This year, after extensive consultation, we agreed a new vision for the sector arguing that local, parish and town councils can help bring communities together and strengthen cohesion:

- Local councils across the whole country will be at the centre of community effort
- The natural focus of a range of public activity and service delivery
- Giving a democratic voice to those communities in the deliberations of other agencies. And supporting those agencies to build strong communities
- Vibrant, dynamic and effective local councils will help communities to help themselves building strength and resilience and improving the quality of life of residents

NALC working with county associations will help deliver that vision through:

- Strong national and county voices promoting the sector and our prospectus for ultra-localism
- Promoting and creating local councils in England
- Supporting councils and councillors
- Effective national and county associations working together to promote and support the sector.

NALC would like to thank all councillors, clerks and county associations for their support over the last year. It would also like to thank its partners and supporters including BHIB Councils Insurance, CCLA and Blachere. It looks forward to working with you all to make this ambitious vision to improve community governance in England a reality.

As part of this new strategy NALC appointed its first head of member services this year to work with county associations to ensure we provide the support that councils want.

We continue to update a highly valuable resource of legal topic notes and other briefings including model standing orders, financial regulations and the audit practitioners’ guide. We gave legal, financial and other advice to over 1,000 councils last year worth around £500,000 at commercial rates.

We are planning additional HR support this year. Our support for councils to comply with new GDPR requirements was well received and included a comprehensive toolkit. We have plans for a guide for smaller councils on information governance generally.
Our publications including LCR and the Good Councillor suite of publications continue to be popular with the finance guide alone having around 30,000 downloads from our website.

We will keep these guides up to date and add to the range including papers on community transport and community engagement.

This year saw a major development to support the largest councils with the sector’s first peer review trialled in Chippenham with the assistance of the Local Government Association.

Our sector and its councils continue to do brilliant things as showcased in our annual publication points of light; the web feature council spotlight; and the annual star council awards – with this year’s contenders being Salisbury City Council (community resilience) Woughton Community Council (youth service and community fridge) and Feock Parish Council (community navigators).

NALC would urge you to celebrate your successes too and keep your residents, MPs and local press informed of the work you do.

We have profiled this work of councils in discussions with other national bodies, think tanks and political parties with attendance at their conferences including a fringe event with the Epilepsy Society. We have close relationships with the Local Government Association, publishing joint research with them on partnership working and loneliness and had a stand at their annual conference and a well-attended breakfast fringe meeting.

An emerging theme was growing interest from principal councils in the creation of new local councils. Hundreds have been set up in the last few years and as the move to unitary governance continues more are being established including Christchurch and Weymouth in Dorset and more are planned in Buckinghamshire and Northamptonshire.

The government has recognised the potential of the sector in its civil society strategy, loneliness work and community framework noting: “We want to build on existing civic infrastructure and models of local accountability and democracy, including exploring opportunities to strengthen the role of parish and town councils.”
A MESSAGE FROM THE CHAIRMAN OF THE NATIONAL ASSOCIATION OF LOCAL COUNCILS

This year we have also continued to succeed in achieving legislative and other change to support councils including:

• Successfully lobbying government not to impose referendum principles or capping for three years, subject to sector behaving responsibly, engaging residents transparently in discussions about any significant increases
• Persuaded government to exempt sector from the requirement in the Data Protection Bill to appoint an external DPO officer. Saving £3m. Amending Protection (charges and information) Regulations 2018 so that councillors or prospective councillors do not have to pay the ICO the data protection fee (likely to have been £40)
• Government announcement in 2018 of budget mandatory rate relief on public conveniences saving sector £4m. A bill is currently before parliament
• The Committee on Standards in Public Life supported our call for a stronger regime and proposed new sanctions (6 month suspension) for code of conduct issues.

As the first tier of government our democratic mandate is important and NALC’s diversity commission has been looking at how we can encourage more people from all backgrounds to stand for election. Currently the average age of a councillor is 61, 25% have served for more than 10 years, 60% are men and 11% are under 45. It is vital that we encourage more people to come forward and get involved – not only on their parish but also with the county association and NALC.

We have completed a major survey of the elections in 2019 and will be publishing results shortly.

And finally, some challenges for member to help make this exciting vision a reality!

