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**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**

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<b>Registered Name of charity</b>	Local Information Unit Limited
<b>Other names used by the charity</b>	LGiU
<b>Trustees</b>	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
<b>Chief Executive &amp; Company Secretary</b>	J Carr-West
<b>Registered office</b>	251 Pentonville Road London N1 9NG
<b>Company Registration Number</b>	01872218 (England and Wales)
<b>Charity Registration Number</b>	1113495
<b>Auditor</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
<b>Bankers</b>	National Westminster Bank PLC 23 Brunswick Place Southampton SO15 2AQ

**LOCAL INFORMATION UNIT LIMITED**

**LEGAL AND ADMINISTRATION (continued)**

**YEAR ENDED 31 DECEMBER 2021**

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**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

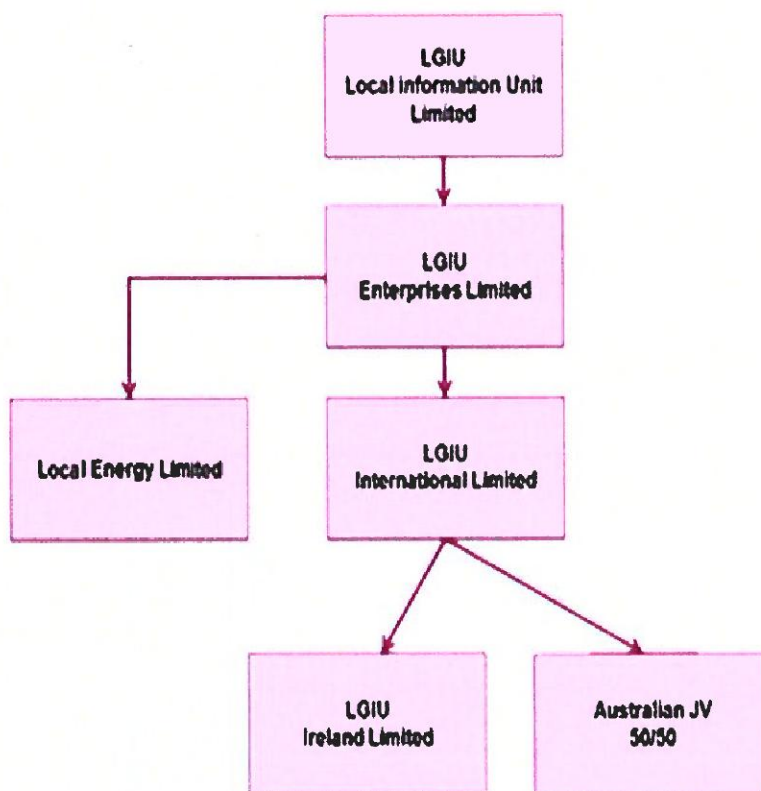
Generally the LGiU does not use volunteers: internships are occasionally provided to people seeking work experience, and are paid at the London living wage.

