

THE MAGISTRATES ASSOCIATION

England & Wales · Charity number 216066

Details

Status Registered

Legal form Other

Registered 1968-09-24

Register [View on the Charity Commission register](#)

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Activities

Objects: THE OBJECTS FOR WHICH THE ASSOCIATION IS ESTABLISHED AND INCORPORATED ARE TO PROMOTE THE SOUND ADMINISTRATION OF THE LAW BY THE FOLLOWING MEANS: (A) EDUCATING AND INSTRUCTING MAGISTRATES AND OTHERS IN THE LAW, THE ADMINISTRATION OF JUSTICE, THE TREATMENT OF OFFENDERS AND THE BEST METHODS OF PREVENTING CRIME; AND (B) ISSUING PUBLICATIONS AND PROMOTING CONFERENCES AND DISCUSSIONS ON DEVELOPMENTS IN THE LAW AND THE ADMINISTRATION OF JUSTICE.

Activities: Promoting awareness of magistrates/the magistrates' courts service
Developing guidance/protocols to improve the delivery of justice in Magistrates' courts
Providing information/advice to magistrates
Consulting magistrates/responding to proposals which affect the delivery of justice
Educating the public through community-based presentations, publications and events

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£692,757	£1,121,223	£3,681,028	10
2024-06-30	£635,751	£1,687,558	£4,046,237	10
2023-06-30	£572,721	£995,187	£4,908,660	10
2022-06-30	£579,337	£764,389	£5,266,189	12
2021-06-30	£619,238	£813,392	£5,651,719	12

Trustees

Name	Role	Appointed
David Ford JP	Chair	2021-07-01
Ben Paolozzi		2023-12-07
Jacqueline MacDonald-Davis JP		2019-10-19
Luke Sambridge		2025-11-22
Patricia White		2025-11-22
Patricia Willmott JP		2020-10-17
Paul Taylor		2025-11-22
Robert Hawkins		2024-10-10
Sarah Butters		2023-12-07
Sarah Clarke JP		2018-11-26
Tracy Sortwell		2024-12-19
Valerie Castell		2025-11-22

Accounts

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025



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REFERENCE AND ADMINISTRATIVE DETAILS

Name	The Magistrates' Association
Charity number	216066
Registered office	10a Flagstaff House St George Wharf Vauxhall, London SW8 2LE
Trustees	Mark Beattie JP (Chair) Jacqueline MacDonald-Davis JP (Deputy Chair) David Ford JP (Deputy Chair) Christine Grant JP (Honorary Treasurer to 31 July 2024) Robert Hawkins JP (Honorary Treasurer from 10 October 2024) Sarah Butters JP Sarah Clarke JP Josh James JP Ben Paolozzi JP Frank Shipway JP Tracy Sortwell JP (from 19 December 2024) Patricia Willmott JP
Chief Executive	Tom Franklin
Auditors	Price Bailey LLP 3rd Floor, 24 Old Bond Street, Mayfair, London, W1S 4AP
Bankers	National Westminster Bank plc Bloomsbury Parr's Branch, PO Box 158, 214 High Holborn, London, EC1V 7BX CAF Bank Ltd 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Investment managers	Cazenove Capital Schroder & Co Limited, 1 London Wall Place, London, EC2Y 5AU
Solicitors	Russell-Cooke LLP 2 Putney Hill, London, SW15 6AB

TRUSTEES' REPORT

About the Magistrates' Association

The Magistrates' Association (MA) is the independent membership body and registered charity for the magistracy in England and Wales (Charity number 216066). We promote the sound administration of justice by:

- supporting our members with guidance, training and resources;
- informing the public about the role of magistrates and the courts;
- producing and publishing research on issues affecting the magistracy; and
- contributing to the development and delivery of court and justice system reforms.

With 12,000 members, the MA is the only independent voice of the magistracy and a unique source of expertise and insight.

Our vision

The MA's vision is a fair and effective justice system, served by a robust and vibrant magistracy.

Our mission

We work with and on behalf of our members to promote the sound administration of the law: shaping policy and practice relating to the magistracy, providing support and guidance to magistrates, and informing the public about the magistracy and the wider justice system.

In 2024–25 we continued to deliver our organisational strategy, focusing our work around four key aims.

Achievements and performance for 2024–25

Key aim 1: To influence the policy agenda on behalf of our members and in support of our vision

In 2024–25 we strengthened our role as the independent voice of the magistracy. We engaged directly with ministers, senior judiciary, and key justice agencies to press for reforms that reflect the priorities of our members.

We:

- Met government ministers on seven occasions, including the Courts Minister, the Minister with responsibility for the magistracy, and the Sentencing Minister, as well as MoJ policy teams, to discuss sentencing reform, criminal courts reform, private prosecutions, magistrate recruitment, induction and training, support for working magistrates, diversity, and expenses. We also welcomed the Minister with responsibility for the magistracy to our national conference.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2025

- Engaged with senior stakeholders including the Lady Chief Justice, the Senior Presiding Judge, the Chief Executive of HMCTS, the Director General of the Prisons and Probation Service, the Chief Probation Officer, the National Leadership Magistrate, the Chief Magistrate, and the Independent Sentencing and Criminal Courts Review teams. We also contributed to forums such as the Magistrates' Liaison Group, Judicial Forum of the Prison and Probation Service, and Judicial Business Groups.
- Submitted nine consultation responses on issues including local justice area reform, magistrate governance, regulation of private prosecutions, sentencing, criminal courts reform, and interpreting services.
- Published new position statements on half-day sittings (to widen access and diversity) and on reform of local justice areas (following extensive consultation).
- Contributed to the Times Crime and Justice Commission, advocating for a whole-system approach to reform and sustained investment in criminal justice.
- Responded to the Chancellor's spending review, welcoming additional investment but highlighting the need for deeper systemic change.
- Responded to the civil unrest in summer 2024, emphasising magistrates' readiness to support the system but also the need for long-term solutions to chronic underinvestment.
- Continued pressing for extended use of magistrates' courts to ease crown court backlogs; greater legal adviser availability to reduce cancellations; and improvements to magistrate expenses.
- Promoted the MoJ magistrate recruitment campaign and contributed to the recruitment of 1,000 new magistrates.
- Supported and convened our Judicial Business Group representatives and TAAAC representatives, ensuring better sharing of information and regional intelligence.
- Engaged the President of the Family Division on inconsistencies in the allocation of public law work. As a result, the issue was raised with the Family Magistrates Oversight Group and family presiding justices. We also defended the vital role of family magistrates in private law cases and took an active role in the new Family Magistrates Oversight Group.
- Published Magistrates Matter, a major report calling for greater recognition of magistrates, including a volunteering charter, an annual satisfaction survey, a recruitment and retention strategy, and long-service medals.

Our successes included:

- Securing a government commitment to review private prosecutions, including those under the Single Justice Procedure, and contributing to the Judicial Office review of how the procedure is working.
- The extension of magistrates' sentencing powers from six to 12 months (announced October 2024), a long-standing MA campaign to deliver faster justice for victims, witnesses and defendants.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2025

- Influencing the Independent Sentencing Review (Rt Hon David Gauke) — with our recommendations on sentencing flexibility, probation investment, and retention of short custodial sentencing discretion reflected in the final report.
- Influencing the Independent Review of Criminal Courts (Sir Brian Leveson KC) — with our proposals on either-way offence categorisation and mixed judge/magistrate benches of three included in the final report.
- Securing the Minister's announcement, at our November conference, of a major review of magistrates' expenses — a long-standing MA priority.
- Achieving strong member feedback: 75% of members in our annual survey said the MA does a good job representing and speaking up for magistrates.
- Securing clarification on magistrate access to non-home courts, making cross-deployment simpler and faster.

Key aim 2: To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems

In 2024–25 we strengthened public understanding of magistrates and the justice system, ensuring the magistracy is visible, diverse and accessible.

We:

- Expanded our media engagement, raising the profile of magistrates and increasing public awareness of their role.
- Supported branches to deliver the Magistrates in the Community (MIC) programme, bringing coordinators together to share ideas and strengthen outreach.
- Marked key national events including Pride Month, International Women's Day, South Asian Heritage Month, Black History Month, and Stephen Lawrence Day — showcasing the diversity of the magistracy and encouraging applications from all walks of life.
- Began work to improve coordination with Diversity and Community Relationship Magistrates (DCRMs).

Our successes included:

- Achieving 2,345 pieces of digital, print and broadcast coverage, including interviews on BBC Radio 2, 4, 5 and 6, BBC News, ITV and Sky News, as well as features in all major national newspapers (an increase of 84 per cent on the previous year, which itself was a 400 per cent increase on the year before).
- Reaching 100,600 people on X (formerly Twitter) and 128,818 on LinkedIn, gaining 909 new followers, with posts explaining the work and diversity of the magistracy.
- Delivering 1,400 Magistrates in the Community visits to schools, community centres and other venues — engaging directly with 58,200 people nationwide.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2025

- Continuing to highlight the diversity of the magistracy through our social media and website, to inspire new applicants.
- Celebrating our Greater Manchester branch's recognition with the King's Award for Voluntary Service, honouring their outstanding Magistrates in the Community work.

Key aim 3: To provide MA members, and the broader magistracy, with support, information, training and development

In 2024–25 we invested in new ways to support, inform and connect magistrates — strengthening both our member services and our wider contribution to magistrate training and development.

We:

- Delivered 29 webinars, conferences and new magistrate sessions on topics ranging from probation to repeat offending, attracting 1,600 attendees.
- Published four issues of a refreshed *Magistrate* magazine, with more features and greater depth. In our survey, 90% of readers said the magazine is helpful to them. Headline features covered safety and security of magistrates, AI in courts, coercive control, the domestic homicide timeline, and communication needs in justice.
- Launched a digital edition of *Magistrate*, with a decade of back issues and plans to digitise every edition from the past century.
- Held three evening drop-ins for members of our Disabled, LGBT+, Black Asian and minority ethnic, and Young Magistrates networks, offering peer support and space to share experiences.
- Convened another dedicated event for youth panel magistrates to discuss current issues and strengthen their network.
- Expanded our member support line, staffed by experienced volunteers, and provided branches with materials to promote it in retiring rooms.
- Ran three workshops for new magistrates to help them navigate their early journey and understand the benefits of MA membership.
- Welcomed 300 members to our online annual conference on long-term solutions to justice system challenges, with speakers including the Lady Chief Justice, the Senior Presiding Judge, and the Magistrates' Minister.
- Recognised 11 members at our annual awards ceremony for exceptional support to colleagues or outreach in their communities.
- Continued to build our new website, making it easier to sign up for events and donate, and attracting 80,700 visitors across the year.
- Published monthly eNews and a steady flow of blogs and features from partners and stakeholders.
- Continued to grow *MA Learn* — our online platform now offering over 200 resources — and promoted it more widely to members.
- Produced four cut-out-and-keep guides and four *Sentencing Steps* exercises.

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- Worked with the MoJ to encourage nominations for the national honours scheme, and invited branch-nominated members to attend the Royal Garden Parties.

Our successes included:

- Over 5,000 log-ins to *MA Learn*, confirming its role as a valued learning hub.
- 36 blogs published on issues ranging from children's voice in family law, to youth court, to out-of-court resolutions.
- A new joint resource with the Judicial College to support magistrates' application of the *Guide to Judicial Conduct* and *Statement of Expected Behaviour*.

Key aim 4: To be an effective, well-run and financially sustainable organisation

In 2024–25 we continued to strengthen the MA's governance, membership offer and financial resilience.

We:

- Implemented the next stage of our business change roadmap, first agreed by the board in 2021.
- Improved membership recruitment, retention and processing, supported by our recruitment and retention strategy.
- Launched new recruitment resources — including leaflets, posters, banners and lanyards.
- Increased support for branches through regional meetings, new member role packs, and a revised *Branch Expectations and Commitments* document setting out mutual responsibilities between branches and head office.
- Promoted associate membership to attract those considering an application to become a magistrate.
- Continued our "member get member" scheme, with nearly 20% of new joiners coming via member referrals.
- Implemented the second year of our three-year subscription strategy, alongside our five-year finance plan to secure long-term sustainability.
- Continued using our leaver survey to better understand why members leave and to inform retention efforts.

Our successes included:

- 830 new members joined during the year.
- In our latest satisfaction survey, 84% of members said they would recommend joining the MA, and 78% rated membership as good value for money.
- Almost 20% of new members were recruited through our "member get member" scheme.

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- 1,419 members joined one or more of our diversity and inclusion networks.
- Delivered 85 member communications, including 12 monthly eNews bulletins, four Branch Executive News updates for branch officers, and 65 other email updates.
- Delivered workshops for over 400 new magistrates during the year.
- Moved out of our head office, reflecting new hybrid working practices and securing cost savings.
- Implemented governance reforms, with updated byelaws approved by the Privy Council.
- Held contested elections for the board of trustees, with a record 13 candidates standing for three vacancies — demonstrating strong member engagement.

Our plans for 2025-26

In 2025-26 we will continue implementing the MA's organisational strategy and business change programme, guided by our four key aims.

1) To influence the policy agenda on behalf of our members and in support of our vision

Planned activities include:

- Sustaining focus on four priority policy areas: better justice for children, better justice processes, openness and transparency, and better support for magistrates.
- Submitting evidence to the forthcoming review of magistrates' expenses, supported by targeted roundtables with magistrates most affected — including those with caring responsibilities, those in employment or self-employment, and those in rural areas.
- Publishing a major report on the need for open data in magistrates' courts.
- Publishing a new position statement on community sentences.
- Responding to MoJ and senior judiciary proposals on the abolition of local justice areas and magistrate governance, following the consultations earlier in 2025.
- Contributing to consultations and publishing position statements on other key issues.
- Responding to government proposals for sentencing reform and criminal courts reform, following the Independent Sentencing Review and the Independent Review of Criminal Courts.
- Submitting evidence to the second stage of the Independent Review of Criminal Courts, focused on court efficiency.
- Actively contributing to key forums, including Judges' Council, the Magistrates' Liaison Group and Judicial Business Groups.

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- Holding our annual conference on the theme of victims' voice in magistrates' courts.

2) To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems

Planned activities include:

- Reviewing and updating resources for our *Magistrates in the Community* (MIC) programme, with stronger messaging to encourage applications to the magistracy.
- Working with the Magistrates Leadership Executive to strengthen collaboration between Diversity and Community Relationship Magistrates (DCRMs) and MIC locally.
- Securing at least 20 positive national media appearances for the MA and the magistracy.
- Producing new MIC materials, including resources to promote the work of family courts.

3) To provide MA members, and the broader magistracy, with support, information, training and development

Planned activities include:

- Further developing our website, particularly its support for volunteers.
- Expanding *MA Learn* by improving resource curation and diversifying learning methods.
- Convening a dedicated event for family panel magistrates to discuss current issues and strengthen their network.
- Delivering a new series of webinars on issues of member interest, with recordings made available on *MA Learn*.
- Promoting the digital edition of *Magistrate* magazine, exploring expansion of the archive to cover all editions since its founding, while reducing costs and environmental impact.
- Continuing to host welcome events for new magistrates to help them get the most from their MA membership.
- Publishing new bite-size training resources with the Judicial College, including on modern communication and neurodiversity.
- Continuing the annual MA awards, with a new category recognising innovation in Magistrates in the Community.
- Producing four cut-out-and-keep guides and four *Sentencing Steps* exercises.
- Producing 12 issues of *MA eNews* and four issues of *Branch Executive News*.

4) To be an effective, well-run and financially sustainable organisation

Planned activities include:

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- Completing our business change programme (agreed by the board in 2021) and setting a new organisational strategy for the next period.
- Recruiting a new Chief Executive Officer, ahead of the current CEO's retirement in spring 2026.
- Implementing the final year of our three-year subscription strategy, to underpin long-term sustainability.
- Moving into smaller premises, following our exit from the former head office, to reflect hybrid working and reduce costs.
- Completing the rollout of our new member relationship management system, enabling more personalised member communications.
- Implementing further governance changes, including updates to our byelaws, to remain responsive to our external environment.
- Conducting our annual members' survey (after a pause in 2024) to track feedback and trends over time.
- Continuing to promote associate membership, encouraging those considering an application to the magistracy to learn more about the role.
- to encourage those considering becoming a magistrate to learn more about the role.

Governance and management

The MA is established and incorporated to promote the sound administration of the law, including, but not restricted to, educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime.

The MA was established in 1920 and granted a Royal Charter in 1962. It is currently governed by a Supplemental Charter and Bye-laws approved on 13 August 2025.

The Members of the MA consist of:

- (a) Ordinary Members: any magistrate who makes application for membership in the manner for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out from time to time, and who satisfies any criteria for admission as are set down from time to time.
- (b) Associate Members: subject to the approval of the Board of Trustees, any other person who makes application for associate membership in any manner as is for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out and who satisfies any criteria for admission as are set down by the Board of Trustees from time to time.
- (c) Honorary Members: any one person co-opted by the Annual General Meeting as an Honorary Member, not exceeding ten persons.

The Board of Trustees consists of:

- (a) the Chair and the Deputy Chair or Deputy Chairs, elected by the Ordinary Members from among the current Trustees and the current Chairs of the Standing Committees for the immediately preceding year;

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2025

- (b) the Honorary Treasurer, appointed by the Board at its discretion;
- (c) six other Trustees elected by the Ordinary Members from among the Ordinary Members, provided that any person standing for election must be Actively Serving; and
- (d) not more than two Members of the Association co-opted at any time by the Board in their absolute discretion. Co-opted Trustees may be removed by the Board at any time and in any case shall retire at each Annual General Meeting but shall be eligible to be co-opted again up to three times.

Where possible, trustees are invited to observe one board meeting before the start of their term and to attend a half-day induction with the National Chair and Chief Executive. Details of trustee roles and responsibilities, the powers reserved to the Board, and those delegated to standing committees or to the Chief Executive are set out in the MA's Standing Orders.

The organisational structure comprises the Board of Trustees; eight standing committees (five focused on policy — Adult Court, Family Court, Youth Court, Training, Learning and Development, and Diversity and Inclusion — and three on Finance and Audit, HR and Remuneration, and Appointments); a Policy Board, which coordinates the work of the five policy committees; the National Council, which advises the Board; 51 local branches across England and Wales; and a staff team of ten, including a senior management team of four.

The Board of Trustees identifies and reviews the major risks to which the charity is exposed and has established procedures to manage them. It has also taken account of the Charity Commission's guidance on public benefit when reviewing aims and objectives and in planning future activities.

The Board regularly assesses the Association's achievements and reviews completed activities to ensure delivery as planned, measure their impact, and judge how far they contribute to the Association's aims and objectives. Pages 4–9 of this report summarise the Association's achievements in the 2024–25 financial year, which the Board has considered in confirming that the Association continues to deliver public benefit.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2025

Financial review

Income and expenditure

The total income for the year was £692,757, as compared to an income in 2023-24 of £635,751. Total expenditure was £1,121,223 as compared to a total of £1,687,558 for the 2023-24 year. This expenditure included an amount of £71,861 which represented the net value of an impairment to the market value of our property. This impairment resulted from the revaluation of our property asset to current market value.

We subsequently recorded a deficit before net gains in investments values of £428,466 as compared to a deficit of £1,051,807 for the 2023-24 year.

The net movement in funds for the year was a deficit of £365,209 compared to a consolidated deficit net movement of £862,423 for the 2023-24 year.

As we complete the second year of our business change programme the effects of our cost control and operational streamlining are reflected in that we realised an operational deficit of £328,466 in like-for-like comparison to a deficit of £332,466 in the 2023-24 financial year once the effects of the fixed asset impairment have been discounted.

We continue the business change programme with its attendant investment in technology to improve the efficiency of our operations and enhance both membership value and our overall impact. The successful completion of our five-year strategy should see us reverse the trend of consolidated deficits.

Investments

The Association has an investment portfolio, which at 30 June 2025 was valued at £2,328,676 (2024: £2,729,860) and produced an income of £107,110 (2023-24: £126,373). The investment portfolio continues to be managed by our professional advisors on a medium risk basis while maintaining the capital value of the portfolio after inflation.

Reserves

The Trustees maintained their aim of maintaining an adequate level of unrestricted reserves as far as possible by investing any amounts in excess of operational needs to ensure that they deliver an additional source of income to the MA to contribute to our running costs while protecting the capital against inflation. Each year the Board of Trustees assesses as part of the annual budgeting process whether it is appropriate to authorise expenditure from unrestricted reserves to meet the annual running costs of the MA and/or any specific projects within the budget year. The Board of Trustees has decided that this approach best supports the MA in meeting its charitable objectives.

During 2024/25, the Trustees maintained the reserves policy and categories in order to better focus resources to support the business change programme. The designations set to support key elements of the business change programme were maintained.

The target minimum level of free central reserves of £1,200,000 was maintained as trustees continue to consider it adequate to provide resilience and flexibility to the charity during this period of business change and uncertainty as well as supporting the going concern status of the charity.

The free reserve balance as at 30 June 2025 was £2,503,220 (2024: £2,782,862) and exceeds the minimum target set. This additional buffer will create additional capacity over the duration of the business change programme to support our long-term subscription strategy. It will also support any additional initiatives we might explore to enhance membership value, support branches and enhance our wider impact in our advocacy for the magistracy.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2025

We began the process of withdrawing from the multi-employer defined benefit scheme and have made an initial payment of £36,299 to offset the potential liability upon withdrawal. As per the Charities SORP 2019 (FRS102), we continue to monitor the situation to complete our full withdrawal.

Fundraising

The MA understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. The Association does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year.

Key risks

A risk register, including steps necessary to mitigate identified risks, is reviewed by the Board of Trustees annually. The most significant risks facing the MA are:

- Our financial deficit continues, though at a reduced rate, with income growth not sufficient to reduce the budget deficit – leading to a depletion of our investments and reserves. To address this, the board of trustees continues to pursue a focus on membership recruitment and retention, including working to improve the attractiveness of the member offer. Resources have been refocused to ensure we continue to develop the right member benefits to grow membership and income in future.
The board has also put in place a financial strategy which includes a multi-year subscription rate strategy and taken steps to make efficiency savings. This includes the planned downsizing of the head office to reduce overheads, moving more events online to reduce logistical costs and more efficient contracting.
- Our branches require active and committed volunteers in order to serve as effective conduits for the recruitment, retention and support of our members. The board of trustees have approved a branch development plan designed to address this risk. There is support for our branches in their governance, administration, recruitment of new volunteers and an increased flexibility in the design of branch operations. This plan ensures volunteers feel appreciated and valued while providing support in the delivery of their roles. The board of trustees have established liaisons between its members and branch volunteers as a means of increasing the quality of cooperation with branches as well as ensuring the timely detection of any emergent issues that require central attention. In the course of the year, we organised a training day for branch executives and have plans to hold at least one such session each year going forwards.
- A lack of engagement with members results in a lack of active participation in the work of the MA nationally and locally, including key activities such as MIC and membership of the MA's policy committees. Activities set out in the MA's Membership Strategy are intended to address this.

Staff remuneration

The HR and remuneration committee reviews the Chief Executive's salary annually in light of market forces. The Chief Executive recommends salary adjustments, as necessary, for all other staff and these are reviewed by the HR and remuneration committee. Recommendations are then made by the HR and remuneration committee to the Board of Trustees for approval when setting the annual budget.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2025

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

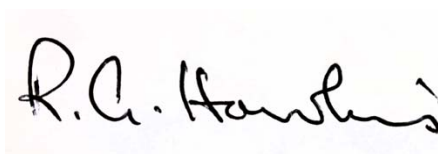
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable accounting standard have been followed, subject to any material 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 proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of 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 Board of Trustees and signed on their behalf by:



Mark Beattie
National Chairman
Date: 2 October 2025



Robert Hawkins
Honorary Treasurer
Date: 2 October 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2025

Opinion

We have audited the financial statements of the Magistrates Association (the 'charity') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes 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 charity's affairs as at 30 June 2025, and of its incoming resources and application of resources, including its 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 Charities Act 2011.

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 charity 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 charity'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.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2025

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2025

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting which could have a material impact on the financial statements. In relation to the operations of the Charity this included compliance with the Charities Act 2011.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Trustee Board meetings, any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charity. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2025



For and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors

Date: 2 December 2025

3rd Floor, 24 Old Bond St, Mayfair, London W1S 4AP

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE MAGISTRATES' ASSOCIATION - STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2025

	<u>2025</u>				<u>2024</u>			
	Unrestricted General £	Designated £	Restricted £	Total £	Unrestricted General £	Designated £	Restricted £	Total £
INCOME AND ENDOWMENTS								
Donations & grants	30,905	-	9,131	40,036	21,959	-	9,500	31,459
Charitable activities	530,702	-	-	530,702	461,074	-	-	461,074
Other trading activities	14,909	-	-	14,909	16,845	-	-	16,845
Investment income	107,110	-	-	107,110	126,373	-	-	126,373
Total income	683,626	-	9,131	692,757	626,251	-	9,500	635,751
EXPENDITURE								
Raising funds	5,017	-	-	5,017	5,419	-	-	5,419
Charitable activities	951,622	83,223	9,500	1,044,345	952,798	-	10,000	962,798
Impairment - Property Asset	71,861	-	-	71,861	719,341	-	-	719,341
Total expenditure	1,028,500	83,223	9,500	1,121,223	1,677,558	-	10,000	1,687,558
Net Income / (Expenditure) before investment gains / losses	(344,874)	(83,223)	(369)	(428,466)	(1,051,307)	-	(500)	(1,051,807)
Net gains / (losses) on investments	63,257	-	-	63,257	189,384	-	-	189,384
Net Income / (Expenditure)	(281,617)	(83,223)	(369)	(365,209)	(861,923)	-	(500)	(862,423)
RECONCILIATION IN FUNDS								
Total funds b/fwd	2,786,737	1,250,000	9,500	4,046,237	3,648,660	1,250,000	10,000	4,908,660
Total funds carried forward	2,505,120	1,166,777	9,131	3,681,028	2,786,737	1,250,000	9,500	4,046,237

All amounts relate to continuing activities of the charity.
The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes to the accounts are shown on pages 23 to 40

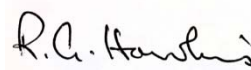
THE MAGISTRATES' ASSOCIATION - BALANCE SHEET AS AT 30 JUNE 2025

		<u>2025</u> £	<u>2024</u> £
FIXED ASSETS			
Tangible fixed assets	10	1,900	1,001,699
Intangible fixed assets	11	-	2,176
Investments	12	3,228,676	2,729,860
TOTAL FIXED ASSETS		<u>3,230,576</u>	<u>3,733,735</u>
CURRENT ASSETS			
Debtors	13	81,350	91,832
Cash at bank and in hand	19	471,609	307,473
TOTAL CURRENT ASSETS		<u>552,959</u>	<u>399,305</u>
LIABILITIES			
Creditors: amounts falling due within one year	14a	(102,507)	(86,803)
NET CURRENT ASSETS		<u>450,452</u>	<u>312,502</u>
TOTAL NET ASSETS		<u><u>3,681,028</u></u>	<u><u>4,046,237</u></u>
THE FUNDS OF THE CHARITY			
Unrestricted funds:			
Designated funds	15	1,166,777	1,250,000
Tangible fixed assets	10	1,900	1,001,699
Intangible fixed assets	11	-	2,176
Free reserves		2,503,220	1,782,862
Restricted funds	16	9,131	9,500
TOTAL FUNDS		<u><u>3,681,028</u></u>	<u><u>4,046,237</u></u>

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:



.....
Mark Beattie
National Chairman
Date: 2 October 2025



.....
Robert Hawkins
Honorary Treasurer
Date: 2 October 2025

The attached notes on pages 23 to 40 form part of these financial statements.

