

LOCAL INFORMATION UNIT LIMITED

England & Wales · Charity number 1113495

Details

Other names	LGIU, THE LOCAL GOVERNMENT INFORMATION UNIT
Status	Registered
Legal form	Charitable company
Company number	01872218
Registered	2006-03-30
Register	View on the Charity Commission register

Contact

Address	Local Government Information Unit 3rd Floor 251 Pentonville Road Islington London
Phone	02075542800
Email	info@lgiu.org.uk
Website	www.lgiu.org.uk

Activities

Objects: THE PROMOTION FOR THE PUBLIC GOOD OF EFFICIENT PUBLIC ADMINISTRATION OF LOCAL GOVERNMENT BY THE PROVISION OF INFORMATION, ADVICE, RESEARCH AND TRAINING AND THE PUBLICATION OF RESEARCH.

Activities: The LGIU provides a range of services including:* A policy briefing service on topics relevant to local democracy* A daily news service* Publications on local government* Events and seminars* Learning and development activities* Research and advice

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training, Other Charitable Purposes
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE NATIONAL.
- Scotland
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,937,424	£2,107,474	£652,631	19
2023-12-31	£1,956,826	£1,981,094	£822,681	18
2022-12-31	£1,866,145	£1,839,576	£846,949	19
2021-12-31	£1,836,615	£1,688,642	£-2,531,620	19
2020-12-31	£1,734,353	£1,564,544	£-4,348,593	16

Trustees

Name	Role	Appointed
Amanda Hopgood		2021-09-14
COUNCILLOR ABDUL JABBAR		2016-07-11
MIKE SHORT		2013-09-09
Mark Nuti		2024-10-15
Roderick Myron Clancey Hogarth		2024-10-15
Tudor Evans		2018-07-16

LOCAL INFORMATION UNIT LIMITED

England & Wales - Charity number 1113495

Accounts

LOCAL INFORMATION UNIT LIMITED
(Company limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2024

Registration Number: 1872218 (England and Wales)
Charity Registration Number: 1113495



LOCAL INFORMATION UNIT LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

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LOCAL INFORMATION UNIT LIMITED

LEGAL AND ADMINISTRATION

YEAR ENDED 31 DECEMBER 2024

Registered Name of charity	Local Information Unit Limited
Other names used by the charity	LGiU
Trustees	Cllr Abdul Jabbar Cllr Alexander Hollingsworth Cllr Jayne McCoy Cllr Michael Payne (Chair) (stood down 15 October 2024) Mike Short Cllr Neil Nerva (appointed as Chair 15 October 2024) Cllr Tudor Evans Cllr Amanda Jayne Hopgood Cllr Linda Joy Taylor Cllr Tracey Dixon (appointed 15 October 2024) Cllr Mark Nuti (appointed 15 October 2024) Cllr Roddy Hogarth (appointed 15 October 2024) Cllr Ray Morgon (appointed 15 October 2024)
Chief Executive & Company Secretary	J Carr-West
Registered office	251 Pentonville Road London N1 9NG
Company Registration Number	01872218 (England and Wales)
Charity Registration Number	1113495
Auditor	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Bankers	National Westminster Bank PLC 23 Brunswick Place Southampton SO15 2AQ

LOCAL INFORMATION UNIT LIMITED

LEGAL AND ADMINISTRATION (continued)

YEAR ENDED 31 DECEMBER 2024

Subsidiary undertakings:

LGiU International Ltd

Directors

J Carr-West
A Johnston
E Coll
L Slack
H Muirhead – resigned 12th July 2024
H Yedigaroff
V De Blasi

Company Registered Number 07132669 (England and Wales)

Local Energy Limited

Directors

J Carr-West
H Yedigaroff

Company Registration number 07092950 (England and Wales)

LGiU Enterprises Limited

Directors

J Carr-West
H Yedigaroff
A Hollingsworth
N Nerva

Company Registration number 07073661 (England and Wales)

LGiU Ireland Limited

Directors

J Carr-West
H Yedigaroff
S O'Riordain

Company Registration number 597961 (Ireland)

Objectives and activities

Introduction

The Local Government Information Unit (LGIU) is a membership organisation and think tank. The object of the organisation is the promotion for the public good of efficient public administration of local government by the provision of information, advice, research and training and the publication of research.

LGIU operates internationally through LGiU International, a wholly owned trading subsidiary.

Public benefit

The LGiU must be able to demonstrate that its aims and activities are for the public benefit. The Trustees have reviewed the guidance issued by the Charity Commission and have prepared this report with the guidance in mind.

Mission

The LGiU - Local Government Information Unit - is a not-for-profit, non-partisan membership organisation. We are for local government and anyone with an interest in local democracy and finding local solutions to the challenges that we all face. Our resources, innovative research and connections, are relied on by councillors and council officers across the globe:

As LGiU becomes increasingly international in focus, our aim is to be the preeminent global hub for the best information, ideas and insight about local government and local democracy and to create a global network of local authorities, public servants and politicians supporting each other to strengthen local democracy, improve public services and meet the complex challenges of the 21st century.

Activities, specific objectives and relevant policies

To fulfil our charitable mission, we support innovation in local government working with our members and others to provide:

- The practical support, on tap, that council staff and elected representatives need for their jobs every day, including: in depth policy briefings, country-specific daily news roundups; case study bank; analysis and commentary.
- Opportunities to be involved with our Local Democracy Research Centre's original research projects.
- A global network of local government professionals and other stakeholders coming together to collaborate, share and innovate.
- A significant member discount on LGiU training. A programme catering specifically to the needs of local government staff and elected representatives, delivered by sector experts.
- Supportive and productive forums for exploring the challenges and emerging opportunities in an ever changing local government landscape.
- A voice for the international local government community, which grows stronger with each new member.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2024

We are a critical friend to councils but we are unwavering in our advocacy of local government as the foundation of the places we live and work.

- Volunteers

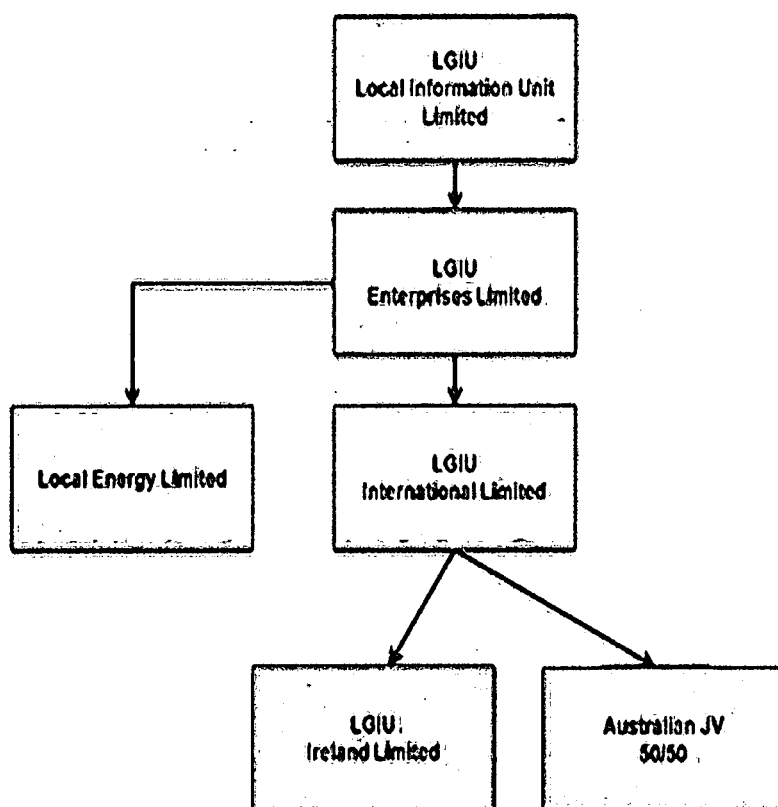
Generally the LGiU does not use volunteers: internships are occasionally provided to people seeking work experience, and are paid at the London living wage.

The LGiU group

Since 2015 the LGiU has been expanding its international operations with the launch of LGiU Scotland, LGiU Ireland and LGiU Australia. In 2024 we reached an agreement with NILGA to bring all 11 Northern Irish Councils in to membership.

We believe that if local government is at its best when it is informed, engaged and networked, then all our members will gain value from global perspectives, lessons and relationships.

These international operations are trading subsidiaries wholly owned by LGiU.



LGiU Enterprises and LGiU International have boards which report to the main LGiU Board. The relationship between subsidiaries is set out in a Resource Sharing Agreement and governed by a conflict of interests policy.

These arrangements are currently being reviewed by a working group drawn from all 3 boards with advice from DAC Beachcroft LLP. LGiU International and LGiU Ireland are audited separately.

Achievements and performance

2024

Highlights

- 270+ member organisations
- 200+ conversations with local government leaders
- 265 global policy briefings
- 280 articles and interviews
- 8 international research reports
- 75+ training sessions
- 50+ events, workshops, panels, and platforms
- 2,900+ press appearances
- 381 nominations for our annual awards for councillors
- 33,750 global subscribers

Sector Impact

- We gave evidence to the LUHC Select Committee on financial distress in local government.
- We partnered with the BBC (across all platforms) on the launch of our annual State of Local Government Finance report.
- We were featured in a Panorama documentary on LG finance.
- Our work was cited in a Parliamentary 'Elections and their reform' briefing.
- Our most read briefing of 2024 was on the Budget with 2,111 reads from 1,185 users.
- We were featured 2,921 times in local and national press.

LGIU in 2024

2024 was a year of development for LGIU.

We continued to work towards the two key ambitions set out in our five-year 2020-25 strategy:

1. To be the preeminent global hub for the best information, ideas, and insight about local government and local democracy.
2. To act as a global network of local authorities, public servants, and politicians supporting each other to strengthen local democracy, improve public services, and meet the complex challenges of the 21st century.

Local government continues to operate within a challenging financial context and with acute pressures on key services.

The election of a new national government creates a new policy environment which has offered opportunities but which also creates challenges.

The Devolution White Paper published at the end of the year heralds the biggest reorganisation in local government for half a century with significant impact upon our membership.

For 2024, we developed a single organisational plan based around seven key workstreams, each with a set of objectives and associated actions.

1. Ensure that our services are designed to meet user needs and to maximise readership/usage through ongoing engagement and feedback mechanisms.
2. Deliver a research, content, and engagement program building on LGIU@40 that speaks to members across all core countries, demonstrates thought leadership, and enables us to advocate for the sector.
3. Launch a new international offer incorporating at least one new product.
4. Set out our digital strategic direction, meeting user needs through unlocking data insights and creating the technical foundations for future product offerings.
5. Ensure long-term financial sustainability.
6. Leverage technology and data to improve our security standing, our corporate governance, and compliance through clearly defined processes and employee policies.
7. Ensure that the LGIU is a place that people love to work, with a positive working culture and supportive governance and employee policies.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2024

Key results were specified under each of these objectives:

- 21/25 (60%) of our Key Results were successfully achieved.
- 3 are being carried forward for completion in 2025 (website rebuild, data dashboard, and CRM audit).
- 3 of our financial sustainability metrics (objective 5) were not met. We will have an increased focus/new approaches in these areas over 2025.
- The findings of our international market research meant that our intended direction of travel (in terms of having a 'light' version of the LGIU membership offer for non-core countries) was not viable. This meant that 5 of our intended outcomes under Objective 3 became redundant and were put on hold.

Financial Review

Results for the Year

- 2024 was an investment year in which we took advantage of financial success in previous years by drawing down on reserves to invest in the future.
- There is a deficit of £170,050 before adjustments for pension costs.
- The total deficit to reserves is £170,050, giving total reserves of £652,631.
- LGIU's finances reflect the Board's ambition to create a sustainable financial model for the LGIU. There is now a structural surplus built into the relationship between our two main financial lines – affiliate income and salaries.
- Levels of reserves now allow us to invest in future growth while still maintaining a robust position to deal with unforeseen fluctuations in income or costs.
- The 2025 budget continues to invest in the future, drawing down from reserves with a £56k loss in LGIU whilst the LGIU Group as a whole is forecast to end the year with a deficit of £71k.
- These figures do not include the results of the FRS17 annual pension fund report.

Reserves Policy

The trustees recognise the need to hold reserves to protect against unforeseen fluctuations in income, assist long-term strategic planning, and to provide a fund to deal with costs arising should the organisation cease to trade.

General funds of the group at 31 December 2024 were £652,631 (2023- £822,681), and there was no pension reserve deficit (2023 £nil).

The pension is a defined benefit scheme, and we are part of a pool within the Camden Council LGPS. Such schemes typically show large deficits, but the pension deficit is not taken into account against reserves and is dealt with from future budgets. LGIU budgets are, and have always been, prepared on this basis. The level of contribution that LGIU makes to the pension fund is set every three years. We are currently halfway through one of the periods, and we have retained enough space in the budget to be able to increase the contribution in future if necessary. The Trustees are satisfied that we will be able to meet future commitments.

The 2024 reserves represent approximately 17 weeks' expenditure.

In 2025 we are budgeting a deficit of £56k for LGIU, deficit of £15K for LGIU International with a combined group deficit of £71k.

This includes investment in digital, research, and the development of our international offer

+ Investment policy

Any surplus cash is held in either our deposit account, or in short term bonds specifically designed for charities who want to retain liquidity and attract a reasonable rate of return.

Risk Management

The most significant risk faced by the LGIU is the loss of income, primarily from the resignation of members. Strategies are in place to retain existing members and to recruit new ones. In the last two years, we have seen an unusual amount of volatility; in 2024, we received 20 member resignations taking effect from January 2025. However, this was partially offset by the recruitment of 15 additional members for 2025.

The local government reorganisation announced in the Devolution White Paper also presents risks and opportunities for LGIU. Many of our existing county and district members may disappear, but there will be a significant number of new unitary councils as potential customers.

The Executive Board is regularly updated about these issues, together with actions being taken to ameliorate the risk.

The LGIU believes that there will be further pressure on the finances of local authorities in the UK over the coming years, but that our active engagement with members and the value of our services, especially in a fast-moving and challenging environment, will mitigate the risk of substantial decline in membership income. Expansion into other local government markets around the world also offsets that risk.

The LGIU also faces the organisational risks that would be expected in a small company, such as loss of key staff. Strategies are in place to anticipate and reduce these risks, and staff movement in 2024 has not led to any significant problems.

We maintain a risk register, and this is regularly reviewed by the Board.

Governance, Structure, and Management

Governance

The LGIU is a registered charity (Charity Registration Number 1113495) and is constituted as a company limited by guarantee (Company Registration Number 01872218). It is governed by its memorandum and articles of association, which were most recently modified in July 2009. The charity was registered with the Charity Commission in England and Wales on 30 March 2006. The Local Information Unit Limited (which trades as the Local Government Information Unit) was registered as a company limited by guarantee on 17 December 1984 and has been operating since that date.

The trustees of the charity are also directors of the company for the purposes of the Companies Act. Each affiliate of the LGIU nominates a representative to be part of the Members' Assembly, the body which debates the general policy direction of the organisation. The Members' Assembly elects the Executive Board (Board of Directors) from within their ranks. Directors/trustees serve a three-year set term before being required to stand for re-election. Where directors/trustees resign or become ineligible, a replacement is sought at the next Members' Assembly meeting to complete that three-year term. The memorandum and articles of association specify a minimum number of places on the Board from different types of affiliates, such as District Councils, London Boroughs, and Trade Unions, etc. This is to ensure balanced representation of the membership.

New trustees are given relevant documentation on their duties and responsibilities, including the Charity Commission publication designed for this purpose. The LGIU has several nominated contacts that trustees can contact if they have any specific queries.

Trustees are offered the opportunity to take part in various training opportunities, and the LGIU is always prepared to buy in specific training as and when necessary.

Structure and Management Reporting

The day-to-day running of the organisation is delegated to the staff under the leadership of the Chief Executive. The Executive Board meets about six times per year, primarily to discuss issues of strategic direction in relation to the running of the organisation. They approve the annual budget before the start of the year and then monitor its progress through regular updates. In addition, the Executive Board has a business and policy planning weekend each September, together with senior staff.

Remuneration

The Board has a Remuneration Committee with a membership of four Board members which has oversight of pay strategy across the organisation and direct responsibility for the Chief Executive's pay and appraisal.

Current membership of the Remuneration Committee is Mike Short, Neil Nerva, and Jayne McCoy and two vacancies.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2024

Trustees

The following trustees were in office at 31 December 2024, and served throughout the year, except where shown:

Trustees 01 January 2024 - 31st July 2025

Cllr Abdul Jabbar
Cllr Alex Hollingsworth
Cllr Jayne McCoy
Mike Short
Cllr Neil Nerva (Chair)
Cllr Tudor Evans
Cllr Amanda Hopgood
Cllr Roderick Hogarth (appointed 15 October 2024)
Cllr Mark Nuti (appointed 15 October 2024)
Cllr Tracey Dixon (appointed 15 October 2024)
Cllr Raymond Morgon (appointed 15 October 2024)
Michael Payne (resigned 15 October 2024)
Linda Taylor (resigned 15 October 2024)

LGIU Enterprise Board

Heather Yedigaroff
Jonathan Carr-West
Cllr Alex Hollingsworth
Cllr Neil Nerva

LGIU International Board

Andy Johnston
Jonathan Carr-West
Liz Coll
Lucy Slack
Heather Yedigaroff
Vicki DeBlasi
Hannah Muirhead (resigned 12 July 2024)

Plans for the Future

A single integrated plan for 2025 has been developed building on the 2024 plan. Key organisational priorities are:

- Launch our Strategic Partnership Programme
- Deliver a Devolution and Reorganisation Programme, including Mayoral offer
- A focus on Australia membership growth
- The Digital Improvements Project
- Our 'Future Local' Programme

The plan has six overarching objectives, each with a set of activities and key results.

Objective 1: *Deliver a research, content, and engagement programme that speaks to members across all core countries, demonstrates thought leadership, and enables us to advocate for the sector*

- Develop country-specific influence/thought leadership plans on the things we want to influence and how we will do it.
- Support English members to understand what devolution and reorganisation means for them and work with them to have a voice in the debate.
- **Deliver the Future Local Lab programme with weekly outputs of new content, global events, and thought leadership.**
- Establish a new international comparisons project.
- Deliver research projects in Ireland and Australia.

Objective 2: *Ensure that our services are designed to meet user needs and to maximize readership/usage through ongoing engagement and feedback mechanisms*

- Embed core country teams with stronger focus on benchmarking page views, registrations, and open content to maximize readership/usage.
- Return to the LGIU messaging and embed changes.
- Diversify the way we connect with members, e.g., social media/LinkedIn newsletters.
- Put in place structures and mechanisms to gather information and member needs via 'user groups'.
- Develop a champions programme structured by our persona.
- Retender the Daily News contract and appoint provider.
- Use facts and figures (and other highly performing content) to drive engagement with other content and services.

Objective 3: *Create stronger technical foundations for our core services through the Digital Improvements Project, and strengthen our reporting capabilities, data processes, and security standing.*

Improved member / internal user experience including overall website usability and accessibility

- Conduct tender for the Digital Improvements Project and appoint provider to redesign website

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2024

and mailings.

- Implement the Improvements Project and conduct post-Project implementation website survey.

More efficient business processes

- Launch the new website events and training module - and ensure all data is captured in CiviCRM.
- Improve our use of CiviCRM working towards our ambition of Civi as our 'single-source-of-truth' for our contacts.
- Implement a membership dashboard and scorecard in CiviCRM.

Increased agility, improved conformance, and reduced risk to system and data

- Continue to implement our ongoing security plan.
- Implement data management and retention processes and ensure removal of data.
- Finalize database audit and ensure data management processes are updated and data is maintained.
- Develop plan for Cyber Essentials Accreditation.
- Develop Business Continuity Plan.

Objective 4: Ensure long-term financial sustainability

- Review LGIU's membership tiers and pricing across all core countries.
- Stabilise English membership through targeted retention, recruitment, and member rep engagement.
- Scope a model for LGIU Wales.
- **Deliver our tailored Australia plan with the aim of expanding Australia membership.**
- **Launch strategic partners programme and sign up founder members.**
- Increase training income and attendance through new course offerings, partnership working, and new marketing methods.
- **Launch a new membership offer for English Mayoral and Combined Authorities.**
- Set a new direction of travel for future expansion outside current core countries (in line with the Membership Vision)

Objective 5: Ensure that the LGIU is a place that people love to work, with a positive working culture and supportive governance and employee policies.

- Continue with our quarterly workload and wellbeing surveys and annual staff survey, and implement the actions arising from the results.
- Put in place personal skills and development plans for all employees
- Complete a governance review with input from the Intl and Exec
- Boards and get agreement to implement recommendations at the 2025 AGM.
- Continue internal education and adoption of the revised IT and
- GDPR policies to ensure compliance and conduct our annual audit.
- Implement internal policy actions

Objective 6: *Safeguard the future of the LGIU through the development of a new set of strategic goals for 2026 onwards.*

- Define a process for Board approval by April 2025, and bring forward proposals in line with that process.

Some revision to this plan has been necessitated by the changes proposed in the Devolution White Paper.

We are expanding our research team and focusing on actionable insight for members. Refocusing member support from Australia to England and investing in digital capacity that allows more personalized delivery to users.

Local government in the UK, Ireland, and Australia continues to operate in a challenging environment. While LGIU is not insulated from these challenges, this also makes the insight and innovation support we provide more important than ever. We are confident that the sector will continue to benefit from and recognize this value.

Trustees' liability

In the event of the charity being wound up the trustees, are required to contribute an amount not exceeding £1.

Statement of Trustees' responsibilities

The trustees (who are also directors of Local Information Unit Limited for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2024

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 21 August 2025 and signed on their behalf by:

Neil Nerva

Neil Nerva
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCAL INFORMATION UNIT LIMITED

Opinion

We have audited the financial statements of Local Information Unit Limited for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and related to the financial statements, 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 group's and of the parent charitable company's affairs as at 31 December 2024 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCAL INFORMATION UNIT LIMITED

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the directors' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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.

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:

Based on our understanding of the parent charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP and Companies Act 2006.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LOCAL INFORMATION UNIT LIMITED**

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management override. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including the defined benefit pension scheme.

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 auditor's report.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 21 August 2025

LOCAL INFORMATION UNIT LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2024

INCOME AND EXPENDITURE	Notes	Total unrestricted funds	
		2024	2023
		£	£
INCOME			
Charitable activities			
Affiliation fees & subscriptions		1,718,559	1,698,900
Consultancy and project income		185,494	224,717
Income from:			
Investment income, bank and other interest		33,371	33,209
Total income		1,937,424	1,956,826
EXPENDITURE			
Expenditure on charitable activities			
Services to affiliates & subscribers	2	440,834	589,520
Conferences, seminars and training	2	295,816	276,344
Consultancy	2	267,868	190,936
Publications	2	296,592	264,192
Trading activities	2	806,364	660,102
Total expenditure		2,107,474	1,981,094
Net income/ (expenditure) before additional pension costs		(170,050)	(24,268)
Service cost and other movements on pension provision	17	98,000	161,000
Net income/ (expenditure) before other recognised gains and losses		(72,050)	136,732
Actuarial gains/ (losses) on defined benefit pension scheme	17	(98,000)	(161,000)
Net movement in funds		(170,050)	(24,268)
Fund balances brought forward at 1 January 2024		822,681	846,949
Fund balances carried forward at 31 December 2024		652,631	822,681

All of the group's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the Statement of Financial Activities.

All comparative figures were also unrestricted and have been presented on the Statement of Financial Activities.

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

GROUP AND CHARITY BALANCE SHEET

AT 31 DECEMBER 2024

		2024		2023	
	Notes	Charity £	Group £	Charity £	Group £
Fixed assets					
Tangible assets	8	2,474	2,474	4,581	4,581
Intangible assets	8	7,865	7,865	30,929	30,929
Investments	9	3	-	3	-
		<u>10,342</u>	<u>10,339</u>	<u>35,513</u>	<u>35,510</u>
Current assets					
Debtors due within one year	10	177,638	200,451	135,998	128,084
Short term deposits		113,076	113,076	330,152	330,152
Cash at bank and in hand		570,587	885,515	408,969	608,453
		<u>861,301</u>	<u>1,199,042</u>	<u>875,119</u>	<u>1,066,689</u>
Creditors: amounts falling due within one year	11	(468,380)	(556,750)	(228,415)	(279,518)
Net current assets		<u>392,921</u>	<u>642,292</u>	<u>646,704</u>	<u>787,171</u>
Net assets excluding pension liability		<u>403,263</u>	<u>652,631</u>	<u>682,217</u>	<u>822,681</u>
Pension liability	17	-	-	-	-
Net assets including pension liability		<u>403,263</u>	<u>652,631</u>	<u>682,217</u>	<u>822,681</u>
Represented by:					
Funds and reserves					
Income funds:					
Unrestricted funds					
General funds	14	403,263	403,263	682,217	682,217
Pension reserve	17	-	-	-	-
		<u>403,263</u>	<u>403,263</u>	<u>682,217</u>	<u>682,217</u>
Non-charitable trading funds	14	-	249,368	-	140,464
		<u>403,263</u>	<u>652,631</u>	<u>682,217</u>	<u>822,681</u>

The parent charity's income for the year was £1,620,666. Net movement in funds before the pension costs was £ (278,954). Net movement in funds after pensions was £ (278,954).

The financial statements were approved and authorised for issue by the Trustees on 21 August 2025 and were signed on their behalf by:

Neil Nerva

Neil Nerva
Director of Local Information Unit Limited

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024		2023	
	Charity £	Group £	Charity £	Group £
Cashflow from operating activities				
Net income/(expenditure) for the year	(278,954)	(170,050)	(103,430)	(24,268)
Adjustments for				
Movements on defined benefit pension scheme	-	-	-	-
Depreciation of tangible and intangible assets	26,135	26,135	35,447	35,447
Interest received	(33,371)	(33,371)	(33,209)	(33,209)
Decrease / (increase) in debtors	(41,640)	(72,367)	97,010	183,521
Increase/ (decrease) in creditors	239,965	277,232	(275,213)	(332,087)
Net cash generated from operating activities	(87,865)	27,579	(279,395)	(170,596)
Cashflow from investing activities				
Net purchase of fixed assets	(964)	(964)	(2,159)	(2,159)
Interest received	33,371	33,371	33,209	33,209
	32,407	32,407	31,050	31,050
Net increase/(decrease) in cash	(55,458)	59,986	(248,345)	(139,546)
Net cash and cash equivalents at the start of the year	739,121	938,605	987,466	1,078,151
Net cash and cash equivalents at the end of the year	683,663	998,591	739,121	938,605
Cash and cash equivalents consists of:				
Short Term deposits	113,076	113,076	330,152	330,152
Cash at bank and in hand	570,587	885,515	408,969	608,453
Cash and cash equivalents at 31 December	683,663	998,591	739,121	938,605

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Local Information Unit Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements which is to 31st July 2026. The majority of the LGiU's income comes from membership income which is fixed from 30 June in the preceding financial year. This allows Trustees to be confident that expenditure budgets are appropriate. In considering going concern the trustees have reviewed cash flows and are confident that the Charity can meet ongoing liabilities, including contributions to the pension scheme. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiaries, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited on a line by line basis. A separate statement of financial activities is not prepared by the charity itself following the exemption afforded by section 408 of the Companies Act 2006.

Income

Income is recognised in the period in which the charity and the group are entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity and the group has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Financial Instruments

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (continued)

Expenditure and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred. Expenditure which can be allocated directly to the charity and the group's charitable activities are charged against the applicable activity. All other costs are treated as support costs and are allocated to activities on the basis of staff time spent on those activities.

Expenditure comprises the following:

The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:

- Staff costs
- Premises costs
- Office costs
- Other costs

Tangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|--|---------------------------------------|
| • Furniture and general office equipment | Over 6 years on a straight line basis |
| • Computer equipment and website | Over 3 years on a straight line basis |

Intangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Intangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|-----------|---------------------------------------|
| • Website | Over 3 years on a straight line basis |
|-----------|---------------------------------------|

Fixed asset investments

The investments in the subsidiary undertakings, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited, are stated at cost.

Fund accounting

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Defined benefit pension scheme

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increases in the present value of the liabilities within the charity's defined benefit scheme expected to arise from employee service in the period are charged to the statement of financial activities.

The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in the statement of financial activities. Actuarial gains and losses are recognised in the statement of financial activities as other recognised gains and losses for the period. Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (continued)

Pension costs

Defined benefit pension scheme

Local Information Unit Limited has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet as advised by an independent actuarial adviser. The assumptions reflect historical experience and current trends.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Useful economic lives - The annual depreciation charge for property, plant and equipment and intangible assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Functional currency and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (continued)

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise. However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to profit or loss.