• Be ambitious for your council and community
• Promote diversity in the sector, encouraging more people from all backgrounds to get involved
• Support and invest in training and development for councils, councillors and clerks
• Strive for good governance and consider demonstrating this through joining the other 600 councils participating in the local council award scheme

Cllr Sue Baxter
Chairman of NALC
403,098 WEBSITE PAGE VIEWS

54,532 PUBLICATIONS DISTRIBUTED
1. Avon – 122/132
2. Bedfordshire – 114/117
3. Berkshire – 89/96
4. Buckinghamshire – 164/183
5. Cambridgeshire – 183/248
6. Cheshire – 173/224
7. Cleveland – 21/28
8. Cornwall – 163/197
9. Cumbria – 229/231
10. Derbyshire – 190/204
11. Devon – 353/403
12. Dorset – 153/156
13. Durham – 100/116
14. ERNLLCA – 155/235
15. Essex – 272/274
17. Hampshire – 211/241
18. Herefordshire – 109/133
19. Hertfordshire – 100/115
20. Isle of Wight – 25/33
22. Lancashire and Merseyside – 163/227
23. Leicestershire and Rutland – 196/196
24. Lincolnshire – 320/517
25. Norfolk – 316/485
26. Northamptonshire – 204/213
27. Northumberland – 131/156
28. Nottinghamshire – 150/161
29. Oxfordshire – 233/248
30. Shropshire – 171/180
31. Somerset – 260/278
32. Staffordshire – 153/186
33. Suffolk – 329/372
34. Surrey – 80/84
35. Sussex (East/West) – 232/238
36. Warwickshire – 176/187
37. Wiltshire – 209/253
38. Worcestershire – 141/151
39. Yorkshire (North/South/West) – 513/618

This map represents county association administration areas by approximation.
Figure format: member councils / total councils
The finances of the Association are overseen by the vice-chairman (finance), Cllr Keith Stevens and the finance and scrutiny committee, chaired by Cllr Peter Davey.

Commentary by Keith Stevens

The financial statements for the year to 31 March 2019 show a surplus of £66,790. Whilst a positive result, it must be kept in mind that recent years have had many challenges as income (see page 9), especially commissions, fluctuated. It is worth noting the success of the strategic plan’s objective to increase the proportion of expenditure (see page 10) covered by affiliation fees. That now stands at nearly 85% compared to 57% in 2007. This means we are not so vulnerable to reductions in commission and project work.

We have now had two consecutive years of surpluses following implemented organisational changes which are a significant improvement from cumulative losses of £225,000 in the earlier three years. These profits have helped restore our available reserves at the end of the year to 11 weeks, but this is under the level of our reserve policy (see page 11) recommended by our auditors of 13 weeks which is why the management board and the national assembly recommend next years increase in the affiliation fee.

Budgets are under close control and with a liquidity ratio at 2.7:1 finances are healthy. However, the ability to cope with significant changes or additional expenditure is limited notwithstanding the substantial freehold property asset of 109 Great Russell Street which backs us and provides a sound base in the event of any unexpected demand or concerns from other institutions or pensions trustees.

This is confirmed by the auditors who have again given a clean bill of health with an unqualified report.

Commentary by Peter Davey

The finance and scrutiny committee continues to receive regular reports and Management Accounts throughout the year and also regular feedback on other financial matters, especially monitoring the cash at bank levels.

During the year we met with the lead partner, Stephen Sampson, of Milton Avis LLP, the auditors, to plan focused additional review and scrutiny work for the committee. This ensures that the audit work combines well with the work of the committee to provide assurance to members and underpins the unqualified audit outcome.

We receive regular updates at committee from the heads of service and chief executive on the expenditure and income targets delegated to them and their staff. Any variances are fully considered, and regular forecasts against budget reported to management board and assembly as necessary.

We also regularly consider the systems and risks involved in the operation of the Association. We have worked with the policies and risk assessments already in place and have made additional recommendations for improvements when deemed necessary and have relevant policy documents which will be reviewed on an annual basis.
NALC INCOME

2007

Affiliation fees: £588,788
Commissions: £344,552
Other: £94,591

2012

Affiliation fees: £718,920
Commissions: £208,464
Other: £56,809

2019

Affiliation fees: £1,005,140
Commissions: £60,000
Net projects: £42,889
Other: £76,390
Opinion

We have audited the financial statements of The National Association of Local Councils (the ‘Association’) for the year ended 31 March 2019, which comprise the Statement of Comprehensive Income, 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 2019 and of its profit 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

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

• The board members’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
• The board members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Association’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.
INDEPENDENT AUDITORS’ REPORT
TO THE MEMBERS

Other information

The board members are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors’ Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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
- We have not received all the information and explanations we require for our audit.