STATEMENTS OF CASH FLOWS AS AT 30 JUNE 2025

Cash Flow Statement	2025 £	2024 £
Cash flow from operating activities:	18 (406,431)	(383,995)
Net cash provided by/(used in) operating activities	<u>(406,431)</u>	<u>(383,995)</u>
Cash flow from investing activities		
Purchase of tangible assets	(984)	-
Loss on the disposal of fixed assets (Profit)/Loss	-	-
Proceeds from sale of investments	460,000	340,000
Movement of cash in the capital account (Increase)/Decrease	4,441	744
Investment income	107,110	126,373
Net cash provided by investing activities	<u>570,567</u>	<u>467,117</u>
Change in cash and cash equivalents in the reporting period	164,136	83,122
Cash and cash equivalents at the beginning of the reporting period	307,473	224,351
Cash and cash equivalents at the end of the reporting period	19 <u>471,609</u>	<u>307,473</u>
 <u>Analysis of changes in net debt</u>	 2025 £	 2024 £
Cash and cash equivalents as at 1 July 2024	307,473	224,351
Cash flows	164,136	83,122
Other non-cash changes	-	-
Cash and cash equivalents as at 30 June 2025	<u>471,609</u>	<u>307,473</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

a) General information and basis of preparation

The Magistrates Association is a charity registered under the number 216066 and a Royal Charter company, incorporated under the number RC000337. The address of the charity is given on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote the sound administration of the law, including, but not restricted to educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime. The Charity is a Public Benefit Entity under FRS102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

After making appropriate enquiries, the Board of Trustees considers that the Association is a going concern for the next 12 months and into the foreseeable future, due to the regular income received from its members, the level of free reserves held, and the fact that the MA owns its own premises. There are no material uncertainties which would cast doubt on the Association's ability to continue as a going concern. The financial statements are therefore prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Board of Trustees are aware of the budgeted deficit for the next financial year, as they have authorised the budget, and action is being taken to reduce the deficit and balance the budget in due course as per the risks identified on page 14.

The financial statements are prepared in sterling, the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

c) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations and grant income to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. Grants and donations receivable for specific purposes are accounted for as restricted funds.

Charitable activities comprise membership subscriptions and life member subscriptions. These are paid in advance for the year and are recognised when the Magistrates' Association has entitlement to the income. Life memberships are recognised in full in the year memberships are paid.

Income received in advance is deferred until there is entitlement to the income.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d) Expenditure and support costs allocation

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure can be categorised as follows:

- Cost of raising funds, which comprises investment management costs.
- Expenditure on charitable activities, which consists of directly incurred costs in furthering the objectives of the charity, and the associated support costs.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is provided in note 7.

e) Tangible fixed assets and depreciation

- i) The leasehold property is depreciated by equal instalments over 50 years.
- ii) Fixtures & fittings and office equipment are depreciated by equal instalments over 5 years.
- iii) Computer equipment and printers are depreciated by equal instalments over 3 years.
- iv) Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

f) Intangible fixed assets and depreciation

The membership database (SubscriberCRM) is depreciated by equal instalments over 5 years.

g) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the quoted market price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Investment properties have been included in the financial statements at their market value in accordance with the SORP.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

i) Cash at bank and In hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value which is at cost, with the exception of:

- Investments are measured at their fair value as at the balance sheet date
- Tangible and intangible fixed assets are measured at cost less depreciation

The investments note 12 details the historical cost of the investments and the unrealised gains to arrive at their fair value.

l) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. Contributions to the Association's defined contribution pension scheme and to employees' personal pensions are charged to the statement of financial activities in the year in which they become payable.

The Magistrates Association withdrew from a defined benefit "multi-employer" scheme during the year. The charity has made a payment on account as advised by the scheme actuary in respect of any liabilities arising from this withdrawal. The charity will finalise the withdrawal once the scheme trustee advises of the final net liability position.

m) Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

n) Key judgements and estimates policy

No significant judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The Trustees make estimates and assumptions concerning the future based on their knowledge of the company and the environment in which it operates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual outcome.

2 Donations, grants and legacies

	2025	2024
	£	£
Donations	2,168	2,300
Branches - Voluntary Income	18,737	19,659
Judicial College grant	9,131	9,500
Legacies	10,000	-
	<u>40,036</u>	<u>31,459</u>

A total amount of £9,131 (2024: £9,500) relates to the Judicial College grant which is a restricted fund.

All other amounts relate to unrestricted funds.

3 Charitable activities

	2025	2024
	£	£
Membership subscriptions	530,702	461,074
	<u>530,702</u>	<u>461,074</u>

All income from charitable activities in both the current and previous year relate to unrestricted funds.

Membership subscriptions include Gift Aid income tax recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

4 Investment income

	2025 £	2024 £
Dividends	106,047	122,287
Interest	1,063	4,086
	<u>107,110</u>	<u>126,373</u>

All investment income in both the current and previous year relate to unrestricted funds.

5 Other trading activities

	2025 £	2024 £
Magazine advertising revenue	6,085	4,381
Magazine subscriptions	430	252
Royalties	505	895
AGM/MA Awards income	-	5,729
500 Club lottery	3,150	3,085
Retired members' event	639	1,424
Royal Garden Party Event - Income	1,442	1,079
Conference income	2,658	-
	<u>14,909</u>	<u>16,845</u>

All income from other trading activities in both the current and previous year relate to unrestricted funds.

6 Raising funds

	2025 £	2024 £
Investment management costs	<u>5,017</u>	<u>5,419</u>

Investment management costs in both the current and previous year relate to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

7a Analysis of expenditure by activity

			2025 £
	Direct costs	Support costs	
Magistrate event training and support	514,168	602,037	1,116,205
			2024 £
	Direct costs	Support costs	
Magistrate event training and support	502,055	1,180,084	1,682,139

7b Analysis of direct costs

	2025 £	2024 £
Branch Expenditure	60,429	75,385
Wages and salaries (note 8)	361,133	341,272
Council and committees	4,388	7,389
Production of MAGISTRATE magazine	80,338	61,393
Representation	-	525
Events (including networking opportunities and training)	7,705	5,947
MIC and training	175	10,144
	514,168	502,055

Branch expenditure related to the aggregate of expenditure incurred by branches within the financial year.

Amount of £9,500 within Wages and Salaries relates to the restricted fund (2024: £10,000 in the MIC and training expenditure). All other expenditure relates to unrestricted and designated funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

7c Analysis of support costs

	2025 £	2024 £
Communications	31,374	46,812
Membership	89,724	55,215
Administration	164,534	127,819
Wages & Salaries	154,771	146,260
Accommodation	21,322	19,199
Depreciation Charge (including impairment)	102,959	727,452
Governance Costs	34,982	50,320
Pension scheme administration expenses	<u>2,371</u>	<u>7,007</u>
	<u>602,037</u>	<u>1,180,084</u>

7d Analysis of governance costs

	2025 £	2024 £
AGM and MA Awards	8,115	14,468
Board of Trustees' expenses (note 9)	1,645	4,895
Auditor's remuneration	25,650	31,650
	<u>35,410</u>	<u>51,013</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

8 Analysis of staff costs and key management personnel

	2025 £	2024 £
Wages and salaries	433,254	408,264
Social security costs	37,338	40,674
Pension costs	45,312	38,593
	<u>515,904</u>	<u>487,531</u>

The average monthly head count was 10 (2024: 10) and analysis of the staff employees in the year was:

	2025 Actual Number	2024 Actual Number
Management	1	1
Membership	3	3
Policy and research	2	2
Communications	3	3
Finance	1	1
	<u>10</u>	<u>10</u>

The number of employees whose total employee benefits excluding employer pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2025	2024
£80,000 - £89,999	1	-
£70,000 - £79,999	-	1
£60,000 - £69,999	1	1

The employer pension contributions made by the Association relating to the above amounted to £13,992 (2024: £13,870).

The key management personnel during the year comprised of the Chief Executive, the Director of Finance & Resources, the Head of Membership and the Head of Marketing. The total remuneration of key management personnel, including employer national insurance and pension contributions was £291,707 (2024: £261,249).

9 Trustees fees and expenses

No Trustees (2024: none) received fees or payment for professional services supplied to the Association.

Expenditure relating to travel/subsistence, Board of Trustees, Elections and minutes of Board meetings totalled £1,645 (2024: £4,895) in relation to 12 Trustees (2024: 12).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

10 Tangible fixed assets

	<u>Leasehold Property</u> £	<u>Computers & Printers</u> £	<u>Fixtures & Fittings</u> £	<u>Office Equipment</u> £	<u>Total</u> £
Cost					
At 1 July 2024	1,953,593	30,718	125,144	1,774	2,111,229
Additions	-	984	-	-	984
Disposals	-	-	(125,144)	(1,774)	(126,918)
Transfer to Investments	(1,953,593)				(1,953,593)
At 30 June 2025	-	31,702	-	-	31,702
Depreciation					
At 1 July 2024	953,593	29,019	125,144	1,774	1,109,530
Charge for year	28,139	783	-	-	28,922
Disposals	-	-	(125,144)	(1,774)	(126,918)
Impairment	71,861	-	-	-	71,861
Transfer to Investments	(1,053,593)				(1,053,593)
At 30 June 2025	-	29,802	-	-	29,802
Net Book Value					
At 30 June 2025	-	1,900	-	-	1,900
At 1 July 2024	1,000,000	1,699	-	-	1,001,699

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

11 Intangible fixed assets

	Intangible Assets £
Cost	
At 1 July 2024	32,780
Disposals	(32,780)
At end of year	-
Depreciation	
At 1 July 2024	30,604
Charge for year	2,176
Disposals	(32,780)
At end of year	-
Net Book Value	
At 30 June 2025	-
At 30 June 2024	2,176

This represents the net book value of the membership database which was purchased in July 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

12 Investments

Stocks and Shares	2025 £	2024 £
Market value at 1 July	2,729,860	2,881,220
Additions at cost	-	-
Sale proceeds	(460,000)	(340,000)
Investment gains/(losses)	63,257	189,384
Movement of cash in the capital account	(4,441)	(744)
Market value as at 30 June	<u>2,328,676</u>	<u>2,729,860</u>

At 30 June 2025 the historical cost of these investments was £2,162,452 (2024: £2,613,361).

Post-balance sheet, there was a withdrawal of £100,000 to support the working capital requirements of the 2025/26 financial year.

	2025 £	2024 £
Stocks and shares can be analysed as follows:		
Equities	1,735,119	1,921,166
Alternatives	301,079	418,819
Bonds	205,356	315,217
Multi-asset funds	-	53,228
Cash	87,122	10,621
Capital account	-	10,809
	<u>2,328,676</u>	<u>2,729,860</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

12a Property (cont'd)

	<u>2025</u>	<u>2024</u>
Valuation		
Transfer from Leasehold land and buildings	900,000	-
Valuation at 30 June 2025	<u>900,000</u>	<u>-</u>

The last property valuation was undertaken by Strettons in June 2025.

The trustees will continue to the market value of the properties under regular review and ensure the value of freehold properties included in these financial statements accurately reflect their fair value.

	<u>2025</u>	<u>2024</u>
Total Investments	<u>3,228,676</u>	<u>2,729,860</u>

13 Debtors

	2025	2024
	£	£
Trade debtors	-	-
Other debtors	34,300	45,336
Prepayments and accrued income	47,050	46,496
	<u>81,350</u>	<u>91,832</u>

14a Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	49,497	17,589
Other creditors	8,007	6,126
Pensions	13,990	15,792
Other taxation and social security	5,981	10,195
Accruals and deferred income	25,032	37,101
	<u>102,507</u>	<u>86,803</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

15 Unrestricted funds

	Balance at 01 July 2024	Income and net gains	Expenditure and net losses	Transfers	Balance at 30 June 2025
	£	£	£	£	£
General funds	1,782,862	745,899	(25,541)	-	2,503,220
Fixed assets fund	1,001,699	984	(1,000,783)	-	1,900
CRM Database fund	2,176	-	(2,176)	-	-
Provision of services to life members	100,000	-	-	-	100,000
Strategic Development fund	1,000,000	-	(46,924)	-	953,076
Pension Liability fund	100,000	-	(36,299)	-	63,701
Equipment and Technology fund	50,000	-	-	-	50,000
	4,036,737	746,883	(1,111,723)	-	3,671,897

	Balance at 01 July 2023	Income and net gains	Expenditure and net losses	Transfers	Balance at 30 June 2024
	£	£	£	£	£
General funds	1,917,333	815,635	(950,106)	-	1,782,862
Fixed assets fund	1,722,595	-	(720,896)	-	1,001,699
CRM Database fund	8,732	-	(6,556)	-	2,176
Provision of services to life members	100,000	-	-	-	100,000
Strategic Development fund	1,000,000	-	-	-	1,000,000
Pension Liability fund	100,000	-	-	-	100,000
Equipment and Technology fund	50,000	-	-	-	50,000
	4,898,660	815,635	(1,677,558)	-	4,036,737

The general funds of the charity include funds held by branches as at each year end.

The Trustees further designated reserves out of unrestricted funds for specific purposes:

- The provision of services to life members fund is to provide future cost of member services.
- The strategic development fund is for the support of our business change programme.
- The pension liability fund is to address the potential liability from our pension scheme.
- The equipment and technology fund is to replace our essential equipment and technology.

The adequacy of these funds will be reviewed annually.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

16 Restricted funds

	Balance at 1 July 2024 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2025 £
Training	9,500	9,131	9,500	-	9,131
	<u>9,500</u>	<u>9,131</u>	<u>9,500</u>	<u>-</u>	<u>9,131</u>

	Balance at 1 July 2023 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2024 £
Training	10,000	9,500	10,000	-	9,500
	<u>10,000</u>	<u>9,500</u>	<u>10,000</u>	<u>-</u>	<u>9,500</u>

Training refers to grants received for the preparation of training material for magistrates undertaken in accordance with the financial memorandum agreed between the Judicial College and the Association.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

17 Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2025
	£	£	£	£
Fixed asset funds	1,900	-	-	1,900
Investments – Stocks and Shares	1,161,899	1,166,777	-	2,328,676
Investments – Property	900,000	-	-	900,000
Current assets	543,828	-	9,131	552,959
Current liabilities	(102,507)	-	-	(102,507)
	<u>2,505,120</u>	<u>1,166,777</u>	<u>9,131</u>	<u>3,681,028</u>

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2024
	£	£	£	£
Fixed asset funds	1,000,699	-	-	1,000,699
CRM Database funds	2,176	-	-	2,176
Investments	1,479,860	1,250,000	-	2,729,860
Current assets	389,805	-	9,500	399,305
Current liabilities	(86,803)	-	-	(86,803)
	<u>2,786,737</u>	<u>1,250,000</u>	<u>9,500</u>	<u>4,046,237</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

18 Reconciliation of net expenditure to net cash flow from operating activities

	<u>2025</u> £	<u>2024</u> £
Net Movement in Funds	(365,209)	(862,423)
Depreciation Charges	31,098	8,111
Impairment of Fixed Asset	71,861	719,341
Decrease/(Increase) in Debtors	10,482	102,179
(Decrease)/Increase in Short Term Creditors	15,704	(27,098)
(Decrease)/Increase in Long Term Creditors	-	(9,068)
Decrease/(Increase) in Stock	-	720
Investment Income	(107,110)	(126,373)
(Gain)/Loss on Investments at Market Value	(63,257)	(189,384)
Net Cash Provided by/(used in) Operating Activities	<u>(406,431)</u>	<u>(383,995)</u>

19 Analysis of cash and cash equivalents

	2025	2024
	£	£
Cash and bank	471,609	307,473
Cash in hand	<u>471,609</u>	<u>307,473</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

20 Pensions – defined benefit scheme

The charity previously maintained a defined benefit scheme from which it withdrew during the financial year under review.

There was a debt upon withdrawal and the charity entered into a side agreement with the scheme trustee to eliminate this debt.

As the Section 75 debt could not be certified by the scheme actuary as at the date of withdrawal, 30 September 2024, a prepayment of £39,299 was made from designated funds to discharge a reasonable pre-estimate of the final debt calculated by the scheme actuary.

This amount will be treated as an “on account” payment pending the scheme actuary being able to formally certify the debt after the court ruling.

There is thus no long-term liability carried under this heading in the accounts.

21 Branches

The accounts for the Association’s local groups, which are listed below, are consolidated within these accounts since they are an integral part of the Magistrates' Association.

Bedfordshire	Lincolnshire
Berkshire	Merseyside
Birmingham	Mid & South Glamorgan
Black Country	Middlesex
Bristol & North Avon	Norfolk
Buckinghamshire	North & East Devon
Cambridgeshire	North East & East London
Central & North London	Northumbria
Cheshire	North Wales
Cleveland & Durham	North & West Yorkshire
Cornwall	Northamptonshire
Coventry & Warwickshire	Nottinghamshire
Cumbria North	Oxfordshire
Cumbria South	Shropshire
Derbyshire	Somerset
Dorset	South & South East London
Dyfed	South & West Devon
Essex	South West London
Gloucestershire	Staffordshire
Greater Manchester	Surrey
Gwent	Sussex
Hereford & Worcester	Wessex
Hertfordshire	West Glamorgan
Kent	Wiltshire
Lancashire County	
Leicestershire & Rutland	

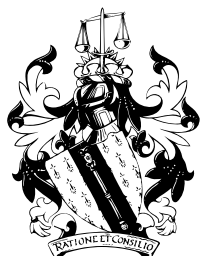
22 Related party transactions

There were no related party transactions to report (2024: None)

Accounts

TRUSTEES REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024



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REFERENCE AND ADMINISTRATIVE DETAILS

Name	The Magistrates' Association
Charity number	216066
Registered office	10a Flagstaff House St George Wharf Vauxhall, London SW8 2LE
Trustees	Mark Beattie JP (Chair) Jacqueline MacDonald-Davis JP (Deputy Chair) David Ford JP (Deputy Chair) Christine Grant JP (Honorary Treasurer to 31 July 2024) Robert Hawkins JP (Honorary Treasurer from 10 October 2024) Sarah Butters JP (from 25 November 2023) Sarah Clarke JP Doreen Huijssoon-Prescott JP (to 25 November 2023) Josh James JP Jo King JP (to 31 January 2024) Daniel Longman JP (to 25 November 2023) Ben Paolozzi JP (from 25 November 2023) Frank Shipway JP Patricia Willmott JP
Chief Executive	Tom Franklin
Auditors	Price Bailey LLP 3rd Floor, 24 Old Bond Street, Mayfair, London, W1S 4AP
Bankers	National Westminster Bank plc Bloomsbury Parr's Branch, PO Box 158, 214 High Holborn, London, EC1V 7BX CAF Bank Ltd 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Investment managers	Cazenove Capital Schroder & Co Limited, 1 London Wall Place, London, EC2Y 5AU
Solicitors	Russell-Cooke LLP 2 Putney Hill, London, SW15 6AB

TRUSTEES' REPORT

About the Magistrates' Association

The Magistrates' Association (MA) is an independent charity registered in the UK (Charity number 216066) and the membership body for the magistracy. We work to promote the sound administration of the law, including by providing guidance, training, and support for our members, informing the public about the courts and the role of magistrates, producing and publishing research on key topics relevant to the magistracy, and contributing to the development and delivery of reforms to the courts and the broader justice system. With 12,000 members across England and Wales, we are a unique source of information and insight and the only independent voice of the magistracy.

Our vision

The MA's vision is a fair and effective justice system, served by a robust and vibrant magistracy.

Our mission

To work with and on behalf of our members to promote the sound administration of the law by informing policy and practice relating to the magistracy, providing support and guidance to magistrates, and informing the public about the magistracy and the broader justice system. In 2023-24 we continued with our organisational strategy, focusing our work around four key aims.

Achievements and performance for 2023-24

Key aim 1: To influence the policy agenda on behalf of our members and in support of our vision

To achieve this through our work in 2023-24 we:

- Held four meetings with government ministers, including the new Lord Chancellor and the Courts Minister, and Ministry of Justice policy teams, to discuss issues of most concern to our members, including sentencing powers, magistrate training, recruitment of new magistrates, support for working magistrates, diversity, and the expenses system. In preparation for the new government following the general election, we published an open letter to the new Lord Chancellor calling for a long-term strategy to repair the justice system.
- Held meetings with other high-level stakeholders, including the new Lady Chief Justice, the then Shadow Courts Minister, the Senior Presiding Judge, the Chief Executive of HM Courts and Tribunals Service, and the Chief Magistrate, and attending key bodies such as the Magistrates' Liaison Group, the Magistrates' Engagement Group, and Judicial Business Groups.
- Produced 10 responses to consultations on issues of relevance to the magistracy, ranging from Sentencing Council consultation on immigration offences and aggravated vehicle taking, the proposed imposition guideline, to youth remand funding and open justice.
- Responded to the Spring Budget welcoming the additional money announced for mediation in family courts and for early intervention, but highlighting the missed opportunity to properly invest in justice.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

- Published a major new position statement on the Single Justice Procedure (SJP), calling for reform of the procedure to protect the most vulnerable defendants. Based on a survey of more than 600 members, our twelve recommendations include making it a requirement that prosecutors see all pleas and mitigations prior to cases being heard by a magistrate, reviewing and improving the training magistrates receive before they sit on SJP cases, and enabling accredited journalists to view SJP sittings. The MA also secured agreement that the '3:1' procedure for the SJP – where three magistrates work independently with a single legal adviser – would be rolled out on a voluntary basis only for existing magistrates.
- Gave evidence at a parliamentary roundtable hosted by the Commons' Justice Select Committee in response to the Sentencing Council's Imposition of community and custodial sentences guideline. We were pleased to see our recommendations echoed in a letter from the Justice Select Committee to the Chair of the Sentencing Council.
- Advocated for magistrates' courts to hear more serious cases, to help to reduce the high levels of backlogs in the crown courts, following the suspension of the measure by the government in the spring of 2023.
- Continued to press the case for an increase in legal adviser availability, to reduce the scale of delays and cancellations affecting courts.
- Worked with the Ministry of Justice to promote its recruitment campaign for more magistrates – resulting in more than 2,000 new magistrates in the year, the highest level of recruitment ever.
- Prepared for the launch of the consultation into the future of Local Justice Areas (LJAs), however this consultation was delayed several times including by the announcement of the general election.
- Held regular quarterly meetings of our Judicial Business Group representatives, to better support their work and to hear first-hand what is happening in the courts regionally.
- Held regular meetings of the MA's representatives on Training, Approvals, Authorisations and Appraisals Committees (TAAACs), to help share information between representatives and support them in their work.
- Continued to press the case for better accessibility in magistrates' courts, following the publication of our landmark report on the subject the year before, including a meeting with the chief executive of HMCTS to express our concerns and advocate for necessary changes. We were pleased that the Ministry of Justice has begun a review of the process for assessing reasonable adjustments, and that HM Courts and Tribunals Service has stated that improving accessibility is a key factor in determining the allocation of capital works spending. We welcomed the additional allocation of funding for court repairs, maintenance and upgrades – £220 million across two years – but called for a target date by when all courts would be accessible. We also responded to the proposed Blackpool Courthouse scheme and the Government's proposed Disability Action Plan to reiterate our messages.
- Called on the Department for Transport to undertake a public information campaign regarding the legal use of e-scooters, following growing concern among our members about the public's lack of awareness of the laws surrounding them in England and Wales. We have called for better data on e-scooter related incidents and more consistent enforcement of the law by police and local authorities.
- Celebrated the success of our call for magistrates who regularly use display screens as part of their role to be provided with display screen assessments. This is a reversal of HM Courts and

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

Tribunals Service's previous policy of restricting the assessments to the paid judiciary. We will monitor the roll-out of the assessments following the initial trial in the south west.

- Gave oral evidence to the House of Lords Committee on Justice and Home Affairs on community sentences, which drew on our survey of 500 members' experience of community sentences and their confidence in them. The Committee's report's recommendations echoed much of our evidence and highlighted the importance of rigorous and well-funded community sentences as a viable alternative to short prison terms.
- Continued to monitor the allocation of public law work to family magistrates, following our securing of a commitment from senior judiciary that there would be a minimum threshold for cases to be allocated across regions, in order to ensure magistrates remain skilled in all areas of family law work.
- Took an active part in the new Family Magistrates Oversight Group, which provide better leadership for family magistrates.

Our successes included:

- Secured a commitment from HM Courts and Tribunals Service to conduct a full review of the provision of IT devices for family magistrates. This followed our reporting of the issue of poor quality devices, inaccessibility, and lack of technical support for devices used by family magistrates to read bundles and conduct hearings.
- Secured improved communication with magistrate applicants, following our survey of new magistrates which revealed the need for clearer and more consistent communication during the application process. The new process, with regular communication to keep applicants informed, is being rolled out in the coming year.
- The incorporation by the Ministry of Justice of the recommendations we made in our advocacy report on out of court disposals (OOCs) into a proposed code of practice. The proposals include excluding certain offences, such as knife crime, from being eligible for OOCs, and ensuring appropriate oversight through scrutiny panels, which reflect key concerns in our report.
- Several of the proposals we made in our responses to Sentencing Council consultations on totality, motoring offences and witness intimidation guidelines have been accepted and implemented.
- In our most recent member satisfaction survey, 75% of members said they feel that the MA does a good job representing and speaking up for magistrates.
- Contributing to the recruitment of 2000 new magistrates during the year, the largest recruitment in the history of the magistracy.

Key aim 2: To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems

To achieve this through our work in 2023-24 we:

- Continued to expand our media work, raising the voice of the magistracy to help increase understanding of what magistrates do.
- Supported our branches to deliver the MA's Magistrates in the Community programme, bringing branch coordinators together to share ideas and encourage further outreach.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

- Supported Pride Month, International Women's Day, South Asian Heritage Month, Black History Month, Stephen Lawrence Day, and Justice Week – as part of our work to explain the diversity of the magistracy to the public and to attract people from all walks of life to apply to become magistrates.

Our successes included:

- Achieved coverage of 1,276 pieces of digital, print and broadcast media coverage, including interviews (2022-3: 316) on BBCs Radio 4, 5, 2 and 6, BBC News, ITV, and Sky News, and coverage all of the main national newspapers – an increase of 403% on last year.
- Reached 167,000 people on X (formerly Twitter), and 99,000 people on Linked In – with 627 new followers – with social media posts aimed at explaining the work of the magistracy.
- Through our Magistrates in the Community outreach programme, members visited 982 schools, community centres and other places – educating the public about magistrates, crime and the courts. We engaged with 39,000 people through these events, from Greater Manchester to Gwent, and from North and East Devon to North and West Yorkshire.
- Continued with our 'faces of the magistracy' campaign, featuring a different magistrate each week to highlight the diversity of magistrates and encourage people from all walks of life to consider applying.

Key aim 3: To provide MA members, and the broader magistracy, with support, information, training and development

To achieve this through our work in 2023-24 we:

- Held 28 webinars, events, conferences and new magistrate webinars, attended by 1,540 people on topics ranging from probation to repeat offenders.
- Published four issues of our newly refreshed Magistrate magazine, the only magazine dedicated to issues affecting the magistracy, with more feature articles and increased pagination/reduced frequency, to create a higher-quality product. In our readers' survey, 90% said that the magazine is helpful to them.
- Held three evening drop-in events for members of our disabled magistrates' network, LGBT+ magistrates' network, Black Asian and minority ethnic magistrates' network, and young magistrates' network – an opportunity for under-represented groups in the magistracy to get together, share problems and offer each other support.
- Held a special event for our members who are youth panel magistrates, to update them on current issues and build a stronger network between them.
- Continued to develop our member support line, staffed by our most experienced members, to provide a friendly ear and signposting for members when they need it, with additional publicity materials provided to our branches for display in retiring rooms.
- Held three workshops for new magistrates, providing them with support early on in their magistracy journey, and introducing them to the benefits and services of the Magistrates' Association.
- Welcomed 150 members to our first annual conference to be held in person since Covid-19, in Birmingham, on the subject of local justice – with speakers including the new Lady Chief Justice, the Senior Presiding Judge, and the Chief Probation Officer.