Translation of group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of group companies are recognised in other comprehensive income and are not reclassified to profit or loss.

2. COST OF ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	Services to affiliates £	Conference seminars & training £	Consultancy £	Publications £	Trading Activities £	2024 Total Funds £
Staff costs	83,847	113,871	96,999	106,168	434,121	835,006
Other direct costs	44,110	-	250	-	175,208	219,568
Allocation of support costs (note 3)	312,877	181,945	170,619	190,424	197,035	1,052,900
	<u>440,834</u>	<u>295,816</u>	<u>267,868</u>	<u>296,592</u>	<u>806,364</u>	<u>2,107,474</u>

	Services to affiliates £	Conference seminars & training £	Consultancy £	Publications £	Trading Activities £	2023 Total funds £
Staff costs	262,844	136,578	81,115	121,304	265,489	867,330
Other direct costs	72,238	-	-	-	161,088	233,326
Allocation of support costs (note 3)	254,438	139,766	109,821	142,888	233,525	880,438
	<u>589,520</u>	<u>276,344</u>	<u>190,936</u>	<u>264,192</u>	<u>660,102</u>	<u>1,981,094</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

3. SUPPORT COSTS

The support costs and the basis of their allocation were as follows:

		2024	2023
		£	£
Governance costs	Basis of appointment		
Auditor's remuneration – statutory audit	Staff time	15,900	17,600
Other governance costs	Staff time	7,302	7,784
		<u>23,202</u>	<u>25,384</u>
Other support costs	Basis of appointment		
Staff costs	Time spent	388,664	212,062
Premises costs	Staff time	101,652	81,913
Office costs	Staff time	334,181	313,278
Other costs	Staff time	205,201	247,801
		<u>1,029,698</u>	<u>855,054</u>
Total		<u><u>1,052,900</u></u>	<u><u>880,438</u></u>

4. NET INCOME

	Total Funds	Total Funds
	2024	2023
	£	£
This is stated after charging:		
Staff costs (note 5)	1,223,670	1,079,392
Auditors' remuneration		
- statutory audit services	15,900	17,600
Depreciation	26,135	35,447
Operating lease rentals	63,505	41,022
	<u><u>1,223,670</u></u>	<u><u>1,079,392</u></u>

5. EMPLOYEES AND STAFF COSTS

	2024	2023
	£	£
Staff costs during the year were as follows:		
Wages and salaries	925,452	796,126
Social security costs	98,036	84,843
Other pension costs	197,456	195,374
Other	2,726	3,049
	<u><u>1,223,670</u></u>	<u><u>1,079,392</u></u>

In addition, consultants were used during the year at a cost of £79,016 (2023: £69,324).

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

5. EMPLOYEES AND STAFF COSTS (continued)

The average monthly headcount of persons employed by the LGiU during the year were:

	2024 Number	2023 Number
Charitable activities	14	16
Support	2	2
	<u>16</u>	<u>18</u>

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2024 Number	2023 Number
£100,001 - £110,000	1	1
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
	<u>2</u>	<u>2</u>

The total employee benefits including pension contributions of the key management personnel were £339,009 (2023: £330,976). The Key Management Personnel are defined as the Leadership team which is made up of 2 people consisting of the chief executive and chief operating officer in post in year.

6. TRUSTEES' REMUNERATION

An honorarium was paid to the Chair of Trustees of £6,544 (2023 - £4,362). None of the other trustees received any remuneration in respect of their services during the year (2023 - £nil).

During the year expenses amounting to £nil (2023 - £nil) were reimbursed to 0 trustees (2023 - £nil).

The cost of refreshments at Trustee meetings and the accommodation costs for the overnight Executive Board business planning meeting are met directly by the LGiU. In 2024 this amounted to £nil (2023 - £nil).

The trustees of the charity are members of local councils which pay membership subscriptions to LGiU. Membership fees to these organisations are charged on an arm's length basis.

7. TAXATION

Local Information Unit Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Any taxable profits generated by the subsidiary companies will be donated to the parent charity.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

8. FIXED ASSETS

Total Fixed Assets

	2024 £	2023 £
Tangible Fixed Assets (a)	2,474	4,581
Intangible Fixed Assets (b)	7,865	30,929
	<u>10,339</u>	<u>35,510</u>

a) Tangible Fixed Assets

Charity and Group	Fixtures and Fittings £	Computers £	Total £
Cost or valuation			
At 1 January 2024	4,177	56,102	60,279
Additions	-	964	964
At 31 December 2024	<u>4,177</u>	<u>57,066</u>	<u>61,243</u>
Depreciation			
At 1 January 2024	4,177	51,521	55,698
Charge for the year	-	3,071	3,071
At 31 December 2024	<u>4,177</u>	<u>54,592</u>	<u>58,769</u>
Net book values			
At 31 December 2024	<u>-</u>	<u>2,474</u>	<u>2,474</u>
At 31 December 2023	<u>-</u>	<u>4,581</u>	<u>4,581</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

8. FIXED ASSETS (continued)

b) Intangible Fixed Assets

	Website £	Total £
Charity and Group		
Cost or valuation		
At 1 January 2024	126,214	126,214
Additions	-	-
At 31 December 2024	126,214	126,214
Depreciation		
At 1 January 2024	95,285	95,285
Charge for the year	23,064	23,064
At 31 December 2024	118,349	118,349
Net book values		
At 31 December 2024	7,865	7,865
At 31 December 2023	30,929	30,929

9. Investments

	Shares in subsidiary companies £	Total £
Charity		
Cost at 1 January 2024 & 31 December 2024	3	3

Local Information Unit Limited owns the entire called up share capital of LGiU Enterprises Limited, a company registered in England and Wales, which has been dormant since incorporation.

LGiU Enterprises Limited was dormant during the year and owns the entire called up share capital of Local Energy Limited and LGiU International Ltd, which are trading companies registered in England and Wales. In addition LGiU International Ltd is the parent of LGiU Ireland Limited a company registered in Ireland.

The Company Registration Numbers and incorporation dates of the subsidiary companies are given below:

	Company Registration number	Date of incorporation
LGiU Enterprises Limited	7073661	12 November 2009
Local Energy Limited	7092950	2 December 2009
LGiU International Ltd	7132669	21 January 2010
LGiU Ireland Limited	Ireland (597961)	8 February 2018

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

9. INVESTMENTS (continued)

A summary of the trading results of the group's trading subsidiaries for the year ended 31 December 2024 are given below. Any taxable profits generated by the subsidiaries will be Gift-Aided to the parent charity.

	2024	2023
	£	£
Local Energy Limited		
Profit & loss Account		
Turnover	-	-
Cost of sales	(2,723)	(727)
	<u>(2,723)</u>	<u>(727)</u>
Operating loss before Gift Aid	(2,723)	(727)
	<u>-</u>	<u>-</u>
Gift Aid	-	-
	<u>(2,723)</u>	<u>(727)</u>
Loss for the financial year	<u>(2,723)</u>	<u>(727)</u>
Balance Sheet		
Current assets	-	-
Current liabilities	(119,668)	(116,946)
	<u>(119,668)</u>	<u>(116,946)</u>
Net Liabilities	<u>(119,668)</u>	<u>(116,946)</u>

	2024	2023
	£	£
LGiU International Ltd		
Profit & Loss Account		
Turnover	820,854	772,242
Cost of sales	(740,260)	(702,756)
	<u>80,594</u>	<u>69,486</u>
Operating profit/(loss)	80,594	69,486
Gift Aid	(80,594)	(69,486)
	<u>-</u>	<u>-</u>
Corporation Tax payable	-	-
	<u>-</u>	<u>-</u>
Profit/(loss) for the financial year	<u>-</u>	<u>-</u>
Balance Sheet		
Current assets	98,691	88,788
Current liabilities	(64,549)	(54,646)
	<u>34,142</u>	<u>34,142</u>
Net Assets	<u>34,142</u>	<u>34,142</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

c) INVESTMENTS (continued)

LGiU International Ltd	£	£
Statement of income and retained earnings		
Total equity brought forward	34,142	34,142
Total comprehensive income for the year	80,594	69,486
Gift aid distribution to parent charity	(80,594)	(69,486)
	<u>34,142</u>	<u>34,142</u>
Total equity carried forward	<u>34,142</u>	<u>34,142</u>
 LGiU Ireland Limited	 2024	 2023
	£	£
Profit & Loss Account		
Turnover	81,778	57,447
Cost of sales	(50,745)	(47,044)
	<u>31,033</u>	<u>10,403</u>
Operating profit	31,033	10,403
Gift Aid	-	-
	<u>31,033</u>	<u>10,403</u>
Profit for the financial year	<u>31,033</u>	<u>10,403</u>
 Balance Sheet		
Current assets	243,327	140,920
Current liabilities	(192,687)	(106,313)
	<u>50,640</u>	<u>34,607</u>
Net Assets	<u>50,640</u>	<u>34,607</u>

As at 31 December 2024 the capital and reserves for each company was as follows:

	Issued share capital	Retained profit/(losses)	Total
LGiU Enterprises Limited	1	-	1
Local Energy Limited	1	(119,668)	(119,667)
LGiU International Ltd	1	34,141	34,142
LGiU Ireland Limited	1	50,639	50,640
	<u>1</u>	<u>34,141</u>	<u>34,142</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

10. DEBTORS: due within one year

	2024		2023	
	Charity £	Group £	Charity £	Group £
Trade debtors	70,719	81,383	58,876	73,058
Amounts due from subsidiary undertakings	1,543	-	38,135	-
Prepayments and accrued income	83,606	96,732	24,585	24,585
Other Debtors	-	-	104	104
VAT	21,770	22,336	14,298	30,337
	<u>177,638</u>	<u>200,451</u>	<u>135,998</u>	<u>128,084</u>

11. CREDITORS: amounts falling due within one year

	2024		2023	
	Charity £	Group £	Charity £	Group £
Trade creditors and accruals	219,300	252,830	199,866	222,559
Other creditors	210,458	242,065	19,260	33,455
Deferred income (note 12)	38,622	61,855	9,289	23,504
Amount due to Subsidiaries	-	-	-	-
	<u>468,380</u>	<u>556,750</u>	<u>228,415</u>	<u>279,518</u>

12. DEFERRED INCOME

	2024		2023	
	Charity £	Group £	Charity £	Group £
Deferred Income Brought Forward	9,289	23,504	22,607	35,845
Deferred in the year	38,622	61,855	9,289	23,504
Released in the year	(9,289)	(23,504)	(22,607)	(35,845)
Deferred Income Carried Forward	<u>38,622</u>	<u>61,855</u>	<u>9,289</u>	<u>23,504</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	General funds and non-Charitable trading funds £	2024 Total £
Fund balances at 31 December 2024 are represented by:		
Fixed assets	10,339	10,339
Current assets	1,199,042	1,199,042
Creditors: amounts falling due within one year	(556,750)	(556,750)
Net pension liability	-	-
Total net assets	652,631	652,631

Group	General funds and non-Charitable trading funds £	2023 Total £
Fund balances at 31 December 2023 are represented by:		
Fixed assets	35,510	35,510
Current assets	1,066,689	1,066,689
Creditors: amounts falling due within one year	(279,518)	(279,518)
Net pension liability	-	-
Total net assets	822,681	822,681

14. MOVEMENT IN FUNDS

2024

	B/Fwd £	Income £	Expenditure £	Actuarial Gains £	C/Fwd £
General Funds	682,217	1,034,792	(1,313,746)	-	403,263
Pension Reserve	-	-	98,000	(98,000)	-
Total net (liabilities) (charity)	682,217	1,034,792	(1,215,746)	(98,000)	403,263
Non-charitable trading funds	140,464	902,632	(793,728)	-	249,368
Total net (liabilities) group)	822,681	1,937,424	(2,009,474)	(98,000)	652,631

LOCAL INFORMATION UNIT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 DECEMBER 2024****14. MOVEMENT IN FUNDS (continued)****2023**

	B/Fwd	Income	Expenditure	Actuarial	C/Fwd
	£	£	£	Gains	£
				£	
General Funds	785,646	1,127,138	(1,230,567)	-	682,217
Pension Reserve	-	-	161,000	(161,000)	-
Total net assets (charity)	785,646	1,127,138	(1,069,567)	(161,000)	682,217
Non-charitable trading funds	61,303	829,688	(750,527)	-	140,464
Total net assets (group)	846,949	1,956,826	(1,820,094)	(161,000)	822,681

15. FINANCIAL COMMITMENTS**Operating leases**

The group had commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2024	2023
	£	£
Charity and Group		
Amounts due:		
Less than one year	63,505	63,505
Within two to five years	142,886	190,515
	<u>206,391</u>	<u>254,020</u>

16. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

17. PENSION COMMITMENTS

The charity is one of several employing bodies included within the Camden Local Government Pension Scheme (Camden LGPS). The Camden LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

A full actuarial valuation of the scheme took place in 2010. The results of the valuation have been made available to the employers and show a smaller increase in future employer contribution rates than previously expected.

The following information is based upon a full actuarial valuation of the fund at 31 March 2025, updated to 31 December 2024 by a qualified independent actuary.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

17. PENSION COMMITMENTS (continued)

	2024	2023	2022
	%	%	%
The major assumptions used by the actuaries were:			
Rate of increase in salary	3.25	3.35	3.45
Rate of increase in pensions in payment	2.75	2.85	3.05
Discount rate	5.50	4.55	4.75
Inflation assumption	2.50	2.50	2.50

Following the Chancellor's budget statement in June 2010, the measure of inflation used by the actuary changed from the Retail Price Index (RPI) to the Consumer Price Index (CPI).

Literature provided to scheme members specifically linked pension benefit increases to the RPI. The trustees therefore consider the change to CPI to be an augmentation of benefits, rather than a change in actuarial assumptions.

The mortality assumptions used were as follows:

	2024	2023
	Years	Years
Longevity at age 65 for current pensioners		
- Men	22.1	22.2
- Women	24.0	24.1
Longevity at age 65 for future pensioners		
- Men	23.2	23.3
- Women	25.5	25.5

The assets of the scheme and the weighted average expected rate of return were:

	Long term	Value at	Long term	Value at	Long term	Value at
	rate of	31	rate of	31	rate of	31
	return	December	return	December	return	December
	expected	2024	expected	2023	expected	2022
	2024	£'000	2023	£'000	2022	£'000
	%		%		%	
Equities	2.7	7,255	2.7	6,605	2.7	6,124
Bonds	2.7	3,502	2.7	2,780	2.7	2,111
Property	2.7	1,501	2.7	1,854	2.7	1,900
Cash	2.7	250	2.7	348	2.7	422
Total market		12,508		11,587		10,557
value of assets						
Present value of		(9,773)		(11,089)		(9,314)
scheme liability						
Net pension		2,735		498		1,243
surplus/(liability)						

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

17. PENSION COMMITMENTS (continued)

The amount included in the balance sheet in respect of the defined benefit pension plan is as follows:

	2024 £'000	2023 £'000
Fair Value of plan assets	12,508	11,587
Present value of plan liabilities	(9,773)	(11,089)
Surplus restriction	(2,735)	(498)
	-----	-----
Net Pensions liability	-	-
	=====	=====

Under FRS 102, a surplus on a defined benefit pension scheme can only be recognised as an asset on the balance sheet where the entity has the right to recover that surplus either through a refund, or reduced future contributions. Given the uncertainty regarding recoverability, the pension asset has been restricted to £nil at 31 December 2024.

None of the fair values of the assets shown above include any of the charity's own financial instruments or any property occupied by, or other assets used by, the charity. The equity investments and bonds which are held in scheme assets as at 31 December 2024 are quoted, and are valued at the current bid price following the adoption of the amendment of FRS102.

The expected long term return on cash is equal to bank base rates. The expected return on bonds is determined by reference to UK long dated gilt and bond yields. The expected rate of return on equities and property have been determined by setting an appropriate risk premium above gilt/bond yields having regard to market conditions.

Total expenditure recognised in the Statement of Financial Activities

	2024 £'000	2023 £'000
Current service cost	107	91
Interest cost	498	436
Interest income on plan assets	(522)	(497)
Contributions paid	(181)	(191)
	-----	-----
Total expenditure recognised in SOFA	(98)	(161)
	=====	=====

Net profit / (loss) recognised in the SOFA

	2024 £'000	2023 £'000
Actuarial profit / (loss) on scheme assets and liabilities	2,139	(906)
	=====	=====

The cumulative amount of actuarial gains and losses recognised in the SOFA to 31 December 2024 is a net gain of £nil (2023: gain of £nil).

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

17. PENSION COMMITMENTS (continued)

Reconciliation of opening and closing balances of the present value of the charity's share of scheme liabilities

	2024	2023
	£'000	£'000
Scheme liabilities at 1 January 2024	11,089	9,314
Current service cost	107	91
Interest cost	498	436
Contributions by scheme participants	45	47
Actuarial (gains) / losses	(1,504)	1,619
Benefits paid	(462)	(418)
Scheme liabilities at 31 December 2024	9,773	11,089

Reconciliation of opening and closing balances of the present value of the charity's share of scheme assets:

	2024	2023
	£'000	£'000
Fair value of scheme assets at 1 January 2024	11,587	10,557
Interest income on plan assets	522	497
Return on assets excluding amounts included in net interest	635	713
Contributions by employer	181	191
Contributions by scheme participants	45	47
Benefits paid	(462)	(418)
Fair value of scheme assets at 31 December 2024	12,508	11,587

Contributions

The total contributions made by the employer in the year were £181,000. The level of contribution were reviewed as a result of the triennial valuation of the scheme as at 31 March 2019 and maintained.

The best estimate of contributions to be paid by the employer to the scheme in the next financial year is £192,000.

History of experience gains and losses

	2024	2023	2022	2021	2020
	£'000	£'000	£'000	£'000	£'000
Fair value of assets	12,508	11,587	10,557	11,786	10,442
Present value of scheme liabilities	(9,773)	(11,089)	(9,314)	(15,138)	(15,463)
Surplus/(Deficit) in scheme	2,735	498	1,243	(3,352)	(5,021)
Experience adjustment on scheme assets	-	-	-	-	-
Experience adjustment on scheme liabilities	-	-	-	-	-

LOCAL INFORMATION UNIT LIMITED

England & Wales - Charity number 1113495

Accounts

LOCAL INFORMATION UNIT LIMITED
(Company limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023

Registration Number: 1872218 (England and Wales)
Charity Registration Number: 1113495

LOCAL INFORMATION UNIT LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

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LOCAL INFORMATION UNIT LIMITED**LEGAL AND ADMINISTRATION****YEAR ENDED 31 DECEMBER 2023**

Registered Name of charity	Local Information Unit Limited
Other names used by the charity	LGIU
Trustees	Cllr Abdul Jabbar Cllr Alexander Hollingsworth Cllr Brian Robinson – resigned 16th May 2023 Cllr Jayne McCoy Cllr Michael Payne (Chair) Mike Short Cllr Neil Nerva Cllr Sam Chapman-Allen – resigned 9th November 2023 Cllr Tudor Evans Cllr Amanda Jayne Hopgood Cllr Elizabeth Pendrill Raphael Leffman – resigned 18th July 2023 Cllr Linda Joy Taylor
Chief Executive & Company Secretary	J Carr-West
Registered office	251 Pentonville Road London N1 9NG
Company Registration Number	01872218 (England and Wales)
Charity Registration Number	1113495
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	National Westminster Bank PLC 23 Brunswick Place Southampton SO15 2AQ

Subsidiary undertakings:

LGiU International Ltd

Directors

J Carr-West
A Johnston
E Coll
L Slack
H Muirhead – resigned 12th July 2024
H Yedigaroff
V De Blasi – appointed 26 June 2023

Company Registered Number 07132669 (England and Wales)

Local Energy Limited

Directors

J Carr-West
H Yedigaroff

Company Registration number 07092950 (England and Wales)

LGiU Enterprises Limited

Directors

J Carr-West
H Yedigaroff
A Hollingsworth
N Nerva

Company Registration number 07073661 (England and Wales)

LGiU Ireland Limited

Directors

J Carr-West
H Yedigaroff
S O'Riordain

Company Registration number 597961 (Ireland)

Objectives and activities

Introduction

The Local Government Information Unit (LGIU) is a membership organisation and think tank. The object of the organisation is the promotion for the public good of efficient public administration of local government by the provision of information, advice, research and training and the publication of research.

LGIU operates internationally through LGiU International, a wholly owned trading subsidiary.

Public benefit

The LGiU must be able to demonstrate that its aims and activities are for the public benefit. The Trustees have reviewed the guidance issued by the Charity Commission and have prepared this report with the guidance in mind.

Mission

The LGiU - Local Government Information Unit - is a not-for-profit, non-partisan membership organisation. We are for local government and anyone with an interest in local democracy and finding local solutions to the challenges that we all face. Our resources, innovative research and connections are relied on by councillors and council officers across the globe.

As LGiU becomes increasingly international in focus, our aim is to be the preeminent global hub for the best information, ideas and insight about local government and local democracy and to create a global network of local authorities, public servants and politicians supporting each other to strengthen local democracy, improve public services and meet the complex challenges of the 21st century.

Activities, specific objectives and relevant policies

To fulfil our charitable mission we support innovation in local government working with our members and others to provide:

- The practical support, on tap, that council staff and elected representatives need for their jobs every day, including: in depth policy briefings, country-specific daily news roundups; case study bank; analysis and commentary.
- Opportunities to be involved with our Local Democracy Research Centre's original research projects.
- A global network of local government professionals and other stakeholders coming together to collaborate, share and innovate.
- A significant member discount on LGiU training. A programme catering specifically to the needs of local government staff and elected representatives, delivered by sector experts.
- Supportive and productive forums for exploring the challenges and emerging opportunities in an ever changing local government landscape.
- A voice for the international local government community, which grows stronger with each [new member](#).

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2023

We are a critical friend to councils but we are unwavering in our advocacy of local government as the foundation of the places we live and work.

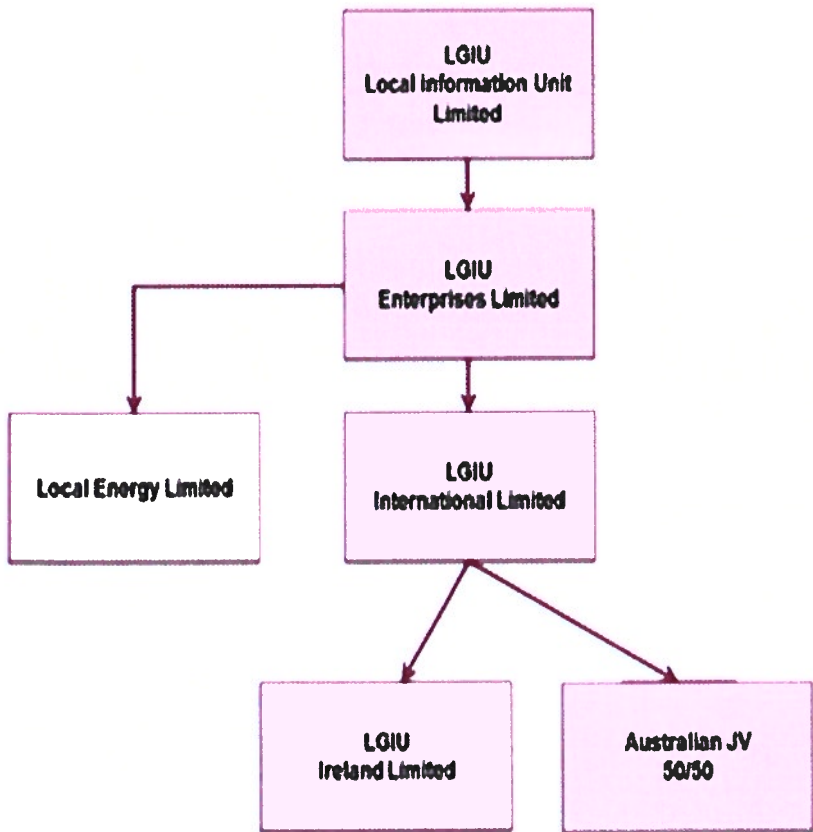
- Volunteers
Generally the LGiU does not use volunteers: internships are occasionally provided to people seeking work experience, and are paid at the London living wage.

The LGiU group

Since 2015 the LGiU has been expanding its international operations with the launch of LGiU Scotland, LGiU Ireland and LGiU Australia. In 2024 we reached an agreement with NILGA to bring all 11 Northern Irish Councils in to membership.

We believe that if local government is at its best when it is informed, engaged and networked, then all our members will gain value from global perspectives, lessons and relationships.

These international operations are trading subsidiaries wholly owned by LGiU.



LGiU Enterprises and LGiU International have boards which report to the main LGiU Board. The relationship between subsidiaries is set out in a Resource Sharing Agreement and governed by a conflict of interests policy.

These arrangements are regularly reviewed by our legal advisors Bates Wells. LGiU International and LGiU Ireland are audited separately.

Achievements and performance

2023 at a glance

We turned **40...**

and published our new manifesto, **LGiU@40** - calling for a new covenant between central and local government. Building on a decade of research and developed from extensive consultation with our members.

35,000 global subscribers.

329 member organisations across the UK, Ireland, Australia and New Zealand.



8 major research projects informed by the key themes of the manifesto: finance, trust and participation, including voter ID, inclusive economies and international finance were delivered by the Local Democracy Research Centre.

121 in-house and open training sessions engaging over **1,250** delegates.

Your collective voice grows ever stronger with LGiU's work featured

2,712

times across national, regional and trade press.



"The pressure and intensity of the day job mean horizon-scanning can be difficult. LGiU helps me to fill that gap."

- Senior officer

"There is a wealth of accessible and interesting information which is very useful in my day-to-day work."

- Council officer

Daily News every morning at 6am - the top local government news delivered to our members every day.

287 policy briefings, legislation guides and sector round-ups.

150+ Case studies sharing learning and inspiration from around the world.

52 Editions of Global Local bringing a world of local government ideas to everyone.

256 Articles, interviews, and think-pieces - a platform for our members' achievements and opinions.

26 workshops, roundtables and panel discussions, including **7** exclusive member-only events and **5** Global Local panel discussions with senior speakers from England, Scotland, Ireland and Australia.

The 14th annual Cllr Awards attracted **300+** nominations and produced **5** fantastic winners.

"Accessible information about issues I need to know about as an active councillor."

2023 in review...

LGiU

We exist to make local democracy around the world collectively stronger through shared ideas, resources and connections. So local government is empowered to tackle the biggest challenges we're all facing today and in the future.

LGiU in 2023

2023 was a year of consolidation for LGiU.

This follows significant change in 2022 including the appointment of a new Chief Operations Officer, the introduction of a set of new "Head of" roles as the LGiU's management team; a new Customer Relationship Management database and a new "newsletter strategy" which uses the Daily News emails as the vehicle for all LGiU content delivery.

We continued to work towards the two key ambitions set out in our five-year 2020-25 strategy

- 1) To be the preeminent global hub for the best information, ideas and insight about local government and local democracy.
- 2) To act as a global network of local authorities, public servants and politicians supporting each other to strengthen local democracy, improve public services and meet the complex challenges of the 21st century

We do this within a challenging environment with a backdrop of high inflation and budget cuts influencing both LGiU's own activities and that of the membership.

At the same time, in an increasingly digital world, the LGiU is having to evolve its systems and membership offering to meet the changing needs and preferences of its readers.

We developed a single organisational plan based around four key workstreams each with a set of objectives and associated actions.

1. Continue to ensure financial stability
2. Deliver high quality services that meet members needs
3. Close awareness gap
4. Organisation change/management

Detailed results against these key objectives were reported to the trustee board but some key successes include:

- The 2023 annual survey showed an increased favourability score. Our 'Net Promoter score' amongst paying members increased from +6 (2022) to +16.
- We published our LGiU @40 manifesto calling for a new covenant between central and local government. This manifesto was built on a decade of research and extensive consultation with members.
- LGiU's work was featured 2712 times in local, regional and national press - a new record in terms of coverage and profile.
- The Local Democracy Research Centre had an extremely successful year with high profile projects on elections, inclusive economies, international local government finance
- Our profile and membership strength in Scotland in particular went from strength to strength with 30 out of 33 local government members, a high-profile finance survey, significant press coverage and speaking platforms in the Scottish Parliament.
- We had our biggest ever Cllr awards with over 300 nominations.
- Our staff team remained stable with no resignations and our 1st staff survey found that 100% of staff enjoy their work and are proud to work for the LGiU. We also improved our digital, data and analytics capabilities through the recruitment of a new Head of Systems and Digital.