Responsibilities of the Finance and Scrutiny Committee

The board 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 board 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 board 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 board members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.
INDEPENDENT AUDITORS’ REPORT
TO THE MEMBERS

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 ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website — 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 for Milton Avis LLP

Milton Avis LLP, Chartered Accountants, Statutory Auditors, Pitt House, 120 Baker Street, London W1U 6TU

3 September 2019
6,271 ADMIN, FINANCE AND LEGAL QUERIES

8,477 LEGAL AND FINANCE GUIDANCE ISSUED
## Statement of comprehensive income for the year ended 31 March 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 (£)</th>
<th>2018 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>1,350,595</td>
<td>1,499,047</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(165,122)</td>
<td>(214,075)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>1,185,473</td>
<td>1,284,972</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(1,115,386)</td>
<td>(1,262,784)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>70,087</td>
<td>22,188</td>
</tr>
<tr>
<td>Interest payable and expenses</td>
<td>(3,297)</td>
<td>(2,644)</td>
</tr>
<tr>
<td><strong>Profit for the financial year</strong></td>
<td>66,790</td>
<td>19,544</td>
</tr>
</tbody>
</table>

The notes on page 20 to 23 form part of these financial statements.
### Balance sheet as at 31 March 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>2019 (£)</th>
<th>2018 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>3</td>
<td>2,514,617</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors: amounts falling due with one year</td>
<td>4</td>
<td>79,541</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>5</td>
<td>309,755</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>248,863</td>
<td>182,167</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,763,480</td>
<td>2,696,690</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,763,480</td>
<td>2,696,690</td>
</tr>
</tbody>
</table>

**Capital and reserves**

<table>
<thead>
<tr>
<th></th>
<th>2019 (£)</th>
<th>2018 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revaluation reserve</td>
<td>1,944,191</td>
<td>1,944,191</td>
</tr>
<tr>
<td>Building reserve</td>
<td>555,809</td>
<td>555,809</td>
</tr>
<tr>
<td>Building maintenance reserve</td>
<td>57,347</td>
<td>57,347</td>
</tr>
<tr>
<td>Equipment reserve</td>
<td>14,290</td>
<td>14,290</td>
</tr>
<tr>
<td>Accumulated fund</td>
<td>191,843</td>
<td>125,053</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,763,480</td>
<td>2,696,690</td>
</tr>
</tbody>
</table>

The financial statements were approved on behalf of the Finance Committee on 3 September 2019.
Cllr Keith Stevens, vice-chair of NALC

The notes on page 20 to 23 form part of these financial statements.
### Statement of changes in equity for the year ended 31 March 2019

<table>
<thead>
<tr>
<th></th>
<th>Revaluation reserve (£)</th>
<th>Building reserve (£)</th>
<th>Building maintenance reserve (£)</th>
<th>Equipment reserve (£)</th>
<th>Accumulated reserve (£)</th>
<th>Total equity (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 April 2017</strong></td>
<td>1,944,191</td>
<td>555,809</td>
<td>57,347</td>
<td>14,290</td>
<td>105,509</td>
<td>2,677,146</td>
</tr>
<tr>
<td><strong>Comprehensive income for the year</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>At 1 April 2018</strong></td>
<td>1,944,191</td>
<td>555,809</td>
<td>57,347</td>
<td>14,290</td>
<td>125,053</td>
<td>2,696,690</td>
</tr>
<tr>
<td><strong>Comprehensive income for the year</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td>1,944,191</td>
<td>555,809</td>
<td>57,347</td>
<td>14,290</td>
<td>191,843</td>
<td>2,763,480</td>
</tr>
</tbody>
</table>

The notes on page 20 and 23 form part of these financial statements.
Notes to the financial statements for the year ended 31 March 2019

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. The presentation currency is pounds sterling.

The following principal accounting policies have been applied:

1.2 Revenue

Income represents net invoiced sales, commissions, rents and affiliation fees excluding VAT. Other operating income comprises commissions and trading income which may be of a commercial nature together with grants.

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 the Statement of Comprehensive Income.

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 the Statement of 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.