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- Gave out 11 awards at our annual awards ceremony – up from eight the year before – to recognise Magistrates' Association volunteers who have particularly supported their colleagues, or reached out to their local communities, over the past year.
- Continued to build our new website, providing a refreshed look and feel, aimed at the general public, those interested in becoming magistrates, as well as our members and volunteers. We had 110,000 visitors to our new website in the last year.
- Continued to publish our monthly MA eNews, providing bite-sized news and information to our members.
- Trialled our '60-minute buddy' scheme, to link up experienced members with other members thinking of becoming a presiding justice, mentor or appraiser – to provide 60 minutes of guidance.
- Continued our series of blogs and features on our website, from partners and stakeholders, to help inform and engage our members.
- Continued to grow MA learn – our new online learning platform – with almost a third more learning resources added, and additional promotion amongst members so that more can make use of it.
- Produced four MA cut-out-and-keep guides and four Sentencing Steps exercises.
- Worked with the Ministry of Justice to encourage magistrates to nominate colleagues who they feel have been exceptional in their roles, for the national honours scheme.
- Invited members chosen by branches to attend the Royal Garden Parties.

Our successes included:

- MA learn, our new online learning hub, continues to grow – with 186 learning resources (an increase of 69 new resources added in the last year), 1,800 new users, and a total of 4,500 log-ins during the year.
- Published 33 blogs on our website on issues of interest to the magistracy—including a celebration of volunteers week, another for neurodiversity celebration week, redesigning justice for women and children, problem solving courts, and artificial intelligence.

Key aim 4: To be an effective, well-run and financially sustainable organisation

To achieve this through our work in 2023-24 we:

- Continued to implement the roadmap for business change, as agreed by the board of trustees in 2021.
- Improved membership recruitment, retention and processing – including the activities set out in our member recruitment and retention strategy.
- Launched a series of new recruitment resources – including leaflets, posters, banners and lanyards.
- Increased our support for branches – including regional branch meetings across England and Wales, member role packs, and the launch of a revised Branch Expectations and Commitments document setting out what branches can expect from head office, and what expectations are required from branches.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

- Continued with our annual members' survey for the third year, launched in 2021-22, so that we can track changes in members' feedback over time.
- Promoted associate membership, to encourage those considering becoming a magistrate to learn more about the role.
- Continued to promote our new member get member scheme, to ask existing members to encourage non-members to join the MA, with almost 20% of new members being recruited through this scheme.
- Continued with the implementation of our five-year finance strategy, aimed at putting the finances of the Association onto a more secure and sustainable long-term footing. We also implemented the first year of a three-year strategy for membership subscriptions.
- Continued to implement our leaver survey for members who leave the Association, so that we can better understand their reasons for doing so.

Our successes included:

- 897 new members joined the association during the year.
- In our most recent member satisfaction survey, 84% of our members would recommend joining the MA to a fellow magistrate, and 78% feel that the MA is good value for money.
- 20% of new members being recruited through our member get member scheme this year.
- Sent out 88 email updates to our members during the year – including 12 monthly eNews bulletins, three Branch Executive News bulletins for our branch officers, and 63 other member update emails.
- 1,142 people are members of one or more of our diversity and inclusion networks.
- New magistrate workshops held for over 400 new magistrates during the year.
- Contested elections held for board of trustees, and a high level of applications for places on the policy committees—showing member engagement in our governance structures.

Our plans for 2024-25

2024-25 will see the ongoing implementation of the MA's organisational strategy and business change programme, based around the four key aims set out above.

- 1) To influence the policy agenda on behalf of our members and in support of our vision. Planned activities for 2024-25 include:
 - Continued focus on four priority policy areas: better justice for children, better justice processes, openness and transparency, and better support for magistrates.
 - Calling for a wholesale review of magistrates' expenses as part of the government's spending review in 2025, following our report 'It Shouldn't Cost to Volunteer', which we published in the Autumn of 2022, and showed that the expenses system is not fit for purpose.
 - Publishing two major reports during the year – one on magistrate recognition and reward, following a resolution agreed at the 2022 AGM; and one on open data in the magistrates' courts.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

- Continuing to highlight the problems faced by disabled magistrates due to inaccessible court buildings, as set out in our report published in the Spring of 2023.
 - Being ready to respond to any consultation by the Ministry of Justice and the senior judiciary on the abolition of local justice areas, following the Judicial Review and Courts Act, calling for magistrates' voices to be heard and for the consultation to be meaningful.
 - Responding to relevant consultations, and publishing position statements on key issues.
 - Attending and impactfully contributing to meetings of key bodies, for example Judges' Council, the Magistrates' Liaison Group, Magistrates' Engagement Group and Judicial Business Groups, and promoting MA key issues at targeted meetings.
 - Holding an annual conference on the topic of solutions for fixing the crisis in the justice system.
- 2) To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems. Planned activities for 2024-25 include:
- Developing some new resources for our Magistrates in the Community programme, including materials aimed at informing the public about family court work.
 - Securing at least 20 positive national media appearances for the MA and the magistracy
 - Providing new materials for our Magistrates in the Community programme, including some aimed at promoting the work of family courts.
- 3) To provide MA members, and the broader magistracy, with support, information, training and development. Planned activities for 2024-25 include:
- Further developing our new website, particularly the volunteer section, and making it easier for members to sign up to events and donate.
 - Expanding MA learn—our online learning hub—with even more resources, and promoting its features with our members, with stronger links across to our website.
 - Continuing to put on a series of webinars on topics of interest to our members, recording them and making them available on MA learn.
 - Launching a digital version of Magistrate magazine, and promoting this amongst our members, to meet the needs of a more diverse membership, reduce costs, and reduce our impact on the environment.
 - Continuing to host events for new magistrates, to welcome them to the magistracy and help them get the most from their MA membership.
 - Publishing, in partnership with the Judicial College, the training resource for magistrates on becoming a youth court presiding justice which we developed last year, and developing new resources to support magistrates' application of the Guide to Judicial Conduct and Statement of Expected Behaviour.
 - Continuing to trial and roll out our '60-minute buddy' scheme, to link up experienced members with other members thinking of becoming a presiding justice, mentor or appraiser, promoting it especially with the members of our diversity and inclusion networks.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

- Continuing with our annual Magistrates' Association awards to recognise outstanding work by our volunteers.
 - Producing four MA cut-out-and-keep guides and four Sentencing Steps exercises.
 - Producing to a high standard 12 issues of MA eNews and four issues of Branch Executive News.
- 4) To be an effective, well-run and financially sustainable organisation. Planned activities for 2024-25 include:
- Implementing the second year of our three-year membership subscriptions survey, to ensure the organization remains sustainable into the long term.
 - Developing the MA's legacy giving framework and securing two new grants from trusts and foundations.
 - Moving out of our head office and into smaller premises, in recognition of the changing working practices of the staff team and to realise additional savings.
 - Investing in improvements to our member relationship management system, to improve the quality of contact that we have with our members, with more personalised communications
 - Implementing changes to our governance arrangements, to ensure we respond to changes in our external environment, including making changes to our byelaws.
 - Continuing with our annual members' survey for a fourth year, enabling us to track members' feedback over time.
 - Continuing to promote associate membership, to encourage those considering becoming a magistrate to learn more about the role.

Governance and management

The MA is established and incorporated to promote the sound administration of the law, including, but not restricted to, educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime.

The MA was established in 1920 and granted a Royal Charter in 1962. It is currently governed by a Supplemental Charter and Bye-laws approved on 12 February 2013 and amended on 11 April 2023.

The Members of the MA consist of:

- (a) Ordinary Members: any magistrate who makes application for membership in the manner for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out from time to time.
- (b) Associate Members: subject to the approval of the Board of Trustees, any other person who makes application for associate membership in any manner as is for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out and who satisfies any criteria for admission as are set down by the Board of Trustees from time to time.
- (c) Honorary Members: any one person co-opted by the Annual General Meeting as an Honorary Member, not exceeding ten persons.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

The Board of Trustees consists of:

- (a) the Chair and the Deputy Chair or Deputy Chairs, elected by the Ordinary Members from among the current Trustees and the current Chairmen of the Standing Committees for the immediately preceding year;
- (b) the Honorary Treasurer, appointed by the Board at its discretion;
- (c) six other Trustees elected by the Ordinary Members from among the Ordinary Members, provided that any person standing for election must be Actively Serving; and
- (d) not more than two Members of the Association co-opted at any time by the Board in their absolute discretion. Co-opted Trustees may be removed by the Board at any time and in any case shall retire at each Annual General Meeting but shall be eligible to be co-opted again up to three times.

Where possible, trustees are invited to observe one board meeting prior to the start of their term of office and attend one half-day induction training session with the National Chair and Chief Executive. The trustee role and responsibilities, the duties reserved for the Board, the duties delegated to the Standing Committees, and the duties delegated to the Chief Executive, are detailed in the MA's Standing Orders.

The organisational structure consists of the board of trustees, eight standing committees, five of which are responsible for policy (adult court committee, family court committee, youth court committee, training learning and development and committee, and diversity and inclusion committee) and three for finance and audit, HR and remuneration, and appointments respectively, a policy board (which oversees the work of the five policy standing committees), national council (which advises the board of trustees), 53 local branches spanning England and Wales, and ten staff including four as the senior management team.

The Board of Trustees identifies the major risks to which the charity is exposed, regularly reviews those risks and has established procedures to manage those risks.

The Board of Trustees has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities which contribute to the aims and objectives of the Association.

The Board of Trustees also regularly assesses the Association's achievements and reviews the activities that have been completed, in order to ensure that they have been delivered as planned and judge their impact and the extent to which they have contributed to achieving the aims and objectives of the Association. Please see pages 3-8 for a summary of the Association's achievements in the 2023-24 financial year, which the board of trustees has considered in ensuring the Association is carrying out its purposes for the public benefit.

Financial review

Income and expenditure

The consolidated income for the year was £635,751, as compared to a consolidated income in 2022-23 of £572,721.

Consolidated expenditure was £1,687,558 as compared to a consolidated total of £995,187 for the 2022-23 year. This consolidated expenditure included an amount of £719,341 which represented the net value of an impairment to the market value of our property. This impairment resulted from the revaluation of our property asset to current market value.

We subsequently recorded a consolidated deficit before net gains in investments values of £1,051,307 as compared to a consolidated deficit of £422,466 for the 2022-23 year.

The net movement in consolidated funds for the year was a deficit of £862,423 compared to a consolidated deficit net movement of £502,208 for the 2022-23 year.

As we complete the first year of our business change programme the effects of our cost control and operational streamlining are reflected in that we realised an operational deficit of £332,466 in like-for-like comparison to a deficit of £422,466 in the 2022-23 financial year once the effects of the fixed asset impairment have been discounted.

We will continue the business change programme with its attendant investment in technology to improve the efficiency of our operations and enhance both membership value and our overall impact. The successful completion of our five-year strategy should see us reverse the trend of consolidated deficits.

Investments

The Association has an investment portfolio, which at 30 June 2024 was valued at £2,729,860 (2023: £2,881,220) and produced an income of £126,373 (2022-23: £127,033). The investment portfolio continues to be managed by our professional advisors on a medium risk basis while maintaining the capital value of the portfolio after inflation.

Reserves

The Trustees maintained their aim of maintaining an adequate level of unrestricted reserves as far as possible by investing any amounts in excess of operational needs to ensure that they deliver an additional source of income to the MA to contribute to our running costs while protecting the capital against inflation. Each year the Board of Trustees assesses as part of the annual budgeting process whether it is appropriate to authorise expenditure from unrestricted reserves to meet the annual running costs of the MA and/or any specific projects within the budget year. The Board of Trustees has decided that this approach best supports the MA in meeting its charitable objectives.

During 2023/24, the Trustees maintained the reserves policy and categories in order to better focus resources to support the business change programme. The designations set to support key elements of the business change programme were maintained.

The target minimum level of free central reserves of £1,200,000 was maintained as trustees continue to consider it adequate to provide resilience and flexibility to the charity during this period of business change and uncertainty as well as supporting the going concern status of the charity.

The free reserve balance as at 30 June 2024 was £1,782,862 (2023: £1,917,333 as restated) and exceeds the minimum target set. This additional buffer will create additional capacity over the duration of the business change programme to support our long-term subscription strategy. It will also support any additional initiatives we might explore to enhance membership value, support branches and enhance our wider impact in our advocacy for the magistracy.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2024

As per the Charities SORP 2019 (FRS102), we continue to recognise the liability arising in respect of the multi-employer defined benefit scheme. The impact of this has reduced our free reserves by £15,792 (2023: £15,142).

Fundraising

The MA understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. The Association does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year.

Key risks

A risk register, including steps necessary to mitigate identified risks, is reviewed by the Board of Trustees annually. The most significant risks facing the MA are:

- Our financial deficit continues, though at a reduced rate, with income growth not sufficient to reduce the budget deficit – leading to a depletion of our investments and reserves. To address this, the board of trustees continues to pursue a focus on membership recruitment and retention, including working to improve the attractiveness of the member offer. Resources have been refocused to ensure we continue to develop the right member benefits to grow membership and income in future.
The board has also put in place a financial strategy which includes a multi-year subscription rate strategy and taken steps to make efficiency savings. This includes the planned downsizing of the head office to reduce overheads, moving more events online to reduce logistical costs and more efficient contracting.
- Our branches require active and committed volunteers in order to serve as effective conduits for the recruitment, retention and support of our members. The board of trustees have approved a branch development plan designed to address this risk. There is support for our branches in their governance, administration, recruitment of new volunteers and an increased flexibility in the design of branch operations. This plan ensures volunteers feel appreciated and valued while providing support in the delivery of their roles. The board of trustees have established liaisons between its members and branch volunteers as a means of increasing the quality of cooperation with branches as well as ensuring the timely detection of any emergent issues that require central attention. In the course of the year, we organised a training day for branch executives and have plans to hold at least one such session each year going forwards.
- A lack of engagement with members results in a lack of active participation in the work of the MA nationally and locally, including key activities such as MIC and membership of the MA's policy committees. Activities set out in the MA's Membership Strategy are intended to address this.

Staff remuneration

The HR and remuneration committee reviews the Chief Executive's salary annually in light of market forces. The Chief Executive recommends salary adjustments, as necessary, for all other staff and these are reviewed by the HR and remuneration committee. Recommendations are then made by the HR and remuneration committee to the Board of Trustees for approval when setting the annual budget.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

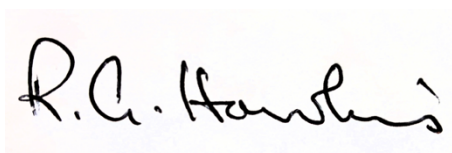
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable accounting standard have been followed, subject to any material 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 proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of 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 Board of Trustees and signed on their behalf by:



Mark Beattie
National Chairman
Date: 29 October 2024



Robert Hawkins
Honorary Treasurer
Date: 29 October 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2024

Opinion

We have audited the financial statements of the Magistrates Association (the 'charity') for the year ended 30 June 2024 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes 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 charity's affairs as at 30 June 2024, and of its incoming resources and application of resources, including its 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 Charities Act 2011.

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 charity 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 charity'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.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2024

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements,

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2024

including financial reporting which could have a material impact on the financial statements. In relation to the operations of the Charity this included compliance with the Charities Act 2011.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Trustee Board meetings, any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charity. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



For and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors

Date: 13 November 2024

3rd Floor, 24 Old Bond St, Mayfair, London W1S 4AP

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2024

		<u>2024</u>				<u>2023</u>			
		Unrestricted				Unrestricted			
		General £	Designated £	Restricted £	Total £	General £	Designated £	Restricted £	Total £
INCOME AND ENDOWMENTS									
Donations & grants	2	21,959	-	9,500	31,459	13,072	-	10,000	23,072
Charitable activities	3	461,074	-	-	461,074	407,659	-	-	407,659
Other trading activities	5	16,845	-	-	16,845	14,957	-	-	14,957
Investment income	4	126,373	-	-	126,373	127,033	-	-	127,033
Total income		626,251	-	9,500	635,751	562,721	-	10,000	572,721
EXPENDITURE									
Raising funds	6	5,419	-	-	5,419	5,818	-	-	5,818
Charitable activities	7	952,798	-	10,000	962,798	484,743	447,729	56,897	989,369
Impairment – Property Asset	10	719,341	-	-	719,341	-	-	-	-
Total expenditure		1,677,558	-	10,000	1,687,558	490,561	447,729	56,897	995,187
Net income / (expenditure) before investment gains / losses		(1,051,307)	-	(500)	(1,051,807)	72,160	(447,729)	(46,897)	(422,466)
Net gains / (losses) on investments	12	189,384	-	-	189,384	(3,987)	(75,755)	-	(79,742)
Net income / (expenditure)		(861,923)	-	(500)	(862,423)	68,173	(523,484)	(46,897)	(502,208)
Transfer between funds		-	-	-	-	(1,250,000)	1,250,000	-	-
RECONCILIATION IN FUNDS									
Total funds b/forward		3,648,660	1,250,000	10,000	4,908,660	4,830,487	523,484	56,897	5,410,868
Total funds carried forward		2,786,737	1,250,000	9,500	4,046,237	3,648,660	1,250,000	10,000	4,908,660

All amounts relate to continuing activities of the charity.
The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes to the accounts are shown on pages 22 to 40

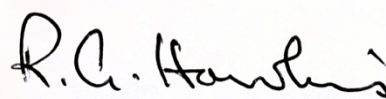
BALANCE SHEET AS AT 30 JUNE 2024

		2024 £	2023 £
FIXED ASSETS			
Tangible fixed assets	10	1,001,699	1,722,595
Intangible fixed assets	11	2,176	8,732
Investments	12	2,729,860	2,881,220
TOTAL FIXED ASSETS		3,733,735	4,612,547
CURRENT ASSETS			
Stock		-	720
Debtors	13	91,832	194,011
Cash at bank and in hand	19	307,473	224,351
TOTAL CURRENT ASSETS		399,305	419,082
LIABILITIES			
Creditors: amounts falling due within one year	14a	(86,803)	(113,901)
NET CURRENT ASSETS		312,502	305,181
Creditors: amounts falling due after one year	14b	-	(9,068)
TOTAL NET ASSETS		4,046,237	4,908,660
THE FUNDS OF THE CHARITY			
Unrestricted funds:			
Designated funds	15	1,250,000	1,250,000
Tangible fixed assets	10	1,001,699	1,722,595
Intangible fixed assets	11	2,176	8,732
Free reserves		1,782,862	1,917,333
Restricted funds	16	9,500	10,000
TOTAL FUNDS		4,046,237	4,908,660

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:



Mark Beattie
National Chairman
Date: 29 October 2024



Robert Hawkins
Honorary Treasurer
Date: 29 October 2024

The attached notes on pages 22 to 40 form part of these financial statements.

STATEMENTS OF CASH FLOWS AS AT 30 JUNE 2024

		2024 £	2023 £
Cash Flow Statement			
Cash flow from operating activities:	18	(383,995)	(547,876)
Net cash provided by/ (used in) operating activities		<u>(383,995)</u>	<u>(547,876)</u>
Cash flow from investing activities			
Purchase of tangible assets		-	(2,717)
Proceeds from sale of investments		340,000	400,000
Movement of cash in the capital account			
(Increase)/Decrease		744	7,173
Investment income		126,373	127,033
Net cash provided by investing activities		<u>467,117</u>	<u>531,489</u>
Change in cash and cash equivalents in the reporting period		83,122	(16,387)
Cash and cash equivalents at the beginning of the reporting period		224,351	240,738
Cash and cash equivalents at the end of the reporting period	19	<u>307,473</u>	<u>224,351</u>
<u>Analysis of changes in net debt</u>			
		2024 £	2023 £
Cash and cash equivalents as at 1 July 2023		224,351	240,738
Cash flows		83,122	(16,387)
Cash and cash equivalents as at 30 June 2024		<u>307,473</u>	<u>224,351</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

a) General information and basis of preparation

The Magistrates Association is a charity registered under the number 216066 and a Royal Charter company, incorporated under the number RC000337. The address of the charity is given on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote the sound administration of the law, including, but not restricted to educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime. The Charity is a Public Benefit Entity under FRS102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

After making appropriate enquiries, the Board of Trustees considers that the Association is a going concern for the next 12 months and into the foreseeable future, due to the regular income received from its members, the level of free reserves held, and the fact that the MA owns its own premises. There are no material uncertainties which would cast doubt on the Association's ability to continue as a going concern. The financial statements are therefore prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Board of Trustees are aware of the budgeted deficit for the next financial year, as they have authorised the budget, and action is being taken to reduce the deficit and balance the budget in due course as per the risks identified on page 13.

The financial statements are prepared in sterling, the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

c) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations and grant income to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. Grants and donations receivable for specific purposes are accounted for as restricted funds.

Charitable activities comprise membership subscriptions and life member subscriptions. These are paid in advance for the year and are recognised when the Magistrates' Association has entitlement to the income. Life memberships are recognised in full in the year memberships are paid.

Income received in advance is deferred until there is entitlement to the income.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d) Expenditure and support costs allocation

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure can be categorised as follows:

- Cost of raising funds, which comprises investment management costs.
- Expenditure on charitable activities, which consists of directly incurred costs in furthering the objectives of the charity, and the associated support costs.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is provided in note 7.

e) Tangible fixed assets and depreciation

- i) The leasehold property is depreciated by equal instalments over 50 years.
- ii) Fixtures & fittings and office equipment are depreciated by equal instalments over 5 years.
- iii) Computer equipment and printers are depreciated by equal instalments over 3 years.
- iv) Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

f) Intangible fixed assets and depreciation

The membership database (SubscriberCRM) is depreciated by equal instalments over 5 years.

g) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the quoted market price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

i) Cash at bank and In hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value which is at cost, with the exception of:

- Investments are measured at their fair value as at the balance sheet date
- Tangible and intangible fixed assets are measured at cost less depreciation

The investments note 12 details the historical cost of the investments and the unrealised gains to arrive at their fair value.

l) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. Contributions to the Association's defined contribution pension scheme and to employees' personal pensions are charged to the statement of financial activities in the year in which they become payable.

The Magistrates Association also make contributions to a defined benefit "multi-employer" scheme. Although it is not possible to separately identify the assets and liabilities of the scheme attributable to the Magistrates Association, a recovery plan with agreed deficit recovery payments has been put in place for all employees in the scheme. The liabilities of this scheme have been recognised as the present value of contributions payable, in line with the terms of the multi-employer plan, in accordance with section 28 of FRS102.

m) Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

n) Key judgements and estimates policy

No significant judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The Trustees make estimates and assumptions concerning the future based on their knowledge of the company and the environment in which it operates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual outcome.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

2 Donations and grants

	2024	2023
	£	£
Donations	2,300	274
Branches - Voluntary Income	19,659	12,798
Judicial College grant	9,500	10,000
	<u>31,459</u>	<u>23,072</u>

A total amount of £9,500 (2023: £10,000) relates to the Judicial College grant which is a restricted fund. All other amounts relate to unrestricted funds.

3 Charitable activities

	2024	2023
	£	£
Membership subscriptions	461,074	407,659
	<u>461,074</u>	<u>407,659</u>

All income from charitable activities in both the current and previous year relate to unrestricted funds.

Membership subscriptions include Gift Aid income tax recoverable.

4 Investment income

	2024	2023
	£	£
Dividends	122,287	126,372
Interest	4,086	661
	<u>126,373</u>	<u>127,033</u>

All investment income in both the current and previous year relate to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

5 Other trading activities

	2024 £	2023 £
Magazine advertising revenue	4,381	6,403
Magazine subscriptions	252	761
Royalties	895	719
AGM/MA Awards income	5,729	1,466
500 Club lottery	3,085	4,210
Retired members' event	1,424	125
Royal Garden Party Event - Income	1,079	1,273
	<u>16,845</u>	<u>14,957</u>

All income from other trading activities in both the current and previous year relate to unrestricted funds.

6 Raising funds

	2024 £	2023 £
Investment management costs	<u>5,419</u>	<u>5,818</u>

Investment management costs in both the current and previous year relate to unrestricted funds.

7a Analysis of expenditure by activity

	Direct costs	Support costs	2024 £
Magistrate event training and support	<u>502,055</u>	<u>1,180,084</u>	<u>1,682,139</u>
			2023
	Direct costs	Support costs	£
Magistrate event training and support	<u>527,693</u>	<u>461,676</u>	<u>989,369</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

7b Analysis of direct costs

	2024	2023
	£	£
Branch Expenditure	75,385	48,837
Wages and salaries (note 8)	341,272	351,194
Council and committees	7,389	12,889
Production of MAGISTRATE magazine	61,393	103,928
Representation	525	3,722
Events (including networking opportunities and training)	5,947	3,616
MIC and training	10,144	3,507
	<u>502,054</u>	<u>527,693</u>

Branch expenditure related to the aggregate of expenditure incurred by branches within the financial year.

Amount of £10,000 (2023: £3,507) in the MIC and training expenditure relates to the restricted fund. All other expenditure relates to unrestricted and designated funds.

7c Analysis of support costs

	2024	2023
	£	£
Communications	46,812	50,385
Membership	55,215	41,612
Administration	127,819	101,164
Wages & Salaries	146,260	150,510
Accommodation	19,199	28,862
Depreciation Charge	727,452	47,182
Governance Costs	50,320	35,257
Pension scheme administration expenses	7,007	6,704
	<u>1,180,084</u>	<u>461,676</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

7d Analysis of governance costs

	2024 £	2023 £
AGM and MA Awards	14,468	8,106
Board of Trustees' expenses (note 9)	4,895	7,476
Auditor's remuneration	31,650	19,675
	<u>51,013</u>	<u>35,257</u>

8 Analysis of staff costs and key management personnel

	2024 £	2023 £
Wages and salaries	408,264	423,335
Social security costs	40,674	40,258
Pension costs	38,593	38,091
	<u>487,531</u>	<u>501,684</u>

The average monthly head count was 10 (2023: 10) and analysis of the staff employees in the year was:

	2024 Actual Number	2023 Actual Number
Management	1	1
Membership	3	3
Policy and research	2	2
Communications	3	3
Finance	1	1
	<u>10</u>	<u>10</u>

The number of employees whose total employee benefits excluding employer pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2024	2023
£70,000 - £79,999	1	1
£60,000 - £69,999	1	-

The employer pension contributions made by the Association relating to the above amounted to £13,870 (2023: £12,755).

The key management personnel during the year comprised of the Chief Executive, the Director of Finance & Resources, the Head of Membership and the Head of Marketing. The total remuneration of key management personnel, including employer national insurance and pension contributions was £261,249 (2023: £268,633).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

9 Trustees fees and expenses

No Trustees (2023: none) received fees or payment for professional services supplied to the Association.

Expenditure relating to travel/subsistence, Board of Trustees, Elections and minutes of Board meetings totalled £4,895 (2023: £7,476) in relation to 12 Trustees (2023: 12).

10 Tangible fixed assets

	Leasehold Property £	Computers & Printers £	Fixtures & Fittings £	Office Equipment £	Total £
Cost					
At 1 July 2023	1,953,593	30,718	125,144	1,774	2,111,229
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 30 June 2024	1,953,593	30,718	125,144	1,774	2,111,229
Depreciation					
At 1 July 2023	234,252	27,464	125,144	1,774	388,634
Charge for year	-	1,555	-	-	1,555
Disposals	-	-	-	-	-
Impairment	719,341	-	-	-	719,341
At 30 June 2024	953,593	29,019	125,144	1,774	1,109,530
Net Book Value					
At 30 June 2024	1,000,000	1,699	-	-	1,001,699
At 1 July 2023	1,719,341	3,254	-	-	1,722,595

11 Intangible fixed assets

	Intangible Assets £
Cost	
At 1 July 2023	32,780
At end of year	<u>32,780</u>
Depreciation	
At 1 July 2023	24,048
Charge for year	6,556
At end of year	<u>30,604</u>
Net Book Value	
At 30 June 2024	<u>2,176</u>
At 30 June 2023	<u>8,732</u>

This represents the net book value of the membership database which was purchased in July 2019 and is amortised over 5 years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

12 Fixed asset investments

	2024	2023
	£	£
Market value at 1 July	2,881,220	3,368,135
Additions at cost	-	-
Sale proceeds	(340,000)	(400,000)
Investment gains/(losses)	189,384	(79,742)
Movement of cash in the capital account	(744)	(7,173)
Market value as at 30 June	<u>2,729,860</u>	<u>2,881,220</u>

At 30 June 2024 the historical cost of these investments was £2,613,361 (2023: £2,969,269).