Financial review

Results for the year

- 2023 was a successful year for LGiU in which we continued to build on the strong financial performance of the previous three years.
- There is a deficit of £24,268 before adjustments for pension costs.
- The total deficit to reserves is £24,268 giving total reserves of £822,681.
- LGiU's finances reflect the Board's ambition to create a sustainable financial model for the LGiU. There is now a structural surplus built into the relationship between our two main financial lines – affiliate income and salaries.
- Levels of reserves now allow us to invest in future growth while still maintaining a robust position to deal with unforeseen fluctuations in income or costs.
- The 2024 budget is an investment budget, drawing down from reserves with a budgeted £211K loss in LGiU whilst the LGiU Group is forecast to end the year with a deficit of £97K.
- These figures do not include the results of the FRS17 annual pension fund report.

Reserves policy

The trustees recognise the need to hold reserves to protect against unforeseen fluctuations in income, assist long term-strategic planning, and to provide a fund to deal with costs arising should the organisation cease to trade.

General funds of the group at 31 December 2023 were £822,681 (2022 - £846,949) and there was no pension reserve deficit (2022 – £nil).

The pension is a defined benefit scheme and we are part of a pool within the Camden Council LGPS. The scheme shows a surplus position at 31 December 2023 but this is not recognized in these accounts. The pension surplus/deficit arising in a period is not taken into account against reserves and is dealt with from future budgets. LGiU budgets are, and have always been, prepared on this basis. The level of contribution that LGiU makes to the pension fund is set every three years. We are currently coming to the end of one of these periods and we have retained enough space in the budget to be able to increase the contribution in future if necessary. The trustees are satisfied that we will be able to meet future commitments.

The 2023 reserves represent approximately 22 weeks' expenditure.

In 2024 we are budgeting a deficit of £211K for LGiU, surplus of £114K for LGiU International with a combined group deficit of £97K. This includes investment in digital, research, and the development of our international offer.

Investment policy

Any surplus cash is held in either our deposit account, or in short term bonds specifically designed for charities who want to retain liquidity and attract a reasonable rate of return.

Risk management

The most significant risk faced by the LGiU is the loss of income, primarily from the resignation of members. Strategies are in place to retain existing members and to recruit new ones. In 2023 we received 13 member resignations taking effect from January 2024. However this was partially offset by the reversal of 4 resignations and by the recruitment of 6 additional members in 2023.

The Executive Board is regularly updated about these issues, together with actions being taken to ameliorate the risk.

The LGiU believes that there will be further pressure on the finances of local authorities in the UK over the coming years, but that our active engagement with members and the value of our services especially in a fast moving and challenging environment will mitigate the risk of substantial decline in membership income. Expansion into other local government markets around the world also offsets that risk.

The LGiU also faces the organisational risks that would be expected in a small company, such as loss of key staff. Strategies are in place to anticipate and reduce these risks and staff movement in 2023 has not led to any significant problems.

We maintain a risk register and this is regularly reviewed by the board.

Governance, structure and management

Governance

The LGiU is a registered charity (Charity Registration Number 1113495) and is constituted as a company limited by guarantee (Company Registration Number 01872218). It is governed by its memorandum and articles of association, which were most recently modified in July 2009. The charity was registered with the Charity Commission in England and Wales on 30 March 2006. The Local Information Unit Limited (which trades as the Local Government Information Unit) was registered as a company limited by guarantee on 17 December 1984 and has been operating since that date.

The trustees of the charity are also directors of the company for the purposes of the Companies Act. Each affiliate of the LGiU nominates a representative to be part of the Members' Assembly, the body which debates the general policy direction of the organisation. The Members' Assembly elects the Executive Board (Board of Directors) from within their ranks. Directors/trustees serve a three year set term before being required to stand for re-election. Where directors/trustees resign or become ineligible, a replacement is sought at the next Members' Assembly meeting to complete that three year term. The memorandum and articles of association specify a minimum number of places on the Board from different types of affiliates, such as District Councils, London Boroughs and Trade Unions etc. This is to ensure balanced representation of the membership.

New trustees are given relevant documentation on their duties and responsibilities, including the Charity Commission publication designed for this purpose. The LGiU has several nominated contacts that trustees can contact if they have any specific queries.

Trustees are offered the opportunity to take part in various training opportunities, and the LGiU is always prepared to buy in specific training as and when necessary.

Structure and management reporting

The day-to-day running of the organisation is delegated to the staff under the leadership of the Chief Executive. The Executive Board meets about six times per year primarily to discuss issues of strategic direction in relation to the running of the organisation. They approve the annual budget before the start of the year and then monitor its progress through regular updates. In addition, the Executive Board has a business and policy planning weekend each September, together with senior staff.

Remuneration

The Board has a Remuneration Committee with a membership of four Board members which has oversight of pay strategy across the organisation and direct responsibility for the Chief Executive's pay and appraisal.

Current membership of the Remuneration Committee is Mike Short, Neil Nerva and Jayne McCoy and two vacancies.

Trustees

The following trustees were in office at 31 December 2023, and served throughout the year, except where shown:

Trustees 1 January 2023 - 31st December 2023

Cllr Abdul Jabbar
Cllr Alex Hollingsworth
Cllr Jayne McCoy
Cllr Michael Payne (Chair)
Cllr Linda Taylor
Michael Short
Cllr Neil Nerva
Cllr Tudor Evans
Cllr Amanda Hopgood
Cllr Elizabeth Leffman - resigned 18 July 2023
Cllr Sam Chapman-Allen - resigned 9 November 2023
Cllr Brian Robinson - resigned 4 May 2023

LGiU Enterprise Board

Heather Yedigaroff
Jonathan Carr-West
Cllr Alex Hollingsworth
Cllr Neil Nerva

LGiU International Board

Andy Johnston
Jonathan Carr-West
Liz Coll
Lucy Slack
Vicki DeBlasi - appointed 24 May 2023
Heather Yedigaroff
Hannah Muirhead - resigned 12 July 2024

In 2024 there will be elections for the Board and Chair.

Plans for the future

A single integrated plan for 2024 has been developed drawing together all departments and countries. There are seven overarching objectives each with a set of activities and key results.

We are utilising an Objective and Key Result (OKR) approach - this is a framework for goal setting and management based on:

- Objectives (where you're going)
- Key results (how you track your progress getting there) that make your goals actionable and measurable.

Our proposed seven 2024 objectives are as follows:

1. *Ensure that our services are designed to meet user needs and to maximise readership/ usage through ongoing engagement and feedback mechanisms*

The LGiU provides a wide-ranging service which aims to meet the needs of a diverse set of users (from policy managers to council leaders). We have been working on a project to document our target audiences, and we are now at the stage where we want to validate our assumptions with real people.

We know that social proofing is a proven method of increasing sign ups/readership. This means when your current users recommend your products and services based on their experiences with your brand. We also know that we can do more to attract readership and usage and market our services through different content formats (e.g. infographics, video) and social media

2. *Deliver a research, content and engagement programme building on LGiU@40 that speaks to members across all core countries, demonstrates thought leadership and enables us to advocate for the sector.*

The LGiU@40 programme was extremely successful as an engagement and advocacy tool but spoke mostly to the UK. We need to build on it by extending it to other core countries, and to use it as a basis to influence local government policy.

The LDRC currently has two full-time members of staff, and we would like to investigate the feasibility of a fellowship type programme as a method of increasing the capacity of the research centre, as well as creating an alumni network of LGiU supporting academics.

3. *Launch a new international offer incorporating at least one new product.*

In order to meet the 2025 'global' objectives we need to expand the LGiU offering outside of the four 'core countries.' In 2023 we did a product development exercise looking at six potential new offerings. We need to validate our thinking from that with some market research.

We can increase brand awareness outside core countries through partnerships, marketing and social media, and will be looking for partnership opportunities that would help with this.

4. *Set out our digital strategic direction meeting user needs through unlocking of data insights and creating the technical foundations for future product offerings.*

In 2023 we created a new role in the team responsible for Systems and Digital. Following a successful appointment to this role, the development of a digital strategy is underway.

This strategy will include an LGiU website upgrade – this upgrade will take into account both our current and future offer and requirements will include legal compliance including meeting accessibility standards (minimum AA).

5. Ensure long term financial sustainability.

Local government is in a challenging financial position, and this puts pressure on LGiU membership. 2023 and 2024 have seen higher than usual numbers of membership resignations. We will seek to ensure financial sustainability through a combination of resignation reversal and increased income generation (sponsorship/commercial income/training/membership).

We expect that UK local authorities will remain in financial difficulties over 2024/25 and therefore for there to be further membership resignations. To minimise this, we need to communicate and evidence the message that LGiU membership is an 'essential' for a local authority and saves both time and money.

6. Leverage technology and data to improve our security standing, our corporate governance and compliance through clearly defined processes and employee policies.

Over 2023 we had a significant focus on security. We developed a security plan. As part of this we contracted and completed security penetration testing. We need to continue ensuring security is on our agenda and at the same time be proportionate in terms of risk and security investment.

There is further work to be done on database administration and related policies (including GDPR). As well as compliance benefits, cleaning up our data and contact database (CiviCRM) will help us with member engagement and with a more accurate understanding of our membership and reporting on usage/engagement.

7. Ensure that the LGiU is a place that people love to work, with a positive working culture and supportive governance and employee policies.

A staff survey was conducted in 2023 and results were broadly positive with extremely strong results on purpose, mission and work enjoyment. Outcomes included a quarterly workload and wellbeing review and an update to the appraisal process.

A roles and responsibilities exercise is planned and we will map out and develop plans to address our training needs.

Our staff employment policies and contracts require updating –and new updated policies will be submitted for Board approval in May 2024.

Key results and planned activities have been mapped out against each of these objectives and these will form the basis of reporting to the Board over the course of 2024.

Trustees' liability

In the event of the charity being wound up the trustees, are required to contribute an amount not exceeding £1.

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2023

Statement of Trustees' responsibilities

The trustees (who are also directors of Local Information Unit Limited for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

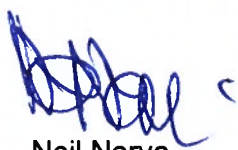
Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:



Neil Nerva
Trustee

13 September 2024

Opinion

We have audited the financial statements of Local Information Unit Limited for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and related to the financial statements, 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 group's and of the parent charitable company's affairs as at 31 December 2023 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCAL INFORMATION UNIT LIMITED

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the directors' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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.

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:

Based on our understanding of the parent charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP and Companies Act 2006.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCAL INFORMATION UNIT LIMITED

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management override. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including the defined benefit pension scheme.

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 auditor's report.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
Date: 13 September 2024

10 Queen Street Place
London
EC4R 1AG

LOCAL INFORMATION UNIT LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Total unrestricted funds	
		2023	2022
INCOME AND EXPENDITURE	Notes	£	£
INCOME			
Charitable activities			
Affiliation fees & subscriptions		1,698,900	1,644,546
Consultancy and project income		224,717	219,302
Income from:			
Investment income, bank and other interest		33,209	2,297
Total income		<u>1,956,826</u>	<u>1,866,145</u>
EXPENDITURE			
Expenditure on charitable activities			
Services to affiliates & subscribers	2	589,520	425,876
Conferences, seminars and training	2	276,344	189,087
Consultancy	2	190,936	273,517
Publications	2	264,192	299,400
Trading activities	2	660,102	651,696
Total expenditure		<u>1,981,094</u>	<u>1,839,576</u>
Net income/ (expenditure) before additional pension costs		(24,268)	26,569
Service cost and other movements on pension provision	17	<u>161,000</u>	<u>(122,000)</u>
Net income/ (expenditure) before other recognised gains and losses		136,732	(95,431)
Actuarial gains/ (losses) on defined benefit pension scheme	17	<u>(161,000)</u>	<u>3,474,000</u>
Net movement in funds		(24,268)	3,378,569
Fund balances brought forward at 1 January 2023		<u>846,949</u>	<u>(2,531,620)</u>
Fund balances carried forward at 31 December 2023		<u>822,681</u>	<u>846,949</u>

All of the group's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the Statement of Financial Activities.

All comparative figures were also unrestricted and have been presented on the Statement of Financial Activities.

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

GROUP AND CHARITY BALANCE SHEET

AT 31 DECEMBER 2023

		2023		2022	
	Notes	Charity £	Group £	Charity £	Group £
Fixed assets					
Tangible assets	8	4,581	4,581	6,398	6,398
Intangible assets	8	30,929	30,929	62,400	62,400
Investments	9	3	-	3	-
		<u>35,513</u>	<u>35,510</u>	<u>68,801</u>	<u>68,798</u>
Current assets					
Debtors due within one year	10	135,998	128,084	233,008	311,605
Short term deposits		330,152	330,152	497,647	497,647
Cash at bank and in hand		408,969	608,453	489,819	580,504
		<u>875,119</u>	<u>1,066,689</u>	<u>1,220,474</u>	<u>1,389,756</u>
Creditors: amounts falling due within one year	11	(228,415)	(279,518)	(503,629)	(611,605)
Net current assets		<u>646,704</u>	<u>787,171</u>	<u>716,845</u>	<u>778,151</u>
Net assets excluding pension liability		<u>682,217</u>	<u>822,681</u>	<u>785,646</u>	<u>846,949</u>
Pension liability	17	-	-	-	-
Net liabilities including pension liability		<u>682,217</u>	<u>822,681</u>	<u>785,646</u>	<u>846,949</u>
Represented by:					
Funds and reserves					
Income funds:					
Unrestricted funds					
General funds	14	682,217	682,217	785,646	785,646
Pension reserve	17	-	-	-	-
		<u>682,217</u>	<u>682,217</u>	<u>785,646</u>	<u>785,646</u>
Non-charitable trading funds	14	-	140,464	-	61,303
		<u>682,217</u>	<u>822,681</u>	<u>785,646</u>	<u>846,949</u>

The parent charity's income for the year was £1,713,010. Net movement in funds before the pension costs was £(103,429). Net movement in funds after pensions was £(103,429).

The financial statements were approved and authorised for issue by the Trustees on 13 September 2024 and were signed on their behalf by:

Neil Nerva
Director of Local Information Unit Limited

13 September 2024

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023		2022	
	Charity £	Group £	Charity £	Group £
Cashflow from operating activities				
Net income/(expenditure) for the year	(103,430)	(24,268)	3,306,096	3,378,569
Adjustments for				
Movements on defined benefit pension scheme	-	-	(3,352,000)	(3,352,000)
Depreciation of tangible and intangible assets	35,447	35,447	32,174	32,174
Interest received	(33,209)	(33,209)	(2,297)	(2,297)
Decrease / (increase) in debtors	97,010	183,521	29,964	(245,465)
Increase/ (decrease) in creditors	(275,213)	(332,087)	107,976	162,218
Net cash generated from operating activities	(279,395)	(170,596)	121,913	(26,801)
Cashflow from investing activities				
Net purchase of fixed assets	(2,159)	(2,159)	(46,308)	(46,308)
Interest received	33,209	33,209	2,297	2,297
	31,050	31,050	(44,011)	(44,011)
Net increase/(decrease) in cash	(248,345)	(139,546)	77,902	(70,812)
Net cash and cash equivalents at the start of the year	987,466	1,078,151	909,564	1,148,963
Net cash and cash equivalents at the end of the year	739,121	938,605	987,466	1,078,151
Cash and cash equivalents consists of:				
Short Term deposits	330,152	330,152	497,647	497,647
Cash at bank and in hand	408,969	608,453	489,819	580,504
Cash and cash equivalents at 31 December	739,121	938,605	987,466	1,078,151

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Local Information Unit Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements which is to 31st July 2025. In particular the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on membership and other income and considered the impact of the coronavirus pandemic on the LGiU's operations. The majority of the LGiU's income comes from membership income which is fixed from 30 June in the preceding financial year. This allows Trustees to be confident that expenditure budgets are appropriate. In considering going concern the trustees have reviewed cash flows and are confident that the Charity can meet ongoing liabilities, including contributions to the pension scheme. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiaries, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited on a line by line basis. A separate statement of financial activities is not prepared by the charity itself following the exemption afforded by section 408 of the Companies Act 2006.

Income

Income is recognised in the period in which the charity and the group are entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity and the group has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Financial Instruments

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

1. ACCOUNTING POLICIES (continued)

Expenditure and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred. Expenditure which can be allocated directly to the charity and the group's charitable activities are charged against the applicable activity. All other costs are treated as support costs and are allocated to activities on the basis of staff time spent on those activities.

Expenditure comprises the following:

The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:

- Staff costs
- Premises costs
- Office costs
- Other costs

Tangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|--|---------------------------------------|
| • Furniture and general office equipment | Over 6 years on a straight line basis |
| • Computer equipment and website | Over 3 years on a straight line basis |

Intangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Intangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|-----------|---------------------------------------|
| • Website | Over 3 years on a straight line basis |
|-----------|---------------------------------------|

Fixed asset investments

The investments in the subsidiary undertakings, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited, are stated at cost.

Fund accounting

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Defined benefit pension scheme

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increases in the present value of the liabilities within the charity's defined benefit scheme expected to arise from employee service in the period are charged to the statement of financial activities.

The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in the statement of financial activities. Actuarial gains and losses are recognised in the statement of financial activities as other recognised gains and losses for the period. Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet.

1. ACCOUNTING POLICIES (continued)

Pension costs

Defined benefit pension scheme

Local Information Unit Limited has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet as advised by an independent actuarial adviser. The assumptions reflect historical experience and current trends.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Useful economic lives - The annual depreciation charge for property, plant and equipment and intangible assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Functional currency and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

FOR THE YEAR ENDED 31 DECEMBER 2023

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

3. SUPPORT COSTS

The support costs and the basis of their allocation were as follows:

		2023	2022
		£	£
Governance costs	Basis of appointment		
Auditor's remuneration – statutory audit	Staff time	17,600	17,735
Other governance costs	Staff time	7,784	8,678
		<u>25,384</u>	<u>26,413</u>
Other support costs	Basis of appointment		
Staff costs	Time spent	212,062	291,802
Premises costs	Staff time	81,913	95,905
Office costs	Staff time	313,278	271,343
Other costs	Staff time	247,801	180,861
		<u>855,054</u>	<u>839,911</u>
Total		<u><u>880,438</u></u>	<u><u>866,324</u></u>

4. NET INCOME

	Total Funds 2023	Total Funds 2022
	£	£
This is stated after charging:		
Staff costs (note 5)	1,079,392	932,042
Auditors' remuneration		
- statutory audit services	17,600	20,000
Depreciation	35,447	32,175
Operating lease rentals	41,022	41,022
	<u><u>1,079,392</u></u>	<u><u>932,042</u></u>

5. EMPLOYEES AND STAFF COSTS

	2023	2022
	£	£
Staff costs during the year were as follows:		
Wages and salaries	796,126	681,203
Social security costs	84,843	70,534
Other pension costs	195,374	177,484
Other	3,049	2,821
	<u><u>1,079,392</u></u>	<u><u>932,042</u></u>

In addition, consultants were used during the year at a cost of £69,324 (2022: £64,334).

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

5. EMPLOYEES AND STAFF COSTS (continued)

The average monthly headcount of persons employed by the LGiU during the year were:

	2023 Number	2022 Number
Charitable activities	16	11
Support	2	2
	<u>18</u>	<u>13</u>

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2023 Number	2022 Number
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	<u>2</u>	<u>2</u>

The total employee benefits including pension contributions of the key management personnel were £330,976 (2022: £337,195). The Key Management Personnel are defined as the Leadership team which is made up of 2 people consisting of the chief executive and chief operating officer in post in year.

6. TRUSTEES' REMUNERATION

An honorarium was paid to the Chair of Trustees of £4,362 (2022 - £10,972). None of the other trustees received any remuneration in respect of their services during the year (2022 - £nil).

During the year expenses amounting to £nil (2022 - £nil) were reimbursed to 0 trustees (2022 - £nil).

The cost of refreshments at Trustee meetings and the accommodation costs for the overnight Executive Board business planning meeting are met directly by the LGiU. In 2023 this amounted to £nil (2022 - £nil).

The trustees of the charity are members of local councils which pay membership subscriptions to LGiU. Membership fees to these organisations are charged on an arm's length basis.

7. TAXATION

Local Information Unit Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Any taxable profits generated by the subsidiary companies will be donated to the parent charity.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

8. FIXED ASSETS

Total Fixed Assets

	2023	2022
	£	£
Tangible Fixed Assets (a)	4,581	6,398
Intangible Fixed Assets (b)	30,929	62,400
	<u>35,510</u>	<u>68,798</u>

a) Tangible Fixed Assets

	Fixtures and Fittings £	Computers £	Total £
Charity and Group			
Cost or valuation			
At 1 January 2023	4,177	53,944	58,121
Additions	-	2,158	2,158
	<u>4,177</u>	<u>56,102</u>	<u>60,279</u>
At 31 December 2023	4,177	56,102	60,279
Depreciation			
At 1 January 2023	4,177	47,545	51,722
Charge for the year	-	3,976	3,976
	<u>4,177</u>	<u>51,521</u>	<u>55,698</u>
At 31 December 2023	4,177	51,521	55,698
Net book values			
At 31 December 2023	-	4,581	4,581
	<u>-</u>	<u>4,581</u>	<u>4,581</u>
At 31 December 2022	-	6,398	6,398
	<u>-</u>	<u>6,398</u>	<u>6,398</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

8. FIXED ASSETS (continued)

b) Intangible Fixed Assets

	Website £	Total £
Charity and Group		
Cost or valuation		
At 1 January 2023	126,214	126,214
Additions	-	-
At 31 December 2023	<u>126,214</u>	<u>126,214</u>
Depreciation		
At 1 January 2023	63,814	63,814
Charge for the year	31,471	31,471
At 31 December 2023	<u>95,285</u>	<u>95,285</u>
Net book values		
At 31 December 2023	<u>30,929</u>	<u>30,929</u>
At 31 December 2022	<u>62,400</u>	<u>62,400</u>

9. Investments

	Shares in subsidiary companies £	Total £
Charity		
Cost at 1 January 2023 & 31 December 2023	<u>3</u>	<u>3</u>

Local Information Unit Limited owns the entire called up share capital of LGiU Enterprises Limited, a company registered in England and Wales, which has been dormant since incorporation.

LGiU Enterprises Limited was dormant during the year and owns the entire called up share capital of Local Energy Limited and LGiU International Ltd, which are trading companies registered in England and Wales. In addition LGiU International Ltd is the parent of LGiU Ireland Limited a company registered in Ireland.

The Company Registration Numbers and incorporation dates of the subsidiary companies are given below:

	Company Registration number	Date of incorporation
LGiU Enterprises Limited	7073661	12 November 2009
Local Energy Limited	7092950	2 December 2009
LGiU International Ltd	7132669	21 January 2010
LGiU Ireland Limited	<u>Ireland (597961)</u>	<u>8 February 2018</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

9. INVESTMENTS (continued)

A summary of the trading results of the group's trading subsidiaries for the year ended 31 December 2023 are given below. Any taxable profits generated by the subsidiaries will be Gift-Aided to the parent charity.

	2023	2022
	£	£
Local Energy Limited		
Profit & loss Account		
Turnover	-	-
Cost of sales	(727)	(1,787)
	<u>(727)</u>	<u>(1,787)</u>
Operating loss before Gift Aid	(727)	(1,787)
	<u>-</u>	<u>-</u>
Gift Aid	-	-
	<u>(727)</u>	<u>(1,787)</u>
Loss for the financial year	<u>(727)</u>	<u>(1,787)</u>
Balance Sheet		
Current assets	-	-
Current liabilities	(116,946)	(116,219)
	<u>(116,946)</u>	<u>(116,219)</u>
Net Liabilities	<u>(116,946)</u>	<u>(116,219)</u>

	2023	2022
	£	£
LGiU International Ltd		
Profit & Loss Account		
Turnover	772,242	748,672
Cost of sales	(702,759)	(695,001)
	<u>69,486</u>	<u>53,671</u>
Operating profit/(loss)	69,486	53,671
Gift Aid	(69,486)	(53,671)
	<u>-</u>	<u>-</u>
Corporation Tax payable	-	-
	<u>-</u>	<u>-</u>
Profit/(loss) for the financial year	<u>-</u>	<u>-</u>
Balance Sheet		
Current assets	88,788	319,455
Current liabilities	(54,646)	(285,313)
	<u>34,142</u>	<u>34,142</u>
Net Assets	<u>34,142</u>	<u>34,142</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

9. INVESTMENTS (continued)

LGIU International Ltd	£	£
Statement of income and retained earnings		
Total equity brought forward	34,142	34,142
Total comprehensive income for the year	69,486	53,671
Gift aid distribution to parent charity	(69,486)	(53,671)
	<u>34,142</u>	<u>34,142</u>
Total equity carried forward	<u>34,142</u>	<u>34,142</u>
 LGIU Ireland Limited	 2023	 2022
	£	£
Profit & Loss Account		
Turnover	57,447	50,678
Cost of sales	(47,044)	(26,475)
	<u>10,403</u>	<u>24,203</u>
Operating profit	10,403	24,203
Gift Aid	-	-
	<u>10,403</u>	<u>24,203</u>
Profit for the financial year	<u>10,403</u>	<u>24,203</u>
 Balance Sheet		
Current assets	140,920	84,384
Current liabilities	(106,313)	(60,180)
	<u>34,607</u>	<u>24,204</u>
Net Assets	<u>34,607</u>	<u>24,204</u>

As at 31 December 2023, the capital and reserves for each company was as follows:

	Issued share capital	Retained profit/(losses)	Total
LGIU Enterprises Limited	1	-	1
Local Energy Limited	1	(116,946)	(116,945)
LGIU International Ltd	1	34,141	34,142
LGIU Ireland Limited	1	34,606	34,607
	<u>1</u>	<u>34,606</u>	<u>34,607</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

10. DEBTORS: due within one year

	2023		2022	
	Charity £	Group £	Charity £	Group £
Trade debtors	58,876	73,058	208,600	276,391
Amounts due from subsidiary undertakings	38,135	-	-	-
Prepayments and accrued income	24,585	24,585	23,296	23,296
Other Debtors	104	104	-	-
VAT	14,298	30,337	1,112	11,918
	<u>135,998</u>	<u>128,084</u>	<u>233,008</u>	<u>311,605</u>

11. CREDITORS: amounts falling due within one year

	2023		2022	
	Charity £	Group £	Charity £	Group £
Trade creditors and accruals	199,866	222,559	336,623	550,984
Other creditors	19,260	33,455	19,028	24,776
Deferred income (note 12)	9,289	23,504	22,607	35,845
Amount due to Subsidiaries	-	-	125,371	-
	<u>228,415</u>	<u>279,518</u>	<u>503,629</u>	<u>611,605</u>

12. DEFERRED INCOME

	2023		2022	
	Charity £	Group £	Charity £	Group £
Deferred Income Brought Forward	22,607	35,845	101,966	119,924
Deferred in the year	9,289	23,504	22,607	35,845
Released in the year	(22,607)	(35,845)	(101,966)	(119,924)
Deferred Income Carried Forward	<u>9,289</u>	<u>23,504</u>	<u>22,607</u>	<u>35,845</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	General funds and non-Charitable trading funds £	Pension Reserve £	2023 Total £
Fund balances at 31 December 2023 are represented by:			
Fixed assets	35,510	-	35,510
Current assets	1,066,689	-	1,066,689
Creditors: amounts falling due within one year	(279,518)	-	(279,518)
Net pension liability	-	-	-
Total net assets	822,681	-	822,681

Group	General funds and non-Charitable trading funds £	Pension reserve £	2022 Total £
Fund balances at 31 December 2022 are represented by:			
Fixed assets	68,798	-	68,798
Current assets	1,389,756	-	1,389,756
Creditors: amounts falling due within one year	(611,605)	-	(611,605)
Net pension liability	-	-	-
Total net assets	846,949	-	846,949

14. MOVEMENT IN FUNDS

2023

	B/Fwd £	Income £	Expenditure £	Actuarial Losses £	C/Fwd £
General Funds	785,646	1,127,138	(1,230,567)	-	682,217
Pension Reserve	-	-	161,000	(161,000)	-
Total net (liabilities) (charity)	785,646	1,127,138	(1,069,567)	(161,000)	682,217
Non-charitable trading funds	61,303	829,688	(750,527)	-	140,464
Total net (liabilities) group)	846,949	1,956,826	(1,820,094)	(161,000)	822,681

14. MOVEMENT IN FUNDS (continued)**2022**

	B/Fwd £	Income £	Expenditure £	Actuarial Gains £	C/Fwd £
General Funds	780,329	1,090,269	(1,084,952)	-	785,646
Pension Reserve	(3,352,000)	-	(122,000)	3,474,000	-
Total net assets (charity)	(2,571,671)	1,090,269	(1,206,952)	3,474,000	785,646
Non-charitable trading funds	40,051	775,876	(754,624)	-	61,303
Total net assets (group)	(2,531,620)	1,866,145	(1,961,576)	3,474,000	846,949

15. FINANCIAL COMMITMENTS**Operating leases**

The group had commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2023	2022
	£	£
Charity and Group		
Amounts due:		
Less than one year	63,505	61,942
Within two to five years	190,515	190,515
	<u>254,020</u>	<u>252,457</u>

16. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

17. PENSION COMMITMENTS

The charity is one of several employing bodies included within the Camden Local Government Pension Scheme (Camden LGPS). The Camden LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

A full actuarial valuation of the scheme took place in 2010. The results of the valuation have been made available to the employers and show a smaller increase in future employer contribution rates than previously expected.