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


2. Employees

The average monthly number of employees during the year was 15 (2018 - 19).
### 3. Tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Freehold property (£)</th>
<th>Fixtures and fittings (£)</th>
<th>Office equipment (£)</th>
<th>Total (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost or valuation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2018</td>
<td>2,500,000</td>
<td>140,630</td>
<td>116,486</td>
<td>2,757,116</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>7,059</td>
<td>7,059</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td><strong>2,500,000</strong></td>
<td><strong>140,630</strong></td>
<td><strong>123,545</strong></td>
<td><strong>2,764,175</strong></td>
</tr>
</tbody>
</table>

### Depreciation

|                      |                        |                           |                      |            |
|----------------------|                        |                           |                      |            |
| At 1 April 2018      | -                      | 136,558                   | 106,035              | 242,593    |
| Charge for the year on owned assets | - | 1,866 | 5,099 | 6,965 |
| **At 31 March 2019** | **-**                  | **138,424**               | **111,134**          | **249,558** |

### Net book value

|                      |                        |                           |                      |            |
|----------------------|------------------------|---------------------------|                      |            |
| At 31 March 2019     | 2,500,000              | 2,206                     | 12,411               | 2,514,617  |
| At 31 March 2018     | 2,500,000              | 4,072                     | 10,451               | 2,514,523  |

The Finance Committee obtained valuations of the freehold property in 2016 which are well in excess of the book value and they feel a valuation of £2,500,000 remains appropriate.

The freehold premises are held by NALC (1994) Limited (a company limited by guarantee) in trust for the National Association of Local Councils.
4. Debtors

<table>
<thead>
<tr>
<th></th>
<th>2019 (£)</th>
<th>2018 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>42,736</td>
<td>19,452</td>
</tr>
<tr>
<td>Other debtors</td>
<td>24,504</td>
<td>20,711</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>12,301</td>
<td>11,465</td>
</tr>
<tr>
<td></td>
<td><strong>79,541</strong></td>
<td><strong>51,628</strong></td>
</tr>
</tbody>
</table>

5. Cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>2019 (£)</th>
<th>2018 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>309,755</td>
<td>297,320</td>
</tr>
<tr>
<td></td>
<td><strong>309,755</strong></td>
<td><strong>297,320</strong></td>
</tr>
</tbody>
</table>

6. Creditors: Amounts failing due within one year

<table>
<thead>
<tr>
<th></th>
<th>2019 (£)</th>
<th>2018 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>35,318</td>
<td>66,928</td>
</tr>
<tr>
<td>Other creditors</td>
<td>92,678</td>
<td>73,906</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>12,437</td>
<td>25,947</td>
</tr>
<tr>
<td></td>
<td><strong>140,433</strong></td>
<td><strong>166,781</strong></td>
</tr>
</tbody>
</table>

7. Pension scheme

NALC participates in two pension schemes on behalf of its members:-

1. The Pensions Trust has advised NALC that there was a deficit of approximately £476,000 as at 30 September 2016 if NALC was to withdraw from the scheme. This matter is being addressed and additional annual contributions are being made to extinguish the deficit. The contribution
required for the coming year to 31 March 2020 is £25,310.

2. NALC also contributes to the Local Government Pension Scheme which is fully funded, but if valued on a cessation basis if NALC were to leave the scheme, would give a deficit of £531,000 as at 31 March 2016.

