Parish and Town Councils
- Cllr Bob Blezzard, Isle of Wight Association of Local Councils
- Cllr Neville Hudson, Kent Association of Local Councils
- Cllr Pat Hastings, Lancashire Association of Local Councils
- Cllr Geoff Hulland, Leicestershire and Rutland Association of Local Councils
- Cllr Karri Davey, Lincolnshire Association of Local Councils
- Cllr Iain Hamilton, Merseyside Association of Local Councils
- Vacant, Norfolk Association of Local Councils
- Cllr Mike Holt, North Yorkshire Association of Local Councils
- Cllr David Francis, Northumberland Association of Local Councils
- Cllr Lynne Taylor, Northamptonshire County Association of Local Councils
- Cllr Jane Buxton, Nottinghamshire Association of Local Councils

- Cllr Katharine Keats-Rohan, Oxfordshire Association of Local Councils
- Cllr Sylvia Pledger, Shropshire Association of Local Councils
- Cllr Loretta Whetlor, Somerset Association of Local Councils
- Cllr David Rowley, South Yorkshire Association of Local Councils
- Cllr Victor Kelly, Staffordshire Parish Councils Association
- Cllr Mark Valladares, Suffolk Association of Local Councils
- Cllr Deborah Sherry, Surrey Association of Local Councils
- Cllr Ian Davis, Warwickshire and West Midlands Association of Local Councils
- Cllr Douglas Denham St Pinnock West Sussex Association of Local Councils
- Cllr Peter Allison, West Yorkshire Association of Local Councils
- Cllr George McCaffrey, Wiltshire Association of Local Councils
- Cllr Sue Baxter, Worcestershire Association of Local Councils

Management Board

- Cllr Iain Hamilton (chair)
- Cllr Peter Allison
- Cllr Sue Baxter
- Cllr Mary Bradley
- Cllr Ian Cowling
- Cllr Peter Davey
- Cllr Mike Drew
- Cllr Robert Drew
- Cllr David Francis
- Cllr Paul Harvey

Scrutiny Committee

- Cllr Ian Cowling (chair)
- Cllr Sue Baxter
- Cllr Geoff Hulland
- Cllr Victor Kelly
- Cllr George McCaffrey
- Cllr Loretta Whetlor

Policy Committee

- Cllr Peter Allison (chair)
- Cllr Karri Davey
- Cllr Ian Davis
- Cllr Iain Hamilton
- Cllr Pat Hastings
- Cllr Neville Hudson
- Cllr Katharine Keats-Rohan

Larger Councils Committee

- Cllr Mike Drew (chair)
- Cllr Phil Barnett
- Cllr David Francis
- Cllr Paul Harvey
- Cllr Ian Hayes
- Ms Sarah Haydon
- Mr Carl Hearn
- Cllr Katherine Keats-Rohan
- Cllr Glenn Kirkham
- Cllr Imogen Makepeace
- Mr Steve McNay
- Cllr David Newman
- Ms Shar Roselman
- Cllr David Suiter
- Cllr Miranda Wixon

Smaller Councils Committee

- Ms Vanessa Lowe (chair)
- Cllr John Anderson
- Cllr Allan Blakemore
- Cllr Karri Davey
- Cllr David Francis
- Cllr Pat Hasting
- Cllr Mike Holt
- Ms Lynette Pryke
- Cllr Mark Valladares
- Cllr Loretta Whetlor
- Cllr Claire Winfield