The following information is based upon a full actuarial valuation of the fund at 31 March 200, updated to 31 December 2022 by a qualified independent actuary.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

17. PENSION COMMITMENTS (continued)

	2023 %	2022 %	2021 %
The major assumptions used by the actuaries were:			
Rate of increase in salary	3.35	3.45	3.4
Rate of increase in pensions in payment	2.85	3.05	2.9
Discount rate	4.55	4.75	1.9
Inflation assumption	2.5	2.5	2.5

Following the Chancellor's budget statement in June 2010, the measure of inflation used by the actuary changed from the Retail Price Index (RPI) to the Consumer Price Index (CPI).

Literature provided to scheme members specifically linked pension benefit increases to the RPI. The trustees therefore consider the change to CPI to be an augmentation of benefits, rather than a change in actuarial assumptions.

The mortality assumptions used were as follows:

	2023 Years	2022 Years
Longevity at age 65 for current pensioners		
- Men	22.2	21.8
- Women	24.1	24.1
Longevity at age 65 for future pensioners		
- Men	23.3	23.2
- Women	25.5	25.9

The assets of the scheme and the weighted average expected rate of return were:

	Long term rate of return expected 2023 %	Value at 31 December 2023 £'000	Long term rate of return expected 2022 %	Value at 31 December 2022 £'000	Long term rate of return expected 2021 %	Value at 31 December 2021 £'000
Equities	2.7	6,605	2.7	6,124	2.7	8,486
Bonds	2.7	2,780	2.7	2,111	2.7	1,061
Property	2.7	1,854	2.7	1,900	2.7	1,296
Cash	2.7	348	2.7	422	2.7	943
Total market value of assets		11,587		10,557		11,786
Present value of scheme liability		(11,089)		(9,314)		(15,138)
Net pension surplus/(liability)		498		1,243		(3,352)

17. PENSION COMMITMENTS (continued)

The amount included in the balance sheet in respect of the defined benefit pension plan is as follows:

	2023 £'000	2022 £'000
Fair Value of plan assets	11,587	10,557
Present value of plan liabilities	(11,089)	(9,314)
Surplus restriction	(498)	(1,243)
	-----	-----
Net Pensions liability	-	-
	=====	=====

Under FRS 102, a surplus on a defined benefit pension scheme can only be recognised as an asset on the balance sheet where the entity has the right to recover that surplus either through a refund, or reduced future contributions. Given the uncertainty regarding recoverability, the pension asset has been restricted to £nil at 31 December 2023.

None of the fair values of the assets shown above include any of the charity's own financial instruments or any property occupied by, or other assets used by, the charity. The equity investments and bonds which are held in scheme assets as at 31 December 2023 are quoted, and are valued at the current bid price following the adoption of the amendment of FRS102.

The expected long term return on cash is equal to bank base rates. The expected return on bonds is determined by reference to UK long dated gilt and bond yields. The expected rate of return on equities and property have been determined by setting an appropriate risk premium above gilt/bond yields having regard to market conditions.

Total expenditure recognised in the Statement of Financial Activities

	2023 £'000	2022 £'000
Current service cost	91	224
Interest cost	436	286
Interest income on plan assets	(497)	(222)
Contributions paid	(191)	(166)
	-----	-----
Total expenditure recognised in SOFA	(161)	122
	=====	=====

Net profit / (loss) recognised in the SOFA

	2023 £'000	2022 £'000
Actuarial profit / (loss) on scheme assets and liabilities	(906)	3,474
	=====	=====

The cumulative amount of actuarial gains and losses recognised in the SOFA to 31 December 2023 is a net gain of £nil (2022: gain of £3,352,000).

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

17. PENSION COMMITMENTS (continued)

Reconciliation of opening and closing balances of the present value of the charity's share of scheme liabilities

	2023 £'000	2022 £'000
Scheme liabilities at 1 January 2023	9,314	15,138
Current service cost	91	224
Interest cost	436	286
Contributions by scheme participants	47	42
Actuarial (gains) / losses	1,619	(6,003)
Benefits paid	(418)	(373)
Scheme liabilities at 31 December 2023	11,089	9,314

Reconciliation of opening and closing balances of the present value of the charity's share of scheme assets:

	2023 £'000	2022 £'000
Fair value of scheme assets at 1 January 2023	10,557	11,786
Interest income on plan assets	497	222
Return on assets excluding amounts included in net interest	713	(1,286)
Contributions by employer	191	166
Contributions by scheme participants	47	42
Benefits paid	(418)	(373)
Fair value of scheme assets at 31 December 2023	11,587	10,557

Contributions

The total contributions made by the employer in the year were £166,000. The level of contribution were reviewed as a result of the triennial valuation of the scheme as at 31 March 2019 and maintained.

The best estimate of contributions to be paid by the employer to the scheme in the next financial year is £192,000.

History of experience gains and losses

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Fair value of assets	11,587	10,557	11,786	10,442	9,847
Present value of scheme liabilities	(11,089)	(9,314)	(15,138)	(15,463)	(13,079)
Surplus/(Deficit) in scheme	498	1,243	(3,352)	(5,021)	(3,232)
Experience adjustment on scheme assets	-	-	-	-	-
Experience adjustment on scheme liabilities	-	-	-	-	-

LOCAL INFORMATION UNIT LIMITED

England & Wales - Charity number 1113495

Accounts

LOCAL INFORMATION UNIT LIMITED
(Company limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2022

Registration Number: 1872218 (England and Wales)
Charity Registration Number: 1113495

LOCAL INFORMATION UNIT LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

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LOCAL INFORMATION UNIT LIMITED

LEGAL AND ADMINISTRATION

YEAR ENDED 31 DECEMBER 2022

Registered Name of charity Local Information Unit Limited

Other names used by the charity LGiU

Trustees

Cllr Abdul Jabbar
Cllr Alexander Hollingsworth
Cllr Brian Robinson – resigned 16th May 2023
Cllr Jayne McCoy
Cllr Michael Payne (Chair)
Mike Short
Cllr Neil Nerva
Cllr Sam Chapman-Allen
Cllr Tudor Evans
Cllr Amanda Jayne Hopgood
Cllr Elizabeth Pendrill Raphael Leffman
Cllr Linda Joy Taylor

Chief Executive & Company Secretary J Carr-West

Registered office 251 Pentonville Road
London
N1 9NG

Company Registration Number 01872218 (England and Wales)

Charity Registration Number 1113495

Auditor Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers National Westminster Bank PLC
23 Brunswick Place
Southampton
SO15 2AQ

LOCAL INFORMATION UNIT LIMITED

LEGAL AND ADMINISTRATION (continued)

YEAR ENDED 31 DECEMBER 2022

Subsidiary undertakings:

LGiU International Ltd

Directors

J Carr-West
A Johnston
E Coll
L Slack
H Muirhead
H Yedigaroff – appointed 1 November 2022
V De Blasi – appointed 26 June 2023

Company Registered Number 07132669 (England and Wales)

Local Energy Limited

Directors

A Johnston
J Carr-West

Company Registration number 07092950 (England and Wales)

LGiU Enterprises Limited

Directors

A Johnston
J Carr-West

Company Registration number 07073661 (England and Wales)

LGiU Ireland Limited

Directors

A Johnston
J Carr-West

Company Registration number 597961 (Ireland)

Objectives and activities

Introduction

The Local Government Information Unit (LGIU) is a membership organisation and think tank. The object of the organisation is the promotion for the public good of efficient public administration of local government by the provision of information, advice, research and training and the publication of research.

LGIU operates internationally through LGiU International, a wholly owned trading subsidiary.

Public benefit

The LGiU must be able to demonstrate that its aims and activities are for the public benefit. The Trustees have reviewed the guidance issued by the Charity Commission and have prepared this report with the guidance in mind.

Mission

The LGIU - Local Government Information Unit - is a not-for-profit, non-partisan membership organisation. We are for local government and anyone with an interest in local democracy and finding local solutions to the challenges that we all face. Our resources, innovative research and connections are relied on by councillors and council officers across the globe.

As LGIU becomes increasingly international in focus, our aim is to be the preeminent global hub for the best information, ideas and insight about local government and local democracy and to create a global network of local authorities, public servants and politicians supporting each other to strengthen local democracy, improve public services and meet the complex challenges of the 21st century.

Activities, specific objectives and relevant policies

To fulfil our charitable mission we support innovation in local government working with our members and others to provide:

- The practical support, on tap, that council staff and elected representatives need for their jobs every day, including: in depth policy briefings, country-specific daily news roundups; case study bank; analysis and commentary.
- Opportunities to be involved with our Local Democracy Research Centre's original research projects.
- A global network of local government professionals and other stakeholders coming together to collaborate, share and innovate.
- A significant member discount on LGIU training. A programme catering specifically to the needs of local government staff and elected representatives, delivered by sector experts.
- Supportive and productive forums for exploring the challenges and emerging opportunities in an ever changing local government landscape.
- A voice for the international local government community, which grows stronger with each [new member](#).

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2022

We are a critical friend to councils but we are unwavering in our advocacy of local government as the foundation of the places we live and work.

- Volunteers

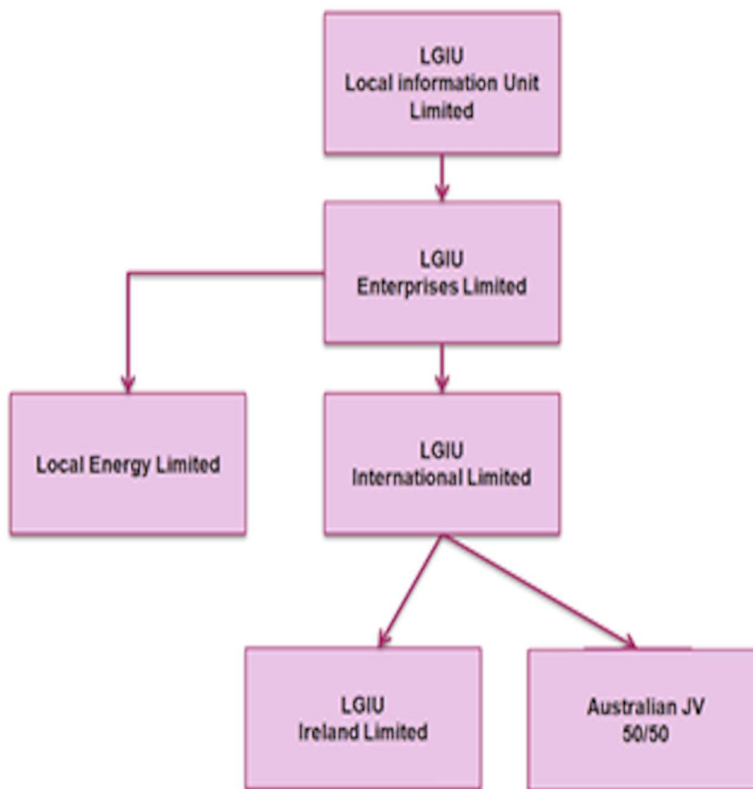
Generally the LGiU does not use volunteers: internships are occasionally provided to people seeking work experience, and are paid at the London living wage.

The LGiU group

Since 2015 the LGiU has been expanding its international operations with the launch of LGiU Scotland, LGiU Ireland and LGiU Australia.

We believe that if local government is at its best when it is informed, engaged and networked, then all our members will gain value from global perspectives, lessons and relationships.

These international operations are trading subsidiaries wholly owned by LGiU.



LGiU Enterprises and LGiU International have boards which report to the main LGiU Board. The relationship between subsidiaries is set out in a Resource Sharing Agreement and governed by a conflict of interests policy.

These arrangements are regularly reviewed by our legal advisors Bates Wells. LGiU International and LGiU Ireland are audited separately.

Achievements and performance

LGiU at a glance in 2022

35,000 subscribers worldwide.

The LGIU is an ever-expanding local government community.

96% of members use LGIU to keep up to date with what's happening across local government.

362 editions of Daily News delivered.

88% of members read Daily News.

"Daily News is great as it is a quick read that keeps me up to date with what is happening in other local authorities."

48 local government training sessions and **65** in-house sessions delivered, attended by more than **1,300** delegates.

"A training course on equality, diversity and inclusion was the best training course I've ever attended and I've recommended it to officers and councillors."

287 in-depth policy briefings and round-ups.

79% of officers say that policy round-ups help them to quickly understand an issue.

"The breadth of material means I can always ensure that there is detail and information that will be useful."

52 editions of Global Local distilling the best in global local government thinking every week.

137 blogs published. **48** research reports, guides and long reads.

"Saves time on research, bringing policy areas all together in one place – easy to access and share."

Our work and commentary have been featured almost **900** times in national, regional and trade press.

"LGIU provides a collective voice representing the work of local government."

The **13th annual LGIU & CCLA Cllr Awards** – recognising the vital work of councillors.

"It was fantastic to see and hear about the brilliant work of all the shortlisted councillors."

LGIU in 2022

2022 was a year of evolution for LGIU.

At the beginning of 2022 our long standing Chief Operations Officer announced his intention to retire. In preparation for this a new organisation structure was developed to create a set of new 'Head of' roles who now, with the CEO and COO, act as the LGIU's management team. A new COO was recruited and the organisation also recruited key roles in research services, event coordination and database management.

Acting on insight from our membership research in 2021, in 2022 LGIU launched its new Customer Relationship Management database which streamlines the member recruitment process and provides an automated link between membership and readership of LGIU services.

Following feedback from members that they were receiving too many emails, a new approach was developed of using Daily News emails as the vehicle for all LGIU content de-livery. We continue to prioritise growing reader numbers as a key strategic aim. We also launched a 3 year strategy which sets out the actions by which it will work to overcome the 'awareness gap' - the known issue which means that both non members and followers do not have an awareness of the full range of LGIU services.

We consolidated our training offering: in 2022 the team updated the way that it delivered open training courses by reducing the number of courses offered, and putting the most popular, well attended courses into a more consolidated offering.

Our Local Democracy Research Centre continued to develop and deepen relationships with academic institutions in England, Scotland Ireland and Australia and published well received research on Health Systems and Measuring Centralisation.

Membership continues to flourish in Scotland and Ireland. In Australia we have seen a rapid growth in the number of individual users but growth of subscribing members has been slow. We continue to develop our understanding of this new market and have worked with our partners to out new recruitment and marketing strategies in place which we anticipate will lead to growth in 2023.

The England and Scotland councillor awards in October had the biggest overall audiences of any councillor awards and received coverage in the national press.

We conducted our annual membership survey in November 2022 which garnered 1,200 responses. The results showed that overall members and subscribers value the LGIU's services, with an overall 'net promoter score' value of +3. The Survey also generated a wide range of insights which are helping to further improve member services.

Financial review

Results for the year

- 2022 was a successful year for LGiU in which we continued to build on the strong financial performance of the previous four years.
- There is a surplus of £26,569 before adjustments for pension costs.
- The total contribution to reserves is £3,378,569, giving total reserves of £846,949.
- LGiU's finances reflect the Board's ambition to create a sustainable financial model for the LGiU. There is now a structural surplus built into the relationship between our two main financial lines – affiliate income and salaries.
- Levels of reserves now allow us to invest in future growth while still maintaining a robust position to deal with unforeseen fluctuations in income or costs.
- The 2023 budget is an investment budget, drawing down from reserves with a budgeted £120K loss in LGiU whilst the LGiU Group is forecast to end the year with a deficit of £47K.
- These figures do not include the results of the FRS17 annual pension fund report.

Reserves policy

The trustees recognise the need to hold reserves to protect against unforeseen fluctuations in income, assist long term-strategic planning, and to provide a fund to deal with costs arising should the organisation cease to trade.

General funds of the group at 31 December 2022 were £846,949 (2021 - £820,380) and there was no pension reserve deficit (2021 – deficit of £3,352,000).

The pension is a defined benefit scheme and we are part of a pool within the Camden Council LGPS. Such schemes typically show large deficits but the pension deficit is not taken into account against reserves, and is dealt with from future budgets. LGiU budgets are, and have always been, prepared on this basis. The level of contribution that LGiU makes to the pension fund is set every three years. We are currently coming to the end of one of these periods and we have retained enough space in the budget to be able to increase the contribution in future if necessary. The trustees are satisfied that we will be able to meet future commitments.

The 2022 reserves represent approximately 24 weeks' expenditure.

In 2023 we are budgeting a deficit of £120K for LGiU, surplus of £73K for LGiU International with a combined group deficit of £47K.

This includes investment in the website, marketing and communications, research, development of LGiU Australia and Global Local.

Investment policy

Any surplus cash is held in either our deposit account, or in short term bonds specifically designed for charities who want to retain liquidity and attract a reasonable rate of return.

Risk management

The most significant risk faced by the LGiU is the loss of income, primarily from the resignation of members. Strategies are in place to retain existing members and to recruit new ones. Local government reorganisation led to the loss of 13 members in early 2023 but we have offset this by recruiting all of the new unitary councils that replaced them.

The Executive Board is regularly updated about these issues, together with actions being taken to ameliorate the risk.

The LGiU believes that there will be further pressure on the finances of local authorities in the UK over the coming years, but that our active engagement with members and the value of our services especially in a fast moving and challenging environment will mitigate the risk of substantial decline in membership income. Expansion into other local government markets around the world also offsets that risk.

The LGiU also faces the organisational risks that would be expected in a small company, such as loss of key staff. Strategies are in place to anticipate and reduce these risks and staff movement in 2022 has not led to any significant problems despite the retirement of a long standing COO, because we were able to put in place a robust recruitment and handover process

We maintain a risk register and this is regularly reviewed by the board.

Governance, structure and management

Governance

The LGiU is a registered charity (Charity Registration Number 1113495) and is constituted as a company limited by guarantee (Company Registration Number 01872218). It is governed by its memorandum and articles of association, which were most recently modified in July 2009. The charity was registered with the Charity Commission in England and Wales on 30 March 2006. The Local Information Unit Limited (which trades as the Local Government Information Unit) was registered as a company limited by guarantee on 17 December 1984 and has been operating since that date.

The trustees of the charity are also directors of the company for the purposes of the Companies Act. Each affiliate of the LGiU nominates a representative to be part of the Members' Assembly, the body which debates the general policy direction of the organisation. The Members' Assembly elects the Executive Board (Board of Directors) from within their ranks. Directors/trustees serve a three year set term before being required to stand for re-election. Where directors/trustees resign or become ineligible, a replacement is sought at the next Members' Assembly meeting to complete that three year term. The memorandum and articles of association specify a minimum number of places on the Board from different types of affiliates, such as District Councils, London Boroughs and Trade Unions etc. This is to ensure balanced representation of the membership.

New trustees are given relevant documentation on their duties and responsibilities, including the Charity Commission publication designed for this purpose. The LGiU has several nominated contacts that trustees can contact if they have any specific queries.

Trustees are offered the opportunity to take part in various training opportunities, and the LGiU is always prepared to buy in specific training as and when necessary.

Structure and management reporting

The day-to-day running of the organisation is delegated to the staff under the leadership of the Chief Executive. The Executive Board meets about six times per year primarily to discuss issues of strategic direction in relation to the running of the organisation. They approve the annual budget before the start of the year and then monitor its progress through regular updates. In addition, the Executive Board has a business and policy planning weekend each September, together with senior staff.

Remuneration

The Board has a Remuneration Committee with a membership of four Board members which has oversight of pay strategy across the organisation and direct responsibility for the Chief Executive's pay and appraisal.

Current membership of the Remuneration Committee is Mike Short, Neil Nerva and Jayne McCoy and two vacancies.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2022

Trustees

The following trustees were in office at 31 December 2022, and served throughout the year, except where shown:

Board elections were held 14th September 2022

Trustees 1st January 2022 - 31st July 2022

Cllr Abdul Jabbar

Cllr Alexander Hollingsworth

Cllr Brian Robinson – resigned 16th May 2023

Cllr Jayne McCoy

Cllr Michael Payne (Chair)

Mike Short

Cllr Neil Nerva

Cllr Sam Chapman-Allen

Cllr Tudor Evans

Cllr Amanda Jayne Hopgood

appointed 14th September 2022

Cllr Elizabeth Pendrill Raphael Leffman

appointed 14th September 2022

Cllr Linda Joy Taylor

appointed 14th September 2022

Cllr Dale Mordey

resigned 6th May 2022

LGiU Enterprise Board

Andy Johnston

Jonathan Carr-West

Cllr Alex Hollingsworth

Cllr Neil Nerva

LGiU International Board

Andy Johnston

Jonathan Carr-West

Liz Coll

Lucy Slack

Hannah Muirhead

appointed 5th January 2022

Vicki DeBlasi

appointed 24th May 2023

Plans for the future

A single integrated plan for 2023 has been developed drawing together all departments and countries. The plan sets out the organisation's objectives under four key workstreams. There are actions sitting beneath each objective, and these actions have been drawn together into the team's annual workplan, the delivery of which will be monitored on a quarterly basis.

The four high level workstreams are:

Continue to ensure financial stability
Deliver high quality services that meet members needs
Close awareness gap
Organisation change/management

1 Continue to ensure financial stability

The LGIU is currently in a strong and stable financial position, with substantial reserves available following a long period of financial prudence. This financial position will be important over the coming years in enabling the LGIU to navigate a challenging period of high inflation combined with continued pressures on local authority budgets.

Therefore, our three objectives under this workstream are as follows:

- *Deliver 2023 activities within the 2023 budget envelope.*
- *Diversity/ find new income streams*
- *Meet membership income targets.*

2 Deliver high quality services that meet members needs

Our annual user survey review undertaken in November 2022 showed an overall favourability score of +3 and generated a wide range of insights which are helping to further improve member services. These results have formed the basis for this workstream, in which we aim to further improve our users' usage and ratings.

Our objectives under this workstream are as follows

- *Increase overall member recommendation score*
- *Improve the design and functionality of the website.*
- *Develop user feedback mechanisms.*
- *Deliver research programme*
- *Deliver 2023 training and events programme including launch of new mini-accreditation programme*
- *Design and deliver content programme matched to user needs and interests.*

3 Close awareness gap

Our 2022 member survey yielded positive results in terms of overall favourability. Nevertheless, the results showed that c. 17% of respondents 'don't know' if they are

members. Furthermore whilst awareness and usage of some products like Daily News is high, for other areas such as training and research, awareness is lower and needs to be improved.

- *Reduce membership awareness gap across our core countries*
- *Ensure that we are showcasing members achievements*
- *Support members to maximise membership*
- *Increase brand awareness and drive traffic to our website*
- *Build awareness /engagement with the research centre*
- *Political relationship building*

4 Organisation change/management

Accompanying the previous three workstreams will be a backoffice workstream looking at organisational change and improvement. This will focus on the following:

- *Recruitment to cover key skills and capacity gaps*
- *Update internal processes*
- *Improve usage of our software/ systems*
- *Update HR arrangements/documentation*

4. Overall performance indicators

Our proposed overarching metrics for measuring the success of our plan are simple - we aim for :

More income (from more sources)

More corporate members

More individual users

More engaged users

A smaller awareness gap

Targets are developed against each of these metrics that would be monitored over the course of delivering the plan to measure our overall performance.

Trustees' liability

In the event of the charity being wound up the trustees, are required to contribute an amount not exceeding £1.

Statement of Trustees' responsibilities

The trustees (who are also directors of Local Information Unit Limited for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:

Michael Payne
Trustee
18th July 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCAL INFORMATION UNIT LIMITED

Opinion

We have audited the financial statements of Local Information Unit Limited for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and related to the financial statements, 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 group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCAL INFORMATION UNIT LIMITED

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the directors' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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.

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:

Based on our understanding of the parent charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP and Companies Act 2006.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCAL INFORMATION UNIT LIMITED

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management override. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including the defined benefit pension scheme.

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 auditor's report.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
Date:

10 Queen Street Place
London
EC4R 1AG

LOCAL INFORMATION UNIT LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2022

		Total unrestricted funds	
		2022	2021
INCOME AND EXPENDITURE	Notes	£	£
INCOME			
Charitable activities			
Affiliation fees & subscriptions		1,644,546	1,578,644
Consultancy and project income		219,302	257,843
Income from:			
Investment income, bank and other interest		2,297	128
Total income		<u>1,866,145</u>	<u>1,836,615</u>
EXPENDITURE			
Expenditure on charitable activities			
Services to affiliates & subscribers	2	425,876	723,932
Conferences, seminars and training	2	189,087	215,894
Consultancy	2	273,517	274,148
Publications	2	299,400	176,895
Trading activities	2	651,696	297,773
Total expenditure		<u>1,839,576</u>	<u>1,688,642</u>
Net income/ (expenditure) before additional pension costs		26,569	147,973
Service cost and other movements on pension provision	17	<u>(122,000)</u>	<u>(142,000)</u>
Net income/ (expenditure) before other recognised gains and losses		(95,431)	5,973
Actuarial gains/ (losses) on defined benefit pension scheme	17	<u>3,474,000</u>	<u>1,811,000</u>
Net movement in funds		<u>3,378,569</u>	<u>1,816,973</u>
Fund balances brought forward at 1 January 2022		<u>(2,531,620)</u>	<u>(4,348,593)</u>
Fund balances carried forward at 31 December 2022		<u>846,949</u>	<u>(2,531,620)</u>

All of the group's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the Statement of Financial Activities.

All comparative figures were also unrestricted and have been presented on the Statement of Financial Activities.

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

GROUP AND CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2022

		2022		2021	
	Notes	Charity £	Group £	Charity £	Group £
Fixed assets					
Tangible assets	8	6,398	6,398	5,764	5,764
Intangible assets	8	62,400	62,400	48,900	48,900
Investments	9	3	-	3	-
		<u>68,801</u>	<u>68,798</u>	<u>54,667</u>	<u>54,664</u>
Current assets					
Debtors due within one year	10	233,008	311,605	262,972	66,141
Short term deposits		497,647	497,647	492,847	492,847
Cash at bank and in hand		489,819	580,504	416,717	656,114
		<u>1,220,474</u>	<u>1,389,756</u>	<u>1,172,536</u>	<u>1,215,102</u>
Creditors: amounts falling due within one year	11	(503,629)	(611,605)	(406,823)	(449,386)
Net current assets		<u>716,845</u>	<u>778,151</u>	<u>765,713</u>	<u>765,716</u>
Net assets excluding pension liability		<u>785,646</u>	<u>846,949</u>	<u>820,380</u>	<u>820,380</u>
Pension liability	17	-	-	(3,352,000)	(3,352,000)
Net liabilities including pension liability		<u>785,646</u>	<u>846,949</u>	<u>(2,531,620)</u>	<u>(2,531,620)</u>
Represented by:					
Funds and reserves					
Income funds:					
Unrestricted funds					
General funds	14	785,646	785,646	820,380	780,329
Pension reserve	17	-	-	(3,352,000)	(3,352,000)
		<u>785,646</u>	<u>785,646</u>	<u>(2,531,620)</u>	<u>(2,571,671)</u>
Non-charitable trading funds	14	-	61,303	-	40,051
		<u>785,646</u>	<u>846,949</u>	<u>(2,531,620)</u>	<u>(2,531,620)</u>

The parent charity's income for the year was £1,644,546. Net movement in funds before the pension costs was £99,042 Net movement in funds after pensions was £3,306,096.