### Detailed profit and loss account for the year ended 31 March 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 (£)</th>
<th>2018 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>1,350,595</td>
<td>1,499,047</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(165,122)</td>
<td>(214,075)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>1,185,473</td>
<td>1,284,972</td>
</tr>
<tr>
<td>Less: overheads</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration expenses</td>
<td>(1,115,386)</td>
<td>(1,262,784)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>70,087</td>
<td>22,188</td>
</tr>
<tr>
<td>Interest payable and expenses</td>
<td>(3,297)</td>
<td>(2,644)</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>66,790</td>
<td>19,544</td>
</tr>
</tbody>
</table>
Schedule to the detailed accounts for the year ended 31 March 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 (£)</th>
<th>2018 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Turnover</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affiliation fees receivable</td>
<td>1,025,140</td>
<td>990,691</td>
</tr>
<tr>
<td>Publication sales</td>
<td>20,838</td>
<td>93,306</td>
</tr>
<tr>
<td>Events and projects income</td>
<td>292,159</td>
<td>403,564</td>
</tr>
<tr>
<td>Other income</td>
<td>12,458</td>
<td>11,486</td>
</tr>
<tr>
<td><strong>Total Turnover</strong></td>
<td><strong>1,350,595</strong></td>
<td><strong>1,499,047</strong></td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct expenditure</td>
<td>165,122</td>
<td>214,075</td>
</tr>
<tr>
<td><strong>Total Cost of sales</strong></td>
<td><strong>165,122</strong></td>
<td><strong>214,075</strong></td>
</tr>
<tr>
<td><strong>Administration expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff costs including recruitment and training</td>
<td>787,928</td>
<td>905,033</td>
</tr>
<tr>
<td>Staff travel</td>
<td>8,628</td>
<td>8,108</td>
</tr>
<tr>
<td>Consultancy</td>
<td>8,241</td>
<td>6,814</td>
</tr>
<tr>
<td>Non-recoverable VAT</td>
<td>22,456</td>
<td>28,724</td>
</tr>
<tr>
<td>Legal and professional</td>
<td>30,571</td>
<td>17,311</td>
</tr>
<tr>
<td>Auditors’ remuneration</td>
<td>5,283</td>
<td>5,293</td>
</tr>
<tr>
<td>Professional indemnity insurance</td>
<td>14,672</td>
<td>16,444</td>
</tr>
<tr>
<td>Premises, accommodation and maintenance</td>
<td>124,075</td>
<td>133,634</td>
</tr>
<tr>
<td>Depreciation</td>
<td>6,965</td>
<td>13,565</td>
</tr>
<tr>
<td>Committee expenses</td>
<td>7,172</td>
<td>10,345</td>
</tr>
<tr>
<td>Representatives expenses</td>
<td>25,706</td>
<td>28,295</td>
</tr>
<tr>
<td>General meetings</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Membership fees</td>
<td>3,635</td>
<td>7,220</td>
</tr>
<tr>
<td>Books, periodicals and law library</td>
<td>2,668</td>
<td>1,600</td>
</tr>
<tr>
<td>Information services</td>
<td>15,791</td>
<td>18,217</td>
</tr>
<tr>
<td>Promotion</td>
<td>12,515</td>
<td>23,222</td>
</tr>
<tr>
<td>Corporate hospitality</td>
<td>2,667</td>
<td>2,283</td>
</tr>
<tr>
<td>Administration expenses</td>
<td>27,163</td>
<td>27,426</td>
</tr>
<tr>
<td>Chairmen’s’ allowances</td>
<td>3,250</td>
<td>3,250</td>
</tr>
<tr>
<td><strong>Total Administration expenses</strong></td>
<td><strong>1,115,386</strong></td>
<td><strong>1,262,784</strong></td>
</tr>
<tr>
<td><strong>Interest payable</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest payable and expenses</td>
<td>3,297</td>
<td>2,644</td>
</tr>
<tr>
<td><strong>Total Interest payable</strong></td>
<td><strong>3,297</strong></td>
<td><strong>2,644</strong></td>
</tr>
</tbody>
</table>
689
NUMBER OF COUNCILS
ACCREDITED OR WORKING TOWARDS LOCAL COUNCIL AWARD SCHEME

3,085
CLERKS QUALIFIED IN CiLCA
GOVERNANCE OF THE
NATIONAL ASSOCIATION OF LOCAL COUNCILS

Vice-president
The Earl of Lytton
Brian Kerr OBE
Michael Chater OBE

Chairman
Cllr Sue Baxter

Vice-chairmen
Cllr Derek Liddell
Cllr Keith Stevens

National Assembly
Cllr Mike Drew, Avon Association of Local Councils

Cllr Elizabeth Luder, Bedfordshire Association of Town and Parish Councils

Cllr Tim O’Flynn, Berkshire Association of Local Councils

Cllr Paul Harvey, Buckinghamshire and Milton Keynes Association of Local Councils

Cllr Mike Tew, Cambridgeshire and Peterborough Association of Local Councils

Cllr Lillian Burns, Cheshire Association of Local Councils

Cllr Jim Wingham, Cleveland Local Councils Association

Cllr Graham Ford, Cornwall Association of Local Councils

Cllr Rick Petecki, Cumbria Association of Local Councils

Cllr Diana Ruff, Derbyshire Association of Local Councils

Cllr Ken Browse, Devon Association of Local Councils

Cllr Lindsey Dedden, Dorset Association of Parish and Town Councils

Cllr Terry Batson, Durham Association of Local Councils

Cllr Keith Stevens, East Sussex Association of Local Councils

Cllr Gordon Thurston, East Riding & North Lincolnshire Local Councils Association