### 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.

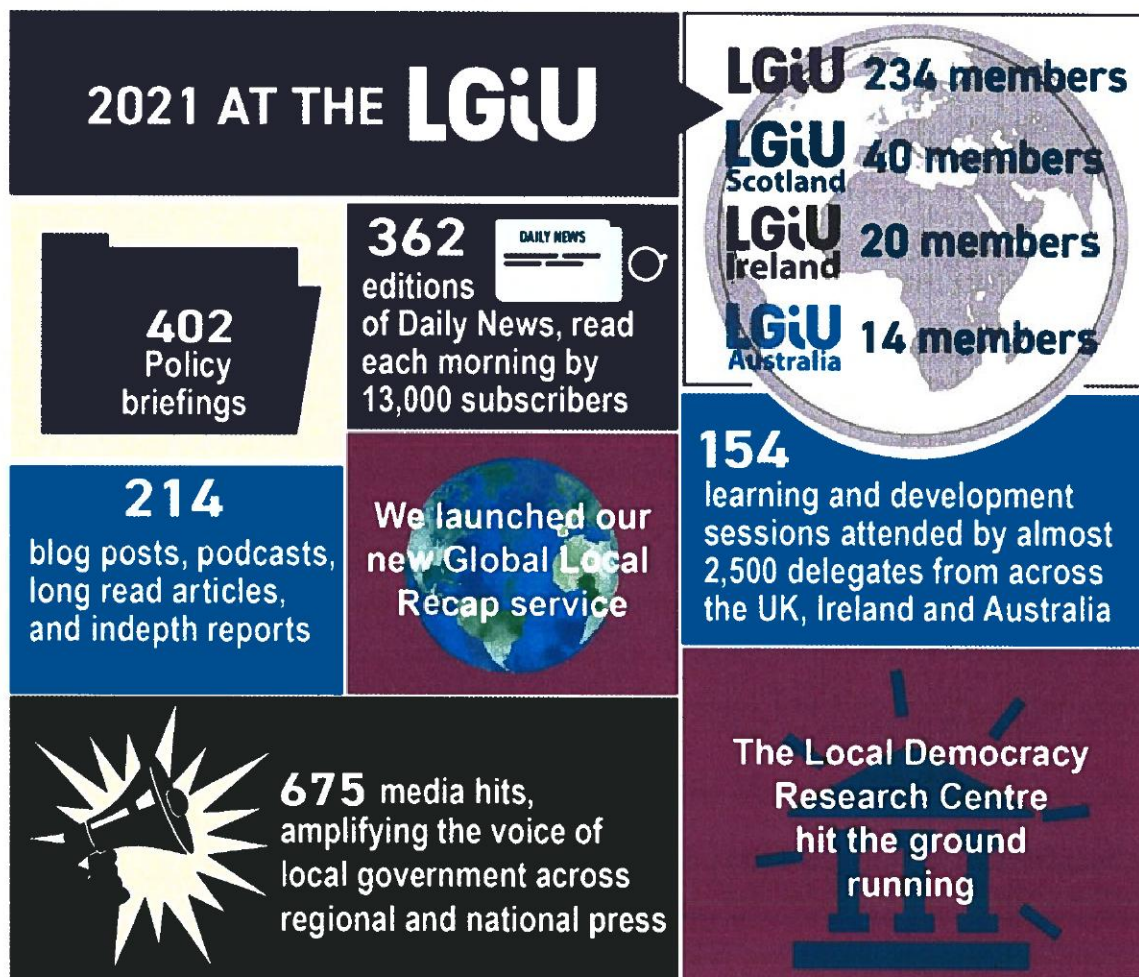
These international operations are trading subsidiaries wholly owned by LGiU.



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 14<sup>th</sup> 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 6<sup>th</sup> 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 21<sup>st</sup> 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.