The financial statements were approved and authorised for issue by the Trustees on 18 July 2023 and were signed on their behalf by:

Michael Payne
Director of Local Information Unit Limited

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021	
	Charity £	Group £	Charity £	Group £
Cashflow from operating activities				
Net income/(expenditure) for the year	3,306,096	3,378,569	1,816,973	1,816,973
Adjustments for				
Movements on defined benefit pension scheme	(3,352,000)	(3,352,000)	(1,669,000)	(1,669,000)
Depreciation of tangible and intangible assets	32,174	32,174	23,649	23,649
Interest received	(2,297)	(2,297)	(128)	(128)
Decrease / (increase) in debtors	29,964	(245,465)	(32,637)	(3,686)
Increase/ (decrease) in creditors	107,976	162,218	94,506	103,493
Net cash generated from operating activities	121,913	(26,801)	233,363	271,301
Cashflow from investing activities				
Net purchase of fixed assets	(46,308)	(46,308)	(58,487)	(58,487)
Interest received	2,297	2,297	128	128
	(44,011)	(44,011)	(58,359)	(58,359)
Net increase in cash	77,902	(70,812)	175,004	212,943
Net cash and cash equivalents at the start of the year	909,564	1,148,963	734,562	936,021
Net cash and cash equivalents at the end of the year	987,466	1,078,151	909,566	1,148,963
Cash and cash equivalents consists of:				
Short Term deposits	497,647	497,647	492,847	492,847
Cash at bank and in hand	489,819	580,504	416,717	656,116
Cash and cash equivalents at 31 December	987,466	1,078,151	909,564	1,148,963

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Local Information Unit Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements which is to 31st July 2023. In particular the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on membership and other income and considered the impact of the coronavirus pandemic on the LGIU's operations. The majority of the LGIU's income comes from membership income which is fixed from 30 June in the preceding financial year. This allows Trustees to be confident that expenditure budgets are appropriate. In considering going concern the trustees have reviewed cash flows and are confident that the Charity can meet ongoing liabilities, including contributions to the pension scheme. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiaries, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited on a line by line basis. A separate statement of financial activities is not prepared by the charity itself following the exemption afforded by section 408 of the Companies Act 2006.

Income

Income is recognised in the period in which the charity and the group are entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity and the group has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Financial Instruments

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

1. ACCOUNTING POLICIES (continued)

Expenditure and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred. Expenditure which can be allocated directly to the charity and the group's charitable activities are charged against the applicable activity. All other costs are treated as support costs and are allocated to activities on the basis of staff time spent on those activities.

Expenditure comprises the following:

The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:

- Staff costs
- Premises costs
- Office costs
- Other costs

Tangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|--|---------------------------------------|
| • Furniture and general office equipment | Over 6 years on a straight line basis |
| • Computer equipment and website | Over 3 years on a straight line basis |

Intangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Intangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|-----------|---------------------------------------|
| • Website | Over 3 years on a straight line basis |
|-----------|---------------------------------------|

Fixed asset investments

The investments in the subsidiary undertakings, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited, are stated at cost.

Fund accounting

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Defined benefit pension scheme

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increases in the present value of the liabilities within the charity's defined benefit scheme expected to arise from employee service in the period are charged to the statement of financial activities.

The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in the statement of financial activities. Actuarial gains and losses are recognised in the statement of financial activities as other recognised gains and losses for the period. Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet.

1. ACCOUNTING POLICIES (continued)

Pension costs

Defined benefit pension scheme

Local Information Unit Limited has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet as advised by an independent actuarial adviser. The assumptions reflect historical experience and current trends.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Useful economic lives - The annual depreciation charge for property, plant and equipment and intangible assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Functional currency and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

1. ACCOUNTING POLICIES (continued)

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise. However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to profit or loss.

Translation of group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of group companies are recognised in other comprehensive income and are not reclassified to profit or loss.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

2. COST OF ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	Services to affiliates £	Conference seminars & training £	Consultancy £	Publications £	Trading Activities £	2022 Total funds £
Staff costs	109,379	72,962	65,243	123,489	269,167	640,240
Other direct costs	85,891	-	91,547	-	155,574	333,012
Allocation of support costs (note 3)	230,606	116,125	116,727	175,911	226,955	866,324
	<u>425,876</u>	<u>189,087</u>	<u>273,517</u>	<u>299,400</u>	<u>651,696</u>	<u>1,839,576</u>

	Services to affiliates £	Conference seminars & training £	Consultancy £	Publications £	Trading Activities £	2021 Total funds £
Staff costs	429,880	137,367	122,904	119,061	5,650	814,862
Other direct costs	39,720	-	82,980	-	71,902	194,602
Allocation of support costs (note 3)	254,332	78,527	68,264	57,834	220,221	679,178
	<u>723,932</u>	<u>215,894</u>	<u>274,148</u>	<u>176,895</u>	<u>297,773</u>	<u>1,688,642</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

3. SUPPORT COSTS

The support costs and the basis of their allocation were as follows:

		2022 £	2021 £
Governance costs	Basis of appointment		
Auditor's remuneration – statutory audit	Staff time	17,735	17,050
Other governance costs	Staff time	8,678	5,388
		<u>26,413</u>	<u>22,438</u>
 Other support costs	 Basis of appointment		
Staff costs	Time spent	291,802	101,786
Premises costs	Staff time	95,905	107,330
Office costs	Staff time	271,343	265,724
Other costs	Staff time	180,861	181,901
		<u>839,911</u>	<u>656,741</u>
Total		<u><u>866,324</u></u>	<u><u>679,179</u></u>

4. NET INCOME

	Total Funds 2022 £	Total Funds 2021 £
This is stated after charging:		
Staff costs (note 5)	932,042	916,649
Auditors' remuneration		
- statutory audit services	20,000	17,150
Depreciation	32,175	23,649
Operating lease rentals	41,022	41,022
	<u><u></u></u>	<u><u></u></u>

LOCAL INFORMATION UNIT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 DECEMBER 2022****5. EMPLOYEES AND STAFF COSTS**

	2022	2021
	£	£
Staff costs during the year were as follows:		
Wages and salaries	681,203	662,685
Social security costs	70,534	68,806
Other pension costs	177,484	181,854
Other	2,821	3,304
	<u>932,042</u>	<u>916,649</u>

In addition, consultants were used during the year at a cost of £64,334 (2021: £55,828).

The average monthly headcount of persons employed by the LGiU during the year were:

	2022	2021
	Number	Number
Charitable activities	11	17
Support	2	2
	<u>13</u>	<u>19</u>

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2022	2021
	Number	Number
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
£100,001 - £110,000	-	-
£120,001 - £130,000	1	1
	<u>2</u>	<u>2</u>

The total employee benefits including pension contributions of the key management personnel were £337,195 (2021: £313,962). The Key Management Personnel are defined as the Leadership team which is made up of 3 people consisting of the chief executive and chief operating officers in post in year.

6. TRUSTEES' REMUNERATION

An honorarium was paid to the Chair of Trustees of £10,972 (2021 - £8,742). None of the other trustees received any remuneration in respect of their services during the year (2021 - £nil).

During the year expenses amounting to £nil (2021 - £nil) were reimbursed to 0 trustees (2021 - £nil).

The cost of refreshments at Trustee meetings and the accommodation costs for the overnight Executive Board business planning meeting are met directly by the LGiU. In 2022 this amounted to £nil (2021 - £nil).

The trustees of the charity are members of local councils which pay membership subscriptions to LGiU. Membership fees to these organisations are charged on an arm's length basis.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

7. TAXATION

Local Information Unit Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Any taxable profits generated by the subsidiary companies will be donated to the parent charity.

8. FIXED ASSETS

Total Fixed Assets

	2022	2021
	£	£
Tangible Fixed Assets (a)	6,398	5,764
Intangible Fixed Assets (b)	62,400	48,900
	<u>68,798</u>	<u>54,664</u>

a) Tangible Fixed Assets

	Fixtures and Fittings £	Computers £	Total £
Charity and Group			
Cost or valuation			
At 1 January 2022	4,177	49,393	53,570
Additions	-	4,551	4,551
	<u>4,177</u>	<u>53,944</u>	<u>58,121</u>
At 31 December 2022	4,177	53,944	58,121
Depreciation			
At 1 January 2022	4,177	43,629	47,805
Charge for the year	-	3,917	3,918
	<u>4,177</u>	<u>47,546</u>	<u>51,723</u>
At 31 December 2022	4,177	47,546	51,723
Net book values			
At 31 December 2022	<u>-</u>	<u>6,398</u>	<u>6,398</u>
At 31 December 2021	<u>-</u>	<u>5,764</u>	<u>5,764</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

8. FIXED ASSETS (continued)

b) Intangible Fixed Assets

	Website £	Total £
Charity and Group		
Cost or valuation		
At 1 January 2022	84,457	84,457
Additions	41,757	41,757
At 31 December 2022	126,214	126,214
Depreciation		
At 1 January 2022	35,557	35,557
Charge for the year	28,257	28,257
At 31 December 2022	63,814	63,814
Net book values		
At 31 December 2022	62,400	62,400
At 31 December 2021	48,900	48,900

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

9. Investments

Charity	Shares in subsidiary companies £	Total £
Cost at 1 January 2022 & 31 December 2022	3	3

Local Information Unit Limited owns the entire called up share capital of LGiU Enterprises Limited, a company registered in England and Wales, which has been dormant since incorporation.

LGiU Enterprises Limited was dormant during the year and owns the entire called up share capital of Local Energy Limited and LGiU International Ltd, which are trading companies registered in England and Wales. In addition LGiU International Ltd is the parent of LGiU Ireland Limited a company registered in Ireland.

The Company Registration Numbers and incorporation dates of the subsidiary companies are given below:

	Company Registration number	Date of incorporation
LGiU Enterprises Limited	7073661	12 November 2009
Local Energy Limited	7092950	2 December 2009
LGiU International Ltd	7132669	21 January 2010
LGiU Ireland Limited	Ireland (597961)	8 February 2018

A summary of the trading results of the group's trading subsidiaries for the year ended 31 December 2022 are given below. Any taxable profits generated by the subsidiaries will be Gift-Aided to the parent charity.

	2022 £	2021 £
Local Energy Limited		
Profit & loss Account		
Turnover	-	5,000
Cost of sales	(1,787)	(2,869)
Operating loss before Gift Aid	(1,787)	2,131
Gift Aid	-	-
Loss for the financial year	(1,787)	2,131
Balance Sheet		
Current assets	-	-
Current liabilities	(116,219)	(114,432)
Net Liabilities	(116,219)	(114,432)

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

9. INVESTMENTS (continued)

	2022 £	2021 £
LGiU International Ltd		
Profit & Loss Account		
Turnover	748,672	741,443
Cost of sales	(695,001)	(638,076)
Operating profit/(loss)	53,671	103,367
Gift Aid	(53,671)	(96,867)
Corporation Tax payable	-	(6,500)
Profit/(loss) for the financial year	-	-
Balance Sheet		
Current assets	358,813	114,734
Current liabilities	(324,671)	(80,592)
Net Assets	34,142	34,142

	£	£
LGiU International Ltd		
Statement of income and retained earnings		
Total equity brought forward	34,142	34,142
Total comprehensive income for the year	53,671	96,867
Gift aid distribution to parent charity	(53,671)	(96,867)
Total equity carried forward	34,142	34,142

	2022 £	2021 £
LGiU Ireland Limited		
Profit & Loss Account		
Turnover	50,678	50,734
Cost of sales	(26,475)	(50,734)
Operating profit	24,203	-
Gift Aid	-	-
Profit for the financial year	24,203	-
Balance Sheet		
Current assets	84,384	194,092
Current liabilities	(60,180)	(194,091)
Net Assets	24,204	1

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

9. INVESTMENTS (continued)

As at 31 December 2022, the capital and reserves for each company was as follows:

	Issued share capital	Retained profit/(losses)	Total
LGiU Enterprises Limited	1	-	1
Local Energy Limited	1	(116,220)	(116,219)
LGiU International Ltd	1	34,141	34,142
LGiU Ireland Limited	1	9,203	9,204
	<u>1</u>	<u>(116,220)</u>	<u>(116,219)</u>

10. DEBTORS: due within one year

	2022		2021	
	Charity £	Group £	Charity £	Group £
Trade debtors	208,600	276,391	38,778	40,921
Amounts due from subsidiary undertakings	-	-	201,075	-
Prepayments and accrued income	23,296	23,296	17,540	17,540
VAT	1,112	11,918	5,579	7,680
	<u>233,008</u>	<u>311,605</u>	<u>262,972</u>	<u>66,141</u>

11. CREDITORS: amounts falling due within one year

	2022		2021	
	Charity £	Group £	Charity £	Group £
Trade creditors and accruals	336,623	550,984	284,795	309,400
Other creditors	19,028	24,776	20,062	20,062
Deferred income (note 12)	22,607	35,845	101,966	119,924
Amount due to Subsidiaries	125,371	-	-	-
	<u>503,629</u>	<u>611,605</u>	<u>406,823</u>	<u>449,386</u>

12. DEFERRED INCOME

	2022		2021	
	Charity £	Group £	Charity £	Group £
Deferred Income Brought Forward	101,966	119,924	12,614	30,283
Deferred in the year	22,607	35,845	101,966	119,924
Released in the year	(101,966)	(119,924)	(12,614)	(30,283)
	<u>22,607</u>	<u>35,845</u>	<u>101,966</u>	<u>119,924</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	General funds and non-Charitable trading funds £	Pension Reserve £	2022 Total £
Fund balances at 31 December 2022 are represented by:			
Fixed assets	68,798	-	68,798
Current assets	1,389,756	-	1,389,756
Creditors: amounts falling due within one year	(611,605)	-	(611,605)
Net pension liability	-	-	-
Total net assets	846,949	-	846,949

Group	General funds and non-Charitable trading funds £	Pension reserve £	2021 Total £
Fund balances at 31 December 2021 are represented by:			
Fixed assets	54,664	-	54,664
Current assets	1,215,102	-	1,215,102
Creditors: amounts falling due within one year	(449,386)	-	(449,386)
Net pension liability	-	(3,352,000)	(3,352,000)
Total net assets	820,380	(3,352,000)	(2,531,620)

14. MOVEMENT IN FUNDS

2022

	B/Fwd £	Income £	Expenditure £	Actuarial Gains £	C/Fwd £
General Funds	780,329	1,090,269	(1,084,952)	-	785,646
Pension Reserve	(3,352,000)	-	(122,000)	3,474,000	-
Total net (liabilities) (charity)	(2,571,671)	1,090,269	(1,206,952)	3,474,000	785,646
Non-charitable trading funds	40,051	775,876	(754,624)	-	61,303
Total net (liabilities) group)	(2,531,620)	1,866,145	(1,961,576)	3,474,000	846,949

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

14. MOVEMENT IN FUNDS (continued)

2021

	B/Fwd £	Income £	Expenditure £	Actuarial Gains £	C/Fwd £
General Funds	753,507	1,836,615	(1,809,793)	-	780,329
Pension Reserve	(5,021,000)	-	(142,000)	1,811,000	(3,352,000)
Total net assets (charity)	(4,267,493)	1,836,615	(1,989,873)	1,811,000	(2,609,751)
Non-charitable trading funds	(81,100)	-	121,151	-	(40,051)
Total net assets (group)	(4,348,593)	1,836,615	(1,830,642)	1,811,000	(2,531,620)

15. FINANCIAL COMMITMENTS

Operating leases

The group had commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2022 £	2021 £
Charity and Group		
Amounts due:		
Less than one year	61,942	57,250
Within two to five years	190,515	14,313
	<u>252,457</u>	<u>71,563</u>

16. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

17. PENSION COMMITMENTS

The charity is one of several employing bodies included within the Camden Local Government Pension Scheme (Camden LGPS). The Camden LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

A full actuarial valuation of the scheme took place in 2010. The results of the valuation have been made available to the employers and show a smaller increase in future employer contribution rates than previously expected.

The following information is based upon a full actuarial valuation of the fund at 31 March 200, updated to 31 December 2022 by a qualified independent actuary.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

17. PENSION COMMITMENTS (continued)

	2022 %	2021 %	2020 %
The major assumptions used by the actuaries were:			
Rate of increase in salary	3.45	3.4	1.6
Rate of increase in pensions in payment	3.05	2.9	2.5
Discount rate	4.75	1.9	1.3
Inflation assumption	2.5	2.5	2.5

Following the Chancellor's budget statement in June 2010, the measure of inflation used by the actuary changed from the Retail Price Index (RPI) to the Consumer Price Index (CPI).

Literature provided to scheme members specifically linked pension benefit increases to the RPI. The trustees therefore consider the change to CPI to be an augmentation of benefits, rather than a change in actuarial assumptions.

The mortality assumptions used were as follows:

	2022 Years	2021 Years
Longevity at age 65 for current pensioners		
- Men	21.8	22.0
- Women	24.1	24.3
Longevity at age 65 for future pensioners		
- Men	23.2	23.4
- Women	25.9	26.1

The assets of the scheme and the weighted average expected rate of return were:

	Long term rate of return expected 2022 %	Value at 31 December 2022 £'000	Long term rate of return expected 2021 %	Value at 31 December 2021 £'000	Long term rate of return expected 2020 %	Value at 31 December 2020 £'000
Equities	2.7	6,124	2.7	8,486	2.7	7,852
Bonds	2.7	2,111	2.7	1,061	2.7	1,613
Property	2.7	1,900	2.7	1,296	2.7	860
Cash	2.7	422	2.7	943	2.7	430
Total market value of assets		10,557		11,786		10,442
Present value of scheme liability		(9,314)		(15,138)		(15,463)
Net pension surplus/(liability)		1,243		(3,352)		(5,021)

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

17. PENSION COMMITMENTS (continued)

The amount included in the balance sheet in respect of the defined benefit pension plan is as follows:

	2022 £'000	2021 £'000
Fair Value of plan assets	10,557	11,786
Present value of plan liabilities	(9,314)	(15,138)
Surplus restriction	(1,243)	-
	-----	-----
Net Pensions liability	-	(3,352)
	=====	=====

Under FRS 102, a surplus on a defined benefit pension scheme can only be recognised as an asset on the balance sheet where the entity has the right to recover that surplus either through a refund, or reduced future contributions. Given the uncertainty regarding recoverability, the pension asset has been restricted to £nil at 31 December 2022.

None of the fair values of the assets shown above include any of the charity's own financial instruments or any property occupied by, or other assets used by, the charity. The equity investments and bonds which are held in scheme assets as at 31 December 2022 are quoted, and are valued at the current bid price following the adoption of the amendment of FRS102.

The expected long term return on cash is equal to bank base rates. The expected return on bonds is determined by reference to UK long dated gilt and bond yields. The expected rate of return on equities and property have been determined by setting an appropriate risk premium above gilt/bond yields having regard to market conditions.

Total expenditure recognised in the Statement of Financial Activities

	2022 £'000	2021 £'000
Current service cost	224	256
Interest cost	286	201
Interest income on plan assets	(222)	(135)
Contributions paid	(166)	(180)
	-----	-----
Total expenditure recognised in SOFA	122	142
	=====	=====

Net profit / (loss) recognised in the SOFA

	2022 £'000	2021 £'000
Actuarial profit / (loss) on scheme assets and liabilities	3,474	1,811
	=====	=====

The cumulative amount of actuarial gains and losses recognised in the SOFA to 31 December 2022 is a net gain of £nil (2021: loss of £3,352,000).

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

17. PENSION COMMITMENTS (continued)

Reconciliation of opening and closing balances of the present value of the charity's share of scheme liabilities

	2022 £'000	2021 £'000
Scheme liabilities at 1 January 2022	15,138	15,463
Current service cost	224	256
Interest cost	286	201
Contributions by scheme participants	42	45
Actuarial (gains) / losses	(6,003)	(499)
Benefits paid	(373)	(328)
Scheme liabilities at 31 December 2022	9,314	15,138

Reconciliation of opening and closing balances of the present value of the charity's share of scheme assets:

	2022 £'000	2021 £'000
Fair value of scheme assets at 1 January 2022	11,786	10,442
Interest income on plan assets	222	135
Return on assets excluding amounts included in net interest	(1,286)	1,312
Contributions by employer	166	180
Contributions by scheme participants	42	45
Benefits paid	(373)	(328)
Fair value of scheme assets at 31 December 2022	10,557	11,786

Contributions

The total contributions made by the employer in the year were £180,000. The level of contribution were reviewed as a result of the triennial valuation of the scheme as at 31 March 2019 and maintained.

The best estimate of contributions to be paid by the employer to the scheme in the next financial year is £113,000.

History of experience gains and losses

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Fair value of assets	10,557	11,786	10,442	9,847	8,808
Present value of scheme liabilities	(9,314)	(15,138)	(15,463)	(13,079)	(11,705)
Surplus/(Deficit) in scheme	1,243	(3,352)	(5,021)	(3,232)	(2,897)
Experience adjustment on scheme assets	-	-	-	-	-
Experience adjustment on scheme liabilities	-	-	-	-	-

LOCAL INFORMATION UNIT LIMITED

England & Wales - Charity number 1113495

Accounts

LOCAL INFORMATION UNIT LIMITED
(Company limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

Registration Number: 1872218 (England and Wales)
Charity Registration Number: 1113495

LOCAL INFORMATION UNIT LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

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LOCAL INFORMATION UNIT LIMITED

LEGAL AND ADMINISTRATION

YEAR ENDED 31 DECEMBER 2021

Registered Name of charity	Local Information Unit Limited
Other names used by the charity	LGiU
Trustees	Cllr Abdul Jabbar Cllr Alexander Hollingsworth Cllr Brian Robinson Cllr Jayne McCoy Cllr Michael Payne (Chair) Mike Short Cllr Neil Nerva Cllr Sam Chapman-Allen Cllr Tudor Evans Cllr Amanda Jayne Hopgood Cllr Elizabeth Pendrill Raphael Leffman Cllr Linda Joy Taylor
Chief Executive & Company Secretary	J Carr-West
Registered office	251 Pentonville Road London N1 9NG
Company Registration Number	01872218 (England and Wales)
Charity Registration Number	1113495
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	National Westminster Bank PLC 23 Brunswick Place Southampton SO15 2AQ

LOCAL INFORMATION UNIT LIMITED

LEGAL AND ADMINISTRATION (continued)

YEAR ENDED 31 DECEMBER 2021

Subsidiary undertakings:

LGiU International Ltd

Directors

J Carr-West
A Johnston

Company Registered Number

07132669 (England and Wales)

Local Energy Limited

Directors

A Johnston
J Carr-West

Company Registration number

07092950 (England and Wales)

LGiU Enterprises Limited

Directors

A Johnston
J Carr-West

Company Registration number

07073661 (England and Wales)

LGiU Ireland Limited

Directors

A Johnston
J Carr-West

Company Registration number

597961 (Ireland)

Objectives and activities

Introduction

The Local Government Information Unit (LGIU) is a membership organisation and think tank. The object of the organisation is the promotion for the public good of efficient public administration of local government by the provision of information, advice, research and training and the publication of research.

LGIU operates internationally through LGiU International, a wholly owned trading subsidiary.

Public benefit

The LGiU must be able to demonstrate that its aims and activities are for the public benefit. The Trustees have reviewed the guidance issued by the Charity Commission and have prepared this report with the guidance in mind.

Mission

We are a not-for-profit membership organisation and think tank. We work for local authorities and with local authorities helping them to serve their communities more effectively. We give councillors and councils officers the information they need to do their jobs today, the ideas they need to improve for the future and the networks they need to learn and to share.

As LGiU becomes increasingly international in focus, our aim is to be the preeminent global hub for the best information, ideas and insight about local government and local democracy and to create a global network of local authorities, public servants and politicians supporting each other to strengthen local democracy, improve public services and meet the complex challenges of the 21st century

Activities, specific objectives and relevant policies

- Activities and specific objectives

To fulfil our charitable mission we support innovation in local government working with our members and others to provide:

- We provide the unrivalled intelligence and support that officers and councillors need every day.
- We work with our members and other stakeholders to drive forward the ideas and solutions needed to provide sustainable public services in the future.
- And we deliver the commentary that makes the value of local government clear to all.

We are a critical friend to councils but we are unwavering in our advocacy of local government as the foundation of the places we live and work.

- Volunteers

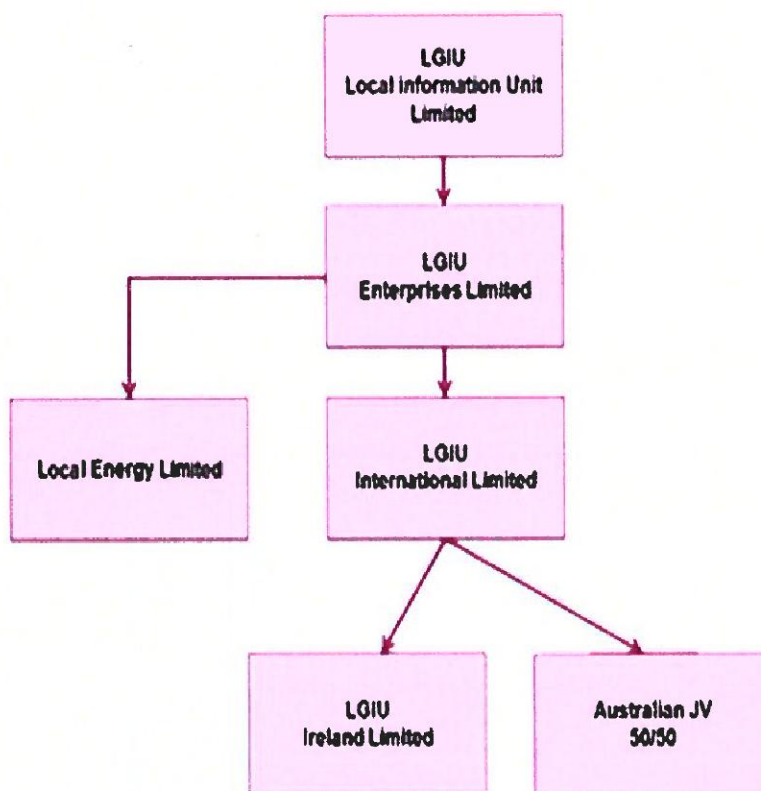
Generally the LGiU does not use volunteers: internships are occasionally provided to people seeking work experience, and are paid at the London living wage.

The LGiU group

Since 2015 the LGiU has been expanding its international operations with the launch of LGiU Scotland, LGiU Ireland and LGiU Australia.

We believe that if local government is at its best when it is informed, engaged and networked, then all our members will gain value from global perspectives, lessons and relationships.

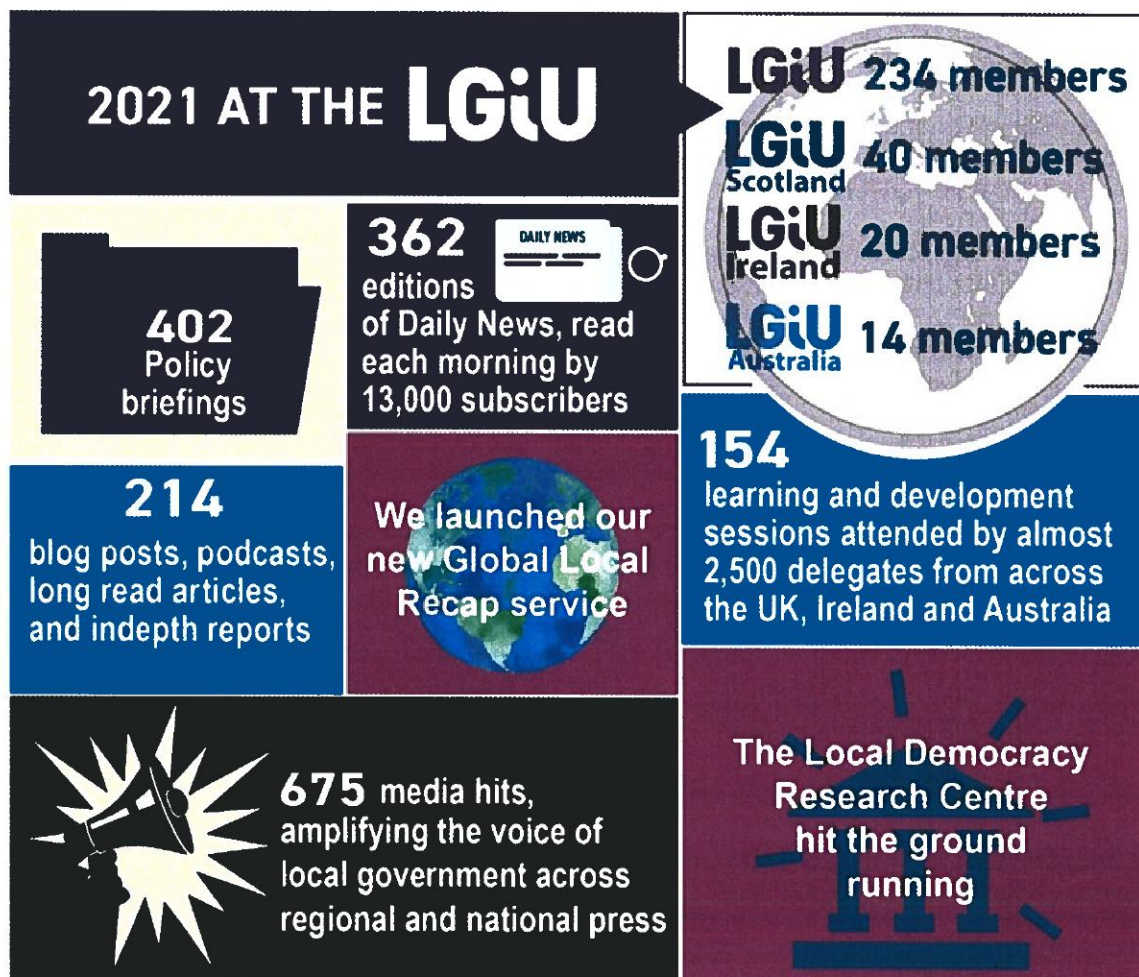
These international operations are trading subsidiaries wholly owned by LGiU.