Cllr Peter Davey, Essex Association of Local Councils

Cllr Mark Harris, Gloucestershire Association of Parish and Town Councils

Cllr Colin Mercer, Hampshire Association of Local Councils

Cllr Richard Gething, Herefordshire Association of Local Councils

Cllr Bill Pryce, Hertfordshire Association of Parish and Town Councils

Cllr Bob Blezzard, Isle of Wight Association of Local Councils
GOVERNANCE OF THE
NATIONAL ASSOCIATION OF LOCAL COUNCILS

Cllr Richard Parry, Kent Association of Local Councils  
Cllr Colin Peacock, Lancashire Association of Local Councils  
Cllr John Springthorpe, Leicestershire & Rutland Association of Local Councils  
Cllr Tony Howard, Lincolnshire Association of Local Councils  
Cllr Ken Cleary MBE, Merseyside Association of Local Councils  
Cllr Peter Wilkinson, Norfolk Association of Local Councils  
Cllr Avis Thomas, North Yorkshire Association of Local Councils  
Cllr Mike Scott, Northamptonshire County Association of Local Councils  
Cllr David Francis, Northumberland Association of Local Councils  
Cllr Elaine Atkin, Nottinghamshire County Association of Local Councils  
Cllr Malcolm Leeding MBE, Oxfordshire Association Local Councils  
Cllr David Beechey, Shropshire Association of Local Councils  
Cllr Loretta Whetlor, Somerset Association Local Councils  
Cllr Derek Liddell, South Yorkshire Association of Local Councils  
Cllr Patricia Ansell, Staffordshire Parish Councils Association  
Cllr William Sargeant, Suffolk Association Local Councils  
Cllr Harry Fitzgerald, Surrey Association of Local Councils  
Cllr Eric Knibb, Warwickshire and West Midlands Association of Local Councils  
Cllr Terry Oliver, West Sussex Association of Local Councils  
Cllr Peter Allison, West Yorkshire Association of Local Councils  
Cllr John Scragg, Wiltshire Association of Local Councils  
Cllr Sue Baxter, Worcestershire Association of Local Councils  

Management Board

Cllr Sue Baxter (chair)  
Cllr Colin Mercer  
Cllr Peter Davey  
Cllr Richard Parry  
Cllr Mike Drew  
Cllr Mike Scott  
Cllr David Francis  
Cllr Keith Stevens  
Cllr Richard Gething  
Cllr Derek Liddell
GOVERNANCE OF THE
NATIONAL ASSOCIATION OF LOCAL COUNCILS

Finance and Scrutiny Committee
Cllr Peter Davey (chair)
Cllr Eric Knibb
Cllr Graham Ford
Cllr Keith Stevens

Policy Committee
Cllr David Francis (chair)
Cllr Patricia Ansell
Cllr Sue Baxter
Cllr Malcolm Leeding MBE
Cllr Lillian Burns
Cllr Rick Petecki
Cllr Peter Wilkinson
Ms Carole Burslem

Larger Councils Committee
Cllr Paul Harvey (chair)
Cllr Patricia Ansell
Cllr Sue Baxter
Cllr Eric Knibb
Cllr Richard Parry
Cllr Lindsey Dedden
Cllr Peter Quinn
Cllr Mike Drew
Cllr Isabel Roberts
Cllr Dave Fleming
Cllr Mark Harris
Cllr Brod Ross
Cllr Sandie Webb
Ms Leah Coney
Mr Adam Keppell-Green
Ms Shar Roselman
Mr Mark Smith
Mr Carl Hearn
Ms Clare Horrocks

Smaller Councils Committee
Ms Alison Stevens (chair)
Cllr Lillian Burns
Cllr Malcolm Leeding MBE
Cllr Graham Ford
Cllr David Francis
Cllr Keith Stevens
Ms Heather Parks
Mr Bob Grainger

Improvement and Development Board
Mr Jonathan Flowers (chair)
Cllr Sue Baxter
Ms Jackie Weaver
Ms Helen Jenkins
Mr Rob Smith
Ms Elisabeth Skinner
Ms Lis Moore
Ms Linda Carter
Ms Helen Quick
Ms Alison Morris
Mr Jonathan Owen
Ms Charlotte Eisenhart