**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**

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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](http://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	£	£
<b>INCOME</b>			
<b>Charitable activities</b>			
Affiliation fees & subscriptions		1,578,644	1,517,103
Consultancy and project income		257,843	216,028
<b>Income from:</b>			
Investment income, bank and other interest		128	1,222
<b>Total income</b>		<u>1,836,615</u>	<u>1,734,353</u>
<b>EXPENDITURE</b>			
<b>Expenditure on charitable activities</b>			
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
<b>Total expenditure</b>		<u>1,688,642</u>	<u>1,564,544</u>
<b>Net income/ (expenditure) before additional pension costs</b>		147,973	169,809
Service cost and other movements on pension provision	17	<u>(142,000)</u>	<u>(44,000)</u>
<b>Net income/ (expenditure) before other recognised gains and losses</b>		5,973	125,809
Actuarial gains/ (losses) on defined benefit pension scheme	17	<u>1,811,000</u>	<u>(1,745,000)</u>
<b>Net movement in funds</b>		<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>(2,531,620)</u>	<u>(4,348,593)</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 £
<b>Fixed assets</b>					
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>
<b>Current assets</b>					
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>
<b>Creditors: amounts falling due within one year</b>	11	<u>(406,823)</u>	<u>(449,386)</u>	<u>(312,321)</u>	<u>(345,896)</u>
<b>Net current assets</b>		<u>765,713</u>	<u>765,716</u>	<u>652,577</u>	<u>652,580</u>
<b>Net assets excluding pension liability</b>		<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>
<b>Net liabilities including pension liability</b>		<u>(2,531,620)</u>	<u>(2,531,620)</u>	<u>(4,348,593)</u>	<u>(4,348,593)</u>
<b>Represented by:</b>					
<b>Funds and reserves</b>					
<b>Income funds:</b>					
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 £
<b>Cashflow from operating activities</b>				
Net income/(expenditure) for the year	1,816,973	1,816,973	(1,619,191)	(1,619,191)
<b>Adjustments for</b>				
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)
<b>Net cash generated from operating activities</b>	<b>233,363</b>	<b>271,301</b>	<b>185,461</b>	<b>295,416</b>
<b>Cashflow from investing activities</b>				
Net purchase of fixed assets	(58,487)	(58,487)	(789)	(789)
Interest received	128	128	1,222	1,222
	<b>(58,359)</b>	<b>(58,359)</b>	<b>433</b>	<b>433</b>
<b>Net increase in cash</b>	<b>175,004</b>	<b>212,943</b>	<b>185,894</b>	<b>295,849</b>
Net cash and cash equivalents at the start of the year	734,562	936,021	548,668	640,172
<b>Net cash and cash equivalents at the end of the year</b>	<b>909,566</b>	<b>1,148,963</b>	<b>734,562</b>	<b>936,021</b>
<b>Cash and cash equivalents consists of:</b>				
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
<b>Cash and cash equivalents at 31 December</b>	<b>734,562</b>	<b>936,021</b>	<b>734,562</b>	<b>936,021</b>
<b>Change in net debt:</b>				
Debt as at 01 January	734,562	936,021		
Cash flows				
<b>Debt as at 31 December</b>	<b>734,562</b>	<b>936,021</b>		



## 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 31<sup>st</sup> 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:

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Governance costs</b>	<b>Basis of appointment</b>		
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>
 <b>Other support costs</b>	 <b>Basis of appointment</b>		
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**

	<b>Total Funds</b>	<b>Total Funds</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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	41,022	41,022
	<u><u>998,470</u></u>	<u><u>1,016,482</u></u>



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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
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:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
£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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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

	<b>Fixtures and Fittings £</b>	<b>Computers £</b>	<b>Total £</b>
<b>Charity and Group</b>			
<b>Cost or valuation</b>			
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>
<b>Depreciation</b>			
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>
<b>Net book values</b>			
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**

	<b>Website £</b>	<b>Total £</b>
<b>Charity and Group</b>		
<b>Cost or valuation</b>		
At 1 January 2021	31,800	31,800
Additions	52,657	52,657
At 31 December 2021	<u>84,457</u>	<u>84,457</u>
<b>Depreciation</b>		
At 1 January 2021	16,750	16,750
Charge for the year	18,807	18,807
At 31 December 2021	<u>35,557</u>	<u>35,557</u>
<b>Net book values</b>		
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**

<b>Charity</b>	<b>Shares in subsidiary companies £</b>	<b>Total £</b>
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:

	<b>Company Registration number</b>	<b>Date of incorporation</b>
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.