LGiU Enterprises and LGiU International have boards which report to the main LGiU Board. The relationship between subsidiaries is set out in a Resource Sharing Agreement and governed by a conflict of interests policy.

These arrangements are regularly reviewed by our legal advisors Bates Wells. LGiU International and LGiU Ireland are audited separately.

Achievements and performance



LGIU in 2021

For LGIU, as for everyone else, 2021 was dominated by the ongoing pandemic.

There were further lock downs and while we made a tentative return to the office in the autumn and managed to have a couple of in person whole team get togethers, the reality was that we spent most of the year working remotely.

We are fortunate that none of our team have been seriously ill. However, we take seriously the stress caused by the pandemic, the disruptions to working life caused by caring responsibilities and home schooling and the potential for isolation arising from home working.

We invested in an additional employee support package, we have twice weekly staff meetings and regular online social gatherings.

As we move into 2022 we will be doing more in person work, but our ongoing policy, will be to continue to offer staff flexibility and allow them to choose their work location.

We continued to ensure that our policy briefings helped our local government members stay informed through the pandemic while not neglecting other crucial areas of local government policy.

As well as 400 policy briefings, we produced 62 new publications (Publications, Reports, Long-reads, Bundles, Guides/Primers) in 2021 including Free, fair and safe elections survey analysis, Post Covid Councils analysis, Ones to watch, A New Settlement for Place and On the Level. This compares to 34 publications produced in 2020.

Our online training and development programme for councillors continues to thrive with 154 sessions attended by nearly 2,500 delegates from across the UK, Ireland and Australia.

Meanwhile registrations on our website continue to grow, up 6000 on 2020.

Key developments in 2021 included the Local Democracy Research Centre developing its programme with papers on devolution, levelling up and health inequalities. We were also delighted to launch our first PhD programme in partnership with Shetland Islands, Orkney Islands and Western Isles (Comhairle nan Eilean Siar) councils and the University of the Highlands and Islands (UHI), focussed on identifying how Scottish Government's Islands Plan can benefit island communities.

LGIU Australia has managed small but steady growth despite travel restrictions imposed by the pandemic and we look forward to working on the ground in 2022.

Building on the success of our pandemic bulletin, in August 2021 we launched Our new Global Local newsletter to highlight innovation and local inspiration. Each week we address a different theme that local governments are grappling with around the world – from urban heat to rural transport, from designing child-friendly spaces to supporting people with dementia and their families. Global Local Recap is designed to stimulate, inspire and create a space for shared solutions.

In this initial phase Global Local Recap is a free weekly newsletter but our aspiration is to build it up to a publication free to LGIU members but available on subscription to individuals who do not have access to corporate LGIU

Membership has remained steady and we're ending 2021 with a membership income of £1,556,573 across all of our territories, and we're entering 2022 with a projected membership income of £1,641,537, an increase of £84,964.

We also commissioned substantial research on member satisfaction in 2020. This was generally encouraging but highlighted that while our outputs are very highly regarded, there is room for improvement in raising awareness amongst members that these benefits derive from their council's corporate membership of LGIU.

These insights will form the basis of our member engagement work for 2021.

Finally we were delighted to welcome the return of real people to the Cllr Awards in November running for the first time as a hybrid event with participants in the room and online for ceremonies in Scotland and in England.

This work has been reflected in positive media coverage with national coverage in The FT, The Observer, and BBC as well as extensive regional coverage on local radio and in regional papers. 2021 saw 689 media hits compared to 348 in 2020.

Overall, despite the challenging context 2021 was a successful year for LGIU: improved outputs, a strong financial performance and increased engagement with our members.

Financial review

Results for the year

- 2021 was a successful year for LGIU in which we continued to build on the strong financial performance of the previous three years.
- There is a surplus of £147,973 before adjustments for pension costs.
- The total contribution to reserves is £1,816,973, giving total reserves of £(2,531,620)
- LGIU's finances reflect the Board's ambition to create a sustainable financial model for the LGIU. There is now a structural surplus built into the relationship between our two main financial lines – affiliate income and salaries.
- Despite the pandemic LGIU income was largely as budgeted but expenditure was lower because we did not put on fewer in person events and had less travel.
- Levels of reserves now allow us to invest in future growth while still maintaining a robust position to deal with unforeseen fluctuations in income or costs.
- The 2022 budget is an investment budget, drawing down from reserves with a budgeted £68K loss in LGIU whilst the LGIU Group is forecast to end the year with a deficit of £29K
- These figures do not include the results of the FRS17 annual pension fund report.

Reserves policy

The trustees recognise the need to hold reserves to protect against unforeseen fluctuations in income, assist long term-strategic planning, and to provide a fund to deal with costs arising should the organisation cease to trade.

General funds of the group at 31 December 2021 were £820,380 (2020 - £672,407) and the pension reserve deficit was £3,352,000 (2020 - £5,021,000)

The pension is a defined benefit scheme and we are part of a pool within the Camden Council LGPS. Such schemes typically show large deficits but the pension deficit is not taken into account against reserves, and is dealt with from future budgets. LGIU budgets are, and have always been, prepared on this basis. The level of contribution that LGIU makes to the pension fund is set every three years. We are currently coming to the end of one of these periods and we have retained enough space in the budget to be able to increase the contribution in future if necessary. The trustees are satisfied that we will be able to meet future commitments.

The 2021 reserves represent approximately 23 weeks' expenditure.

In 2022 we are budgeting a deficit of £68K for LGIU, surplus of £39K for LGIU International with a combined group deficit of £29K.

This includes investment in the website, marketing and communications, research, development of LGIU Australia and Global Local.

Investment policy

Any surplus cash is held in either our deposit account, or in short term bonds specifically designed for charities who want to retain liquidity and attract a reasonable rate of return.

Risk management

The most significant risk faced by the LGiU is the loss of income, primarily from the resignation of members. Strategies are in place to retain existing members and to recruit new ones. The Executive Board is regularly updated about these issues, together with actions being taken to ameliorate the risk.

The LGiU believes that there will be further pressure on the finances of local authorities in the uK over the coming years, but that our active engagement with members and the value of our services especially in a fast moving and challenging environment will mitigate the risk of substantial decline in membership income. Expansion into other local government markets around the world also offsets that risk.

The LGiU also faces the organisational risks that would be expected in a small company, such as loss of key staff. Strategies are in place to anticipate and reduce these risks.

We maintain a risk register and this is regularly reviewed by the board.

Governance, structure and management

Governance

The LGiU is a registered charity (Charity Registration Number 1113495) and is constituted as a company limited by guarantee (Company Registration Number 01872218). It is governed by its memorandum and articles of association, which were most recently modified in July 2009. The charity was registered with the Charity Commission in England and Wales on 30 March 2006. The Local Information Unit Limited (which trades as the Local Government Information Unit) was registered as a company limited by guarantee on 17 December 1984 and has been operating since that date.

The trustees of the charity are also directors of the company for the purposes of the Companies Act. Each affiliate of the LGiU nominates a representative to be part of the Members' Assembly, the body which debates the general policy direction of the organisation. The Members' Assembly elects the Executive Board (Board of Directors) from within their ranks. Directors/trustees serve a three year set term before being required to stand for re-election. Where directors/trustees resign or become ineligible, a replacement is sought at the next Members' Assembly meeting to complete that three year term. The memorandum and articles of association specify a minimum number of places on the Board from different types of affiliates, such as District Councils, London Boroughs and Trade Unions etc. This is to ensure balanced representation of the membership.

New trustees are given relevant documentation on their duties and responsibilities, including the Charity Commission publication designed for this purpose. The LGiU has several nominated contacts that trustees can contact if they have any specific queries.

Trustees are offered the opportunity to take part in various training opportunities, and the LGiU is always prepared to buy in specific training as and when necessary.

Structure and management reporting

The day-to-day running of the organisation is delegated to the staff under the leadership of the Chief Executive. The Executive Board meets about six times per year primarily to discuss issues of strategic direction in relation to the running of the organisation. They approve the annual budget before the start of the year and then monitor its progress through regular updates. In addition, the Executive Board has a business and policy planning weekend each September, together with senior staff.

Remuneration

The Board has a Remuneration Committee with a membership of four Board members which has oversight of pay strategy across the organisation and direct responsibility for the Chief Executive's pay and appraisal.

Current membership of the Remuneration Committee is Mike Short, Neil Nerva and Jayne McCoy and two vacancies.

Trustees

The following trustees were in office at 31 December 2021, and served throughout the year, except where shown:

Board elections were held 14th September 2021

Trustees 01 January 2021 - 31st July 2022

Cllr Abdul Jabbar
Cllr Alexander Hollingsworth
Cllr Brian Robinson
Cllr Jayne McCoy
Cllr Michael Payne (Chair)
Mike Short
Cllr Neil Nerva
Cllr Sam Chapman-Allen
Cllr Tudor Evans
Cllr Amanda Jayne Hopgood
Cllr Elizabeth Pendrill Raphael Leffman
Cllr Linda Joy Taylor
Cllr Dale Mordey

appointed 14th September 2021
appointed 14th September 2021
appointed 14th September 2021
resigned 6th May 2021

LGiU Enterprise Board

Andy Johnston
Jonathan Carr-West
Cllr Alex Hollingsworth
Cllr Neil Nerva

LGiU International Board

Andy Johnston
Jonathan Carr-West
Liz Coll, appointed
Lucy Slack, appointed
Hannah Muirhead

appointed 5th January 2022

Plans for the future

While 2021 continued to be a challenging operating environment, a successful year for LGIU provides a platform for further development in 2022.

Our key priorities are to continue to improve our engagement with members, continually demonstrating to them the value of our services and their membership of LGIU, and to expand the scope of LGIU international.

These priorities build towards our strategic goals to be the preeminent global hub for the best information, ideas and insight about local government and local democracy and to create a global network of local authorities, public servants and politicians supporting each other to strengthen local democracy, improve public services and meet the complex challenges of the 21st century.

Specifically in 2022 we will be working towards the following development goals:

- Develop full Global Local Service
- Overhaul marketing, member engagement and account management
- Scope learning packages as part of improving our learning and development offer
- Deliver phase 2 of our website & CRM project
- Australia recruitment: target 40 members

2022 will also be a year of transition as our long serving Chief Operations Officer is retiring at the end of the year.

We appointed Starfish to help us with the search for his successor. We appointed at the end of May to ensure that we have a period of handover.

This will mean a change in line management for those staff currently managed by the COO and we are taking the opportunity to streamline our reporting lines with Heads of Content, Membership, Engagement, Research and International all reporting in to the new COO who is then the sole report for the Chief Executive.

We conducted a staff consultation on these changes which were received positively.

We believe that these changes will help us continue to focus on our core objective of supporting our members to innovate, learn and share in what looks set to be a challenging year for the local government.

Trustees' liability

In the event of the charity being wound up the trustees, are required to contribute an amount not exceeding £1.

Statement of Trustees' responsibilities

The trustees (who are also directors of Local Information Unit Limited for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

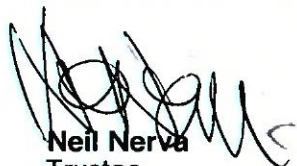
Each of the trustees confirms that:

- ♦ so far as the trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- ♦ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:


Neil Nerva
Trustee
12 July 2022

Opinion

We have audited the financial statements of Local Information Unit Limited for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and related to the financial statements, 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 group's and of the parent charitable company's affairs as at 31 December 2021 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOCAL INFORMATION UNIT LIMITED

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the directors' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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.

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:

Based on our understanding of the parent charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP and Companies Act 2006.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LOCAL INFORMATION UNIT LIMITED**

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management override. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including the defined benefit pension scheme.

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 auditor's report.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: 7 September 2022

10 Queen Street Place
London
EC4R 1AG

LOCAL INFORMATION UNIT LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Total unrestricted funds	
		2021	2020
INCOME AND EXPENDITURE	Notes	£	£
INCOME			
Charitable activities			
Affiliation fees & subscriptions		1,578,644	1,517,103
Consultancy and project income		257,843	216,028
Income from:			
Investment income, bank and other interest		128	1,222
Total income		<u>1,836,615</u>	<u>1,734,353</u>
EXPENDITURE			
Expenditure on charitable activities			
Services to affiliates & subscribers	2	723,932	698,799
Conferences, seminars and training	2	215,894	208,350
Consultancy	2	274,148	265,891
Publications	2	176,895	139,916
Trading activities	2	297,773	251,588
Total expenditure		<u>1,688,642</u>	<u>1,564,544</u>
Net income/ (expenditure) before additional pension costs		147,973	169,809
Service cost and other movements on pension provision	17	<u>(142,000)</u>	<u>(44,000)</u>
Net income/ (expenditure) before other recognised gains and losses		5,973	125,809
Actuarial gains/ (losses) on defined benefit pension scheme	17	<u>1,811,000</u>	<u>(1,745,000)</u>
Net movement in funds		<u>1,816,973</u>	<u>(1,619,191)</u>
Fund balances brought forward at 1 January 2021		<u>(4,348,593)</u>	<u>(2,729,402)</u>
Fund balances carried forward at 31 December 2021		<u><u>(2,531,620)</u></u>	<u><u>(4,348,593)</u></u>

All of the group's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the Statement of Financial Activities.

All comparative figures were also unrestricted and have been presented on the Statement of Financial Activities.

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

GROUP AND CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		2020	
	Notes	Charity £	Group £	Charity £	Group £
Fixed assets					
Tangible assets	8	5,764	5,764	4,777	4,777
Intangible assets	8	48,900	48,900	15,050	15,050
Investments	9	3	-	3	-
		<u>54,667</u>	<u>54,664</u>	<u>19,830</u>	<u>19,827</u>
Current assets					
Debtors due within one year	10	262,972	66,141	230,336	62,455
Short term deposits		492,847	492,847	392,773	392,773
Cash at bank and in hand		416,717	656,114	341,789	543,248
		<u>1,172,536</u>	<u>1,215,102</u>	<u>964,898</u>	<u>998,476</u>
Creditors: amounts falling due within one year	11	<u>(406,823)</u>	<u>(449,386)</u>	<u>(312,321)</u>	<u>(345,896)</u>
Net current assets		<u>765,713</u>	<u>765,716</u>	<u>652,577</u>	<u>652,580</u>
Net assets excluding pension liability		<u>820,380</u>	<u>820,380</u>	<u>672,407</u>	<u>672,407</u>
Pension liability	17	<u>(3,352,000)</u>	<u>(3,352,000)</u>	<u>(5,021,000)</u>	<u>(5,021,000)</u>
Net liabilities including pension liability		<u>(2,531,620)</u>	<u>(2,531,620)</u>	<u>(4,348,593)</u>	<u>(4,348,593)</u>
Represented by:					
Funds and reserves					
Income funds:					
Unrestricted funds					
General funds	14	820,380	780,329	672,407	753,507
Pension reserve	17	<u>(3,352,000)</u>	<u>(3,352,000)</u>	<u>(5,021,000)</u>	<u>(5,021,000)</u>
		<u>(2,531,620)</u>	<u>(2,571,671)</u>	<u>(4,348,593)</u>	<u>(4,267,493)</u>
Non-charitable trading funds	14	-	40,051	-	(81,100)
		<u>(2,531,620)</u>	<u>(2,531,620)</u>	<u>(4,348,593)</u>	<u>(4,348,593)</u>

The parent charity's income for the year was £1,578,644. Net movement in funds before the pension costs was £147,973 Net movement in funds after pensions was £1,816,973

The financial statements were approved and authorised for issue by the Trustees on 12 July 2022 and were signed on their behalf by:



Neil Nerva
Director of Local Information Unit Limited

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021		2020	
	Charity £	Group £	Charity £	Group £
Cashflow from operating activities				
Net income/(expenditure) for the year	1,816,973	1,816,973	(1,619,191)	(1,619,191)
Adjustments for				
Movements on defined benefit pension scheme	(1,669,000)	(1,669,000)	1,789,000	1,789,000
Depreciation of tangible and intangible assets	23,649	23,649	15,103	15,103
Interest received	(128)	(128)	(1,222)	(1,222)
Decrease / (increase) in debtors	(32,637)	(3,686)	22,847	(115,535)
Increase/ (decrease) in creditors	94,506	103,493	(21,076)	(3,089)
Net cash generated from operating activities	233,363	271,301	185,461	295,416
Cashflow from investing activities				
Net purchase of fixed assets	(58,487)	(58,487)	(789)	(789)
Interest received	128	128	1,222	1,222
	(58,359)	(58,359)	433	433
Net increase in cash	175,004	212,943	185,894	295,849
Net cash and cash equivalents at the start of the year	734,562	936,021	548,668	640,172
Net cash and cash equivalents at the end of the year	909,566	1,148,963	734,562	936,021
Cash and cash equivalents consists of:				
Short Term deposits	392,773	392,773	392,773	392,773
Cash at bank and in hand	341,789	543,248	341,789	543,248
Cash and cash equivalents at 31 December	734,562	936,021	734,562	936,021
Change in net debt:				
Debt as at 01 January	734,562	936,021		
Cash flows				
Debt as at 31 December	734,562	936,021		

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Local Information Unit Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements which is to 31st July 2022. In particular the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on membership and other income and considered the impact of the coronavirus pandemic on the LGIU's operations. The majority of the LGIU's income comes from membership income which is fixed from 30 June in the preceding financial year. This allows Trustees to be confident that expenditure budgets are appropriate. The Trustees do not believe that the pension deficit will crystallise in the short term as the scheme is still open and LGIU has active employees in the scheme. In considering going concern the trustees have reviewed cash flows and are confident that the Charity can meet ongoing liabilities, including contributions to the pension scheme. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiaries, Local Energy Limited, LGIU International Ltd, LGIU Enterprises Limited and LGIU Ireland Limited on a line by line basis. A separate statement of financial activities is not prepared by the charity itself following the exemption afforded by section 408 of the Companies Act 2006.

Income

Income is recognised in the period in which the charity and the group are entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity and the group has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Financial Instruments

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

1. ACCOUNTING POLICIES (continued)

Expenditure and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred. Expenditure which can be allocated directly to the charity and the group's charitable activities are charged against the applicable activity. All other costs are treated as support costs and are allocated to activities on the basis of staff time spent on those activities.

Expenditure comprises the following:

The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:

- Staff costs
- Premises costs
- Office costs
- Other costs

Tangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|--|---------------------------------------|
| • Furniture and general office equipment | Over 6 years on a straight line basis |
| • Computer equipment and website | Over 3 years on a straight line basis |

Intangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Intangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|-----------|---------------------------------------|
| • Website | Over 3 years on a straight line basis |
|-----------|---------------------------------------|

Fixed asset investments

The investments in the subsidiary undertakings, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited, are stated at cost.

Fund accounting

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Defined benefit pension scheme

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increases in the present value of the liabilities within the charity's defined benefit scheme expected to arise from employee service in the period are charged to the statement of financial activities.

The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in the statement of financial activities. Actuarial gains and losses are recognised in the statement of financial activities as other recognised gains and losses for the period. Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet.

1. ACCOUNTING POLICIES (continued)

Pension costs

Defined benefit pension scheme

Local Information Unit Limited has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet as advised by an independent actuarial adviser. The assumptions reflect historical experience and current trends.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Useful economic lives - The annual depreciation charge for property, plant and equipment and intangible assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Functional currency and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

1. ACCOUNTING POLICIES (continued)**Transactions and balances**

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise. However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to profit or loss.

Translation of group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of group companies are recognised in other comprehensive income and are not reclassified to profit or loss.

2. COST OF ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	Services to affiliates £	Conferenc e seminars & training £	Consultancy £	Publications £	Trading Activities £	2021 Total funds £
Staff costs	429,880	137,367	122,904	119,061	5,650	814,862
Other direct costs	39,720	-	82,980	-	71,902	194,602
Allocation of support costs (note 3)	254,332	78,527	68,264	57,834	220,221	679,178
	<u>723,932</u>	<u>215,894</u>	<u>274,148</u>	<u>176,895</u>	<u>297,773</u>	<u>1,688,642</u>
	Services to affiliates £	Conferenc e seminars & training £	Consultancy £	Publications £	Trading Activities £	2020 Total funds £
Staff costs	451,863	142,976	127,358	102,319	6,113	830,629
Other direct costs	31,104	-	83,298	-	83,984	198,386
Allocation of support costs (note 3)	215,832	65,374	55,235	37,597	161,491	535,529
	<u>698,799</u>	<u>208,350</u>	<u>265,891</u>	<u>139,916</u>	<u>251,588</u>	<u>1,564,544</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

3. SUPPORT COSTS

The support costs and the basis of their allocation were as follows:

		2021 £	2020 £
Governance costs	Basis of appointment		
Auditor's remuneration – statutory audit	Staff time	17,050	16,550
Other governance costs	Staff time	5,388	5,614
		<u>22,438</u>	<u>22,164</u>
 Other support costs	 Basis of appointment		
Staff costs	Time spent	101,786	113,179
Premises costs	Staff time	107,330	90,157
Office costs	Staff time	265,724	214,901
Other costs	Staff time	181,901	95,130
		<u>656,741</u>	<u>513,367</u>
 Total		<u><u>679,179</u></u>	<u><u>535,531</u></u>

4. NET INCOME

	Total Funds 2021 £	Total Funds 2020 £
This is stated after charging:		
Staff costs (note 5)	916,649	943,807
Auditors' remuneration - statutory audit services	17,150	16,550
Depreciation	23,649	15,103
Operating lease rentals	<u>41,022</u>	<u>41,022</u>

LOCAL INFORMATION UNIT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 DECEMBER 2021****5. EMPLOYEES AND STAFF COSTS**

	2021	2020
	£	£
Staff costs during the year were as follows:		
Wages and salaries	662,685	662,392
Social security costs	68,806	71,594
Other pension costs	181,854	206,504
Other	3,304	3,317
	<u>916,649</u>	<u>943,807</u>

In addition, consultants were used during the year at a cost of £55,828 (2020: £51,427).

The average monthly headcount of persons employed by the LGiU during the year were:

	2021	2020
	Number	Number
Charitable activities	17	14
Support	2	2
	<u>19</u>	<u>16</u>

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2021	2020
	Number	Number
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	-
£120,001 - £130,000	1	1
	<u>2</u>	<u>2</u>

The total employee benefits including pension contributions of the key management personnel were £295,544 (2020: £313,962). The Key Management Personnel are defined as the Leadership team which is made up of 2 people consisting of the chief executive and chief operating officer.

6. TRUSTEES' REMUNERATION

An honorarium was paid to the Chair of Trustees of £8,742 (2020 - £8,760). None of the other trustees received any remuneration in respect of their services during the year (2020 - £nil).

During the year expenses amounting to £nil (2020 - £nil) were reimbursed to 0 trustees (2020 - £nil).

The cost of refreshments at Trustee meetings and the accommodation costs for the overnight Executive Board business planning meeting are met directly by the LGiU. In 2021 this amounted to £nil (2019 - £127).

The trustees of the charity are members of local councils which pay membership subscriptions to LGiU. Membership fees to these organisations are charged on an arm's length basis.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

7. TAXATION

Local Information Unit Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Any taxable profits generated by the subsidiary companies will be donated to the parent charity.

8. FIXED ASSETS

Total Fixed Assets

	2021	2020
	£	£
Tangible Fixed Assets (a)	5,764	4,777
Intangible Fixed Assets (b)	48,900	15,050
	<u>54,664</u>	<u>19,827</u>

a) Tangible Fixed Assets

	Fixtures and Fittings £	Computers £	Total £
Charity and Group			
Cost or valuation			
At 1 January 2021	4,177	43,564	46,741
Additions	-	5,829	5,829
At 31 December 2021	<u>4,177</u>	<u>49,393</u>	<u>53,570</u>
Depreciation			
At 1 January 2021	4,177	38,787	42,964
Charge for the year	-	4,842	4,842
At 31 December 2021	<u>4,177</u>	<u>43,629</u>	<u>47,806</u>
Net book values			
At 31 December 2021	<u>-</u>	<u>5,764</u>	<u>5,764</u>
			=
At 31 December 2020	<u>-</u>	<u>4,777</u>	<u>4,777</u>
			=

8. FIXED ASSETS (continued)**b) Intangible Fixed Assets**

	Website £	Total £
Charity and Group		
Cost or valuation		
At 1 January 2021	31,800	31,800
Additions	52,657	52,657
	<u>84,457</u>	<u>84,457</u>
At 31 December 2021		
Depreciation		
At 1 January 2021	16,750	16,750
Charge for the year	18,807	18,807
	<u>35,557</u>	<u>35,557</u>
At 31 December 2021		
Net book values		
At 31 December 2021	<u>48,900</u>	<u>48,900</u>
At 31 December 2020	<u>15,050</u>	<u>15,050</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

9. Investments

Charity	Shares in subsidiary companies £	Total £
Cost at 1 January 2021 & 31 December 2021	3	3

Local Information Unit Limited owns the entire called up share capital of LGiU Enterprises Limited, a company registered in England and Wales, which has been dormant since incorporation.

LGiU Enterprises Limited was dormant during the year and owns the entire called up share capital of Local Energy Limited and LGiU International Ltd, which are trading companies registered in England and Wales. In addition LGiU International Ltd is the parent of LGiU Ireland Limited a company registered in Ireland.

The Company Registration Numbers and incorporation dates of the subsidiary companies are given below:

	Company Registration number	Date of incorporation
LGiU Enterprises Limited	7073661	12 November 2009
Local Energy Limited	7092950	2 December 2009
LGiU International Ltd	7132669	21 January 2010
LGiU Ireland Limited	Ireland (597961)	8 February 2018

A summary of the trading results of the group's trading subsidiaries for the year ended 31 December 2021 are given below. Any taxable profits generated by the subsidiaries will be Gift-Aided to the parent charity.