Post-balance sheet, there was a withdrawal of £460,000 to support the working capital requirements of the 2024/25 financial year.

	2024	2023
	£	£
Investments can be analysed as follows:		
Equities	1,921,166	1,854,318
Alternatives	418,819	503,850
Bonds	315,217	368,830
Multi-asset funds	53,228	45,736
Cash	10,621	108,465
Capital account	10,809	21
	<u>2,729,860</u>	<u>2,881,220</u>

13 Debtors

	2024	2023
	£	£
Trade debtors	-	10,000
Other debtors	45,336	131,660
Prepayments and accrued income	46,496	52,351
	<u>91,832</u>	<u>194,011</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

14a Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	17,589	46,539
Other creditors	6,126	3,918
Pensions	15,792	11,799
Other taxation and social security	10,195	10,597
Accruals and deferred income	37,101	38,533
Present value of defined benefit scheme liabilities (note 20)	-	2,515
	<u>81,217</u>	<u>113,901</u>

14b Creditors: amounts falling due after one year

	2024 £	2023 £
Present value of defined benefit scheme liabilities (note 20)	<u>-</u>	<u>11,583</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

15 Unrestricted funds

	Balance at 01 July 2023	Income and net gains	Expenditure and net losses	Transfers	Balance at 30 June 2024
	£	£	£	£	£
General funds	1,917,333	815,635	(950,106)	-	1,782,862
Fixed assets fund	1,722,595	-	(720,896)	-	1,001,699
CRM Database fund	8,732	-	(6,556)	-	2,176
Provision of services to life members	100,000	-	-	-	100,000
Provision for repairs & maintenance	-	-	-	-	-
Strategic Development fund	1,000,000	-	-	-	1,000,000
Pension Liability fund	100,000	-	-	-	100,000
Equipment and Technology fund	50,000	-	-	-	50,000
	4,898,660	815,635	(1,677,558)	-	4,036,737

	Balance at 01 July 2022	Income and net gains	Expenditure	Transfers	Balance at 30 June 2023
	£	£	£	£	£
General funds	3,054,695	560,004	(447,366)	(1,250,000)	1,917,333
Fixed assets fund	1,760,504	2,717	(40,626)	-	1,722,595
CRM Database fund	15,288	-	(6,556)	-	8,732
Provision of services to life members	508,484	-	(508,484)	100,000	100,000
Provision for repairs & maintenance	15,000	-	(15,000)	-	-
Strategic Development fund	-	-	-	1,000,000	1,000,000
Pension Liability fund	-	-	-	100,000	100,000
Equipment and Technology fund	-	-	-	50,000	50,000
	5,353,971	562,721	(1,018,032)	-	4,898,660

The general funds of the charity include funds held by branches as at each year end.

The Trustees further designated reserves out of unrestricted funds for specific purposes:

- The provision of services to life members fund is to provide future cost of member services.
- The provision for repairs and maintenance fund is to provide cost of any future internal and/or external repairs.
- The strategic development fund is for the support of our business change programme.
- The pension liability fund is to address the potential liability from our pension scheme.
- The equipment and technology fund is to replace our essential equipment and technology.

The adequacy of these funds will be reviewed annually.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

16 Restricted funds

	Balance at 1 July 2023 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2024 £
Training	10,000	9,500	10,000	-	9,500
	<u>10,000</u>	<u>9,500</u>	<u>10,000</u>	<u>-</u>	<u>9,500</u>

	Balance at 1 July 2022 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2023 £
Training	22,534	10,000	22,534	-	10,000
Development fund	22,531	-	22,531	-	-
Barrow Cadbury Trust	10,079	-	10,079	-	-
Victim fund	1,753	-	1,753	-	-
	<u>56,897</u>	<u>10,000</u>	<u>56,897</u>	<u>-</u>	<u>10,000</u>

Training refers to grants received for the preparation of training material for magistrates undertaken in accordance with the financial memorandum agreed between the Judicial College and the Association.

Development fund represents a member's donation (together with the relevant gift aid uplift) to be used to develop skills and provide training for prospective leaders of the Association.

Barrow Cadbury Trust project represents a grant to be used to develop and promote understanding of defendants' and offenders' maturity in the magistrates' court.

Victim fund represents a donation to be used to develop resources intended to improve victims' experiences of magistrates' courts.

17 Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2024
	£	£	£	£
Fixed asset funds	1,001,699	-	-	1,001,699
CRM Database funds	2,176	-	-	2,176
Investments	1,479,860	1,250,000	-	2,729,860
Current assets	389,805	-	9,500	399,305
Current liabilities	(86,803)	-	-	(86,803)
Long term liabilities	-	-	-	-
	<u>2,786,737</u>	<u>1,250,000</u>	<u>9,500</u>	<u>4,046,237</u>

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2023
	£	£	£	£
Fixed asset funds	1,722,595	-	-	1,722,595
CRM Database funds	8,732	-	-	8,732
Investments	1,631,220	1,250,000	-	2,881,220
Current assets	409,082	-	10,000	419,082
Current liabilities	(113,901)	-	-	(113,901)
Long term liabilities	(9,068)	-	-	(9,068)
	<u>3,648,660</u>	<u>1,250,000</u>	<u>10,000</u>	<u>4,908,660</u>

18 Reconciliation of net expenditure to net cash flow from operating activities

	2024	2023
	£	£
Net movement in funds	(862,423)	(502,208)
Impairment of Fixed Asset	719,341	-
Depreciation charges	8,111	47,182
Decrease/(Increase) in debtors	102,179	(80,017)
(Decrease)/Increase in short term creditors	(27,098)	36,973
(Decrease)/Increase in long term creditors	(9,068)	(2,515)
Decrease/(Increase) in stock	720	-
Investment income	(126,373)	(127,033)
Net (Gain)/Loss on investments	(189,384)	79,742
Net cash used in operating activities	(383,995)	(547,876)

19 Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash and bank	307,473	224,351
Cash in hand	307,473	224,351

20 Pensions – defined benefit scheme

The charity participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
--	-----------------------------	--------------------------

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
--	------------------------------	---

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the charity has agreed to a deficit funding arrangement the charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	30 June 2024 (£s)	30 June 2023 (£s)	30 June 2022 (£s)
Present value of provision	3,454	9,068	14,855

Reconciliation of Opening and Closing provisions:

	Period Ending 30 June 2024 (£s)	Period Ending 30 June 2023 (£s)
Provision at start of period	9,068	14,855
Unwinding of the discount factor (interest expense)	375	402
Deficit contribution paid	(5,998)	(5,998)
Remeasurements - impact of any change in assumptions	9	(191)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	3,454	9,068

Income and Expenditure impact:

	Period Ending 30 June 2024 (£s)	Period Ending 30 June 2023 (£s)
Interest expense	375	402
Remeasurements – impact of any change in assumptions	9	(191)
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

Assumptions:

	30 June 2024 % per annum	30 June 2023 % per annum	30 June 2022 % per annum
Rate of discount	5.28	6.40	3.45

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

21 Branches

The accounts for the Association's local groups, which are listed below, are consolidated within these accounts since they are an integral part of the Magistrates' Association.

Bedfordshire	Lincolnshire
Berkshire	Merseyside
Birmingham	Mid & South Glamorgan
Black Country	Middlesex
Bristol & North Avon	Norfolk
Buckinghamshire	North & East Devon
Cambridgeshire	North East & East London
Central & North London	Northumbria
Cheshire	North West Wales
Cleveland & Durham	North & West Yorkshire
Cornwall	Northamptonshire
Coventry & Warwickshire	Nottinghamshire
Cumbria North	Oxfordshire
Cumbria South	Shropshire
Derbyshire	Somerset
Dorset	South & South East London
Dyfed	South & West Devon
Essex	South West London
Gloucestershire	Staffordshire
Greater Manchester	Surrey
Gwent	Sussex
Hereford & Worcester	Wessex
Hertfordshire	West Glamorgan
Kent	Wiltshire
Lancashire County	Wolds & South Yorkshire
Leicestershire & Rutland	

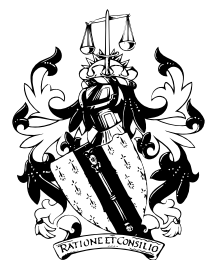
22 Related party transactions

There were no related party transactions to report (2023: None)

Accounts

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023



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REFERENCE AND ADMINISTRATIVE DETAILS

Name	The Magistrates' Association
Charity number	216066
Registered office	10a Flagstaff House St George Wharf Vauxhall, London SW8 2LE
Trustees	Mark Beattie JP (Chair from 15 October 2022; Deputy Chair to 14 October 2022) Jacqueline MacDonald-Davis JP (Deputy Chair from 15 October 2022) David Ford JP (Deputy Chair from 15 October 2022) Christine Grant JP (Honorary Treasurer) Beverley Higgs JP (Chair to 15 October 2022) Sarah Clarke JP Doreen Huijssoon-Prescott JP Josh James JP (from 15 October 2022) Jo King JP Daniel Longman JP Frank Shipway JP Patricia Willmott JP
Chief Executive	Tom Franklin
Auditors	Price Bailey LLP 3rd Floor, 24 Old Bond Street, Mayfair, London, W1S 4AP
Bankers	National Westminster Bank plc Bloomsbury Parr's Branch, PO Box 158, 214 High Holborn, London, EC1V 7BX CAF Bank Ltd 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Investment managers	Cazenove Capital Schroder & Co Limited, 1 London Wall Place, London, EC2Y 5AU
Solicitors	Russell-Cooke LLP 2 Putney Hill, London, SW15 6AB

TRUSTEES' REPORT

About the Magistrates' Association

The Magistrates' Association (MA) is an independent charity registered in the UK (Charity number 216066) and the membership body for the magistracy. We work to promote the sound administration of the law, including by providing guidance, training, and support for our members, informing the public about the courts and the role of magistrates, producing and publishing research on key topics relevant to the magistracy, and contributing to the development and delivery of reforms to the courts and the broader justice system. With 12,000 members across England and Wales, we are a unique source of information and insight and the only independent voice of the magistracy.

In late 2022, we were saddened by the death of our Patron, Her Late Majesty Queen Elizabeth II. Her Late Majesty had been Patron of the Magistrates' Association since 1952.

Our vision

The MA's vision is a fair and effective justice system, served by a robust and vibrant magistracy.

Our mission

To work with and on behalf of our members to promote the sound administration of the law by informing policy and practice relating to the magistracy, providing support and guidance to magistrates, and informing the public about the magistracy and the broader justice system. In 2022-23 we continued with our organisational strategy, focusing our work around four key aims.

Achievements and performance for 2022-23

Key aim 1: To influence the policy agenda on behalf of our members and in support of our vision

To achieve this through our work in 2022-23 we:

- Held five meetings with government ministers, including the new Lord Chancellor and the Courts Minister, to discuss issues of most concern to our members, including sentencing powers, magistrate training, recruitment of new magistrates, support for working magistrates, diversity, and the expenses system.
- Held meetings with other high-level stakeholders, including the Shadow Courts Minister, the Senior Presiding Judge, the Chief Executive of HM Courts and Tribunals Service, and the Chief Magistrate, and attending key bodies such as the Magistrates' Liaison Group, the Magistrates' Engagement Group, and Judicial Business Groups.
- Produced eleven responses to consultations on issues of relevance to the magistracy, ranging from a Greater London Assembly inquiry into probation, to Sentencing Council consultations on the underage sale of knives, animal welfare sentencing, motoring and burglary offences, to proposed reforms for the early resolution of private family law arrangements.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2023

- Continued to argue for magistrates' courts to hear more serious cases, to help to reduce the high levels of backlogs in the crown courts, following the suspension of the measure by the government in the spring of 2023. We made the point to ministers that justice would be slowed down as a result—causing greater distress for victims, witnesses and defendants.
- Undertook a survey of our branches on the shortage of legal advisers and its impact on court business, and presented the results to HM Courts and Tribunals Service, arguing for improved communication with magistrates on the level of shortages and action to deal with them.
- Responded to consultation from the Magistrates Leadership Executive on its 'Strategy for the Magistracy', arguing for a clear vision for the magistracy, with clear targets and accountability for their achievement. At time of publication we are still awaiting publication of the final strategy.
- Published a report into Out of Court Disposals (OOCs), calling for greater transparency and consistency in their use across different police forces, and for improved scrutiny procedures. We are pleased that the government's current consultation on OOCs has suggested these changes.
- Welcomed the delay in the consultation on the abolition of local justice areas, on the grounds that it will provide time for various options to be considered before the consultation is published. We have urged the MOJ and senior judiciary to make full use of this opportunity.
- Held regular quarterly meetings of our Judicial Business Group representatives, to better support their work and to hear first-hand what is happening in the courts regionally.
- Held regular meetings of the MA's representatives on Training, Approvals, Authorisations and Appraisals Committees (TAAACs), to help share information between representatives and support them in their work.
- Published a landmark report on the accessibility of magistrates' courts across England and Wales. Based on a survey of more than a third of magistrates' courts, the report has revealed that a largely inaccessible court estate threatens to undermine the efficiency of courts and equal access to justice. The report was produced in conjunction with the MA's magistrates with disabilities network, and made six recommendations for the Ministry of justice and HM Courts and Tribunals Service which we believe will help improve accessibility, court capacity and judicial diversity.
- Surveyed our members in Wales to ask for their views to help shape our submission to an independent review of youth justice in Wales, as well as our evidence to a Senedd committee looking at the treatment of women offenders in Wales.
- Published a position statement setting out magistrates' role in the process of authorisation for utility warrants for pre-payment meters, following intense media scrutiny. The position statement outlined our view on the issues of vulnerability and procedural reform. Our Chair talked about the issue on BBC Radio 4's You and Yours programme, and our statement was covered by around 80 media outlets.
- Published a major report 'It Shouldn't Cost to Volunteer', based on a survey of 1500 MA members looking at the inadequacy of the magistrate expenses regime. The report labelled the regime unfit for purpose, and proposed 20 recommendations for reform. We followed this up with a webinar for members to discussed the findings.
- Hosted the launch of a report into the experiences of young magistrates and their feelings about the role, following our involvement in the research.
- Gave oral evidence to a House of Lords inquiry into community sentences, based on our survey of 500 MA members, highlighting the value of the work of the probation service, the importance

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2023

of pre-sentence reports, and the need for magistrates to receive more feedback on the effectiveness of various community sentence options to assist with increase magistrates' confidence levels in them.

- Gave oral evidence to the Equality and Social Justice Committee of the Senedd on women's experiences of the criminal justice system, highlighting the role of magistrates and some of the challenges to providing more non-custodial sentences – especially the uneven provision of services, and the lack of information. The resulting report was published, with its recommendations drawing heavily on MA evidence.
- Gave oral evidence to the House of Commons Justice Committee on adult custodial remand, based on a survey of our members. Its findings endorsed our Magistrates' courts and Covid-19 report's recommendation on remote links and addressed our concern at the lack of available data in the use and effectiveness of remand.
- Gave oral evidence to three Parliamentary committees to explain the work of the magistracy, on topics including the use of remand, community sentences, the needs of women offenders, and the needs of young people in the justice system with communication difficulties.
- Advocated on behalf of our family magistrate members for improved support to be provided where magistrates are named in the media in high profile cases, particularly with the move towards greater transparency in family courts. We are pleased to have received a positive response to our requests from the President of the Family Division.
- Continued to monitor the allocation of public law work to family magistrates, following our call for greater allocation last year our securing of a commitment from senior judiciary that there would be a minimum threshold for cases to be allocated across regions, in order to ensure magistrates remain skilled in all areas of family law work.
- Took an active part in the new Family Magistrates Oversight Group, which has been created by the senior judiciary to provide better leadership.
- Attended meetings of key policy-making bodies, including the Magistrates' Liaison Group, the Magistrates' Engagement Group and the Judges' Council.

Our successes included:

- Some limited but important successes on magistrates' expenses – including the re-issuing of HM Courts and Tribunals Service guidance on submitting expense claims for items such as travel and print; the acceptance by HMCTS of digital tax calculations from HMRC for employed magistrates, and the abolition of the 'annual declaration'.
- Our youth court committee secured a commitment from the Solicitors Regulation Authority (SRA) to implement a set of best practice standards for solicitors who work in the youth court. We have called for the development of such standards since 2017 as a means of ensuring greater accountability, so we were delighted to see these published in March and to have input to their development.

Key aim 2: To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems

To achieve this through our work in 2022-23 we:

- Increased the resources devoted to our media work, to raise the voice of the magistracy and increase understanding of what magistrates do.
- Delivered the MA's Magistrates in the Community programme, expanding activities following the pandemic.
- Supported Pride Month, South Asian Heritage Month, Black History Month, Stephen Lawrence Day, and Justice Week – as part of our work to explain the diversity of the magistracy to the public and to attract people from all walks of life to apply to become magistrates.
- Marked Volunteers' Week by celebrating the invaluable contribution of volunteers to society, raising awareness of how our members support the delivery of fair and timely justice for their communities, and thanking them for their tremendous work.

Our successes included:

- Achieved coverage of 316 pieces of digital, print and broadcast media coverage, including interviews on BBC Radio 4, BBC News, ITV, and Sky, and coverage in the Guardian, Times, Telegraph and Evening Standard.
- Reached 421,200 people on X (formerly Twitter), and 95,823 people on LinkedIn with social media posts aimed at explaining the work of the magistracy.
- Launched our 'faces of the magistracy' campaign, featuring a different magistrate each week to highlight the diversity of magistrates and encourage people from all walks of life to consider applying.
- Published eight guest blogs on our website on issues of interest to the magistracy—including from the Chief Executive of HM Courts and Tribunals Service on accessibility, the British Retail Consortium on retail crime, and the Royal College of Nursing on supporting offenders with learning difficulties and autism.

Key aim 3: To provide MA members, and the broader magistracy, with support, information, training and development

To achieve this through our work in 2022-23 we:

- Held ten webinars for members on topics ranging from domestic abuse to community sentencing.
- Published six issues of Magistrate magazine, the only magazine dedicated to issues affecting the magistracy, and developed plans to revitalise the magazine in 2023-24, following a member survey on how they would like to see it improved.
- Launched our new member support line, staffed by our most experienced members, to provide a friendly ear and signposting for members when they need it.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2023

- Held three workshops for new magistrates, providing them with support early on in their magistracy journey, and introducing them to the benefits and services of the Magistrates' Association.
- Welcomed 200 members to our annual conference, on the subject of open justice, with speakers including the Lord Chief Justice and the President of the Family Division.
- Gave out eight awards at our annual awards ceremony, to recognise Magistrates' Association volunteers who have particularly supported their colleagues, or reached out to their local communities, over the past year.
- Launched our new website, providing a refreshed look and feel, aimed at the general public, those interested in becoming magistrates, as well as our members and volunteers. The new website will have a new volunteer zone to support our volunteers in their work in our 53 local branches. The public pages of the website have been re-styled and highlight our campaigning work and achievements as well as general news on magistrates' courts.
- Continued to publish our monthly MA eNews, providing bite-sized news and information to our members.
- Continued our series of blogs and features on our website, from partners and stakeholders, to help inform and engage our members.
- Launched MA learn – our new online learning platform with 120 high-quality learning resources for our members.
- Supported our four diversity and inclusion networks for members – our young magistrates' network, Black, Asian and minority ethnic network, LGBT+ network, and our magistrates with disabilities network – and set up our new diversity and inclusion committee, with committee members elected from the networks.
- Produced six *MA cut-out-and-keep guides* and six *Sentencing Steps* exercises.
- Provided more structured support for MA representatives on magistrate training committees.
- Invited members chosen by branches to attend the Royal Garden Parties.

Our successes included:

- Publishing, in partnership with the Judicial College, a guide and workbook on 'Becoming a family presiding justice'.
- Contributing to the development of Judicial College training on domestic abuse and mental disability.
- More than 1,000 members making use of MA learn, our new online learning hub.

Key aim 4: To be an effective, well-run and financially sustainable organisation

To achieve this through our work in 2022-23 we:

- Continued to implement the roadmap for business change, as agreed by the board of trustees in 2021.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2023

- Improved membership recruitment, retention and processing – including the activities set out in our member recruitment and retention strategy.
- Undertook a review of our governance arrangements to ensure we respond to changes in our external environment, including the move to a single national justice area – these changes are likely to be implemented in the coming year, including proposed changes to our bye-laws.
- Continued with our annual members' survey, launched in 2021-22, so that we can track changes in members' feedback over time. Results in the current year show a consistent improvement in member appreciation of our services.
- Promoted associate membership, to encourage those considering becoming a magistrate to learn more about the role.
- Continued to promote our new member get member scheme, to ask existing members to encourage non-members to join the MA.
- Provided branches with new recruitment materials to help with their local recruitment initiatives.
- Conducted our second annual member survey – with the results showing an increase year-on-year in members' satisfaction with most individual elements of the member offer.
- Agreed our new five-year finance strategy, aimed at putting the finances of the Association onto a more secure and sustainable long-term footing. This included a three-year strategy for membership subscriptions.
- Set aside specific time at the board of trustees to focus on strategic development, including the development of a risk appetite statement for the charity.
- Continued with our increased level of support for our branch network, being more proactive in providing assistance, and improving communication of ideas and information for branches.
- Began to implement our stakeholder development strategy, to improve our relationship management of key stakeholders.
- Held two meetings of our national council, one online and the other in-person, to provide guidance to the board of trustees and staff team on the development of our business change roadmap, and on membership recruitment and retention.
- Implementing a leaver survey for members who leave the Association, so that we can better understand their reasons for doing so.

Our successes included:

- New magistrate workshops held for over 400 new magistrates during the year.
- Contested elections held for board of trustees and diversity and inclusion committee vacancies, and 39 applications for 13 places on the other policy committees—showing high levels of member engagement.
- 16% of new members being recruited through our member get member scheme this year.

Our plans for 2023-24

2023-24 will see the ongoing implementation of the MA's organisational strategy and business change programme, based around the four key aims set out above.

- 1) To influence the policy agenda on behalf of our members and in support of our vision. Planned activities for 2023-24 include:
 - Focusing on four priority policy areas: better justice for children, better justice processes, openness and transparency, and better support for magistrates.
 - Publishing two major reports during the year – one on magistrate recognition and reward, following a resolution agreed at the 2022 AGM; and one on open data in the magistrates' courts.
 - Continuing to pursue our recommendations on magistrates' expenses in our report 'It Shouldn't Cost to Volunteer', which we published in the Autumn of 2022.
 - Continuing to highlight the problems faced by disabled magistrates due to inaccessible court buildings, as set out in our report published in the Spring of 2023.
 - Responding to any consultation by the Ministry of Justice and the senior judiciary on the abolition of local justice areas, following the Judicial Review and Courts Act, putting forward the voice of magistrates to the highest levels of government and the judiciary.
 - Developing our stakeholder strategy further and holding regular meetings with key decision-makers in support of our policy priorities.
 - Responding to relevant consultations, and publishing position statements on key issues.
 - Attending and impactfully contributing to meetings of key bodies, for example the Magistrates' Liaison Group, Magistrates' Engagement Group and Judicial Business Groups, and promoting MA key issues at targeted meetings.
 - Holding a major members' conference on the topic of local justice in the magistrates' courts.
- 2) To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems. Planned activities for 2023-24 include:
 - Developing improved resources for our Magistrates in the Community programme, through the involvement of our training, learning and development committee.
 - Securing at least 20 positive national media appearances for the MA and the magistracy
 - Providing media training for our key spokespeople, to further improve the quality of our media presence.
- 3) To provide MA members, and the broader magistracy, with support, information, training and development. Planned activities for 2023-24 include:
 - Further developing our new website, based on feedback from members and the public.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2023

- Expanding MA learn—our online learning hub—with even more resources, and promoting its features with our members.
 - Continuing to put on a series of webinars on topics of interest to our members, but to better curate them and ensure that they meet the priority needs of members.
 - Launching a re-vamped Magistrate magazine, based on member feedback, with more feature articles and increased pagination/reduced frequency, to create a higher-quality product.
 - Continuing to host events for new magistrates, to welcome them to the magistracy and help them get the most from their MA membership.
 - Publishing, in partnership with the Judicial College, a training resource on becoming a youth court presiding justice, for magistrates.
 - Trialing our '60-minute buddy' scheme, to link up experienced members with other members thinking of becoming a presiding justice, mentor or appraiser – to provide 60 minutes of guidance.
 - Further developing our Magistrate magazine, with new content and features based on feedback from members; and producing a high-quality digital version as an alternative to the paper version for members who would like it.
 - Producing four MA cut-out-and-keep guides and four Sentencing Steps exercises.
 - Producing to a high standard 12 issues of MA eNews and four issues of Branch Bites.
- 4) To be an effective, well-run and financially sustainable organisation. Planned activities for 2023-24 include:
- Agreeing our new five-year strategic plan, to be launched in 2024 at the conclusion of our business change roadmap.
 - Implementing our new Commitment and Branch Expectations framework, as agreed by the board of trustees, setting out the support we will provide for our branches, and what we expect of them.
 - Launching a range of promotional materials highlighting our key member benefits, for use by branches to help with member recruitment and retention.
 - Developing the MA's legacy giving framework and securing two new grants from trusts and foundations.
 - Implementing changes to our governance arrangements, to ensure we respond to changes in our external environment, including the move to a single national justice area.
 - Continuing with our annual members' survey for a third year, enabling us to track members' feedback over time.
 - Continuing to promote associate membership, to encourage those considering becoming a magistrate to learn more about the role.
 - Reducing our overheads by investigating the downsizing of our head office operations.

Governance and management

The MA is established and incorporated to promote the sound administration of the law, including, but not restricted to, educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime.

The MA was established in 1920 and granted a Royal Charter in 1962. It is currently governed by a Supplemental Charter and Bye-laws approved on 12 February 2013 and amended on 11 April 2023.

The Members of the MA consist of:

- (a) Ordinary Members: any magistrate who makes application for membership in the manner for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out from time to time.
- (b) Associated Members: subject to the approval of the Board of Trustees, any other person who makes application for associate membership in any manner as is for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out and who satisfies any criteria for admission as are set down by the Board of Trustees from time to time.
- (c) Honorary Members: any one person co-opted by the Annual General Meeting as an Honorary Member, not exceeding ten persons.

The Board of Trustees consists of:

- (a) the Chair and the Deputy Chair or Deputy Chairs, elected by the Ordinary Members from among the current Trustees and the current Chairmen of the Standing Committees for the immediately preceding year;
- (b) the Honorary Treasurer, appointed by the Board at its discretion;
- (c) six other Trustees elected by the Ordinary Members from among the Ordinary Members, provided that any person standing for election must be Actively Serving; and
- (d) not more than two Members of the Association co-opted at any time by the Board in their absolute discretion. Co-opted Trustees may be removed by the Board at any time and in any case shall retire at each Annual General Meeting but shall be eligible to be co-opted again up to three times.

Where possible, trustees are invited to observe one board meeting prior to the start of their term of office and attend one half-day induction training session with the National Chair and Chief Executive. The trustee role and responsibilities, the duties reserved for the Board, the duties delegated to the Standing Committees, and the duties delegated to the Chief Executive, are detailed in the MA's Standing Orders.

The organisational structure consists of the board of trustees, seven standing committees, five of which are responsible for policy (adult court committee, family court committee, youth court committee, training learning and development and committee, and diversity and inclusion committee) and two for finance and audit, and HR and remuneration respectively, a policy board (which oversees the work of the five policy standing committees), national council (which advises the board of trustees), 53 local branches spanning England and Wales, and ten staff including four as the senior management team.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Board of Trustees identifies the major risks to which the charity is exposed, regularly reviews those risks and has established procedures to manage those risks.

