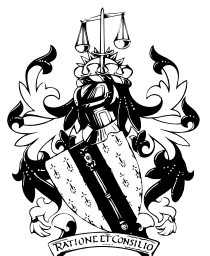


TRUSTEES REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

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.

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

- 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.

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- 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:

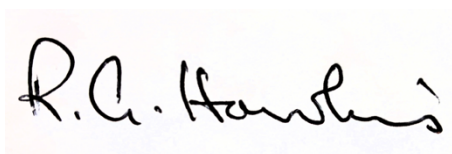
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable accounting standard have been followed, subject to any material 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.

Price Bailey LLP

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

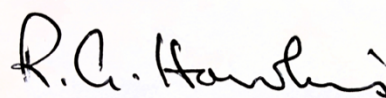
BALANCE SHEET AS AT 30 JUNE 2024

		<u>2024</u> £	<u>2023</u> £
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		<u>3,733,735</u>	<u>4,612,547</u>
CURRENT ASSETS			
Stock		-	720
Debtors	13	91,832	194,011
Cash at bank and in hand	19	307,473	224,351
TOTAL CURRENT ASSETS		<u>399,305</u>	<u>419,082</u>
LIABILITIES			
Creditors: amounts falling due within one year	14a	(86,803)	(113,901)
NET CURRENT ASSETS		<u>312,502</u>	<u>305,181</u>
Creditors: amounts falling due after one year	14b	-	(9,068)
TOTAL NET ASSETS		<u>4,046,237</u>	<u>4,908,660</u>
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		<u><u>4,046,237</u></u>	<u><u>4,908,660</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: 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)
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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)
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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)