	2021 £	2020 £
Local Energy Limited		
Profit & loss Account		
Turnover	5,000	-
Cost of sales	(2,869)	(2,061)
	<u>2,131</u>	<u>(2,061)</u>
Operating loss before Gift Aid		
Gift Aid	-	-
	<u>2,131</u>	<u>(2,061)</u>
Loss for the financial year		
	<u>2,131</u>	<u>(2,061)</u>
Balance Sheet		
Current assets	-	722
Current liabilities	(114,432)	(117,285)
	<u>(114,432)</u>	<u>(116,563)</u>
Net Liabilities		
	<u>(114,432)</u>	<u>(116,563)</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

9. INVESTMENTS (continued)

	2021 £	2020 £
LGiU International Ltd		
Profit & Loss Account		
Turnover	741,443	622,190
Cost of sales	(638,076)	(583,371)
	<u>103,367</u>	<u>38,819</u>
Operating profit/(loss)		
Gift Aid	-	-
	<u>(6,500)</u>	<u>-</u>
Corporation Tax payable		
	<u>96,867</u>	<u>38,819</u>
Profit/(loss) for the financial year		
	<u>96,867</u>	<u>38,819</u>
Balance Sheet		
Current assets	114,734	61,210
Current liabilities	(80,592)	(27,068)
	<u>131,009</u>	<u>34,142</u>
Net Liabilities		
	<u>131,009</u>	<u>34,142</u>

	£	£
LGiU International Ltd		
Statement of income and retained earnings		
Total equity brought forward	34,142	(4,677)
Total comprehensive income for the year	96,867	38,819
Gift aid distribution to parent charity	-	-
	<u>131,009</u>	<u>34,142</u>
Total equity carried forward		
	<u>131,009</u>	<u>34,142</u>

	2021 £	2020 £
LGiU Ireland Limited		
Profit & Loss Account		
Turnover	50,737	41,883
Cost of sales	(42,260)	(41,883)
	<u>8,477</u>	<u>-</u>
Operating profit		
Gift Aid	-	-
	<u>8,477</u>	<u>-</u>
Profit for the financial year		
	<u>8,477</u>	<u>-</u>
Balance Sheet		
Current assets	194,092	148,534
Current liabilities	(185,618)	(148,534)
	<u>8,474</u>	<u>-</u>
Net Assets		
	<u>8,474</u>	<u>-</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

9. INVESTMENTS (continued)

As at 31 December 2021, the capital and reserves for each company was as follows:

	Issued share capital	Retained profit/(losses)	Total
LGiU Enterprises Limited	1	-	1
Local Energy Limited	1	(114,432)	(114,431)
LGiU International Ltd	1	131,009	131,010
LGiU Ireland Limited	1	8,474	8,475

10. DEBTORS: due within one year

	2021		2020	
	Charity £	Group £	Charity £	Group £
Trade debtors	38,778	40,921	25,052	28,545
Amounts due from subsidiary undertakings	201,075	-	173,049	-
Prepayments and accrued income	17,540	17,540	23,240	23,240
VAT	5,579	7,680	8,995	10,670
	<u>262,972</u>	<u>66,141</u>	<u>230,336</u>	<u>62,455</u>

11. CREDITORS: amounts falling due within one year

	2021		2020	
	Charity £	Group £	Charity £	Group £
Trade creditors and accruals	284,795	309,400	299,288	315,194
Other creditors	20,062	20,062	419	419
Deferred income (note 12)	101,966	119,924	12,614	30,283
	<u>406,823</u>	<u>449,386</u>	<u>312,321</u>	<u>345,896</u>

12. DEFERRED INCOME

	2021		2020	
	Charity £	Group £	Charity £	Group £
Deferred Income Brought Forward	12,614	30,283	12,233	20,031
Deferred in the year	101,966	119,924	12,614	30,283
Released in the year	(12,614)	(30,283)	(12,233)	(20,031)
Deferred Income Carried Forward	<u>101,966</u>	<u>119,924</u>	<u>12,614</u>	<u>30,283</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	General funds and non-Charitable trading funds £	Pension Reserve £	2021 Total £
Fund balances at 31 December 2021 are represented by:			
Fixed assets	54,664	-	54,664
Current assets	1,215,102	-	1,215,102
Creditors: amounts falling due within one year	(449,386)	-	(449,386)
Net pension liability	-	(3,352,000)	(3,352,000)
Total net assets	820,380	(3,352,000)	(2,531,620)

Group	General funds and non-Charitable trading funds £	Pension reserve £	2020 Total £
Fund balances at 31 December 2020 are represented by:			
Fixed assets	19,827	-	19,827
Current assets	998,476	-	998,476
Creditors: amounts falling due within one year	(345,896)	-	(345,896)
Net pension liability	-	(5,021,000)	(5,021,000)
Total net assets	672,407	(5,021,000)	(4,348,593)

14. MOVEMENT IN FUNDS**2021**

	B/Fwd £	Income £	Expenditure £	Actuarial Gains £	C/Fwd £
General Funds	753,507	1,836,615	(1,809,793)	-	780,329
Pension Reserve	(5,021,000)	-	(142,000)	1,811,000	(3,352,000)
Total net (liabilities) (charity)	(4,267,493)	1,836,615	(1,951,793)	1,811,000	(2,571,671)
Non-charitable trading funds	(81,100)	-	121,151	-	40,051
Total net (liabilities) group)	(4,348,593)	1,836,615	(1,830,642)	1,811,000	(2,531,620)

LOCAL INFORMATION UNIT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 DECEMBER 2021****14. MOVEMENT IN FUNDS (continued)****2020**

	B/Fwd	Income	Expenditure	Actuarial	C/Fwd
	£	£	£	Gains	£
				£	
General Funds	620,456	1,734,353	(1,601,302)	-	753,507
Pension Reserve	(3,232,000)	-	(44,000)	(1,745,000)	(5,021,000)
Total net assets (charity)	(2,611,544)	1,734,353	(1,645,302)	(1,745,000)	(4,267,493)
Non-charitable trading funds	(117,858)	-	36,758	-	(81,100)
Total net assets (group)	(2729,402)	1,734,353	(1,608,544)	(1,745,000)	(4,348,593)

15. FINANCIAL COMMITMENTS**Operating leases**

The group had commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2021	2020
	£	£
Charity and Group		
Amounts due:		
Less than one year	57,250	57,250
Within two to five years	14,313	71,563
	<u>71,563</u>	<u>128,813</u>

16. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

17. PENSION COMMITMENTS

The charity is one of several employing bodies included within the Camden Local Government Pension Scheme (Camden LGPS). The Camden LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

A full actuarial valuation of the scheme took place in 2010. The results of the valuation have been made available to the employers and show a smaller increase in future employer contribution rates than previously expected.

The following information is based upon a full actuarial valuation of the fund at 31 March 200, updated to 31 December 2021 by a qualified independent actuary.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

17. PENSION COMMITMENTS (continued)

	2021 %	2020 %	2019 %
The major assumptions used by the actuaries were:			
Rate of increase in salary	3.4	1.6	2.6
Rate of increase in pensions in payment	2.9	2.5	2.2
Discount rate	1.9	1.3	2.0
Inflation assumption	2.5	2.5	2.4

Following the Chancellor's budget statement in June 2010, the measure of inflation used by the actuary changed from the Retail Price Index (RPI) to the Consumer Price Index (CPI).

Literature provided to scheme members specifically linked pension benefit increases to the RPI. The trustees therefore consider the change to CPI to be an augmentation of benefits, rather than a change in actuarial assumptions.

The mortality assumptions used were as follows:

	2021 Years	2020 Years
Longevity at age 65 for current pensioners		
- Men	22.0	21.8
- Women	24.3	23.9
Longevity at age 65 for future pensioners		
- Men	23.4	23.2
- Women	26.1	25.9

The assets of the scheme and the weighted average expected rate of return were:

	Long term rate of return expected 2021 %	Value at 31 December 2021 £'000	Long term rate of return expected 2020 %	Value at 31 December 2020 £'000	Long term rate of return expected 2019 %	Value at 31 December 2019 £'000
Equities	2.7	8,486	2.7	7,852	2.7	7,779
Bonds	2.7	1,061	2.7	1,613	2.7	984
Property	2.7	1,296	2.7	860	2.7	984
Cash	2.7	943	2.7	430	2.7	100
Total market value of assets		11,786		10,442		9,487
Present value of scheme liability		(15,138)		(15,463)		(11,705)
Net pension liability		(3,352)		(5,021)		(2,97)

17. PENSION COMMITMENTS (continued)

None of the fair values of the assets shown above include any of the charity's own financial instruments or any property occupied by, or other assets used by, the charity. The equity investments and bonds which are held in scheme assets as at 31 December 2021 are quoted, and are valued at the current bid price following the adoption of the amendment of FRS102.

The expected long term return on cash is equal to bank base rates. The expected return on bonds is determined by reference to UK long dated gilt and bond yields. The expected rate of return on equities and property have been determined by setting an appropriate risk premium above gilt/bond yields having regard to market conditions

Total expenditure recognised in the Statement of Financial Activities

	2021 £'000	2020 £'000
Current service cost	256	114
Interest cost	201	259
Interest income on plan assets	(135)	(195)
Contributions paid	(180)	(134)
Total expenditure recognised in SOFA	142	44

Net profit / (loss) recognised in the SOFA

	2021 £'000	2020 £'000
Actuarial profit / (loss) on scheme assets and liabilities	1,811	(1,745)

The cumulative amount of actuarial gains and losses recognised in the SOFA to 31 December 2021 is a net loss of £3,352,000 (2020: loss of £3,352,000).

Reconciliation of opening and closing balances of the present value of the charity's share of scheme liabilities

	2021 £'000	2020 £'000
Scheme liabilities at 1 January 2021	13,463	13,079
Current service cost	256	114
Interest cost	201	259
Contributions by scheme participants	45	27
Actuarial (gains) / losses	(499)	2,364
Benefits paid	(328)	(380)
Scheme liabilities at 31 December 2021	13,138	15,463

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

17. PENSION COMMITMENTS (continued)

Reconciliation of opening and closing balances of the present value of the charity's share of scheme assets:

	2021 £'000	2020 £'000
Fair value of scheme assets at 1 January 2021	10,442	9,847
Interest income on plan assets	135	195
Return on assets excluding amounts included in net interest	1,312	619
Contributions by employer	180	134
Contributions by scheme participants	45	27
Benefits paid	(328)	(380)
Fair value of scheme assets at 31 December 2021	11,786	10,442

Contributions

The total contributions made by the employer in the year were £180,000. The level of contribution were reviewed as a result of the triennial valuation of the scheme as at 31 March 2019 and maintained.

The best estimate of contributions to be paid by the employer to the scheme in the next financial year is £113,000.

History of experience gains and losses

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Fair value of assets	10,786	10,442	9,847	8,808	9,453
Present value of scheme liabilities	(15,138)	(15,463)	(13,079)	(11,705)	(12,485)
Deficit in scheme	(3,352)	(5,021)	(3,232)	(2,897)	(3,032)
Experience adjustment on scheme assets	-	-	-	-	-
Experience adjustment on scheme liabilities	-	-	-	-	-

LOCAL INFORMATION UNIT LIMITED

England & Wales - Charity number 1113495

Accounts

LOCAL INFORMATION UNIT LIMITED
(Company limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

Registration Number: 1872218 (England and Wales)
Charity Registration Number: 1113495

LOCAL INFORMATION UNIT LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

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Consolidated cash flow statement	17
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LOCAL INFORMATION UNIT LIMITED**LEGAL AND ADMINISTRATION****YEAR ENDED 31 DECEMBER 2020**

Registered Name of charity Local Information Unit Limited

Other names used by the charity LGiU

Trustees

Cllr Abdul Jabbar
Cllr Alexander Hollingsworth
Cllr Brian Robinson
Cllr Jayne McCoy
Cllr Michael Mordey
Cllr Michael Payne (Chair)
Mike Short
Cllr Laura Mayes
Cllr Neil Nerva
Cllr Sam Chapman-Allen
Cllr Tudor Evans

Chief Executive & Company Secretary J Carr-West

Registered office 251 Pentonville Road
London
N1 9NG

Company Registration Number 01872218 (England and Wales)

Charity Registration Number 1113495

Auditor Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers National Westminster Bank PLC
23 Brunswick Place
Southampton
SO15 2AQ

LOCAL INFORMATION UNIT LIMITED

LEGAL AND ADMINISTRATION (continued)

YEAR ENDED 31 DECEMBER 2020

Subsidiary undertakings:

LGiU International Ltd

Directors

J Carr-West
A Johnston

Company Registered Number

07132669 (England and Wales)

Local Energy Limited

Directors

A Johnston
J Carr-West

Company Registration number

07092950 (England and Wales)

LGiU Enterprises Limited

Directors

A Johnston
J Carr-West

Company Registration number

07073661 (England and Wales)

LGiU Ireland Limited

Directors

A Johnston
J Carr-West

Company Registration number

597961 (Ireland)

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

The trustees present their statutory report together with the consolidated financial statements of the Local Information Unit Limited and its subsidiaries for the year ended 31 December 2020.

The report has been prepared in accordance with Part VI of the Charities Act 2011 and is also the directors' report for the purposes of company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 19 to 21 therein and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice (SORP 2015) (Second Edition, effective 1 January 2019).

The financial statements include the results of the two social enterprise trading subsidiaries, Local Energy Limited and LGiU International Limited, both commenced trading in 2010 and undertake consultancy assignments. LGiU Ireland is included as a trading subsidiary of LGiU International, which commenced trading in 2018. In addition, there is a dormant intermediary holding company LGiU Enterprises Limited.

Introduction

The Local Government Information Unit (LGiU) is a membership organisation and think tank. The object of the organisation is the promotion for the public good of efficient public administration of local government by the provision of information, advice, research and training and the publication of research.

LGiU operates internationally through LGiU International, a wholly owned trading subsidiary.

Public benefit

The LGiU must be able to demonstrate that its aims and activities are for the public benefit. The Trustees have reviewed the guidance issued by the Charity Commission and have prepared this report with the guidance in mind.

Mission/Vision

We are a not-for-profit membership organisation and think tank. We work for local authorities and with local authorities helping them to serve their communities more effectively. We give councillors and councils officers the information they need to do their jobs today, the ideas they need to improve for the future and the networks they need to learn and to share.

As LGiU becomes increasingly international in focus, our aim is to be the preeminent global hub for the best information, ideas and insight about local government and local democracy and to create a global network of local authorities, public servants and politicians supporting each other to strengthen local democracy, improve public services and meet the complex challenges of the 21st century

Activities, specific objectives and relevant policies

◆ **Activities and specific objectives**

To fulfil our charitable mission, we support innovation in local government working with our members and others to provide:

- ◆ the **information** they need to be effective: including policy briefings and wider services such as seminars, conferences, publications, consultancy and learning and development;
- ◆ the **innovation** they need to do things differently: including research and thought leadership and developing and sharing good practice.
- ◆ the **influence** they need to put new thinking into practice: through our policy making, media and public affairs activity, we make the case for policy change that gives councils and their partners the freedom to make local decisions, shape local services, and be responsive to local citizens.

◆ **Volunteers**

Generally, the LGiU does not use volunteers. Internships are occasionally provided to people seeking work experience and are paid at the London living wage.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

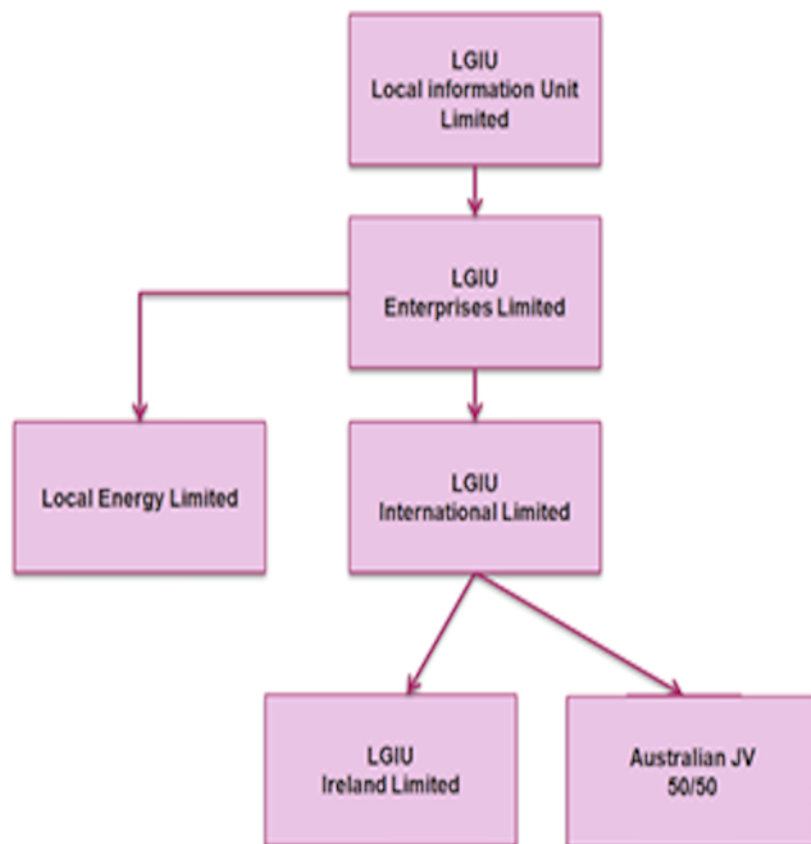
YEAR ENDED 31 DECEMBER 2020

The LGiU Group

Since 2015 the LGIU has been expanding its international operations with the launch of LGIU Scotland, LGIU Ireland and LGIU Australia.

We believe that if local government is at its best when it is informed, engaged and networked, then all our members will gain value from global perspectives, lessons and relationships.

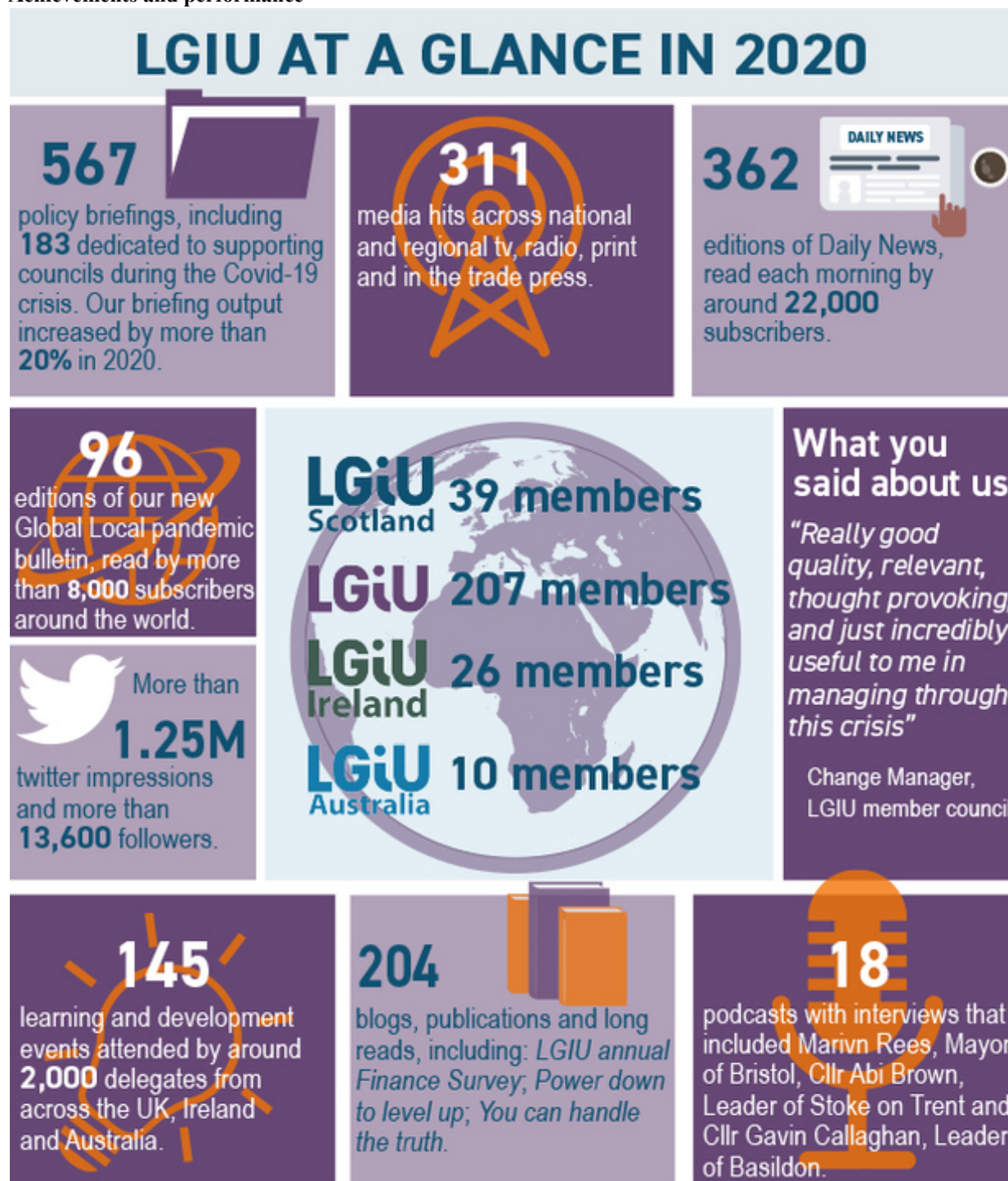
These international operations are trading subsidiaries wholly owned by LGIU.



LGiU Enterprises and LGIU International have boards which report to the main LGIU Board. The relationship between subsidiaries is set out in a Resource Sharing Agreement and governed by a conflict of interests policy.

These arrangements are regularly reviewed by our legal advisors Bates Wells. LGIU International and LGIU Ireland are audited separately.

Achievements and performance



LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

LGIU in 2020

2020 was an unprecedentedly challenging year for everyone, not least local government.

At LGIU we were fortunate in that we were already set up for home working, already had a dispersed team, deliver most of our services online and invoice most of our income at the beginning of the year.

This gave us a good degree of resilience and flexibility in relation to the pandemic and there was minimal impact on business continuity except in relation to learning and development and other events such as Cllr awards which we repurposed to be online only.

The mental and physical well being of staff has been our top-priority. We closed the office in March ahead of government guidance and we are still working at home.

We are fortunate that while three members of staff have had mild cases of Covid-19, no one has been seriously ill. To combat the potential stress and isolation of prolonged home working we introduced a new employee wellness support service and have ensured regular formal and social contact with all employees. We also operate a policy of complete flexibility to allow staff to manage caring and homeschooling responsibilities.

We will be starting a cautious return to the office for staff who wish to in summer 2021.

Overall, despite the challenges, 2020 was a successful year for LGIU, we increased our productivity and our output and our impact.

Covid-19 has dominated the year and our briefing service has responded, providing information and analysis crucial to understanding and responding to the effects of the pandemic on individuals and communities. Our briefing output increased by 20% on last year and we carried on delivering briefings on the full range of issues – from Brexit, to finance, to education – that still confront local government in the midst of the global health crisis.

We expanded the number and scope of the international briefings that we now offer members, bringing them global learning on Covid-19, sustainability and more from Australia, South Africa, Europe and elsewhere.

Other significant developments in 2020 included the launch of LGIU Australia in February. Progress has been slower than hoped because of the pandemic and internal travel restriction but the service has nonetheless established itself and had 12 members by the end of the year (income c AUD 50K).

We also launched the LGIU's new Local Democracy Research which Centre brings together experts from local government and academia to do practical research on some of the key challenges for local democracy around the World.

Through the Local Democracy Research Centre, we are developing a broad, international programme that engages universities and local authorities to develop new ideas and approaches for governance, municipalism and citizen participation. The projects are rooted in practice but draw on insights and ideas from academia.

Membership numbers held fairly steady in 2020, despite a challenging financial environment within local government. At the end of December 2021, we had 284 paying members, up by 13 since the start of the year; this includes 187 governance members in England (i.e. local authorities and trade unions). Growth was mainly driven by new members in Australia, as well as three new members in England and one in Ireland. A major project this year has been to improve the quality of our membership data, by pulling together information from financial records, email correspondence, the CRM and content readership, which has given us a much clearer picture of our performance and key risk/opportunity areas. Relationship managers can now see more clearly what is happening in their region and know what actions they need to take, which sets us up well for 2021's recruitment and retention plans.

Across England, Scotland, Ireland and Australia, one of our first Covid-19 briefings on information and commentary was extremely popular, achieving an almost 50% open rate and over 2,000-page views, making it the most-viewed briefing of the year. In England, the other top briefings were on the 2020 Budget and key updates for local government on Covid-19 (which was also in the top three for Scotland). Also popular in Scotland was a briefing on the Scottish Budget. The most-

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

read Irish briefings included a look at Age Friendly Ireland's response to Covid-19 and spatial and economic strategies in the eastern and middle regions. Finally, for Australia, the top briefings considered recycling and waste management, health and wellbeing integration in urban planning and the Circularity Gap. As far as total briefings produced for 2020, 607 were sent to our members across the globe – this compared to 457 in 2019. This included 186 Covid-19 specific briefings and 96 editions of the new Global-Local Pandemic Bulletin.

The website consistently received a high number of views throughout the year, achieving almost half a million-page views. This compares to 359,917-page views for the whole of 2019. The top pages were the home page, English facts & figures page and membership page. The website peaks were on 17th March (corresponding with the publication of our first Covid briefing), 8th September (several new briefings), 14th October (the day the Cllr Awards shortlists were announced) and 25th November (the day of the Spending Review and the day between the English and Scottish Cllr Awards ceremonies).

In 2020, we produced 200 blogs compared to 127 in 2019.

We held 36 events this year – 30 virtual and 6 in-person events (compared to 21 in-person events in 2019 and no virtual events). We participated in 21 speaker platforms (compared to 16 in 2019). Highlights of our speaker platforms included the LGC Summit, the CCA and LGA Labour Conference and giving evidence to the HCLG Select Committee, while LGIU events included the Cllr Awards, virtual leaders 'dinners at the party conferences, a virtual APPG meeting on the long-term funding implications for local authorities post-Covid-19 and a homelessness webinar with Dame Louise Casey.

On the L&D front, we held 145 webinars and in-person seminars (pre-pandemic) which were attended by over 2,000 people, demonstrating the success of moving these seminars online (compared to 102 in 2019).

Media coverage was good this year, although slightly lower due to the local elections being cancelled (572 hits in 2019 and 348 hits in 2020). There was notable coverage of our response to Croydon's Section 114 notice on BBC Radio 4 as well as coverage of our press statement on the Spending Review. We featured in the Telegraph for our response to the provisional local government funding settlement announced in December. Our response to the new coronavirus funding package for local government was picked up by major news sites such as The Guardian, the FT and the BBC and we received significant regional coverage across England and Scotland for the Cllr Awards.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

Financial Review

◆ Results for the year

- ◆ 2020 was a successful year for LGiU in which we continued to build on strong financial performance of the previous two years.
- ◆ A surplus of £170K was achieved before adjustments for pension costs.
- ◆ The LGiU reserves excluding pension liability were £672k at the end of 2020.
- ◆ LGiU's finances reflect the Board's ambition to create a sustainable financial model for the LGiU. There is now a structural surplus built into the relationship between our two main financial lines – affiliate income and salaries.
- ◆ Despite the pandemic, LGiU income was largely as budgeted but expenditure was lower because we did not put on large in person events.
- ◆ 2021 budget anticipates a surplus of approximately £7k in LGiU whilst the LGiU Group as a whole is forecast to generate a slightly larger surplus of approximately £80k.
- ◆ These figures do not include the results of the FRS17 annual pension fund report.

◆ Reserves policy

The trustees recognise the need to hold reserves to protect against unforeseen fluctuations in income, assist long term strategic planning, and to provide a fund to deal with costs arising should the organisation cease to trade.

General funds of the group at 31 December 2020 were £672,407 (2019- £502,598) and the pension reserve deficit was £5,021,000 (2019 - deficit of £3,232,000).

The pension is a defined benefit scheme and we are part of a pool within the Camden Council LGPS. Such schemes typically show large deficits, but the pension deficit is not taken into account against reserves and is dealt with from future budgets. LGiU budgets are, and have always been, prepared on this basis. The level of contribution that LGiU makes to the pension fund is set every three years. We are currently half way through one of the periods and we have retained enough space in the budget to be able to increase the contribution in future if necessary. The trustees are satisfied that we will be able to meet future commitments.

The 2020 reserves represent approximately 12 weeks' expenditure which are adequate but not excessive.

Our strategic aspiration in 2017 was to grow reserves to around £500K by the end of 2020 and we have exceeded this target.

The restructure that we undertook at the end of 2017 means LGiU's expenditure is within the level of membership income which is guaranteed six months before the start of the financial year.

In 2021 we are budgeting a group surplus of c£80k. This includes investment in a new CRM, enhanced audience insight research and development of new global information products, using the strong financial position we have built up to invest in the future while retaining a strong cash reserve.

◆ Investment policy

Any surplus cash is held in either our deposit account, or in short term bonds specifically designed for charities who want to retain liquidity and attract a reasonable rate of return.

◆ Risk management

The most significant risk faced by the LGiU is the loss of income, primarily from the resignation of members. Strategies are in place to retain existing members and to recruit new ones. The Executive Board is regularly updated about these issues, together with actions being taken to ameliorate the risk.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

The LGiU believes that while local government still has substantial reductions in spending to implement, our active member engagement strategy and improvements to services mitigate the risk of substantial decline in membership income. Expansion into other local government markets around the world also offsets that risk.

We have commissioned a new CRM that will enable us to track our engagement with our members even more effectively and to deliver more personalised services. We are also undertaking detailed audience research to generate further customer insight and will be expounding the membership teams in 2021.

The Coronavirus crisis and potential for a prolonged recession presents a series of long-term challenges to local government finance both in the UK and beyond which will make it all the more important that we continue to demonstrate real and practical value to our members across the world.