The Board of Trustees has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities which contribute to the aims and objectives of the Association.

The Board of Trustees also regularly assesses the Association's achievements and reviews the activities that have been completed, in order to ensure that they have been delivered as planned and judge their impact and the extent to which they have contributed to achieving the aims and objectives of the Association. Please see pages 3-8 for a summary of the Association's achievements in the 2022-23 financial year, which the board of trustees has considered in ensuring the Association is carrying out its purposes for the public benefit.

Financial review

This financial year the Board received legal advice that clarified the accounting treatment of our branches. Our annual accounts have been consolidated for the first time. This year also sees the continuation of our business change programme with the agreement of our five-year strategic plan.

Income and expenditure

The consolidated income for the year was £572,721, as compared to a restated consolidated outcome in 2021-22 of £597,498. Consolidated expenditure was £995,187 as compared to a restated consolidated total of £774,179 for the 2021-22 year. We recorded a consolidated deficit before taking into account investments of £422,466 as compared to a consolidated deficit of £176,680 for the 2021-22 year. The net movement in consolidated funds for the year was a deficit of £502,208 compared to a consolidated deficit net movement of £412,463 for the 2021-22 year.

As we continue our process of establishing the business change programme, it has been necessary to invest in skills and technology to improve the efficiency of our operations and enhance both membership value and our overall impact. This has led to the continuing deficit position. The successful completion of our five-year strategy should see us reverse this trend.

Investments

The Association has an investment portfolio, which at 30 June 2023 was valued at £2,881,220 (2022: £3,368,135) and produced an income of £127,033 (2021-22: £146,183). The investment portfolio continues to be managed by our professional advisors on a medium risk basis while maintaining the capital value of the portfolio after inflation.

Reserves

The Trustees maintained their aim of maintaining an adequate level of unrestricted reserves as far as possible by investing any amounts in excess of operational needs to ensure that they deliver an additional source of income to the MA to contribute to our running costs while protecting the capital against inflation. Each year the Board of Trustees assesses as part of the annual budgeting process whether it is appropriate to authorise expenditure from unrestricted reserves to meet the annual running costs of the MA and/or any specific projects within the budget year. The Board of Trustees has decided that this approach best supports the MA in meeting its charitable objectives.

THE MAGISTRATES' ASSOCIATION - TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2023

During 2022/23, the Trustees reviewed the reserves policy and categories in order to better focus resources to support the business change programme. This revised policy set designations specifically to support key elements of the business change programme.

It also set a target minimum level of free central reserves of £1,200,000. This level is considered adequate to provide resilience and flexibility to the charity during any period of business change and uncertainty as well as supporting the going concern status of the charity.

The free reserve balance as at 30 June 2023 was £1,917,333 (2022: £3,056,324 as restated) and exceeds the minimum target set. This additional buffer will create additional capacity over the duration of the business change programme to support our long-term subscription strategy. It will also support any additional initiatives we might explore to enhance membership value, support branches and enhance our wider impact in our advocacy for the magistracy.

As per the Charities SORP 2019 (FRS102), we continue to recognise the liability arising in respect of the multi-employer defined benefit scheme. The impact of this has reduced our free reserves by £15,142 (2022: £16,746).

Fundraising

The MA understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. The Association does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year.

Key risks

A risk register, including steps necessary to mitigate identified risks, is reviewed by the Board of Trustees annually. The most significant risks facing the MA are:

- Our large financial deficit continues, with income growth not sufficient to reduce the budget deficit – leading to a depletion of our investments and reserves. To address this, the board of trustees is pursuing a focus on membership recruitment and retention, including work to improve the attractiveness of the member offer. Resources have been refocused to ensure we continue to develop the right member benefits to grow membership and income in future. The board has also put in place a financial strategy which includes a multi-year subscription rate strategy and taken steps to make efficiency savings. This includes the planned downsizing of the head office to reduce overheads, moving more events online to reduce logistical costs and more efficient contracting.
- Staff and volunteers with appropriate skills are not recruited and/or retained – limiting our ability to move forward with our strategy, and making it harder for branches to operate effectively. To address this, the board has established an HR and remuneration committee, working with the Chief Executive to ensure that pay, flexibility and benefits are competitive for staff; and has agreed a branch development plan to increase support for branches and ensure that volunteers feel valued and thanked. This has included a new 'branch commitments and expectations' framework which sets out what branches can expect of the MA, and new branch role packs, to provide better tools for volunteers.
- A lack of engagement with members results in a lack of active participation in the work of the MA nationally and locally, including key activities such as MIC and membership of the MA's policy committees. Activities set out in the MA's Membership Strategy are intended to address this.

Staff remuneration

The HR and remuneration committee reviews the Chief Executive's salary annually in light of market forces. The Chief Executive recommends salary adjustments, as necessary, for all other staff and these are reviewed by the HR and remuneration committee. Recommendations are then made by the HR and remuneration committee to the Board of Trustees for approval when setting the annual budget.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

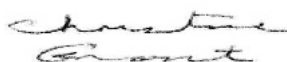
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable accounting standard have been followed, subject to any material 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 proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of 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 Board of Trustees and signed on their behalf by:



Mark Beattie
National Chairman
Date: 17 November 2023



Christine Grant
Honorary Treasurer
Date: 17 November 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2023

Opinion

We have audited the financial statements of the Magistrates Association (the 'charity') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes 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 charity's affairs as at 30 June 2023, and of its incoming resources and application of resources, including its 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 Charities Act 2011.

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 charity 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 charity'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.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2023

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements,

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAGISTRATES' ASSOCIATION FOR THE YEAR ENDED 30 JUNE 2023

including financial reporting which could have a material impact on the financial statements. In relation to the operations of the Charity this included compliance with the Charities Act 2011.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Trustee Board meetings, any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charity. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

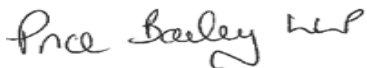
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

For and on behalf of 
Price Bailey LLP
Chartered Accountants 20 November 2023
Statutory Auditors

3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2023

INCOME AND ENDOWMENTS

Donations & grants	2
Charitable activities	3
Other trading activities	5
Investment income	4
Total income	

EXPENDITURE

Raising funds	6
Charitable activities	7
Total expenditure	

Net income / **(expenditure)** before investment gains / losses

Net gains / **(losses)** on investments

Net income / **(expenditure)**

Transfer between funds

RECONCILIATION IN FUNDS

Total funds b/fwd as previously stated

Prior Year Adjustment

Adjusted opening balance

Total funds carried forward

21

	2023				2022 as restated			
	Unrestricted		Restricted		Unrestricted		Restricted	
	General £	Designated £	Restricted £	Total £	General £	Designated £	Restricted £	Total £
Donations & grants	13,072	0	10,000	23,072	11,616	0	18,849	30,465
Charitable activities	407,659	0	0	407,659	405,599	0	0	405,599
Other trading activities	14,957	0	0	14,957	15,251	0	0	15,251
Investment income	127,033	0	0	127,033	14,618	131,565	0	146,183
Total income	562,721	0	10,000	572,721	447,084	131,565	18,849	597,498
EXPENDITURE								
Raising funds	5,818	0	0	5,818	8,206	0	0	8,206
Charitable activities	484,743	447,729	56,897	989,369	484,958	270,700	10,315	765,973
Total expenditure	490,561	447,729	56,897	995,187	493,164	270,700	10,315	774,179
Net income / (expenditure) before investment gains / losses	72,160	(447,729)	(46,897)	(422,466)	(46,080)	(139,135)	8,534	(176,681)
Net gains / (losses) on investments	(3,987)	(75,755)	0	(79,742)	(11,789)	(223,994)	0	(235,783)
Net income / (expenditure)	68,173	(523,484)	(46,897)	(502,208)	(57,869)	(363,129)	8,534	(412,464)
Transfer between funds	(1,250,000)	1,250,000	0	0	0	0	0	0
RECONCILIATION IN FUNDS								
Total funds b/fwd as previously stated	4,830,487	523,484	56,897	5,410,868	4,742,048	886,613	48,363	5,677,024
Prior Year Adjustment				0	146,308			146,308
Adjusted opening balance	4,830,487	523,484	56,897	5,410,868	4,888,356	886,613	48,363	5,823,332
Total funds carried forward	3,648,660	1,250,000	10,000	4,908,660	4,830,487	523,484	56,897	5,410,868

All amounts relate to continuing activities of the charity.
The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes to the accounts are shown on pages 21 to 39

BALANCE SHEET AS AT 30 JUNE 2023

		<u>2023</u> £	<u>2022 As</u> <u>Restated</u> £
FIXED ASSETS			
Tangible fixed assets	10	1,722,595	1,760,504
Intangible fixed assets	11	8,732	15,288
Investments	12	2,881,220	3,368,135
TOTAL FIXED ASSETS		<u>4,612,547</u>	<u>5,143,927</u>
CURRENT ASSETS			
Stock	13a	720	720
Debtors	13b	194,011	113,994
Cash at bank and in hand	19	224,351	240,738
TOTAL CURRENT ASSETS		<u>419,082</u>	<u>355,452</u>
LIABILITIES			
Creditors: amounts falling due within one year	14a	(113,901)	(76,928)
NET CURRENT ASSETS		<u>305,181</u>	<u>278,524</u>
Creditors: amounts falling due after one year	14b	(9,068)	(11,583)
TOTAL NET ASSETS		<u>4,908,660</u>	<u>5,410,868</u>
THE FUNDS OF THE CHARITY			
Unrestricted funds:			
Designated funds	15	1,250,000	523,484
Tangible fixed assets	10	1,722,595	1,760,504
Intangible fixed assets	11	8,732	15,288
Free reserves		1,917,333	3,054,695
Restricted funds	16	10,000	56,897
TOTAL FUNDS		<u>4,908,660</u>	<u>5,410,868</u>

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:



Mark Beattie
National Chairman
Date: 17 November 2023



Christine Grant
Honorary Treasurer
Date: 17 November 2023

The attached notes on pages 21 to 39 form part of these financial statements.

STATEMENTS OF CASH FLOWS AS AT 30 JUNE 2023

	2023 £	2022 as restated £
Cash Flow Statement		
Cash flow from operating activities:	18 (547,876)	(325,642)
Net cash provided by/(used in) operating activities	<u>(547,876)</u>	<u>(325,642)</u>
Cash flow from investing activities		
Purchase of tangible assets	(2,717)	(3,136)
Loss on the disposal of fixed assets (profit)/loss	0	0
Purchase of intangible assets	0	0
Proceeds from sale of property	0	0
Purchase of investments	0	0
Proceeds from sale of investments	400,000	129,665
Movement of cash in the capital account		
(Increase)/decrease	7,173	5,332
Investment income	127,033	146,183
Net cash provided by investing activities	<u>531,489</u>	<u>278,044</u>
Change in cash and cash equivalents in the reporting period	(16,387)	(47,598)
Cash and cash equivalents at the beginning of the reporting period	240,738	288,336
Cash and cash equivalents at the end of the reporting period	19 <u>224,351</u>	<u>240,738</u>
<u>Analysis of changes in net debt</u>	2023 £	2022 £
Cash and cash equivalents as at 1 July 2022	240,738	288,336
Cash flows	(16,387)	(47,598)
Cash and cash equivalents as at 30 June 2023	<u>224,351</u>	<u>240,738</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

a) General information and basis of preparation

The Magistrates' Association is a charity registered under the number 216066 and a Royal Charter company, incorporated under the number RC000337. The address of the charity is given on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote the sound administration of the law, including, but not restricted to educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime. The Charity is a Public Benefit Entity under FRS102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

After making appropriate enquiries, the Board of Trustees considers that the Association is a going concern for the next 12 months and into the foreseeable future, due to the regular income received from its members, the level of free reserves held, and the fact that the MA owns its own premises. There are no material uncertainties which would cast doubt on the Association's ability to continue as a going concern. The financial statements are therefore prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Board of Trustees are aware of the budgeted deficit for the next financial year, as they have authorised the budget, and action is being taken to reduce the deficit and balance the budget in due course as per the risks identified on page 7.

The financial statements are prepared in sterling, which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

c) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

For donations and grant income to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. Grants and donations receivable for specific purposes are accounted for as restricted funds.

Charitable activities comprise membership subscriptions and life member subscriptions. These are paid in advance for the year and are recognised when the Magistrates' Association has entitlement to the income. Life memberships are recognised in full in the year memberships are paid.

Income received in advance is deferred until there is entitlement to the income.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d) Expenditure and support costs allocation

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure can be categorised as follows:

- Cost of raising funds, which comprises investment management costs.
- Expenditure on charitable activities, which consists of directly incurred costs in furthering the objectives of the charity, and the associated support costs.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is provided in note 7.

e) Tangible fixed assets and depreciation

- i) The leasehold property is depreciated by equal instalments over 50 years.
- ii) Fixtures & fittings and office equipment are depreciated by equal instalments over 5 years.
- iii) Computer equipment and printers are depreciated by equal instalments over 3 years.

f) Intangible fixed assets and depreciation

The membership database (SubscriberCRM) is depreciated by equal instalments over 5 years.

g) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the quoted market price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

i) Cash at bank and In hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value which is at cost, with the exception of:

- Investments are measured at their fair value as at the balance sheet date
- Tangible and intangible fixed assets are measured at cost less depreciation

The investments note 12 details the historical cost of the investments and the unrealised gains to arrive at their fair value.

l) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. Contributions to the Association's defined contribution pension scheme and to employees' personal pensions are charged to the statement of financial activities in the year in which they become payable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

The Magistrates Association also make contributions to a defined benefit “multi-employer” scheme. Although it is not possible to separately identify the assets and liabilities of the scheme attributable to the Magistrates Association, a recovery plan with agreed deficit recovery payments has been put in place for all employees in the scheme. The liabilities of this scheme have been recognised as the present value of contributions payable, in line with the terms of the multi-employer plan, in accordance with section 28 of FRS102.

m) Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

n) Key judgements and estimates policy

No significant judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The Trustees make estimates and assumptions concerning the future based on their knowledge of the company and the environment in which it operates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual outcome.

2 Donations and grants

	2023	2022
	£	£
Donations	274	3,455
Branches - Voluntary Income	12,798	8,161
Judicial College grant	10,000	10,000
Barrow Cadbury Trust grant	-	8,849
	<u>23,072</u>	<u>30,465</u>

A total amount of £10,000 (2022: £18,849) relates to the Judicial College and the Barrow Cadbury Trust grants, which are restricted funds. All other amounts relate to unrestricted funds.

3 Charitable activities

	2023	2022 As Restated
	£	£
Membership subscriptions	407,659	405,599
	<u>407,659</u>	<u>405,599</u>

All income from charitable activities in both the current and previous year relate to unrestricted funds. Membership subscriptions include Gift Aid income tax recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4 Investment income

	2023 £	2022 £
Dividends	126,372	146,140
Interest	661	43
	<u>127,033</u>	<u>146,183</u>

All investment income in both the current and previous year relate to unrestricted funds.

5 Other trading activities

	2023 £	2022 £
Magazine advertising revenue	6,403	6,148
Magazine subscriptions	761	1,096
Royalties	719	676
AGM/MA Awards income	1,466	-
500 Club lottery	4,210	4,510
Retired members' event	125	758
Royal Garden Party Event - Income	1,273	2,063
	<u>14,957</u>	<u>15,251</u>

All income from other trading activities in both the current and previous year relate to unrestricted funds.

6 Raising funds

	2023 £	2022 £
Investment management costs	<u>5,818</u>	<u>8,206</u>

Investment management costs in both the current and previous year relate to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

7a Analysis of expenditure by activity

	Direct costs	Support costs	2023 £
Magistrate event training and support	<u>527,693</u>	<u>461,676</u>	<u>995,188</u>
			2022 as restated
	Direct costs	Support costs	£
Magistrate event training and support	<u>402,039</u>	<u>363,935</u>	<u>774,179</u>

7b Analysis of direct costs

	2023 £	2022 as restated £
Branch Expenditure	48,837	32,591
Wages and salaries (note 8)	351,194	262,782
Council and committees	12,889	4,683
Production of MAGISTRATE magazine	103,928	93,785
Representation	3,722	2,373
Events (including networking opportunities and training)	3,616	5,106
MIC and training	<u>3,507</u>	<u>719</u>
	<u>527,693</u>	<u>402,039</u>

Branch expenditure related to the aggregate of expenditure incurred by branches within the financial year.

Amount of £3,507 (2022: £719) in the MIC and training expenditure relates to the restricted fund. All other expenditure relates to unrestricted and designated funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

7c Analysis of support costs

	2023 £	2022 £
Communications	50,385	12,605
Membership	41,612	10,441
Administration	101,164	118,320
Wages & Salaries	150,510	131,391
Accommodation	28,862	20,945
Depreciation Charge	47,182	72,406
Governance Costs	35,257	17,968
Re-measurements of scheme valuation	-	(25,305)
Pension scheme administration expenses	<u>6,704</u>	<u>5,163</u>
	<u>461,676</u>	<u>363,934</u>

7d Analysis of governance costs

	2023 £	2022 £
AGM and MA Awards	8,106	4,368
Board of Trustees' expenses (note 9)	7,476	1,300
Auditor's remuneration	19,675	12,300
	<u>35,257</u>	<u>17,968</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

8 Analysis of staff costs and key management personnel

	2023 £	2022 £
Wages and salaries	423,335	338,730
Social security costs	40,258	29,455
Pension costs	38,091	25,988
	<u>501,684</u>	<u>394,173</u>

The average monthly head count was 10 (2022: 10) and analysis of the staff employees in the year was:

	2023 Actual Number	2022 Actual Number
Management	1	1
Membership	3	3
Policy and research	2	2
Communications	3	3
Finance	1	1
	<u>10</u>	<u>10</u>

The number of employees whose total employee benefits excluding employer pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2023	2022
£70,000 - £79,999	1	1

The employer pension contributions made by the Association relating to the above amounted to £7,519 (2022: £5,833).

The key management personnel during the year comprised of the Chief Executive, the Director of Finance & Resources, the Head of Membership and the Head of Marketing. The total remuneration of key management personnel, including employer national insurance and pension contributions was £268,633 (2022: £204,445).

9 Trustees' fees and expenses

No Trustees (2022: none) received fees or payment for professional services supplied to the Association.

Expenditure relating to travel/subsistence, board of trustees meetings, elections and minutes of board meetings totalled £7,476 (2022: £1,300) in relation to 12 Trustees (2022: 12).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

10 Tangible fixed assets

	<u>Leasehold property</u> £	<u>Computers and printers</u> £	<u>Fixtures and fittings</u> £	<u>Office equipment</u> £	<u>Total</u> £
Cost					
At 1 July 2022	1,953,593	28,001	125,144	1,774	2,108,512
Additions	-	2,717	-	-	2,717
Disposals	-	-	-	-	-
At 30 June 2023	1,953,593	30,718	125,144	1,774	2,111,229
Depreciation					
At 1 July 2022	195,180	25,910	125,144	1,774	348,008
Charge for year	39,072	1,554			40,626
Disposals	-	-	-	-	-
At 30 June 2023	234,252	27,464	125,144	1,774	388,634
Net Book Value					
At 30 June 2023	1,719,341	3,254	0	0	1,722,595
At 30 June 2022	1,758,413	2,091	0	0	1,760,504

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11 Intangible fixed assets

	Intangible assets £
Cost	
At 1 July 2022	32,780
At end of year	<u>32,780</u>
Depreciation	
At 1 July 2022	17,492
Charge for year	6,556
At end of year	<u>24,048</u>
Net Book Value	
At 30 June 2023	<u><u>8,732</u></u>
At 30 June 2022	<u><u>15,288</u></u>

This represents the net book value of the membership database which was purchased in July 2019 and is amortised over 5 years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12 Fixed asset investments

	2023 £	2022 £
Market value at 1 July 2020	3,368,135	3,738,915
Additions at cost	-	-
Sale proceeds	(400,000)	(129,665)
Investment gains/(losses)	(79,742)	(235,783)
Movement of cash in the capital account	(7,173)	(5,332)
	<u>2,881,220</u>	<u>3,368,135</u>

At 30 June 2023 the historical cost of these investments was £2,969,269 (2022: £3,366,566).

	2023 £	2022 £
Investments can be analysed as follows:		
Equities	1,854,318	2,278,091
Alternatives	503,850	674,206
Bonds	368,830	270,079
Multi-asset funds	45,736	58,749
Cash	108,465	87,007
Capital account	21	3
	<u>2,881,220</u>	<u>3,368,135</u>

13a Stock relates to the value of membership badges held for sale to members (2022 - £720).

13b Debtors

	2023 £	2022 £
Trade debtors	10,000	10,000
Other debtors	131,660	52,854
Prepayments and accrued income	52,351	51,140
	<u>194,011</u>	<u>113,994</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

14a Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	46,539	18,901
Other creditors	3,918	260
Pensions	11,799	261
Other taxation and social security	10,597	10,444
Accruals and deferred income	38,533	41,064
Present value of defined benefit scheme liabilities (note 20)	2,515	5,998
	<u>113,901</u>	<u>76,928</u>

14b Creditors: amounts falling due after one year

	2023 £	2022 £
Present value of defined benefit scheme liabilities (note 20)	<u>9,068</u>	<u>11,583</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

15 Unrestricted funds

	Balance at 01 July 2022 As restated	Income and net gains	Expenditure and net losses	Transfers	Balance at 30 June 2023
	£	£	£	£	£
General funds	3,054,695	560,004	(447,366)	(1,250,000)	1,917,333
Fixed assets fund	1,760,504	2,717	(40,626)	-	1,722,595
CRM database fund	15,288	-	(6,556)	-	8,732
Provision of services to life members	508,484	-	(508,484)	100,000	100,000
Provision for repairs & maintenance	15,000	-	(15,000)	-	-
Strategic development fund	-	-	-	1,000,000	1,000,000
Pension liability fund	-	-	-	100,000	100,000
Equipment and technology fund	-	-	-	50,000	50,000
	5,353,971	562,721	(1,018,032)	-	4,898,660

	Balance at 01 July 2021 As restated	Income and net gains	Expenditure	Transfers	Balance at 30 June 2022 As restated
	£	£	£	£	£
General funds	3,043,294	443,949	(432,548)	-	3,054,695
Fixed asset funds	1,823,218	3,135	(65,849)	-	1,760,504
CRM database funds	21,844	-	(6,556)	-	15,288
Provision of services to life members	871,613	131,565	(494,694)	-	508,484
Provision for repairs & maintenance	15,000	-	-	-	15,000
	5,774,969	578,649	(999,647)	-	5,353,971

The general funds of the charity include funds held by branches as at each year end.

The Trustees further designated reserves out of unrestricted funds for specific purposes:

- The provision of services to life members fund is to provide future cost of member services.
- The provision for repairs and maintenance fund is to provide cost of any future internal and/or external repairs.
- The strategic development fund is for the support of our business change programme.
- The pension liability fund is to address the potential liability from our pension scheme.
- The equipment and technology fund is to replace our essential equipment and technology.

The adequacy of these funds will be reviewed annually.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

16 Restricted funds

	Balance at 1 July 2022 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2023 £
Training	22,534	10,000	22,534	-	10,000
Development fund	22,531	-	22,531	-	-
Barrow Cadbury Trust	10,079	-	10,079	-	-
Victim fund	1,753	-	1,753	-	-
	<u>56,897</u>	<u>10,000</u>	<u>56,897</u>	<u>-</u>	<u>10,000</u>

	Balance at 1 July 2021 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2022 £
Training	14,000	18,849	(10,315)	-	22,534
Development fund	22,531	-	-	-	22,531
Barrow Cadbury Trust	10,079	-	-	-	10,079
Victim fund	1,753	-	-	-	1,753
	<u>48,363</u>	<u>18,849</u>	<u>(10,315)</u>	<u>-</u>	<u>56,897</u>

Training refers to grants received for the preparation of training material for magistrates undertaken in accordance with the financial memorandum agreed between the Judicial College and the Association.

Development fund represents a member's donation (together with the relevant gift aid uplift) to be used to develop skills and provide training for prospective leaders of the Association.

Barrow Cadbury Trust project represents a grant to be used to develop and promote understanding of defendants' and offenders' maturity in the magistrates' court.

Victim fund represents a donation to be used to develop resources intended to improve victims' experiences of magistrates' courts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

17 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total 2023
	£	£	£	£
Fixed asset funds	1,722,595	-	-	1,722,595
CRM database funds	8,732	-	-	8,732
Investments	1,631,220	1,250,000	-	2,881,220
Current assets	409,082	-	10,000	419,082
Current liabilities	(113,901)	-	-	(113,901)
Long term liabilities	(9,068)	-	-	(9,068)
	<u>3,648,660</u>	<u>1,250,000</u>	<u>10,000</u>	<u>4,908,660</u>

	Unrestricted funds	Designated funds	Restricted funds	Total 2022
	£	£	£	As restated £
Fixed asset funds	1,760,504	-	-	1,760,504
CRM database funds	15,288	-	-	15,288
Investments	2,844,651	523,484	-	3,368,135
Current assets	298,555	-	56,897	355,452
Current liabilities	(76,928)	-	-	(76,928)
Long term liabilities	(11,583)	-	-	(11,583)
	<u>4,830,487</u>	<u>523,484</u>	<u>56,897</u>	<u>5,410,868</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18 Reconciliation of net expenditure to net cash flow from operating activities

	2023	2022
	£	As restated £
Net movement in funds	(502,208)	(412,464)
Depreciation charges	47,182	72,405
Decrease/(Increase) in debtors	(80,017)	(29,435)
(Decrease)/Increase in short term creditors	36,973	(16,842)
(Decrease)/Increase in long term creditors	(2,515)	(28,186)
Decrease/(Increase) in stock	-	(720)
Investment income	(127,033)	(146,183)
Net (Gain)/Loss on investments	79,742	235,783
Net cash used in operating activities	(547,876)	(325,642)

19 Analysis of cash and cash equivalents

	2023	2022
	£	As restated £
Cash and bank	224,351	240,738
Cash in hand	224,351	240,738

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

20 Pensions – defined benefit scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

	30 June 2023 (£s)	30 June 2022 (£s)	30 June 2021 (£s)
Present value of provision	9,068	14,855	87,188

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period ending 30 June 2023 (£s)	Period ending 30 June 2022 (£s)
Provision at start of period	14,855	87,188
Unwinding of the discount factor (interest expense)	402	458
Deficit contribution paid	(5,998)	(19,113)
Remeasurements - impact of any change in assumptions	(191)	(525)
Remeasurements - amendments to the contribution schedule	-	(53,153)
Provision at end of period	9,068	14,855

INCOME AND EXPENDITURE IMPACT

	Period ending 30 June 2023 (£s)	Period ending 30 June 2022 (£s)
Interest expense	402	458
Remeasurements – impact of any change in assumptions	(191)	(525)
Remeasurements – amendments to the contribution schedule	-	(53,153)
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

	30 June 2023 % per annum	30 June 2022 % per annum	30 June 2021 % per annum
Rate of discount	6.40	3.45	0.59

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

21 Prior year adjustments

Prior year adjustments were made to integrate the income, expenditure and funds of all branches into the accounts for the current and comparative years (see Notes 2, 7 and 15 to the accounts). This had the effect of increasing 2022 income by £8,161, expenditure by £32,951 and bank balances and fund by £144,679 as compared to the previously published accounts. Similarly, the capitation payments made by the MA to the branches have been removed as part of the consolidation process. These totalled £22,800.

22 Local groups

The accounts for the Association's local groups, which are listed below, are consolidated within these accounts since they are an integral part of the Magistrates' Association.