	<b>2021 £</b>	<b>2020 £</b>
<b>Local Energy Limited</b>		
<b>Profit &amp; loss Account</b>		
Turnover	5,000	-
Cost of sales	(2,869)	(2,061)
Operating loss before Gift Aid	2,131	(2,061)
Gift Aid	-	-
Loss for the financial year	2,131	(2,061)
<b>Balance Sheet</b>		
Current assets	-	722
Current liabilities	(114,432)	(117,285)
Net Liabilities	(114,432)	(116,563)

**9. INVESTMENTS (continued)**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>LGiU International Ltd</b>		
<b>Profit &amp; Loss Account</b>		
Turnover	741,443	622,190
Cost of sales	(638,076)	(583,371)
	<u>103,367</u>	<u>38,819</u>
Operating profit/(loss)	103,367	38,819
Gift Aid	-	-
	<u>(6,500)</u>	<u>-</u>
Corporation Tax payable	(6,500)	-
	<u>96,867</u>	<u>38,819</u>
Profit/(loss) for the financial year	<u>96,867</u>	<u>38,819</u>
<b>Balance Sheet</b>		
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>

	<b>£</b>	<b>£</b>
<b>LGiU International Ltd</b>		
<b>Statement of income and retained earnings</b>		
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>

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>LGiU Ireland Limited</b>		
<b>Profit &amp; Loss Account</b>		
Turnover	50,737	41,883
Cost of sales	(42,260)	(41,883)
	<u>8,477</u>	<u>-</u>
Operating profit	8,477	-
Gift Aid	-	-
	<u>8,477</u>	<u>-</u>
Profit for the financial year	<u>8,477</u>	<u>-</u>
<b>Balance Sheet</b>		
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 £
<b>Fund balances at 31 December 2021 are represented by:</b>			
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)
<b>Total net assets</b>	<b>820,380</b>	<b>(3,352,000)</b>	<b>(2,531,620)</b>

Group	General funds and non-Charitable trading funds £	Pension reserve £	2020 Total £
<b>Fund balances at 31 December 2020 are represented by:</b>			
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)
<b>Total net assets</b>	<b>672,407</b>	<b>(5,021,000)</b>	<b>(4,348,593)</b>

**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
<b>Total net (liabilities) group)</b>	<b>(4,348,593)</b>	<b>1,836,615</b>	<b>(1,830,642)</b>	<b>1,811,000</b>	<b>(2,531,620)</b>

**LOCAL INFORMATION UNIT LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 DECEMBER 2021****14. MOVEMENT IN FUNDS (continued)****2020**

	<b>B/Fwd</b>	<b>Income</b>	<b>Expenditure</b>	<b>Actuarial</b>	<b>C/Fwd</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>Gains</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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)
<b>Total net assets (group)</b>	<b>(2729,402)</b>	<b>1,734,353</b>	<b>(1,608,544)</b>	<b>(1,745,000)</b>	<b>(4,348,593)</b>

**15. FINANCIAL COMMITMENTS****Operating leases**

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

	<b>Land and buildings</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Charity and Group</b>		
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 %
<b>The major assumptions used by the actuaries were:</b>			
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
<b>Longevity at age 65 for current pensioners</b>		
- Men	22.0	21.8
- Women	24.3	23.9
<b>Longevity at age 65 for future pensioners</b>		
- 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
<b>Total market value of assets</b>		<b>11,786</b>		<b>10,442</b>		<b>9,487</b>
<b>Present value of scheme liability</b>		<b>(15,138)</b>		<b>(15,463)</b>		<b>(11,705)</b>
<b>Net pension liability</b>		<b>(3,352)</b>		<b>(5,021)</b>		<b>(2,97)</b>

**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)
<b>Total expenditure recognised in SOFA</b>	<b>142</b>	<b>44</b>

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)
<b>Scheme liabilities at 31 December 2021</b>	<b>13,138</b>	<b>15,463</b>

**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:

	<b>2021 £'000</b>	<b>2020 £'000</b>
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)
<b>Fair value of scheme assets at 31 December 2021</b>	<b>11,786</b>	<b>10,442</b>

**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

	<b>2021 £'000</b>	<b>2020 £'000</b>	<b>2019 £'000</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
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	-	-	-	-	-