The LGiU also faces the organisational risks that would be expected in a small company, such as loss of key staff. Strategies are in place to anticipate and reduce these risks and staff movement in 2020 has not led to any significant problems.

Governance, structure and management

◆ **Governance**

The LGiU is a registered charity (Charity Registration Number 1113495) and is constituted as a company limited by guarantee (Company Registration Number 01872218). It is governed by its memorandum and articles of association, which were most recently modified in July 2009. The charity was registered with the Charity Commission in England and Wales on 30 March 2006. The Local Information Unit Limited (which trades as the Local Government Information Unit) was registered as a company limited by guarantee on 17 December 1984 and has been operating since that date.

The trustees of the charity are also directors of the company for the purposes of the Companies Act. Each affiliate of the LGiU nominates a representative to be part of the Members' Assembly, the body which debates the general policy direction of the organisation. The Members' Assembly elects the Executive Board (Board of Directors) from within their ranks. Directors/trustees serve a three year set term before being required to stand for re-election. Where directors/trustees resign or become ineligible, a replacement is sought at the next Members' Assembly meeting to complete that three year term. The memorandum and articles of association specify a minimum number of places on the Board from different types of affiliates, such as District Councils, London Boroughs and Trade Unions etc. This is to ensure balanced representation of the membership.

New trustees are given relevant documentation on their duties and responsibilities, including the Charity Commission publication designed for this purpose. The LGiU has several nominated contacts that trustees can contact if they have any specific queries.

Trustees are offered the opportunity to take part in various training opportunities, and the LGiU is always prepared to buy in specific training as and when necessary.

◆ **Structure and management reporting**

The day-to-day running of the organisation is delegated to the staff under the leadership of the Chief Executive. The Executive Board meets about six times per year primarily to discuss issues of strategic direction in relation to the running of the organisation. They approve the annual budget before the start of the year and then monitor its progress through regular updates. In addition, the Executive Board has a business and policy planning weekend each September, together with senior staff.

◆ **Remuneration**

The Board has a Remuneration Committee with a membership of four Board members which has oversight of pay strategy across the organisation and direct responsibility for the Chief Executive's pay and appraisal.

Current membership of the Remuneration Committee is Michael Payne, Mike Short and two vacancies.

The Remuneration Committee appoints an independent person to accompany the Chair to conduct the annual appraisal for the Chief Executive to ensure the process is open and transparent.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

Plans for the future

LGIU began 2020 in a robust position. Our ambition for 2025 was to become the preeminent global hub for the best information, ideas and insight about local government and local democracy and to create a global network of local authorities, public servants and politicians supporting each other to strengthen local democracy, improve public services and meet the complex challenges of the 21st century.

Obviously, no one anticipated how 2020 would turn out. But events of the past year only make LGIU's mission and ambition more relevant not less.

In 2021 we want to build on the momentum generated by a successful 2020. We begin 2021 with working groups looking at how to further improve performance in CRM, audience insight, content integration, learning and development and new global products.

Our aspirations for the year include:

- five research projects delivered by the new Research Centre
- Launch new Global Local newsletter
- Phase two LGIU Australia, doubling membership
- Launching new contact management system
- Full scoping and business plan for LGiU South Africa
- Growing audience among existing members for retention and non members for recruitment.

Taken together these will improve our ability to support our members as the recovery phase of the pandemic poses critical challenges for the local government sector and will support LGIU to continue as a sustainable and dynamic organisation.

Trustees' liability

In the event of the charity being wound up the trustees, are required to contribute an amount not exceeding £1.

Statement of Trustees' responsibilities

The trustees (who are also directors of Local Information Unit Limited for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

LOCAL INFORMATION UNIT LIMITED

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:



Michael Payne
Trustee

Date: 13 July 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

LOCAL INFORMATION UNIT LIMITED

Opinion

We have audited the financial statements of Local Information Unit Limited for the year ended 31 December 2019 which comprise, the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and related to the financial statements, 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 group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 [group/charitable company]'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 trustees with respect to going concern are described in the relevant sections of this report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

LOCAL INFORMATION UNIT LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the directors' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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.

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:

Based on our understanding of the parent charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to management override, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management override. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including the defined benefit pension scheme.

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 auditor's report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

LOCAL INFORMATION UNIT LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory
Auditors Date: 13 July 2021

10 Queen Street Place
London
EC4R 1AG

LOCAL INFORMATION UNIT LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2020

		Total funds	
		2020	2019
INCOME AND EXPENDITURE	Notes	£	£
INCOME			
Charitable activities			
Affiliation fees & subscriptions		1,517,103	1,499,748
Consultancy and project income		216,028	226,334
Income from:			
Investment income, bank and other interest		1,222	3,873
Total income		<u>1,734,353</u>	<u>1,729,955</u>
EXPENDITURE			
Expenditure on charitable activities			
Services to affiliates & subscribers	2	698,799	765,327
Conferences, seminars and training	2	208,350	220,758
Consultancy	2	265,891	281,377
Publications	2	139,916	151,721
Trading activities	2	251,588	137,543
Total expenditure		<u>1,564,544</u>	<u>1,556,726</u>
Net income/ (expenditure) before additional pension costs		169,809	173,229
Service cost and other movements on pension provision	17	<u>(44,000)</u>	<u>(47,000)</u>
Net income/ (expenditure) before other recognised gains and losses		125,809	126,229
Actuarial gains/ (losses) on defined benefit pension scheme	17	<u>(1,745,000)</u>	<u>(288,000)</u>
Net movement in funds		<u>(1,619,191)</u>	<u>(161,771)</u>
Fund balances brought forward at 1 January 2020		<u>(2,729,402)</u>	<u>(2,567,631)</u>
Fund balances carried forward at 31 December 2020		<u><u>(4,348,593)</u></u>	<u><u>(2,729,402)</u></u>

All of the group's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the Statement of Financial Activities.

All comparative figures were also unrestricted and have been presented on the Statement of Financial Activities.

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

GROUP AND CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019	
	Notes	Charity £	Group £	Charity £	Group £
Fixed assets					
Tangible assets	8	4,777	4,777	8,491	8,491
Intangible assets	8	15,050	15,050	25,650	25,650
Investments	9	3	-	3	-
		<u>19,830</u>	<u>19,827</u>	<u>34,144</u>	<u>34,141</u>
Current assets					
Debtors due within one year	10	230,336	62,455	253,183	177,990
Short term deposits		392,773	392,773	391,745	391,745
Cash at bank and in hand		341,789	543,248	156,923	248,427
		<u>964,898</u>	<u>998,476</u>	<u>801,851</u>	<u>818,162</u>
Creditors: amounts falling due within one year	11	(312,321)	(345,896)	(333,397)	(349,705)
Net current assets		<u>652,577</u>	<u>652,580</u>	<u>468,454</u>	<u>468,457</u>
Net assets excluding pension liability		<u>672,407</u>	<u>672,407</u>	<u>502,598</u>	<u>502,598</u>
Pension liability	17	(5,021,000)	(5,021,000)	(3,232,000)	(3,232,000)
Net liabilities including pension liability		<u>(4,348,593)</u>	<u>(4,348,593)</u>	<u>(2,729,402)</u>	<u>(2,729,402)</u>
Represented by:					
Funds and reserves					
Income funds:					
Unrestricted funds					
General funds	14	672,407	753,507	502,598	620,456
Pension reserve	17	(5,021,000)	(5,021,000)	(3,232,000)	(3,232,000)
		<u>(4,348,593)</u>	<u>(4,267,493)</u>	<u>(2,729,402)</u>	<u>(2,611,544)</u>
Non-charitable trading funds	14	-	(81,100)	-	(117,858)
		<u>(4,348,593)</u>	<u>(4,348,593)</u>	<u>(2,729,402)</u>	<u>(2,729,402)</u>

The parent charity's income for the year was £1,574,669. Net movement in funds before the pension costs was £169,809. Net movement in funds after pensions was £(1,619,191).

The financial statements were approved and authorised for issue by the Trustees on and were signed on their behalf by:



Michael Payne

Director of Local Information Unit Limited

Date: 13 July 2021

LOCAL INFORMATION UNIT LIMITED

COMPANY NUMBER: 01872218

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020		2019	
	Charity £	Group £	Charity £	Group £
Cashflow from operating activities				
Net income/(expenditure) for the year	(1,619,191)	(1,619,191)	(161,771)	(161,771)
Adjustments for				
Movements on defined benefit pension scheme	1,789,000	1,789,000	335,000	335,000
Depreciation of tangible and intangible assets	15,103	15,103	9,600	9,600
Interest received	(1,222)	(1,222)	(3,873)	(3,873)
Decrease / (increase) in debtors	22,847	115,535	(82,336)	(55,082)
(Decrease) in creditors	(21,076)	(3,089)	(110,892)	(108,412)
Net cash generated from operating activities	185,461	295,416	(14,272)	15,462
Cashflow from investing activities				
Net purchase of fixed assets	(789)	(789)	(30,584)	(30,584)
Interest received	1,222	1,222	3,873	3,873
	433	433	(26,711)	(26,711)
Net increase in cash	185,894	295,849	(40,983)	(11,249)
Net cash and cash equivalents at the start of the year	548,668	640,172	589,651	651,421
Net cash and cash equivalents at the end of the year	734,562	936,021	548,668	640,172
Cash and cash equivalents consists of:				
Short Term deposits	392,773	392,773	391,745	391,745
Cash at bank and in hand	341,789	543,248	156,923	248,427
Cash and cash equivalents at 31 December	734,562	936,021	548,668	640,172
Change in net debt:				
Debt as at 01 January	548,668	640,172		
Cash flows	185,894	295,849		
Debt as at 31 December	734,562	936,021		

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Local Information Unit Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements which is to 31st July 2022. In particular the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on membership and other income and considered the impact of the coronavirus pandemic on the LGIU's operations. The majority of the LGIU's income comes from membership income which is fixed from 30 June in the preceding financial year. This allows Trustees to be confident that expenditure budgets are appropriate. The Trustees do not believe that the pension deficit will crystallise in the short term as the scheme is still open and LGIU has active employees in the scheme. In considering going concern the trustees have reviewed cash flows and are confident that the Charity can meet ongoing liabilities, including contributions to the pension scheme. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiaries, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited on a line by line basis. A separate statement of financial activities is not prepared by the charity itself following the exemption afforded by section 408 of the Companies Act 2006.

Income

Income is recognised in the period in which the charity and the group are entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity and the group has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Financial Instruments

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

Expenditure and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred. Expenditure which can be allocated directly to the charity and the group's charitable activities are charged against the applicable activity. All other costs are treated as support costs and are allocated to activities on the basis of staff time spent on those activities.

Expenditure comprises the following:

The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:

- Staff costs
- Premises costs
- Office costs
- Other costs

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|--|---------------------------------------|
| • Furniture and general office equipment | Over 6 years on a straight line basis |
| • Computer equipment and website | Over 3 years on a straight line basis |

Intangible fixed assets

All assets costing more than £500 with an expected useful life exceeding one year are capitalised.

Intangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|-----------|---------------------------------------|
| • Website | Over 3 years on a straight line basis |
|-----------|---------------------------------------|

Fixed asset investments

The investments in the subsidiary undertakings, Local Energy Limited, LGiU International Ltd, LGiU Enterprises Limited and LGiU Ireland Limited, are stated at cost.

Fund accounting

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Pension costs

Defined benefit pension scheme

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increases in the present value of the liabilities within the charity's defined benefit scheme expected to arise from employee service in the period are charged to the statement of financial activities.

The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in the statement of financial activities. Actuarial gains and losses are recognised in the statement of financial activities as other recognised gains and losses for the period. Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet.

Local Information Unit Limited has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet as advised by an independent actuarial adviser. The assumptions reflect historical experience and current trends.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1. ACCOUNTING POLICIES (continued)

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Useful economic lives - The annual depreciation charge for property, plant and equipment and intangible assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Functional currency and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise. However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to profit or loss.

Translation of group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of group companies are recognised in other comprehensive income and are not reclassified to profit or loss.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

2. COST OF ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	Services to affiliates £	Conference seminars & training £	Consultancy £	Publications £	Trading Activities £	2020 Total funds £
Staff costs	451,863	142,976	127,358	102,319	6,113	830,629
Other direct costs	31,104	-	83,298	-	83,984	198,386
Allocation of support costs (note 3)	698,799	65,374	55,235	37,597	161,491	535,529
	<u>698,799</u>	<u>208,350</u>	<u>265,891</u>	<u>139,916</u>	<u>251,588</u>	<u>1,564,544</u>
	<u><u>698,799</u></u>	<u><u>208,350</u></u>	<u><u>265,891</u></u>	<u><u>139,916</u></u>	<u><u>251,588</u></u>	<u><u>1,564,544</u></u>
	Services to affiliates £	Conference seminars & training £	Consultancy £	Publications £	Trading Activities £	2019 Total funds £
Staff costs	424,720	137,250	122,800	100,988	5,642	791,400
Other direct costs	71,308	-	88,731	-	41,111	201,150
Allocation of support costs (note 3)	269,299	83,508	69,846	50,733	90,790	564,176
	<u>765,327</u>	<u>220,758</u>	<u>281,377</u>	<u>151,721</u>	<u>137,543</u>	<u>1,556,726</u>
	<u><u>765,327</u></u>	<u><u>220,758</u></u>	<u><u>281,377</u></u>	<u><u>151,721</u></u>	<u><u>137,543</u></u>	<u><u>1,556,726</u></u>

3. SUPPORT COSTS

The support costs and the basis of their allocation were as follows:

		2020 £	2019 £
Governance costs	Basis of appointment		
Auditor's remuneration – statutory audit	Staff time	16,550	12,285
Other governance costs	Staff time	5,614	10,177
		<u>22,164</u>	<u>22,462</u>
Other support costs	Basis of appointment		
Staff costs	Time spent	113,179	123,083
Premises costs	Staff time	90,157	100,436
Office costs	Staff time	214,989	201,331
Other costs	Staff time	95,130	116,864
		<u>513,365</u>	<u>541,714</u>
Total		<u><u>535,529</u></u>	<u><u>564,176</u></u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

4. NET INCOME

	Total Funds 2020 £	Total Funds 2019 £
This is stated after charging:		
Staff costs (note 5)	943,807	914,482
Auditors remuneration		
- statutory audit services	16,550	12,285
Depreciation	15,103	9,600
Operating lease rentals	41,022	41,022
	<u>943,807</u>	<u>914,482</u>

5. EMPLOYEES AND STAFF COSTS

	2020 £	2019 £
Staff costs during the year were as follows:		
Wages and salaries	662,392	601,525
Social security costs	71,594	65,793
Other pension costs	206,504	244,060
Redundancy costs	-	-
Other	3,317	3,104
	<u>943,807</u>	<u>914,482</u>

In addition, consultants were used during the year at a cost of £51,427 (2019: £85,600).

The average monthly headcount of persons employed by the LGiU during the year were:

	2020 Number	2019 Number
Charitable activities	14	14
Support	2	2
	<u>16</u>	<u>16</u>

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2020 Number	2019 Number
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	-
£120,001 - £130,000	1	1
	<u>2</u>	<u>2</u>

The total employee benefits including pension contributions of the key management personnel were £313,962 (2019: £303,238). The Key Management Personnel are defined as the Leadership team which is made up of 2 people consisting of the chief executive and chief operating officer.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

6. TRUSTEES' REMUNERATION

An honorarium was paid to the Chair of Trustees of £8,742 (2019 - £8,760). None of the other trustees received any remuneration in respect of their services during the year (2019 - £nil).

During the year expenses amounting to £nil (2019 - £44) were reimbursed to 0 trustees (2019 - 1).

The cost of refreshments at Trustee meetings and the accommodation costs for the overnight Executive Board business planning meeting are met directly by the LGiU. In 2020 this amounted to £127 (2019 - £1,428).

The trustees of the charity are members of local councils which pay membership subscriptions to LGIU. Membership fees to these organisations are charged on an arm's length basis.

7. TAXATION

Local Information Unit Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Any taxable profits generated by the subsidiary companies will be donated to the parent charity.

8. FIXED ASSETS

Total Fixed Assets

	2020 £	2019 £
Tangible Fixed Assets (a)	4,777	8,491
Intangible Fixed Assets (b)	15,050	25,650
	<u>19,827</u>	<u>34,141</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

8. FIXED ASSETS (continued)

a) Tangible Fixed Assets

	Fixtures and Fittings £	Computers £	Total £
Charity and Group			
Cost or valuation			
At 1 January 2020	3,997	42,775	46,772
Additions	-	789	789
At 31 December 2020	3,997	43,564	47,561
Depreciation			
At 1 January 2020	3,997	34,284	38,281
Charge for the year	-	4,503	4,503
At 31 December 2020	3,997	38,787	42,784
Net book values			
At 31 December 2020	-	4,777	4,777
At 31 December 2019	-	8,491	8,491

b) Intangible Fixed Assets

	Website £	Total £
Charity and Group		
Cost or valuation		
At 1 January 2020	31,800	31,800
Additions	-	-
At 31 December 2020	31,800	31,800
Depreciation		
At 1 January 2020	6,150	6,150
Charge for the year	10,600	10,600
At 31 December 2020	16,750	16,750
Net book values		
At 31 December 2020	15,050	15,050
At 31 December 2019	25,650	25,650

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

9. Investments

Charity	Shares in subsidiary companies £	Total £
Cost at 1 January 2020 & 31 December 2020	3	3

Local Information Unit Limited owns the entire called up share capital of LGiU Enterprises Limited, a company registered in England and Wales, which has been dormant since incorporation.

LGiU Enterprises Limited was dormant during the year and owns the entire called up share capital of Local Energy Limited and LGiU International Ltd, which are trading companies registered in England and Wales. In addition LGiU International Ltd is the parent of LGiU Ireland Limited a company registered in Ireland.

The Company Registration Numbers and incorporation dates of the subsidiary companies are given below:

	Company Registration number	Date of incorporation
LGiU Enterprises Limited	7073661	12 November 2009
Local Energy Limited	7092950	2 December 2009
LGiU International Ltd	7132669	21 January 2010
LGiU Ireland Limited	Ireland (597961)	8 February 2018

A summary of the trading results of the group's trading subsidiaries for the year ended 31 December 2020 are given below. Any taxable profits generated by the subsidiaries will be Gift-Aided to the parent charity.

	2020 £	2019 £
Local Energy Limited		
Profit & loss Account		
Turnover	-	-
Cost of sales	(2,061)	(4,062)
Operating loss before Gift Aid	(2,061)	(4,062)
Gift Aid	-	-
Loss for the financial year	(2,061)	(4,062)
Balance Sheet		
Current assets	722	927
Current liabilities	(117,285)	(115,429)
Net Liabilities	(116,563)	(114,502)

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

9. INVESTMENTS (continued)

	2020	2019
	£	£
LGiU International Ltd		
Profit & Loss Account		
Turnover	622,190	119,625
Cost of sales	(583,371)	(102,972)
Operating profit/(loss)	38,819	16,653
Gift Aid	-	-
Profit/(loss) for the financial year	38,819	16,653
Balance Sheet		
Current assets	61,210	21,266
Current liabilities	(27,068)	(25,943)
Net Liabilities	34,142	(4,677)

	£	£
LGiU International Ltd		
Statement of income and retained earnings		
Total equity brought forward	(4,677)	(21,330)
Total comprehensive income for the year	38,819	16,653
Gift aid distribution to parent charity	-	-
Total equity carried forward	34,142	(4,676)

	2020	2019
	£	£
LGiU Ireland Limited		
Profit & Loss Account		
Turnover	41,883	28,146
Cost of sales	(41,833)	(28,146)
Operating profit	-	-
Gift Aid	-	-
Profit for the financial year	-	-
Balance Sheet		
Current assets	148,534	93,037
Current liabilities	(148,534)	(93,037)
Net Assets	-	-

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

9. INVESTMENTS (continued)

As at 31 December 2020, the capital and reserves for each company was as follows:

	Issued share capital	Retained profit/(losses)	Total
LGiU Enterprises Limited	1	-	1
Local Energy Limited	1	(116,563)	(116,562)
LGiU International Ltd	1	34,142	34,143
LGiU Ireland Limited	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>

10. DEBTORS: due within one year

	2020		2019	
	Charity £	Group £	Charity £	Group £
Trade debtors	25,052	28,545	75,871	97,057
Amounts due from subsidiary undertakings	173,049	-	98,921	-
Prepayments and accrued income	23,240	23,240	67,385	67,385
Other debtors	-	-	203	203
VAT	8,995	10,670	10,803	13,345
	<u>230,336</u>	<u>62,455</u>	<u>253,183</u>	<u>177,990</u>

11. CREDITORS: amounts falling due within one year

	2020		2019	
	Charity £	Group £	Charity £	Group £
Trade creditors and accruals	299,288	315,194	286,732	295,242
Other creditors	419	419	34,42	34,432
Deferred income (note 12)	12,614	30,283	12,233	20,031
	<u>312,321</u>	<u>345,896</u>	<u>333,397</u>	<u>349,705</u>

12. DEFERRED INCOME

	2020		2019	
	Charity £	Group £	Charity £	Group £
Deferred Income Brought Forward	12,233	20,031	138,960	146,239
Deferred in the year	12,614	30,283	12,233	20,031
Released in the year	(12,233)	(20,031)	(138,960)	(146,239)
	<u>12,614</u>	<u>30,283</u>	<u>12,233</u>	<u>20,031</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	General funds and non- Charitable trading funds £	Pension reserve £	2020 Total £
Fund balances at 31 December 2020 are represented by:			
Fixed assets	19,827	-	19,827
Current assets	998,476	-	998,476
Creditors: amounts falling due within one year	(345,896)	-	(345,896)
Net pension liability	-	(5,021,000)	(4,708,000)
Total net assets	672,407	(5,021,000)	(4,348,593)

Group	General funds and non- Charitable trading funds £	Pension reserve £	2019 Total £
Fund balances at 31 December 2019 are represented by:			
Fixed assets	34,141	-	34,141
Current assets	818,162	-	818,162
Creditors: amounts falling due within one year	(349,705)	-	(349,705)
Net pension liability	-	(3,232,000)	(3,232,000)
Total net assets	502,598	(3,232,000)	(2,729,402)

14. MOVEMENT IN FUNDS

2020

	B/Fwd £	Income £	Expenditure £	Actuarial Gains £	C/Fwd £
General Funds	620,456	1,734,353	(1,601,302)	-	753,507
Pension Reserve	(3,232,000)	-	(44,000)	(1,745,000)	(5,021,000)
Total net (liabilities) (charity)	(2,611,544)	1,734,353	(1,645,302)	(1,745,000)	(4,267,493)
Non-charitable trading funds	(117,858)	-	36,758	-	(81,100)
Total net (liabilities) (group)	(2,729,402)	1,734,353	(1,603,726)	(1,745,000)	(4,348,593)

LOCAL INFORMATION UNIT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 DECEMBER 2020****14. MOVEMENT IN FUNDS (continued)****2019**

	B/Fwd	Income	Expenditure	Actuarial	C/Fwd
	£	£	£	Gains	£
General Funds	459,819	1,729,955	(1,569,318)	-	620,456
Pension Reserve	(2,897,000)	-	(47,000)	(288,000)	(3,232,000)
Total net assets (charity)	(2,437,181)	1,729,955	(1,616,318)	(288,000)	(2,611,544)
Non-charitable trading funds	(130,450)	-	12,592	-	(117,858)
Total net assets (group)	(2,567,631)	1,729,955	(1,603,726)	(288,000)	(2,729,402)

15. FINANCIAL COMMITMENTS**Operating leases**

The group had commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2020	2019
	£	£
Charity and Group		
Amounts due:		
Less than one year	57,250	53,193
Within two to five years	71,563	179,886
More than five years	-	-
	<u>128,813</u>	<u>233,079</u>

16. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

17. PENSION COMMITMENTS

The charity is one of several employing bodies included within the Camden Local Government Pension Scheme (Camden LGPS). The Camden LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

A full actuarial valuation of the scheme took place in 2010. The results of the valuation have been made available to the employers and show a smaller increase in future employer contribution rates than previously expected.

The following information is based upon a full actuarial valuation of the fund at 31 March 200, updated to 31 December 2020 by a qualified independent actuary.

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

17. PENSION COMMITMENTS (continued)

	2020 %	2019 %	2018 %
The major assumptions used by the actuaries were:			
Rate of increase in salary	1.6	2.6	3.0
Rate of increase in pensions in payment	2.5	2.2	2.4
Discount rate	1.3	2.0	2.9
Inflation assumption	2.5	2.4	2.4

Following the Chancellor's budget statement in June 2010, the measure of inflation used by the actuary changed from the Retail Price Index (RPI) to the Consumer Price Index (CPI).

Literature provided to scheme members specifically linked pension benefit increases to the RPI. The trustees therefore consider the change to CPI to be an augmentation of benefits, rather than a change in actuarial assumptions.

The mortality assumptions used were as follows:

	2020 Years	2019 Years
Longevity at age 65 for current pensioners		
- Men	21.8	21.8
- Women	23.9	23.9
Longevity at age 65 for future pensioners		
- Men	23.2	23.2
- Women	25.9	25.9

The assets of the scheme and the weighted average expected rate of return were:

	Long term rate of return expected 2020 %	Value at 31 December 2020 £'000	Long term rate of return expected 2019 %	Value at 31 December 2019 £'000	Long term rate of return expected 2018 %	Value at 31 December 2018 £'000
Equities	2.7	7,852	2.7	7,779	2.7	6,782
Bonds	2.7	1,613	2.7	984	2.7	881
Property	2.7	860	2.7	984	2.7	969
Cash	2.7	430	2.7	100	2.7	176
Total market value of assets		10,442		9,487		8,808
Present value of scheme liability		(15,463)		(13,079)		(11,705)
Net pension liability		(5,021)		(3,232)		(2,897)

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

17. PENSION COMMITMENTS (continued)

None of the fair values of the assets shown above include any of the charity's own financial instruments or any property occupied by, or other assets used by, the charity. The equity investments and bonds which are held in scheme assets as at 31 December 2020 are quoted, and are valued at the current bid price following the adoption of the amendment of FRS102.

The expected long term return on cash is equal to bank base rates. The expected return on bonds is determined by reference to UK long dated gilt and bond yields. The expected rate of return on equities and property have been determined by setting an appropriate risk premium above gilt/bond yields having regard to market conditions

Total expenditure recognised in the Statement of Financial Activities

	2020 £'000	2019 £'000
Current service cost	114	127
Interest cost	259	335
Interest income on plan assets	(195)	(251)
Contributions paid	(134)	(164)
Total expenditure recognised in SOFA	<u>44</u>	<u>47</u>

Net profit / (loss) recognised in the SOFA

	2020 £'000	2019 £'000
Actuarial profit / (loss) on scheme assets and liabilities	<u>(1,745)</u>	<u>(288)</u>

The cumulative amount of actuarial gains and losses recognised in the SOFA to 31 December 2020 is a net loss of £5,021,000 (2019: loss of £3,232,000).

Reconciliation of opening and closing balances of the present value of the charity's share of scheme liabilities

	2020 £'000	2019 £'000
Scheme liabilities at 1 January 2020	13,079	11,705
Current service cost	114	127
Interest cost	259	335
Contributions by scheme participants	27	29
Actuarial (gains) / losses	2,364	1,375
Benefits paid	(380)	(492)
Scheme liabilities at 31 December 2020	<u>15,463</u>	<u>13,079</u>

LOCAL INFORMATION UNIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

17. PENSION COMMITMENTS (continued)

Reconciliation of opening and closing balances of the present value of the charity's share of scheme assets:

	2020 £'000	2019 £'000
Fair value of scheme assets at 1 January 2020	9,847	8,808
Interest income on plan assets	195	251
Return on assets excluding amounts included in net interest	619	1,087
Contributions by employer	134	164
Contributions by scheme participants	27	29
Benefits paid	(380)	(492)
Fair value of scheme assets at 31 December 2020	10,442	9,847

Contributions

The total contributions made by the employer in the year were £214,000. The level of contribution were reviewed as a result of the triennial valuation of the scheme as at 31 March 2019 and maintained.

The best estimate of contributions to be paid by the employer to the scheme in the next financial year is £113,000.

History of experience gains and losses

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Fair value of assets	10,442	9,847	8,808	9,453	8,350
Present value of scheme liabilities	(15,463)	(13,079)	(11,705)	(12,485)	(11,963)
Deficit in scheme	(5,021)	(3,232)	(2,897)	(3,032)	(3,613)
Experience adjustment on scheme assets	-	-	-	-	-
Experience adjustment on scheme liabilities	-	-	-	-	-