Bedfordshire	Lincolnshire
Berkshire	Merseyside
Birmingham	Mid & South Glamorgan
Black Country	Middlesex
Bristol & North Avon	Norfolk
Buckinghamshire	North & East Devon
Cambridgeshire	North East & East London
Central & North London	Northumbria
Cheshire	North West Wales
Cleveland & Durham	North & West Yorkshire
Clwyd	Northamptonshire
Cornwall	Nottinghamshire
Coventry & Warwickshire	Oxfordshire
Cumbria North	Powys & Herefordshire*
Cumbria South	Shropshire
Derbyshire	Somerset
Dorset	South & South East London
Dyfed	South & West Devon
East Sussex	South West London
Essex	Staffordshire
Gloucestershire	Surrey
Greater Manchester	Wessex
Gwent	West Glamorgan
Hertfordshire	West Sussex
Kent	Wiltshire
Lancashire County	Wolds & South Yorkshire
Leicestershire & Rutland	Worcestershire*

* Both these branches were merged to form a new branch as at the signing of these accounts.

22 Related party transactions

There were no related party transactions to report (2022: None)

Accounts

THE MAGISTRATES' ASSOCIATION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

THE MAGISTRATES' ASSOCIATION

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THE MAGISTRATES' ASSOCIATION

REFERENCE AND ADMINISTRATIVE DETAILS

Name:	The Magistrates' Association
Charity number:	216066
Registered office:	10a Flagstaff House St George Wharf Vauxhall, London SW8 2LE
Trustees:	Beverley Higgs JP (Chair) Mark Beattie JP (Deputy Chair) Christine Grant JP (Honorary Treasurer) (from 22 September 2021) Sarah Clarke JP David Ford JP (from 1 July 2021) Jacqueline MacDonald-Davis JP Daniel Longman JP Doreen Huijssoon-Prescott JP Patricia Willmott JP Frank Shipway JP (from 2 December 2021) Jo King JP (from 2 December 2021)
Chief Executive:	Tom Franklin
Auditors:	Price Bailey LLP 3rd Floor, 24 Old Bond Street, Mayfair, London, W1S 4AP
Bankers:	National Westminster Bank plc Bloomsbury Parr's Branch, PO Box 158, 214 High Holborn, London, EC1V 7BX CAF Bank Ltd 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Investment managers:	Cazenove Capital Schroder & Co Limited 1 London Wall Place, London, EC2Y 5AU
Solicitors:	Russell-Cooke LLP 2 Putney Hill, London, SW15 6AB

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

About the Magistrates Association

Who we are

The Magistrates Association (MA) is an independent charity registered in the UK (Charity Number 216066) and the membership body for the magistracy. We work to promote the sound administration of the law, including by providing guidance, training and support for our members, informing the public about the courts and the role of magistrates, producing and publishing research on key topics relevant to the magistracy, and contributing to the development and delivery of reforms to the courts and the broader justice system. With more than 13,000 members across England and Wales, we are a unique source of information and insight and the only independent voice of the magistracy.

Our vision

The MA's vision is a fair and effective justice system, served by a robust and vibrant magistracy.

Our mission

To work with and on behalf of our members to promote the sound administration of the law by informing policy and practice relating to the magistracy, providing support and guidance to magistrates, and informing the public about the magistracy and the broader justice system. In 2021 -22 we continued with our organisational strategy, focusing our work around four key aims.

Achievements and performance for 2021-22

Key aim 1: To influence the policy agenda on behalf of our members and in support of our vision

To achieve this through our work in 2021-22 we:

- Held ten meetings with high-level stakeholders, including the Courts Minister, the Shadow Justice Secretary, the Senior Presiding Judge, the Chief Executive of HM Courts and Tribunals Service, the Chief Magistrate and giving oral evidence to the Justice Select Committee, and attending key bodies such as the Magistrates' Liaison Group, the Magistrates' Engagement Group, and Judicial Business Groups.
- Produced ten consultation responses and four position statements and public responses.
- Liaised with the Ministry of Justice on the announcement of the extension of magistrates' extension of sentencing powers to 12 months for a single offence.
- Presented our views to the Ministry of Justice on the principles that should guide the creation of a single national justice area, and for the need for magistrates' voice to be central to the development of such plans.
- Held new regular quarterly meetings of our Judicial Business Group representatives, to better support their work and to hear first-hand what is happening in the courts regionally.
- Set up new regular meetings of the MA's representatives on Training, Approvals, Authorisations and Appraisals Committees (TAAACs), to help share information between representatives and support them in their work.
- Published a report on the needs of employed magistrates, based on a survey by our young magistrates network, and worked with the Ministry of Justice and HMCTS to implement the report's six recommendations.
- Continued the co-production with Youth Justice Board of a disparity protocol and ten-point tool for use across the criminal justice system to address the drivers of racial disparity.
- Used data requests to highlight issues in allocation of public law work to family magistrates and secured a minimum commitment from senior judiciary as to the appropriate level of allocation, ensuring magistrates remain skilled in all areas of family law work.
- Highlighted the lack of family specific leadership for magistrates, contributing to the creation of a new Family Magistrates Oversight Group.
- Undertook a major members' survey on the costs of volunteering for the magistracy, following a resolution agreed at our AGM in October. The report based on the survey is due to be published shortly.
- Reacted robustly to announcements by the Magistrates Leadership Executive and the Ministry of Justice that magistrates' expenses will not change for either mileage rates or digital devices – despite strong evidence in favour of doing so.
- Completed a research project in partnership with Transform Justice to document the experiences of magistrates involved in remote justice during the pandemic, in order to help the justice system learn lessons.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

Achievements and performance for 2021-22

- Worked on four projects with researchers from the University of Sussex, the University of Sheffield and Nacro on diversity in the magistracy.
- Attended meetings of key policy-making bodies, including the Magistrates' Liaison Group, the Magistrates' Engagement Group and the Judges' Council

Our successes included:

- The extension of magistrates' sentencing powers from six to 12 months for a single offence – a change which we have advocated for over a decade.
- The increase in magistrates' mandatory retirement age from 70 to 75, thus enabling more experienced magistrates to stay in their role for longer to help with shortfalls in the number of magistrates and for 700 retired magistrates to be reinstated, to help with the backlog.
- The launch of the largest ever recruitment campaign to attract new magistrates – following sustained advocacy from the MA that too few magistrates were being recruited to fill vacancies.

Key aim 2: To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems

To achieve this through our work in 2021-22 we:

- Raised the profile of the MA and the magistracy in the media, with 316 pieces across newspapers, broadcast and online media as well as sector outlet.
- Achieved coverage of 249 pieces on the extension of magistrates' sentencing powers, 23 on the magistracy recruitment drive, and six on our Covid-19 report.
- Delivered the MA's Magistrates in the Community programme, including re-starting activities following the pandemic, and launching a new resource for schools on the issue of knife crime.
- Supported the Greater Manchester branch in the launch of their innovative virtual reality resource on knife crime, in partnership with local organisations, aimed at local schools – as one of a series of initiatives taken by our branches.
- Put in place a new coordinated communications strategy with clearer, evidence-based messages, focused on what members want us to say.
- Supported Black History Month with a takeover of our Twitter account by our Black, Asian and minority ethnic network, as well as support for Stephen Lawrence Day, Pride month, Justice Week, and South Asian heritage month – as part of our work to explain the diversity of the magistracy to the public and to attract people from all walks of life to apply to become magistrates.
- Marked Volunteers' Week by celebrating the invaluable contribution of volunteers to society, raising awareness of how our members support the delivery of fair and timely justice for their communities, and thanking them for their tremendous work.

Our successes included:

- The highest level of media coverage for the MA in over a decade.
- Achieving national coverage including in iNews, The Daily Telegraph, The Guardian, The Independent, The Times, The Daily Mail, The Mirror, The Daily Express, GB News, MSN News, Sky News, The Spectator and Yahoo News.
- Appearing in interviews with LBC, Times Radio, Talk Radio, Sky News Radio, BBC 1, BBC Radio 4 Woman's Hour, BBC News, BBC Radio 1 Newsbeat, and Forces Radio.

Key aim 3: To provide MA members, and the broader magistracy, with support, information, training and development

To achieve this through our work in 2021-22 we:

- Held a range of learning and development webinars and in-person events for members on topical subjects ranging from increased sentencing powers, to rural crime, to cyber crime, to out of court disposals.
- Continued to produce high-quality communications for our members, including MAGISTRATE magazine, and a revitalised MA eNEWS and published 297 news and opinion articles and blogs on our website for members.
- Began a new series of guest blogs and features on our website, from partners and stakeholders, to help inform and engage our members.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

Achievements and performance for 2021 -22 (cont)

- Developed a brand new MA Learn online platform to host all of our learning and development materials for members – to be launched in 2022-23.
- Supported our four diversity and inclusion networks for members – our young magistrates network, Black, Asian and minority ethnic network, LGBT+ network, and our magistrates with disabilities network – including a conference for our Black, Asian and minority ethnic network members.
- Launched our new Branch Bites newsletter for branches, to replace the Trunk, as part of our plan to better support branch development.
- Produced six *MA cut-out-and-keep guides* and six *Sentencing Steps* exercises
- Provided more structured support for MA representatives on magistrate training committees
- After a three-year hiatus, invited members chosen by branches to attend the Royal Garden Parties in the Jubilee Year of our Patron, Her Majesty the Queen.

Our successes included:

- Publishing, in partnership with the Judicial College, a guide and workbook on 'Becoming a family presiding justice'.
- Contributing to the development of Judicial College training on domestic abuse and mental disability.

Key aim 4: To be an effective, well-run and financially sustainable organisation.

To achieve this through our work in 2021-22 we:

- Launched our new member get member scheme, to ask existing members to encourage non-members to join the MA – and providing branches with new recruitment materials to help with their local recruitment initiatives.
- Made changes to the staff team structure to better reflect the priorities of our members, in particular strengthening our marketing and communications and business development, and put in place a new senior management team.
- Set up new governance committees of the board, including for finance, audit and HR, and conducted a review of skills and experiences on the board, to help with trustee recruitment and training.
- Improved the level of support for our branch network, being more proactive in providing assistance, and launching our new Branch Bites newsletter with ideas and information for branches.
- Launched our inaugural annual members' survey, seeking members' feedback on what is going well and what could be improved.
- Developed our customer relationship management database to improve our engagement with our stakeholders.
- Held three listening workshops, for members to ask questions directly to the senior team including the national chair, national policy committee chairs, and the CEO.
- Held two meetings of our national council, one online and the other in-person, to provide guidance to the board of trustees and staff team on the development of our business change roadmap, and on membership recruitment and retention.

Our successes included:

- Putting in place new strategies for our branch development, marketing and communications, and membership recruitment and retention, to support our business change roadmap.
- Recruiting a new staff team in a difficult climate, with a new senior management team to lead the business change programme.
- Coming through the Covid-19 pandemic, having successfully continued to provide the majority of our activities and services, and restarting those which had to be suspended.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

Our plans for 2022-23

2022-23 will see the ongoing implementation of the MA's organisational strategy and business change programme, based around the four key aims set out above.

- 1) To influence the policy agenda on behalf of our members and in support of our vision. Planned activities for 2022-23 include:
 - Increasing our involvement in the work to create a single national justice area, following the Judicial Review and Courts Act, putting forward the voice of magistrates to the highest levels of government and the judiciary.
 - Identifying and pursuing our key policy priorities, including holding meetings with ten key decision-makers in support of these policy priorities and responding to ten relevant consultations, and providing information to relevant ministers appointed by the new prime minister.
 - Selecting up to four pieces of policy work for high profile, high impact short reports, aimed at the criminal justice system, media and public. These will be designed to be thought provoking and influence policy change
 - Attending and impactfully contributing to meetings of key bodies, for example the Magistrates' Liaison Group, Magistrates' Engagement Group and Judicial Business Groups, and promoting MA key issues at targeted meetings
 - Launching Policy Pulse – a new way for us to quickly gauge members' thoughts on topical issues affecting the magistracy.
 - Publishing a major report on the costs of volunteering as a magistrate, with a set of key recommendations on expenses.
 - Publishing a report on the accessibility of magistrates' courts in England and Wales.
 - Holding a major members' conference on the topic of open justice in the magistrates' courts.
 - Hosting a launch of a report into the experiences of young magistrates and their feelings about the role, following our involvement in the research.
- 2) To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems. Planned activities for 2022-23 include:
 - Seeking to expand Magistrates in the Community through working with our partners, and expanding the links between our diversity and inclusion networks and Magistrates in the Community – so that we reach out to more parts of communities that are under-represented in the magistracy.
 - Securing 20 positive national media appearances for the MA and the magistracy
 - Establishing a partner network of charities where, with the support of our diversity and inclusion networks, we can press home the message about volunteering as magistrates.
 - Launching a 'faces of the magistracy' campaign, to show the diversity of magistrates and encourage people from all walks of life to consider applying.
 - Taking part in a major Pride event in 2023 and supporting our LGBT+ network to distribute a pack to local branches on how to take part in local Pride events.
- 3) To provide MA members, and the broader magistracy, with support, information, training and development. Planned activities for 2022-23 include:
 - Launching a brand-new website. The public pages of the website will be re-styled and will highlight our campaigning work and achievements as well as general CJS news.
 - Launching MA Learn, our learning and development portal, to better curate all of our learning and development resources for members.
 - Launching our proposed new Member Support Line, to provide a listening ear and signposting for members when they need it.
 - Putting on a series of webinars on topics of interest to our members.
 - Hosting events for new members, to help them get the most from their MA membership.
 - Publishing, in partnership with the Judicial College, a new training resource for magistrates.
 - Producing six MA cut-out-and-keep guides and six Sentencing Steps exercises.
 - Producing to a high standard six editions of MAGISTRATE, 12 issues of MA ENEWS and 12 issues of Branch Bites.
 - Working with the HMCTS magistrates expenses team to give greater guidance to members on completing expenses claims.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

- 4) To be an effective, well-run and financially sustainable organisation. Planned activities for 2022-23 include:
- Continuing to implement the roadmap for business change, as agreed by the board of trustees.
 - Improving membership recruitment, retention and processing – including the activities set out in our member recruitment and retention strategy.
 - Developing the MA's legacy giving framework and securing two new grants from trusts and foundations.
 - Undertaking a review of our governance arrangements to ensure we respond to changes in our external environment, including the move to a single national justice area.
 - Continuing with our annual members' survey, launched in 2021-22, so that we can track changes in members' feedback over time.
 - Promoting associate membership, to encourage those considering becoming a magistrate to learn more about the role.

Governance and management

The MA is established and incorporated to promote the sound administration of the law, including, but not restricted to, educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime.

The MA was established in 1920 and granted a Royal Charter in 1962. It is currently governed by a Supplemental Charter and Byelaws approved on 12 February 2013.

The Members of the MA consist of:

- (a) Ordinary Members: any magistrate who makes application for membership in the manner for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out from time to time.
- (b) Associated Members: subject to the approval of the Board of Trustees, any other person who makes application for associate membership in any manner as is for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out and who satisfies any criteria for admission as are set down by the Board of Trustees from time to time.
- (c) Honorary Members: any one person co-opted by the Annual General Meeting as an Honorary Member, not exceeding ten persons.

The Board of Trustees consists of:

- (a) the Chair and the Deputy Chair or Deputy Chairs, elected by the Ordinary Members from among the current Trustees and the current Chairmen of the Standing Committees for the immediately preceding year;
- (b) the Honorary Treasurer, appointed by the Board at its discretion;
- (c) six other Trustees elected by the Ordinary Members from among the Ordinary Members, provided that any person standing for election must be Actively Serving; and
- (d) not more than two Members of the Association co-opted at any time by the Board in their absolute discretion. Co-opted Trustees may be removed by the Board at any time and in any case shall retire at each Annual General Meeting but shall be eligible to be co-opted again up to three times.

Where possible, trustees are invited to observe one board meeting prior to the start of their term of office and attend one half-day induction training session with the National Chair and Chief Executive. The trustee role and responsibilities, the duties reserved for the Board, the duties delegated to the Standing Committees, and the duties delegated to the Chief Executive, are detailed in the MA's Standing Orders.

The organisational structure consists of the Board of Trustees, six Standing Committees, four of which are responsible for policy (Adult Court Committee, Family Court Committee, Youth Court Committee, Training Committee) and two for finance and audit, and HR and remuneration respectively, a Policy Board (which oversees the work of the four policy standing committees), National Council (which advises the Board of Trustees), 54 local groups spanning England and Wales, and ten staff including four as the

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

senior management team.

The Board of Trustees identifies the major risks to which the charity is exposed, regularly reviews those risks and has established procedures to manage those risks.

The Board of Trustees has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities which contribute to the aims and objectives of the Association.

The Board of Trustees also regularly assesses the Association's achievements and reviews the activities that have been completed, in order to ensure that they have been delivered as planned and judge their impact and the extent to which they have contributed to achieving the aims and objectives of the Association. Please see pages 2 - 4 for a summary of the Association's achievements in the 2021-22 financial year, which the Board of Trustees has considered in ensuring the Association is carrying out its purposes for the public benefit.

Financial review

Income and expenditure:

As in the previous year income from annual members fell largely as a result of the continuing decline in overall magistrate numbers. Income for 2021-22 was £589,337 (2020 -21: £619,239) and expenditure was £764,389 (2020 -21: £818,624), with an overall deficit before taking into account investments of £175,052 (2020-21 deficit of £199,385). The net movement in funds for 2021-22 was a deficit of £410,835, after factoring in net investment losses of £235,783 (2020-21 surplus of £166,133 after net investment gain of £365,518).

Reserves

The MA's Board of Trustees has decided that the MA should, as far as possible, aim to maintain its current level of unrestricted reserves, which should be invested to ensure that they deliver an annual income to the MA to contribute to our running costs, while protecting the capital against inflation. The Board of Trustees has decided that this approach best supports the MA in meeting its charitable objectives now and in the future by providing consistent income for the MA at a time when the number of magistrates has been declining, affecting income from membership subscriptions. Each year the Board of Trustees assesses, however, as part of the annual budgeting process, whether it is appropriate to authorise expenditure from unrestricted reserves to meet the annual running costs of the MA and/or any specific projects.

As per the Charities SORP 2019 (FRS102), we continue to recognise the liability arising in respect of the multi-employer defined benefit scheme. There is an agreed plan to pay off this deficit. The impact of this has reduced our free reserves by £17,581 (2021: £56,921).

The free reserve balance at 30 June 2022 was £2,910,016 (2021: £2,896,986). In recognition of the future cost of providing services to life members the Association set up a designated life membership reserve which totals £508,484 at 30 June 2022 (2021: £871,613). The Trustees can authorise a transfer from the designated fund for life members into free reserves if required.

Investments

As mentioned above, the Association has an investment portfolio which is managed by our professional advisors on a medium risk basis, with a targeted overall return of 4% over inflation. As at 30 June 2022, this portfolio was valued at £3,368,135 (2021: £3,738,915) and produced an income of £146,183 (2020-21: £149,678).

Following international events which have had varying impacts on investment markets, trustees have increased monitoring activity over our investment portfolio to ensure the current investment strategy and outcomes meet our needs.

Fundraising

The MA understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. The Association does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year (2021 – none).

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

Internal Controls

The Board of Trustees, through delegated authority, maintain a set of internal controls which are designed to protect and preserve the assets of the charity and prevent its exposure to undue risks in the course of its operations.

Key risks

A risk register, including steps necessary to mitigate identified risks, is reviewed by the Board of Trustees annually. The most significant risks facing the MA are:

- The continuing impact of the lockdown on the magistracy and the courts, which may affect the recruitment, retention and engagement of magistrates, and on the broader financial environment, which will have an impact on the MA's investment portfolio.
To address this, the MA is managing its financial resources rigorously through its Finance and Audit committee, introducing newer monitoring and operating systems and has put in place trigger points that would activate a contingency planning process.
- The financial and other impacts of the continuing decline in the number of magistrates in England and Wales, which both affects the MA's membership income and the MA's influence.
To address this the MA is (a) directly and indirectly supporting the recruitment of more magistrates; (b) working to increase the proportion of magistrates who are members; and (c) pursuing additional new sources of income via a new business change programme.
- A lack of engagement with members results in a lack of active participation in the work of the MA nationally and locally, including key activities such as MIC and membership of the MA's policy committees.
Activities set out in the MA's Membership Strategy are intended to address this.

Staff remuneration

The Remuneration Committee reviews the Chief Executive's salary annually in light of market forces. The Chief Executive recommends salary adjustments, as necessary, for all other staff and these are reviewed by the Remuneration Committee. Recommendations are then made by the Remuneration Committee to the Board of Trustees for approval when setting the annual budget.

THE MAGISTRATES' ASSOCIATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

TRUSTEES' RESPONSIBILITIES STATEMENT

Statement of Trustees responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards - United Kingdom Generally Accepted Accounting Practice. The law applicable to charities in the UK requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing these accounts, the Trustees are required to:

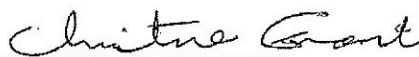
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (Accounts Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Board of Trustees and signed on their behalf by:



Bev Higgs
National Chairman
Date: 29 September 2022



Christine Grant
Honorary Treasurer
Date: 29 September 2022

THE MAGISTRATES' ASSOCIATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Independent Auditor's Report to the Trustees of the Magistrates Association

Opinion

We have audited the financial statements of the Magistrates Association (the 'charity') for the year ended 30 June 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes 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 charity's affairs as at 30 June 2022, and of its incoming resources and application of resources, including its 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 Charities Act 2011.

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 charity 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 charity'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.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

the information given in the financial statements is inconsistent in any material respect with the trustees' report; or

the charity has not kept adequate accounting records; or

the financial statements are not in agreement with the accounting records and returns; or

we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting which could have a material impact on the financial statements. In relation to the operations of the Charity this included compliance with the Charities Act 2011.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Trustee Board meetings, any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charity. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

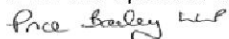
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



For and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Dated: 14 October 2022

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE MAGISTRATES' ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022				2021 As Restated			
		Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS									
Donations & grants	2	3,455	-	18,849	22,304	1,212	-	11,800	13,012
Charitable activities	3	405,599	-	-	405,599	427,528	-	-	427,528
Other trading activities	5	15,251	-	-	15,251	29,021	-	-	29,021
Investment income	4	14,618	131,565	-	146,183	14,968	134,710	-	149,678
Total income		438,923	131,565	18,849	589,337	472,729	134,710	11,800	619,239
EXPENDITURE									
Raising funds	6	8,206	-	-	8,206	8,766	-	-	8,766
Charitable activities	7	475,168	270,700	10,315	756,183	527,197	282,361	300	809,858
Total expenditure		483,374	270,700	10,315	764,389	535,963	282,361	300	818,624
Net Income / (Expenditure) before investment gains / losses		(44,451)	(139,135)	8,534	(175,052)	(63,234)	(147,651)	11,500	(199,385)
Net gains / (losses) on investments	12	(11,789)	(223,994)	-	(235,783)	18,276	347,242	-	365,518
Net Income / (Expenditure)		(56,240)	(363,129)	8,534	(410,835)	(44,958)	199,591	11,500	166,133
RECONCILIATION IN FUNDS									
Total funds b/fwd as previously stated		4,716,743	886,613	48,363	5,651,719	4,756,469	687,022	36,863	5,480,354
Prior Year Adjustment	21	25,305	-	-	25,305	30,537	-	-	30,537
Adjusted opening balance		4,742,048	886,613	48,363	5,677,024	4,787,006	687,022	36,863	5,510,891
Total funds carried forward		4,685,808	523,484	56,897	5,266,189	4,742,048	886,613	48,363	5,677,024

All amounts relate to continuing activities of the charity.
The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes to the accounts are shown on pages 15 to 34

THE MAGISTRATES' ASSOCIATION

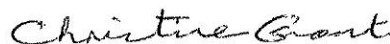
BALANCE SHEET AS AT 30 JUNE 2022

	Note	2022 £	2021 As Restated £
FIXED ASSETS			
Tangible fixed assets	10	1,760,504	1,823,217
Intangible fixed assets	11	15,288	21,844
Investments	12	3,368,135	3,738,915
TOTAL FIXED ASSETS		5,143,927	5,583,976
CURRENT ASSETS			
Stock		720	0
Debtors	13	113,994	84,559
Cash at bank and in hand	19	96,059	142,028
TOTAL CURRENT ASSETS		210,773	226,587
LIABILITIES			
Creditors: amounts falling due within one year	14a	(76,928)	(93,770)
NET CURRENT ASSETS		133,845	132,817
Creditors: amounts falling due after one year	14b	(11,583)	(39,769)
TOTAL NET ASSETS		5,266,189	5,677,024
THE FUNDS OF THE CHARITY			
Unrestricted funds:			
Designated funds	15	523,484	886,613
Tangible fixed assets	10	1,760,504	1,823,218
Intangible fixed assets	11	15,288	21,844
Free reserves		2,910,016	2,896,986
Restricted funds	16	56,897	48,363
TOTAL FUNDS		5,266,189	5,677,024

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:



Bev Higgs
National Chairman
Date: 29 September 2022



Christine Grant
Honorary Treasurer
Date: 29 September 2022

The attached notes on pages 15 to 35 form part of these financial statements.

THE MAGISTRATES' ASSOCIATION

STATEMENTS OF CASH FLOWS AS AT 30 JUNE 2022

	Note	2022 £	2021 £
Statements of cash flows			
Cash flows from operating activities:	18	(324,013)	(316,749)
Net cash used in operating activities		(324,013)	(316,749)
Cash flow from investing activities			
Purchase of tangible assets		(3,136)	-
Purchase of intangible assets		-	(5,440)
Purchase of investments		-	(2,006,601)
Proceeds from sale of investments		129,665	2,213,023
Movement of cash in the capital account		5,332	(5,294)
Investment income		146,183	149,678
Net cash provided by investing activities		278,044	345,366
Change in cash and cash equivalents in the reporting period		(45,969)	28,617
Cash and cash equivalents at the beginning of the reporting period		142,028	113,411
Cash and cash equivalents at the end of the reporting period	19	96,059	142,028
Analysis of changes in net debt			
		2022 £	2021 £
Cash and cash equivalents as at 1 July 2021		142,028	113,411
Cash flows		(45,969)	28,617
Other non-cash changes		-	-
Cash and cash equivalents as at 30 June 2022		96,059	142,028

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

a) General information and basis of preparation

The Magistrates Association is a charity registered under the number 216066 and a Royal Charter company, incorporated under the number RC000337. The address of the charity is given on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote the sound administration of the law, including, but not restricted to educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime. The Charity is a Public Benefit Entity under FRS102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

After making appropriate enquiries, the Board of Trustees considers that the Association is a going concern for the next 12 months and into the foreseeable future, due to the regular income received from its members, the level of free reserves held, and the fact that the MA owns its own premises. There are no material uncertainties which would cast doubt on the Association's ability to continue as a going concern. The financial statements are therefore prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Board of Trustees are aware of the budgeted deficit for the next financial year, as they have authorised the budget, and action is being taken to reduce the deficit and balance the budget in due course as per the risks identified on page 7.

The financial statements are prepared in sterling, which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

c) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

For donations and grant income to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. Grants and donations receivable for specific purposes are accounted for as restricted funds.

Charitable activities comprise membership subscriptions and life member subscriptions. These are paid in advance for the year and are recognised when the Magistrates' Association has entitlement to the income. Life memberships are recognised in full in the year memberships are paid.

Income received in advance is deferred until there is entitlement to the income.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d) Expenditure and support costs allocation

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure can be categorised as follows:

- Cost of raising funds, which comprises investment management costs.
- Expenditure on charitable activities, which consists of directly incurred costs in furthering the objectives of the charity, and the associated support costs.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is provided in note 7.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

e) Tangible fixed assets and depreciation

- i) The leasehold property is depreciated by equal instalments over 50 years.
- ii) Fixtures & fittings and office equipment are depreciated by equal instalments over 5 years.
- iii) Computer equipment and printers are depreciated by equal instalments over 3 years.

f) Intangible fixed assets and depreciation

The membership database (SubscriberCRM) is depreciated by equal instalments over 5 years.

g) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the quoted market price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

i) Cash at bank and In hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value which is at cost, with the exception of:

- Investments are measured at their fair value as at the balance sheet date
 - Tangible and intangible fixed assets are measured at cost less depreciation
-

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

The investments note 12 details the historical cost of the investments and the unrealised gains to arrive at their fair value.

l) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. Contributions to the Association's defined contribution pension scheme and to employees' personal pensions are charged to the statement of financial activities in the year in which they become payable.

The Magistrates Association also make contributions to a defined benefit "multi-employer" scheme. Although it is not possible to separately identify the assets and liabilities of the scheme attributable to the Magistrates Association, a recovery plan with agreed deficit recovery payments has been put in place. The liabilities of this scheme have been recognised as the present value of contributions payable, in line with the terms of the multi-employer plan, in accordance with section 28 of FRS102.

m) Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

n) Key judgements and estimates policy

No significant judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The Trustees make estimates and assumptions concerning the future based on their knowledge of the company and the environment in which it operates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual outcome.

2 Donations and grants

	2022	2021
	£	£
Donations	3,455	1,212
HMRC JRS Grant	-	1,956
Judicial College grant	10,000	10,000
Barrow Cadbury Trust grant	8,849	1,800
	<u>22,304</u>	<u>14,968</u>

A total amount of £18,849 (2021: £11,800) relates to the Judicial College and the Barrow Cadbury Trust grants, which are restricted funds. All other amounts relate to unrestricted funds.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

3 Charitable activities

	2022	2021
	£	£
Membership subscriptions	<u>405,599</u>	<u>427,728</u>

All income from charitable activities in both the current and previous year relate to unrestricted funds. Membership subscriptions include Gift Aid income tax recoverable.

4 Investment income

	2022	2021
	£	£
Dividends	146,140	149,666
Interest	43	12
	<u>146,183</u>	<u>149,678</u>

All investment income in both the current and previous year relate to unrestricted funds.

5 Other trading activities

	2022	2021
	£	£
Magazine advertising revenue	6,148	19,249
Magazine subscriptions	1,096	821
Royalties	676	855
Consultancy	-	1,750
500 Club lottery	4,510	4,390
Retired members' event	758	-
Royal Garden Party Event - Income	2,063	-
	<u>15,251</u>	<u>27,065</u>

All income from other trading activities in both the current and previous year relate to unrestricted funds.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

6 Raising funds

	2022	2021
	£	£
Investment management costs	<u>8,206</u>	<u>8,766</u>

Investment management costs in both the current and previous year relate to unrestricted funds.

7a Analysis of expenditure by activity

	Direct costs	Support costs	2022 £
Magistrate event training and support	<u>392,248</u>	<u>363,935</u>	<u>756,183</u>

	Direct costs	Support costs	2021 As Restated £
Magistrate event training and support	<u>453,881</u>	<u>355,977</u>	<u>809,858</u>

THE MAGISTRATES' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

7b Analysis of direct costs

	2022	2021
	£	£
Grants to local groups	22,800	34,316
Wages and salaries (note 8)	262,782	310,230
Council and committees	4,683	65
Production of MAGISTRATE magazine	93,785	94,564
Representation	2,373	97
Events (including networking opportunities and training)	5,106	14,309
MIC and training	719	300
	<u>392,248</u>	<u>453,881</u>

The grants to local groups relate to a maximum of two instalments per local group during the financial year, provided they satisfy the set criteria. Each instalment is a minimum of £250.

Amount of £10,315 (2021: £300) in the MIC and training expenditure relates to the restricted fund. All other expenditure relates to unrestricted and designated funds.

7c Analysis of support costs

	2022	2021
	£	As Restated £
Communications	12,605	11,490
Membership	10,441	9,860
Administration	118,320	60,129
Wages & Salaries	131,391	155,115
Accommodation	20,945	18,635
Depreciation Charge	72,406	70,535
Governance Costs	17,968	18,052
Business Change Programme	-	37,466
Re-measurements of scheme valuation	(25,305)	(30,537)
Pension scheme administration expenses	5,163	5,232
	<u>363,935</u>	<u>355,977</u>

THE MAGISTRATES' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

7d Analysis of governance costs

	2022	2021
	£	£
AGM and MA Awards	4,368	1,914
Board of Trustees' expenses (note 9)	1,300	4,138
Auditor's remuneration	12,300	12,000
	<u>17,968</u>	<u>18,052</u>

8 Analysis of staff costs and key management personnel

	2022	2021
	£	£
Wages and salaries	338,730	387,744
Social security costs	29,455	35,839
Pension costs	25,988	47,640
	<u>394,173</u>	<u>471,223</u>

The average monthly head count was 12 (2020: 12) and analysis of the staff employees in the year was:

	2022	2021
	Actual	Actual
	Number	Number
Management	1	1
Membership	3	4
Policy and research	2	4
Communications	3	2
Finance	1	1
	<u>10</u>	<u>12</u>

The number of employees whose total employee benefits excluding employer pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2022	2021
£70,000 - £79,999	1	1

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

The employer pension contributions made by the Association relating to the above amounted to £5,833 (2021: £5,692).

The key management personnel during the year comprised of the Chief Executive, the Director of Finance & Resources, the Head of Membership, the Head of Marketing and the Head of Finance. The total remuneration of key management personnel, including employer national insurance and pension contributions was £204,445 (2021: £224,526).

9 Trustees fees and expenses

No Trustees (2021: none) received fees or payment for professional services supplied to the Association.

Expenditure relating to travel/subsistence, Board of Trustees, Elections and minutes of Board meetings totalled £1,300 (2021: £4,138) in relation to 12 Trustees (2021: 12).

10 Tangible fixed assets

	Leasehold Property £	Computers & Printers £	Fixtures & Fittings £	Office Equipment £	Total £
Cost					
At 1 July 2021	1,953,593	24,865	125,144	1,774	2,105,376
Additions	-	3,136	-	-	3,136
At 30 June 2022	1,953,593	28,001	125,144	1,774	2,108,512
Depreciation					
At 1 July 2021	156,108	24,522	100,115	1,414	282,159
Charge for year	39,072	1,388	25,029	360	65,849
At 30 June 2022	195,180	25,910	125,144	1,774	348,008
Net Book Value					
At 30 June 2022	1,758,413	2,091	0	0	1,760,504
At 30 June 2021	1,797,485	343	25,029	360	1,823,217

THE MAGISTRATES' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

11 Intangible fixed assets

	Intangible Assets £
Cost	
At 1 July 2021	32,780
At end of year	<u>32,780</u>
Depreciation	
At 1 July 2021	10,936
Charge for year	6,556
At end of year	<u>17,492</u>
Net Book Value	
At 30 June 2022	<u>15,288</u>
At 30 June 2021	<u>21,844</u>

This represents the net book value of the membership database which was purchased in July 2019 and is amortised over 5 years.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

12 Fixed asset investments

	2022 £	2021 £
Market value at 1 July 2020	3,738,915	3,574,525
Additions at cost	-	2,006,601
Sale proceeds	(129,665)	(2,213,023)
Investment gains/(losses)	(235,783)	365,518
Movement of cash in the capital account	(5,332)	5,294
	<u>3,368,135</u>	<u>3,738,915</u>

At 30 June 2022 the historical cost of these investments was £3,366,566 (2021: £3,489,072).

	2022 £	2021 £
Investments can be analysed as follows:		
Equities	2,278,091	2,679,118
Alternatives	674,206	587,675
Bonds	270,079	321,654
Multi-asset funds	58,749	61,333
Cash	87,007	83,800
Capital account	3	5,335
	<u>3,368,135</u>	<u>3,738,915</u>

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

13a Stock relates to the value of membership badges held for sale to members (2021-£0).

13b Debtors

	2022	2021
	£	£
Trade debtors	10,000	4,943
Other debtors	52,854	30,899
Prepayments and accrued income	51,140	48,717
	<u>113,994</u>	<u>84,559</u>

14a Creditors: amounts falling due within one year

	2022	2021
	£	As Restated £
Trade creditors	18,901	30,259
Other creditors	260	934
Pensions	261	2,109
Other taxation and social security	10,444	11,577
Accruals and deferred income	41,064	31,739
Present value of defined benefit scheme liabilities (note 20)	5,998	17,152
	<u>76,928</u>	<u>93,770</u>

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

14b Creditors: amounts falling due after one year

	2022	2021
	£	As Restated £
Present value of defined benefit scheme liabilities (note 20)	11,583	39,769

15 Unrestricted funds

	Balance at 01 July 2021	Income and net gains	Expenditure and net losses	Transfers	Balance at 30 June 2022
	£	£	£	£	£
General funds	2,896,986	435,788	(422,758)	-	2,910,016
Fixed assets fund	1,823,218	3,135	(65,849)	-	1,760,504
CRM Database fund	21,844	-	(6,556)	-	15,288
Provision of services to life members	871,613	131,565	(494,694)	-	508,484
Provision for repairs & maintenance	15,000	-	-	-	15,000
	5,628,661	570,488	(989,857)	-	5,209,292

	Balance at 01 July 2020	Income and net gains	Expenditure	Transfers	Balance at 30 June 2021 As Restated
	£	£	£	£	£
General funds	2,846,312	485,565	(434,891)	-	2,896,986
Fixed asset funds	1,888,285	-	(65,067)	-	1,823,218
CRM Database funds	21,872	5,440	(5,468)	-	21,844
Provision of services to life members	672,022	481,952	(282,361)	-	871,613
Provision for repairs & maintenance	15,000	-	-	-	15,000
	5,443,491	972,957	(787,787)	-	5,628,661

The funds of the charity include the designated reserves which have been set aside out of unrestricted funds by the Trustees for specific purposes.

- The provision of services to life members fund is to provide future cost of member services.
- The provision for repairs and maintenance fund is to provide cost of any future internal and/or external repairs.

The adequacy of these funds will be reviewed annually.

THE MAGISTRATES' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

16 Restricted funds

	Balance at 1 July 2021	Income	Expenditure	Transfers	Balance at 30 June 2022
	£	£	£	£	£
Training	14,000	18,849	(10,315)	-	22,534
Development fund	22,531	-	-	-	22,531
Barrow Cadbury Trust	10,079	-	-	-	10,079
Victim fund	1,753	-	-	-	1,753
	<u>48,363</u>	<u>18,849</u>	<u>(10,315)</u>	<u>-</u>	<u>56,897</u>

	Balance at 1 July 2020	Income	Expenditure	Transfers	Balance at 30 June 2021
	£	£	£	£	£
Training	4,000	10,000	-	-	14,000
Development fund	22,531	-	-	-	22,531
Barrow Cadbury Trust	8,579	1,800	(300)	-	10,079
Victim fund	1,753	-	-	-	1,753
	<u>36,863</u>	<u>11,800</u>	<u>(300)</u>	<u>-</u>	<u>48,363</u>

Training refers to grants received for the preparation of training material for magistrates undertaken in accordance with the financial memorandum agreed between the Judicial College and the Association.

Development fund represents a member's donation (together with the relevant gift aid uplift) to be used to develop skills and provide training for prospective leaders of the Association.

Barrow Cadbury Trust project represents a grant to be used to develop and promote understanding of defendants' and offenders' maturity in the magistrates' court.

Victim fund represents a donation to be used to develop resources intended to improve victims' experiences of magistrates' courts.

THE MAGISTRATES' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

17 Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2022 £
Fixed asset funds	1,760,504	-	-	1,760,504
CRM Database funds	15,288	-	-	15,288
Investments	2,844,651	523,484	-	3,368,135
Current assets	153,876	-	56,897	210,773
Current liabilities	(76,928)	-	-	(76,928)
Long term liabilities	(11,583)	-	-	(11,583)
	<u>4,685,808</u>	<u>523,484</u>	<u>56,897</u>	<u>5,266,189</u>

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 As Restated £
Fixed asset funds	1,823,217	-	-	1,823,217
CRM Database funds	21,844	-	-	21,844
Investments	2,852,302	886,613	-	3,738,915
Current assets	178,224	-	48,363	226,587
Current liabilities	(93,770)	-	-	(93,770)
Long term liabilities	(39,769)	-	-	(39,769)
	<u>4,742,048</u>	<u>886,613</u>	<u>48,363</u>	<u>5,677,024</u>

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

18 Reconciliation of net expenditure to net cash flow from operating activities

	2022	2021
	£	As Restated £
Net movement in funds	(410,835)	196,670
Depreciation charges	72,405	70,535
Decrease/(Increase) in debtors	(29,435)	(21,960)
(Decrease)/Increase in short term creditors	(16,842)	(8,165)
(Decrease)/Increase in long term creditors	(28,186)	(38,633)
Decrease/(Increase) in stock	(720)	-
Investment income	(146,183)	(149,678)
Net (Gain)/Loss on investments	235,783	(365,518)
Net cash used in operating activities	(324,013)	(316,749)

19 Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash and bank	96,059	142,028
Cash in hand	96,059	142,028

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

20 Pensions – defined benefit scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
---------------------------------------	----------------------	-------------------

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
---	-----------------------	--

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

PRESENT VALUES OF PROVISION	30 June 2022 (£s)	30 June 2021 (£s)	30 June 2020 (£s)
Present value of provision	17,581	56,921	71,089

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 30 June 2022 (£s)	Period Ending 30 June 2021 (£s)
Provision at start of period	56,921	71,089
Unwinding of the discount factor (interest expense)	458	802
Deficit contribution paid	(19,113)	(22,972)
Remeasurements - impact of any change in assumptions	(525)	368
Remeasurements - amendments to the contribution schedule	(20,160)	7,634
Provision at end of period	17,581	56,921

INCOME AND EXPENDITURE IMPACT

	Period Ending 30 June 2022 (£s)	Period Ending 30 June 2021 (£s)
Interest expense	458	802
Remeasurements – impact of any change in assumptions	(525)	368
Remeasurements – amendments to the contribution schedule	(20,160)	7,634
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

INCOME AND EXPENDITURE IMPACT (cont'd)

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

ASSUMPTIONS

	30 June 2022 % per annum	30 June 2021 % per annum	30 June 2020 % per annum
Rate of discount	3.45	0.59	0.83

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

21 Prior year adjustment

Prior year adjustments were made to remove expense elements incorrectly included in the previous year's deficit recovery liability for the Pensions Trust (see note 20 for details on the recovery plan). This had the effect of reducing the 2021 liabilities by £25,305 and increasing expenditure by £5,232. The overall funds brought forward increased by £30,537.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

22 Local groups

The accounts for the Association's local groups, which are listed below, are not consolidated since they are considered to be separate legal entities.

Bedfordshire	Lincolnshire
Berkshire	Merseyside
Birmingham	Mid & South Glamorgan
Black Country	Middlesex
Bristol & North Avon	Norfolk
Buckinghamshire	North & East Devon
Cambridgeshire	North East & East London
Central & North London	Northumbria
Cheshire	North West Wales
Cleveland & Durham	North & West Yorkshire
Clwyd	Northamptonshire
Cornwall	Nottinghamshire
Coventry & Warwickshire	Oxfordshire
Cumbria North	Powys & Herefordshire
Cumbria South	Shropshire
Derbyshire	Somerset
Dorset	South & South East London
Dyfed	South & West Devon
East Sussex	South West London
Essex	Staffordshire
Gloucestershire	Surrey
Greater Manchester	Wessex
Gwent	West Glamorgan
Hertfordshire	West Sussex
Kent	Wiltshire
Lancashire County	Wolds & South Yorkshire
Leicestershire & Rutland	Worcestershire

23 Related party transactions

There were no related party transactions to report (2021: None)

Accounts

THE MAGISTRATES' ASSOCIATION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

THE MAGISTRATES’ ASSOCIATION

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THE MAGISTRATES' ASSOCIATION

REFERENCE AND ADMINISTRATIVE DETAILS

Name:	The Magistrates' Association
Charity number:	216066
Registered office:	10a Flagstaff House St George Wharf Vauxhall, London SW8 2LE
Trustees:	Beverley Higgs JP (Chair) Alison Spurgeon-Dickson JP (Deputy Chair) Mark Beattie JP (Deputy Chair) Paul Kemp JP (Honorary Treasurer) Sarah Clarke JP Emir Feisal JP (to 17 October 2020) Louise Fleet JP (to 17 October 2020) David Ford JP Jacqueline MacDonald-Davis JP Luke Rigg JP John Stroud-Turp JP (to 17 October 2020) David Longman JP (from 17 October 2020) Doreen Huijssoon-Prescott JP (From 17 October 2020) Patricia Willmott JP (from 17 October 2020)
Chief Executive:	Tom Franklin (from 24 May 2021) Jonathan Collins (to 18 March 2021)
Auditors:	Price Bailey LLP 3rd Floor, 24 Old Bond Street, Mayfair, London, W1S 4AP
Bankers:	National Westminster Bank plc Bloomsbury Parr's Branch, PO Box 158, 214 High Holborn, London, EC1V 7BX CAF Bank Ltd 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Investment managers:	Cazenove Capital Schroder & Co Limited 1 London Wall Place, London, EC2Y 5AU
Solicitors:	Russell-Cooke LLP 2 Putney Hill, London, SW15 6AB

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

About the Magistrates Association

Who we are

The Magistrates Association (MA) is an independent charity registered in the UK (Charity Number 216066) and the membership body for the magistracy. We work to promote the sound administration of the law, including by providing guidance, training and support for our members, informing the public about the courts and the role of magistrates, producing and publishing research on key topics relevant to the magistracy, and contributing to the development and delivery of reforms to the courts and the broader justice system. With more than 13,000 members across England and Wales, we are a unique source of information and insight and the only independent voice of the magistracy.

Our vision

The MA's vision is a fair and effective justice system, served by a robust and vibrant magistracy.

Our mission

To work with and on behalf of our members to promote the sound administration of the law by informing policy and practice relating to the magistracy, providing support and guidance to magistrates, and informing the public about the magistracy and the broader justice system. 2019 -20 was the first year of the MA's new three-year organisational strategy, which has focused our work around four key aims.

Key aim 1: To influence the policy agenda on behalf of our members and in support of our vision

Our work in 2020-21 to achieve this included:

- Identifying key policy priorities for the year, which were the court reform programme, the training and development of magistrates, the availability of sufficient magistrates, the implementation of the Lammy Review and legal aid.
- Holding 10 meetings with high-level stakeholders, including the President of the Family Division, the Senior Presiding Judge, the Victims' Commissioner and the Chief Executive of HM Courts and Tribunals Service.
- Producing 16 consultation responses and three position statements and public responses.
- Conducting a research project on maturity and producing an e-learning package and other resources on this issue.
- Beginning a research project in partnership with the Commission on Crime and Problem Gambling on sentencers' understanding and treatment of problem gamblers.
- Attending meetings of key policy-making bodies, including the Magistrates' Liaison Group, the Magistrates' Engagement Group and Judges' Council.
- Providing tailored support to MA members in representative roles, including MA representatives on regional Judicial Business Groups, on Training, Approvals, Authorisations and Appraisals Committees, and on an array of working groups on issues relating to the magistracy.

Our successes included:

- Being the leading voice promoting an increase in the retirement age for magistrates, securing ministerial support and a government consultation on the issue.
- Contributing to the important work of the public and private law working groups set up by the President of the Family Division.
- Supporting measures in the Domestic Abuse Bill to prevent the cross-examination of victims of domestic abuse by perpetrators in family proceedings.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Achievements and performance for 2020-21

Key aim 2: To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems

Our work in 2020-21 to achieve this included:

- Raising the profile of the MA and the magistracy in the media, with nearly forty national media appearances including in The Times, the Daily Telegraph and the Guardian and on Times Radio and BBC Radio 4's Today Programme and Woman's Hour.
- Delivering, until the outbreak of the coronavirus pandemic, the MA's Magistrates in the Community (MIC) programme, enabling magistrates to work with schools and community groups to promote understanding of the justice system.
- Continuing to develop new materials for MIC presenters, including new materials for corporate audiences.
- Creating a press toolkit for the MA's branches to enable them to better engage with the local media.
- Growing the MA's social media profile and engaging more actively with other users, including running a Twitter camping to celebrate 100 years of women in the magistracy.

Our successes included:

- Celebrating 100 years of women in the magistracy by instigating and participating in an edition of BBC Radio 4's Woman's Hour on a century of women in law.
- Improving public understanding of the impact of the coronavirus pandemic on the courts by appearing regularly in the media, including on the Today programme on BBC Radio 4 and in the Guardian and the Sunday Times.
- Informing more people about the magistracy and the courts by increasing the MA's number of Twitter followers by more than 20%.

Key aim 3: To provide MA members, and the broader magistracy, with support, information, training and development

Our work in 2020-21 to achieve this included:

- Launching two new special interest groups for our members, a LGBT+ Group and a group for magistrates with disabilities.
- Publishing, in partnership with the Judicial College, a new e-learning resource on becoming a presiding justice.
- Producing a new MA e-learning resource for our members on maturity in the magistrates' court.
- Producing six MA 'cut out and keep' guides and six 'sentencing steps' guides.
- Conducting a training needs analysis survey of our membership to inform our future work.
- Continuing to produce high-quality communications for our members, including MAGISTRATE, MA ENEWS and the TRUNK.

Our successes included:

- Supporting the recruitment and retention of more young magistrates by holding the first national conference for young magistrates, hosted by our Young Magistrates Special Interest Group.
- Improving magistrates' understanding of the issue of maturity by launching our e-learning module on this issue in a specially-themed edition of MAGISTRATE magazine.
- Helping to address shortages of presiding justices by developing – with the Judicial College – training that supports magistrates to take on this role.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Achievements and performance for 2020-21 (cont)

Key aim 4: To be an effective, well-run and financially sustainable organisation.

Our work in 2020-21 to achieve this included:

- Launching a new business change programme to drive the MA's work to ensure future financial sustainability.
- Implementing a new membership database for the MA and refreshing the MA's website.
- Launching a legacy giving programme to provide additional income to the MA in the future.
- Beginning the development of a programme of work to support staff wellbeing.

Our successes included:

- Beginning a major programme of work to explore ways in which the MA can enhance and diversify our work in support of our aims and vision.
- Implementing a new organisational strategy for the MA, providing structure and focus to the MA's work.
- Supporting staff wellbeing by launching a new employee volunteering programme, which gives all employees three volunteering days a year.

Taken together, this was an important and substantial year for the MA, working with and for our members as the only independent voice of the magistracy.

The impact of Covid-19

As with every organisation, the MA was significantly affected during the latter part of the 2019-20 financial year by the coronavirus pandemic. As a result of this, significant changes had to be made to our workplan. These included:

- Cancelling a number of events due to be held in 2019-20, including the meeting of the MA's Council that was due to take place in May, the Royal Garden Party receptions that we hold every year, and planned events for our retired members at the MA's offices.
- Cancelling a number of planned activities for the MA's centenary, which we were due to take place in 2020-21. These included our 2020 annual conference (which will now take place, in part, online) and a planned art exhibition which was due to take place in four cities and will now only be online.
- Suspending our Magistrates in the Community activities, with no presentations or school visits possible.

In addition, magistrates' recruitment and training was suspended and the vast majority of magistrates ceased sitting temporarily, limiting the MA's recruitment and other local activity. This affected both the recruitment and retention of new members.

The MA's financial position was further affected by the performance of our investment portfolio, which was impacted by the broader financial impact of the coronavirus pandemic.

As a result of this, we made use of the government's Coronavirus Job Retention Scheme to protect staff roles. To compensate for cancelled activities, we worked to improve our online offering to our members, including collating the latest information about the impact of coronavirus on the courts for our members, promoting learning and development opportunities for members, and launching a new webinar series that has proved extremely popular with members. The MA's 2020 annual conference and AGM will also be held online for the first time and the planned centenary art exhibition will also be held online. The key risks have been identified and addressed on page 7.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Our plans for 2021-22

2021-22 will see the ongoing implementation of the MA's three-year organisational strategy, based around the four key aims set out above.

- 1) To influence the policy agenda on behalf of our members and in support of our vision. Planned activities for 2020-21 include:
 - Identifying and pursuing our key policy priorities, including holding meetings with 10 key decision-makers in support of these policy priorities and responding to 15 relevant consultations.
 - Carrying out a campaign on a priority issue for the MA and our members.
 - Completing our research project on problem gambling and commencing a further research project.
 - Attending and impactfully contributing to meetings of key bodies, for example the Magistrates' Liaison Group, Magistrates' Engagement Group and Judicial Business Groups, and promoting MA key issues at targeted meetings.
 - Increasing the proportion of sitting magistrates who are members of the MA.
- 2) To ensure that the public is better informed about the magistracy and the broader criminal and family justice systems. Planned activities for 2021-22 include:
 - Creating and circulating to every branch MIC materials on four new topics.
 - Support MA branches to broaden their MIC offer to new audiences.
 - Securing 20 positive national media appearances for the MA and the magistracy.
 - Increasing the MA's social media reach by increasing the number of followers of the MA's Twitter account by 15% and increasing the engagement rate.
- 3) To provide MA members, and the broader magistracy, with support, information, training and development. Planned activities for 2021-22 include:
 - Delivering an appropriate, national celebration of the MA's centenary.
 - Launching one new special interest group for MA members.
 - Putting on a series of webinars on topics of interest to our members.
 - Publishing, in partnership with the Judicial College, a new resource on the impact of imprisonment.
 - Publishing a training resource on disproportionality in the justice system.
 - Producing six MA 'cut out and keep' guides and six 'sentencing steps' guides.
 - Producing to a high standard six editions of MAGISTRATE, 26 issues of MA ENEWS and 12 issues of the TRUNK.
- 4) To be an effective, well-run and financially sustainable organisation. Planned activities for 2021-22 include:
 - Completing the first phase of the MA's business change programme and beginning the implementation of ensuing work programmes.
 - Increasing member numbers, through increasing both recruitment and retention.
 - Developing the MA's legacy giving framework and securing two new grants from trusts and foundations.
 - Continuing to developing a programme of work to support staff wellbeing and to ensure that we are operating in an ethically sound manner.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Governance and management

The MA is established and incorporated to promote the sound administration of the law, including, but not restricted to, educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime.

The MA was established in 1920 and granted a Royal Charter in 1962. It is currently governed by a Supplemental Charter and Bye-laws approved on 12 February 2013.

The Members of the MA consist of:

- (a) Ordinary Members: any magistrate who makes application for membership in the manner for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out from time to time.
- (b) Associated Members: subject to the approval of the Board of Trustees, any other person who makes application for associate membership in any manner as is for the time being required by the Board of Trustees and pays such annual subscription or pays or has paid any other such membership fee in either case as is set out and who satisfies any criteria for admission as are set down by the Board of Trustees from time to time.
- (c) Honorary Members: any one person co-opted by the Annual General Meeting as an Honorary Member, not exceeding ten persons.

The Board of Trustees consists of:

- (a) the Chair and the Deputy Chair or Deputy Chairs, elected by the Ordinary Members from among the current Trustees and the current Chairmen of the Standing Committees for the immediately preceding year;
- (b) the Honorary Treasurer, appointed by the Board at its discretion;
- (c) six other Trustees elected by the Ordinary Members from among the Ordinary Members, provided that any person standing for election must be Actively Serving; and
- (d) not more than two Members of the Association co-opted at any time by the Board in their absolute discretion. Co-opted Trustees may be removed by the Board at any time and in any case shall retire at each Annual General Meeting but shall be eligible to be co-opted again up to three times.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Governance and management (Cont)

Where possible, trustees are invited to observe one board meeting prior to the start of their term of office and attend one half-day induction training session with the National Chair and Chief Executive. The trustee role and responsibilities, the duties reserved for the Board, the duties delegated to the Standing Committees, and the duties delegated to the Chief Executive, are detailed in the MA's Standing Orders.

The organisational structure consists of the Board of Trustees, four Standing Committees responsible for policy (Adult Court Committee, Family Court Committee, Youth Court Committee, Training Committee), a Policy Board (which oversees the work of the four standing committees), National Council (which advises the Board of Trustees), 54 local groups spanning England and Wales, and 11 staff in three departments, namely Finance, Membership, and Policy and Research.

The Board of Trustees identifies the major risks to which the charity is exposed, regularly reviews those risks and has established procedures to manage those risks.

The Board of Trustees has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities which contribute to the aims and objectives of the Association.

The Board of Trustees also regularly assesses the Association's achievements and reviews the activities that have been completed, in order to ensure that they have been delivered as planned and judge their impact and the extent to which they have contributed to achieving the aims and objectives of the Association. Please see pages 3-4 for a summary of the Association's achievements in the 2019-20 financial year, which the Board of Trustees has considered in ensuring the Association is carrying out its purposes for the public benefit.

Financial review

Income and expenditure:

As in the previous year income from annual members fell largely as a result of the continuing decline in overall magistrate numbers. Income for 2020-21 was £619,238 (2019-20: £705,590) and expenditure was £813,392 (2019-20: £920,479), with an overall deficit before taking into account investments of £194,153 (2019-20 deficit of £214,889). The net movement in funds for 2020-21 was a surplus of £171,365 (2019-20 deficit of £289,284).

Investments

The Association has an investment portfolio, which at 30 June 2021 was valued at £3,738,915 (2020: £3,574,525) and produced an income of £149,678 (2019-20: £155,814). The investment portfolio continues to be managed by our professional advisors on a medium risk basis, which produced an income for the Association of 3.9% with a target of 4%, while maintaining the capital value of the portfolio after inflation.

Reserves

The free reserve balance at 30 June 2021 was £2,871,681 (2020: £2,846,312). The Trustees can authorise a transfer from the designated fund for life members into free reserves if required. In recognition of the future cost of providing services to life members the Association set up a designated life membership reserve which totals £871,613 at 30 June 2021 (2020: £672,022).

The MA's Board of Trustees has decided that the MA should, as far as possible, aim to maintain its current level of unrestricted reserves, which should be invested to ensure that they deliver an annual income to the MA to contribute to our running costs, while protecting the capital against inflation. The Board of Trustees has decided that this approach best supports the MA in meeting its charitable objectives now and in the future by providing consistent income for the MA at a time when the number of magistrates has been declining, affecting income from membership subscriptions. Each year the Board of Trustees assesses, however, as part of the annual budgeting process, whether it is appropriate to authorise expenditure from unrestricted reserves to meet the annual running costs of the MA and/or any specific projects.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Financial review (Cont)

The aim for 2020-21 was therefore to maintain the MA's free reserves at £2,800,000 by 30 June 2021, in line with the amount held on 30 June 2020. By 30 June 2021 the amount in free reserves was £2,866,507

For 2021-22, as mentioned above the current coronavirus pandemic has affected the MA's ability to carry out some key activities and has had an impact on magistrates' recruitment and retention, which may affect membership income. There may therefore be an additional need to draw on the MA's free reserves to fund day-to-day activities.

As per the Charities SORP 2019 (FRS102), we continue to recognise the liability arising in respect of the multi-employer defined benefit scheme as there is an agreed plan to pay off this deficit. The impact of this has reduced our free reserves by £82,226 (2020: £101,374).

Fundraising

The MA understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. The Association does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year (2020 – none).

Key risks

A risk register, including steps necessary to mitigate identified risks, is reviewed by the Board of Trustees annually. The most significant risks facing the MA are:

- The impact of Covid-19 on the magistracy and the courts, which may affect the recruitment, retention and engagement of magistrates, and on the broader financial environment, which will have an impact on the MA's investment portfolio. To address this, the MA is managing its financial resources rigorously, moving more activities online and has put in place trigger points that would activate a contingency planning process.
- The financial and other impacts of the continuing decline in the number of magistrates in England and Wales, which both affects the MA's membership income and the MA's influence. To address this the MA is (a) directly and indirectly supporting the recruitment of more magistrates; (b) working to increase the proportion of magistrates who are members; and (c) pursuing additional new sources of income via a new business change programme.
- A lack of engagement with members results in a lack of active participation in the work of the MA nationally and locally, including key activities such as MIC and membership of the MA's policy committees. Activities set out in the MA's Membership Strategy are intended to address this.

Staff remuneration

The Remuneration Committee reviews the Chief Executive's salary annually in light of market forces. The Chief Executive recommends salary adjustments, as necessary, for all other staff and these are reviewed by the Remuneration Committee. Recommendations are then made by the Remuneration Committee to the Board of Trustees for approval when setting the annual budget.

THE MAGISTRATES' ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

TRUSTEES' RESPONSIBILITIES STATEMENT

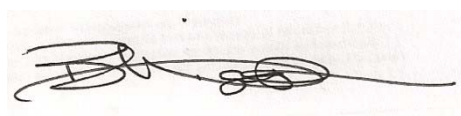
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 of the incoming resources and application of resources of the charity 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 Charities SORP 2019 (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standard 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 proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of 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 Board of Trustees and signed on their behalf by:



.....
Bev Higgs
National Chairman
Date: 4 October 2021



.....
Shyam Sharma
Honorary Treasurer
Date: 4 October 2021

Independent Auditor's Report to the Trustees of the Magistrates' Association

Opinion

We have audited the financial statements of the Magistrates Association (the 'charity') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes 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 charity's affairs as at 30 June 2021, and of its incoming resources and application of resources, including its 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 Charities Act 2011.

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 charity 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 charity'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.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

the information given in the financial statements is inconsistent in any material respect with the trustees' report; or

the charity has not kept adequate accounting records; or

the financial statements are not in agreement with the accounting records and returns; or

we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Independent Auditor's Report to the Trustees of the Magistrates' Association

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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting which could have a material impact on the financial statements. In relation to the operations of the Charity this included compliance with the Charities Act, SORP 2019 and GDPR.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Trustee Board meetings, any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management and officers of the Charity and a review of the risk management processes and procedures in place including a review of the risk register maintained by the Charity. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

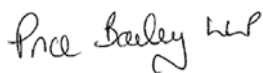
Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



For and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Date: 15 November 2021

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE MAGISTRATES' ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2021

	Note	Unrestricted		Restricted	Total 2021	Unrestricted		Restricted	Total 2020
		£	£	£	£	£	£	£	£
		General	Designated			General	Designated		
Income									
Donations and legacies	2	1,212	-	11,800	13,012	1,467	-	42,000	43,467
Charitable activities	3	427,528	-	-	427,528	454,156	-	-	454,156
Other trading activities	5	29,021	-	-	29,021	52,153	-	-	52,153
Investment income	4	14,968	134,710	-	149,678	15,581	140,233	-	155,814
Total income		472,729	134,710	11,800	619,239	523,357	140,233	42,000	705,590
Expenditure									
Raising funds	6	8,766	-	-	8,766	10,351	-	-	10,351
Charitable activities	7	521,965	282,361	300	804,626	562,155	297,730	50,243	910,128
Total expenditure		530,731	282,361	300	813,392	572,506	297,730	50,243	920,479
Net (expenditure) / income before investment gains / (losses)		(58,002)	(147,651)	11,500	(194,153)	(49,149)	(157,497)	(8,243)	(214,889)
Net gains / (losses) on investments	12	18,276	347,242	-	365,518	(3,681)	(70,714)	-	(74,395)
Net movement in funds		(39,726)	199,591	11,500	171,365	(52,830)	(228,211)	(8,243)	(289,284)
Reconciliation in funds									
Total funds brought forward		4,756,469	687,022	36,863	5,480,354	4,809,299	915,233	45,106	5,769,638
Total funds carried forward		4,716,743	886,613	48,363	5,651,719	4,756,469	687,022	36,863	5,480,354

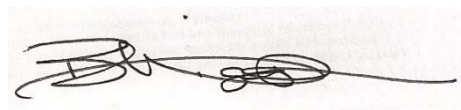
All amounts relate to continuing activities of the charity.
The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes to the accounts are shown on pages 15 to 35.

THE MAGISTRATES' ASSOCIATION

BALANCE SHEET AS AT 30 JUNE 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	10	1,823,217	1,888,285
Intangible fixed assets	11	21,844	21,872
Investments	12	3,738,915	3,574,525
TOTAL FIXED ASSETS		5,583,976	5,484,682
CURRENT ASSETS			
Debtors	13	84,559	62,598
Cash at bank and in hand	19	142,028	113,411
TOTAL CURRENT ASSETS		226,587	176,009
LIABILITIES			
Creditors: amounts falling due within one year	14a	(100,279)	(101,935)
NET CURRENT ASSETS		126,308	74,074
Creditors: amounts falling due after one year	14b	(58,565)	(78,402)
TOTAL NET ASSETS		5,651,719	5,480,354
THE FUNDS OF THE CHARITY			
Unrestricted funds:			
Designated funds	15	886,613	687,022
Tangible fixed assets	10	1,823,218	1,888,285
Intangible fixed assets	11	21,844	21,872
Free reserves		2,871,681	2,846,312
Restricted funds	16	48,363	36,863
TOTAL FUNDS		5,651,719	5,480,354

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:



.....
Bev Higgs
National Chairman
Date: 4 October 2021



.....
Shyam Sharma
Honorary Treasurer
Date: 4 October 2021

The attached notes on pages 15 to 35 form part of these financial statements.

THE MAGISTRATES' ASSOCIATION

STATEMENTS OF CASH FLOWS AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Statements of cash flows			
Cash flows from operating activities:	18	(316,749)	(298,989)
Net cash used in operating activities		(316,749)	(298,989)
Cash flow from investing activities			
Purchase of tangible assets		-	(498)
Purchase of intangible assets		(5,440)	(8,387)
Loss on the disposal of fixed assets		-	177
Purchase of investments		(2,006,601)	(47,845)
Proceeds from sale of investments		2,213,023	121,579
Movement of cash in the capital account		(5,294)	89,344
Investment income		149,678	155,814
Net cash provided by investing activities		345,366	310,184
Change in cash and cash equivalents in the reporting period		28,617	11,195
Cash and cash equivalents at the beginning of the reporting period		113,411	102,216
Cash and cash equivalents at the end of the reporting period	19	142,028	113,411
<u>Analysis of changes in net debt</u>			
		2021 £	2020 £
Cash and cash equivalents as at 1 July 2020		113,411	102,216
Cash flows		28,617	11,195
Other non-cash changes		0	0
Cash and cash equivalents as at 30 June 2021		142,028	113,411

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

a) General information and basis of preparation

The Magistrates Association is a charity registered under the number 216066 and a Royal Charter company, incorporated under the number RC000337. The address of the charity is given on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote the sound administration of the law, including, but not restricted to educating and instructing magistrates and others in the law, the administration of justice, the treatment of offenders and the prevention of crime. The Charity is a Public Benefit Entity under FRS102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

After making appropriate enquiries, the Board of Trustees considers that the Association is a going concern for the next 12 months and into the foreseeable future, due to the regular income received from its members, the level of free reserves held, and the fact that the MA owns its own premises. There are no material uncertainties which would cast doubt on the Association's ability to continue as a going concern. The financial statements are therefore prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Board of Trustees are aware of the budgeted deficit for the next financial year, as they have authorised the budget, and action is being taken to reduce the deficit and balance the budget in due course as per the risks identified on page 7.

The financial statements are prepared in sterling, which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

c) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations and grant income to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. Grants and donations receivable for specific purposes are accounted for as restricted funds.

Charitable activities comprise membership subscriptions and life member subscriptions. These are paid in advance for the year and are recognised when the Magistrates' Association has entitlement to the income. Life memberships are recognised in full in the year memberships are paid.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

c) Income (continued)

Income received in advance is deferred until there is entitlement to the income.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d) Expenditure and support costs allocation

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure can be categorised as follows:

- Cost of raising funds, which comprises investment management costs.
- Expenditure on charitable activities, which consists of directly incurred costs in furthering the objectives of the charity, and the associated support costs.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is provided in note 7.

e) Tangible fixed assets and depreciation

- i) The leasehold property is depreciated by equal instalments over 50 years.
- ii) Fixtures & fittings and office equipment are depreciated by equal instalments over 5 years.
- iii) Computer equipment and printers are depreciated by equal instalments over 3 years.

f) Intangible fixed assets and depreciation

The membership database (SubscriberCRM) is depreciated by equal instalments over 5 years.

g) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the quoted market price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

g) Investments (continued)

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

i) Cash at bank and In hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value which is at cost, with the exception of:

- Investments are measured at their fair value as at the balance sheet date
- Tangible and intangible fixed assets are measured at cost less depreciation

The investments note 12 details the historical cost of the investments and the unrealised gains to arrive at their fair value.

l) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. Contributions to the Association's defined contribution pension scheme and to employees' personal pensions are charged to the statement of financial activities in the year in which they become payable.

The Magistrates Association also make contributions to a defined benefit "multi-employer" scheme. Although it is not possible to separately identify the assets and liabilities of the scheme attributable to the Magistrates Association, a recovery plan with agreed deficit recovery payments has been put in place. The liabilities of this scheme have been recognised as the present value of contributions payable, in line with the terms of the multi-employer plan, in accordance with section 28 of FRS102.

m) Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

n) Key judgements and estimates policy

No significant judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The Trustees make estimates and assumptions concerning the future based on their knowledge of the company and the environment in which it operates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual outcome.

2 Donations and grants

	2021	2020
	£	£
Donations	1,212	1,467
HMRC JRS Grant	1,956	18,196
Judicial College grant	10,000	10,000
Barrow Cadbury Trust grant	1,800	32,000
	<u>14,968</u>	<u>61,663</u>

A total amount of £11,800 (2020: £42,000) relates to the Judicial College and the Barrow Cadbury Trust grants, which are restricted funds. All other amounts relate to unrestricted funds.

3 Charitable activities

	2021	2020
	£	£
Membership subscriptions	<u>472,728</u>	<u>454,156</u>

All income from charitable activities in both the current and previous year relate to unrestricted funds. Membership subscriptions include Gift Aid income tax recoverable.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

4 Investment income

	2021	2020
	£	£
Dividends	149,666	155,662
Interest	12	152
	<u>149,678</u>	<u>155,814</u>

All investment income in both the current and previous year relate to unrestricted funds.

5 Other trading activities

	2021	2020
	£	£
Magazine advertising revenue	19,249	16,033
Magazine subscriptions	821	1,260
Royalties	855	1,135
Consultancy	1,750	-
AGM/MA Awards income	-	9,084
Profit/(Loss) on disposal of fixed assets	-	(177)
500 Club lottery	4,390	5,005
Retired members' event	-	1,617
	<u>27,065</u>	<u>33,957</u>

All income from other trading activities in both the current and previous year relate to unrestricted funds.

6 Raising funds

	2021	2020
	£	£
Investment management costs	<u>8,766</u>	<u>10,351</u>

Investment management costs in both the current and previous year relate to unrestricted funds.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

7a Analysis of expenditure by activity

	Direct costs	Support costs	2021 £
Magistrate event training and support	453,881	350,745	804,626

	Direct costs	Support costs	2020 £
Magistrate event training and support	511,374	398,754	910,128

7b Analysis of direct costs

	2021 £	2020 £
Grants to local groups	34,316	43,791
Other support to local groups	-	1,651
Wages and salaries (note 8)	310,230	329,171
Council and committees	65	10,553
Production of MAGISTRATE magazine	94,564	90,422
Representation	97	4,127
Events (including networking opportunities and training)	14,309	21,657
MIC and training	300	10,002
	453,881	511,374

The grants to local groups relate to a maximum of two instalments per local group during the financial year, provided they satisfy the set criteria. Each instalment is a minimum of £250.

Amount of £300 (2020: £10,002) in the MIC and training expenditure relates to the restricted fund. All other expenditure relates to unrestricted and designated funds.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

7c Analysis of support costs

	2021	20120
	£	£
Communications	11,490	8,466
Membership	9,860	16,362
Administration	29,592	40,376
Wages and salaries (note 8)	155,115	164,586
Accommodation	18,635	24,741
Depreciation	70,535	77,323
Governance costs (note 7d)	18,052	66,900
Business change programme	37,466	-
	<u>350,745</u>	<u>398,754</u>

7d Analysis of governance costs

	2021	2020
	£	£
AGM and MA Awards	1,914	44,629
Board of Trustees' expenses (note 9)	4,138	10,346
Auditor's remuneration	12,000	11,925
	<u>18,052</u>	<u>66,900</u>

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

8 Analysis of staff costs and key management personnel

	2021	2020
	£	£
Wages and salaries	387,744	415,539
Social security costs	35,839	38,360
Pension costs	47,640	39,858
	<u>471,223</u>	<u>493,757</u>

The average monthly head count was 12 (2020: 12) and analysis of the staff employees in the year was:

	2021 Actual Number	2020 Actual Number
Management	1	1
Membership	4	4
Policy and research	4	4
Communications	2	2
Finance	1	1
	<u>12</u>	<u>12</u>

The number of employees whose total employee benefits excluding employer pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2021	2020
£70,000-£79,999	<u>1</u>	<u>1</u>

The employer pension contributions made by the Association relating to the above amounted to £5,692 (2020: £7,248).

The key management personnel during the year comprised of the Chief Executive, the Director of Policy and Research/Deputy Chief Executive, the Director of Membership and the Head of Finance. The total remuneration of key management personnel, including employer national insurance and pension contributions was £224,256 (2020: £242,736).

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

9 Trustees fees and expenses

No Trustees (2020: none) received fees or payment for professional services supplied to the Association.

Expenditure relating to travel/subsistence, Board of Trustees, Elections and minutes of Board meetings totalled £- (2020: £10,346) in relation to 12 Trustees (2020: 12).

10 Tangible fixed assets

	Leasehold Property £	Computers & Printers £	Fixtures & Fittings £	Office Equipment £	Total £
Cost					
At 1 July 2020	1,953,593	24,865	125,144	1,774	2,105,376
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At end of year	1,953,593	24,865	125,144	1,774	2,105,376
Depreciation					
At 1 July 2020	117,036	23,910	75,086	1,059	217,091
Charge for year	39,072	612	25,029	355	65,068
Disposals	-	-	-	-	-
At end of year	156,108	24,522	100,115	1,414	282,159
Net Book Value					
At 30 June 2021	<u>1,797,485</u>	<u>343</u>	<u>25,029</u>	<u>360</u>	<u>1,823,217</u>
At 30 June 2020	<u>1,836,557</u>	<u>955</u>	<u>50,058</u>	<u>715</u>	<u>1,888,285</u>

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

11 Intangible fixed assets

	Intangible Assets £
Cost	
At 1 July 2020	27,340
Additions	5,440
Disposals	-
At end of year	32,780
Depreciation	
At 1 July 2020	5,468
Charge for year	5,468
Disposals	-
At end of year	10,936
Net Book Value	
At 30 June 2021	<u>21,844</u>
At 30 June 2020	<u>21,872</u>

This represents the net book value of the membership database which was purchased in July 2019 and is amortised over 5 years.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

12 Fixed asset investments

	2020	2019
	£	£
Market value at 1 July 2020	3,574,525	3,811,998
Additions at cost	2,006,601	47,845
Sale proceeds	(2,213,023)	(121,579)
Investment gains/(losses)	365,518	(74,395)
Movement of cash in the capital account	5,294	(89,344)
	<u>3,738,915</u>	<u>3,574,525</u>

At 30 June 2021 the historical cost of these investments was £3,489,072 (2020: £3,525,135).

	2021	2020
	£	£
Investments can be analysed as follows:		
Fixed Income	-	164,653
Equities	2,679,118	1,316,418
International equity	-	677,024
Property	-	731,489
Alternatives	587,675	383,407
Mixed investment	-	46,388
Bonds	321,654	129,004
Multi-asset funds	61,333	46,658
Cash	83,800	79,443
Capital account	5,335	41
	<u>3,738,915</u>	<u>3,574,525</u>

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

12 Fixed asset investments (continued)

The following investments accounted for 5% or more of the Association's portfolio at 30 June 2021:

	Units		Market Value	
	2021	2020	2021 £	2020 £
Aviva Investors UK Services Ltd	-	90,419	-	89,053
Blackrock Fund Managers Ltd	-	49,668	-	79,842
Matthews International Fund	-	4,586	-	79,743
Polar Capital Technology Trust	-	3,800	-	77,330

13 Debtors

	2021 £	2020 £
Trade debtors	4,943	3,671
Other debtors	30,899	21,067
Prepayments and accrued income	48,717	37,860
	<u>84,559</u>	<u>62,598</u>

14a Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	30,259	19,563
Other creditors	934	827
Pensions	2,109	6,816
Other taxation and social security	11,577	10,586
Accruals and deferred income	31,739	41,171
Present value of defined benefit scheme liabilities (note 20)	23,661	22,972
	<u>100,279</u>	<u>101,935</u>

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

14b Creditors: amounts falling due after one year

	2021	2020
	£	£
Present value of defined benefit scheme liabilities (note 20)	58,565	78,402

15 Unrestricted funds

	Balance at 01 July 2020	Income and net gains	Expenditure	Transfers	Balance at 30 June 2021
	£	£	£	£	£
General funds	2,846,312	485,565	(460,196)	-	2,871,681
Tangible fixed assets	1,888,285	-	(65,067)	-	1,823,218
Intangible fixed assets	21,872	5,440	(5,468)	-	21,844
Provision of services to life members	672,022	481,952	(282,361)	-	871,613
Provision for repairs & maintenance	15,000	-	-	-	15,000
	5,443,491	972,957	(813,092)	-	5,603,356

	Balance at 01 July 2019	Income and net gains	Expenditure	Transfers	Balance at 30 June 2020
	£	£	£	£	£
General funds	2,830,527	514,472	(498,864)	-	2,846,312
Tangible fixed assets	1,959,819	498	(71,855)	-	1,888,285
Intangible fixed assets	18,953	8,387	(5,468)	-	21,872
Provision of services to life members	900,233	140,233	(368,444)	-	672,022
Provision for repairs & maintenance	15,000	-	-	-	15,000
	5,724,532	663,590	(944,631)	-	5,443,491

The funds of the charity include the designated reserves which have been set aside out of unrestricted funds by the Trustees for specific purposes.

The provision of services to life members fund is to provide future cost of member services.

The provision for repairs and maintenance fund is to provide cost of any future internal and/or external repairs.

The adequacy of the funds will be reviewed annually.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

16 Restricted funds

	Balance at 1 July 2020	Income	Expenditure	Transfers	Balance at 30 June 2021
	£	£	£	£	£
Training	4,000	10,000	-	-	14,000
Development fund	22,531	-	-	-	22,531
Barrow Cadbury Trust	8,579	1,800	(300)	-	10,079
Victim fund	1,753	-	-	-	1,753
	<u>36,863</u>	<u>11,800</u>	<u>(300)</u>	<u>-</u>	<u>48,363</u>

	Balance at 1 July 2019	Income	Expenditure	Transfers	Balance at 30 June 2020
	£	£	£	£	£
Training	6,750	10,000	(12,750)	-	4,000
Development fund	22,531	-	-	-	22,531
Barrow Cadbury Trust	13,634	32,000	(37,055)	-	8,579
Victim fund	2,191	-	(438)	-	1,753
	<u>49,285</u>	<u>42,000</u>	<u>(50,243)</u>	<u>-</u>	<u>36,863</u>

Training refers to grants received for the preparation of training material for magistrates undertaken in accordance with the financial memorandum agreed between the Judicial College and the Association.

Development fund represents a member's donation (together with the relevant gift aid uplift) to be used to develop skills and provide training for prospective leaders of the Association.

Barrow Cadbury Trust project represents a grant to be used to develop and promote understanding of defendants' and offenders' maturity in the magistrates' court.

Victim fund represents a donation to be used to develop resources intended to improve victims' experiences of magistrates' courts.

The transfer of funds from the restricted fund represents the transfer of administrative costs related to these projects into general income, in line with what is set out in the relevant grant agreements.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

17 Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	1,823,217	-	-	1,823,217
Intangible fixed assets	21,844	-	-	21,844
Investments	2,852,302	886,613	-	3,738,915
Current assets	178,224	-	48,363	226,587
Current liabilities	(100,279)	-	-	(100,279)
Long term liabilities	(58,565)	-	-	(58,565)
	<u>4,716,463</u>	<u>886,613</u>	<u>48,363</u>	<u>5,651,719</u>

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Tangible fixed assets	1,888,285	-	-	1,888,285
Intangible fixed assets	21,872	-	-	21,872
Investments	2,887,503	687,022	-	3,574,525
Current assets	139,146	-	36,863	176,009
Current liabilities	(101,935)	-	-	(101,935)
Long term liabilities	(78,402)	-	-	(78,402)
	<u>4,756,469</u>	<u>687,022</u>	<u>36,863</u>	<u>5,480,354</u>

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

18 Reconciliation of net expenditure to net cash flow from operating activities

	2021	2020
	£	£
Net movement in funds	171,365	(289,284)
Depreciation charges	70,535	77,323
Decrease/(Increase) in debtors	(21,960)	14,009
(Decrease)/Increase in short term creditors	(1,656)	(1,793)
(Decrease)/Increase in long term creditors	(19,837)	(18,196)
Decrease/(Increase) in stock	-	371
Investment income	(149,678)	(155,814)
Net (Gain)/Loss on investments	(365,518)	74,395
Net cash used in operating activities	(316,749)	(298,989)

19 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash and bank	142,028	113,411
Cash in hand	142,028	113,411

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

20 Pensions – defined benefit scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
---------------------------------------	-----------------------	--

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

20 Pensions – defined benefit scheme (continued)

PRESENT VALUES OF PROVISION

	30 June 2021 (£s)	30 June 2020 (£s)	30 June 2019 (£s)
Present value of provision	82,226	101,626	119,622

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 30 June 2021 (£s)	Period Ending 30 June 2020 (£s)
Provision at start of start of period	101,626	119,622
Unwinding of the discount factor (interest expense)	3,572	4,307
Deficit contribution paid	(22,972)	(22,303)
Provision at end of period	82,226	101,626

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

20 Pensions – defined benefit scheme (continued)

INCOME AND EXPENDITURE IMPACT

	Period Ending 30 June 2021 (£s)	Period Ending 30 June 2020 (£s)
Provision at start of start of period	3,572	4,307
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

Assumptions

	30 June 2021 % per annum	30 June 2020 % per annum	30 June 2019 % per annum
Rate of discount	4.00	4.00	4.00

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

20 Pensions – defined benefit scheme (continued)

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	30 June 2021 (£s)	30 June 2020 (£s)	30 June 2019 (£s)
Year 1	23,661	22,972	23,303
Year 2	24,371	23,661	22,972
Year 3	25,102	24,371	23,661
Year 4	14,970	25,102	24,371
Year 5	-	14,970	25,102
Year 6	-	-	14,970
Year 7	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability as detailed in note 14.

21 Pensions – defined contribution scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £10,792 (2020: £12,774). Contributions totalling £2,184 (2020: £1,400) were payable to the fund at the balance sheet date and are included in creditors.

THE MAGISTRATES' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

22 Local groups

The accounts for the Association's local groups, which are listed below, are not consolidated since they are considered to be separate legal entities.

Bedfordshire	Lincolnshire
Berkshire	Merseyside
Birmingham	Mid & South Glamorgan
Black Country	Middlesex
Bristol & North Avon	Norfolk
Buckinghamshire	North & East Devon
Cambridgeshire	North East & East London
Central & North London	Northumbria
Cheshire	North West Wales
Cleveland & Durham	North & West Yorkshire
Clwyd	Northamptonshire
Cornwall	Nottinghamshire
Coventry & Warwickshire	Oxfordshire
Cumbria North	Powys & Herefordshire
Cumbria South	Shropshire
Derbyshire	Somerset
Dorset	South & South East London
Dyfed	South & West Devon
East Sussex	South West London
Essex	Staffordshire
Gloucestershire	Surrey
Greater Manchester	Wessex
Gwent	West Glamorgan
Hertfordshire	West Sussex
Kent	Wiltshire
Lancashire County	Wolds & South Yorkshire
Leicestershire & Rutland	Worcestershire

23 Related party transactions

There were no related party transactions to report (2020: None)