

# **THE LEADERSHIP CENTRE FOR LOCAL GOVERNMENT**

**(A company limited by guarantee)**

## **REPORT OF THE TRUSTEES and FINANCIAL STATEMENTS**

**for the year ended 31 March 2023**



**Company Registration Number 05467557**  
**Charity Number 1123234**

**The Leadership Centre for Local Government  
Year ended 31st March 2023**

**Contents**

**REPORT AND FINANCIAL STATEMENTS 2023**

<b>CONTENTS</b>	<b>Page</b>
<b>LEGAL AND ADMINISTRATIVE DETAILS</b>	<b>3</b>
<b>What we do</b>	<b>4</b>
<b>REPORT OF THE TRUSTEES</b>	<b>5</b>
<b>STATEMENT OF TRUSTEES' RESPONSIBILITIES</b>	<b>14</b>
<b>INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEADERSHIP CENTRE FOR LOCAL GOVERNMENT</b>	<b>16</b>
<b>STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>19</b>
<b>BALANCE SHEET</b>	<b>20</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>21</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>22</b>

**LEGAL AND ADMINISTRATIVE DETAILS**

Registered Name The Leadership Centre for Local Government  
Charity number 1123234  
Company number 05467557  
Registered office 18 Smith Square, London SW1P 3HZ  
  
Statutory Auditors PKF Littlejohn LLP,  
15 Westferry Circus, Canary Wharf, London E14 4HD  
  
Bankers Barclays, UK Banking,  
1 Churchill Place, London, E14 5HP  
  
Solicitors Bates Wells London LLP  
2-6 Cannon Street, London, EC4M 6YH

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and up to the date of approval of the financial statements were:

	Attendance – possible 4 Board Meetings
Helen Bailey	3
Tamara Finkelstein	1
Cllr Keith House	2
David Lloyd (Chair)	4
Lord Gary Porter	3
Kim Ryley (resigned 01/02/2023)	3
Jan Sobieraj	3

Chief Executive  
Secretary and Chief Operating Officer

Mark Rogers  
John Jarvis

### **What we do:**

The Leadership Centre supports and empowers leaders of services to the public to have the greatest collective positive impact with the communities they serve. We work with organisations and individuals across all sectors, with an emphasis on leadership of place. We seek to connect and collaborate to explore and address the most complex issues facing communities, staying relentlessly focused on the leadership required for improved social, economic and environmental outcomes.

### **Chair's statement**

It is with great pleasure that I present the Leadership Centre's Annual Report.

The document itself has been written to a new format which I believe brings greater coherence and clarity to the reporting, enabling the reader to understand better the story of the last twelve months.

And 2022-23 had been as important a year as any in the life and work of the Centre. Characterised principally by transition, the organisation has continued its adaptation to the post-lockdown world and, crucially, agreed a new three-year strategy and communications plan to reflect and, insofar as possible, anticipate the present and future leadership challenges for those seeking to enhance public good.

The new strategy sets out our purpose – an unwavering commitment to support leaders in their endeavour to understand and respond to complexity, develop their political nous and become culturally competent.

Underpinning this, we have identified three key missions:

#### **Innovate:**

We are committed to creating a collaborative missions-based platform for experimentation and enquiry. We want to act as a convenor in this space because we believe breakthroughs can come from connecting disciplines which should be discussing social issues together, but are not.

#### **Inspire:**

We offer a range of cutting-edge projects, programmes and supportive, experienced consultancy. Our work is designed to help create significant, sustainable transformation in complex systems – ultimately creating lasting change which benefits society.

#### **Invest:**

We are interested in every system that is finding the leadership challenge difficult and we want what we have to be available to everyone. We are developing opportunities which support future generations of leaders and helping organisations to reach the people they aspire to reach, by supporting them to invest in local communities in a way which builds relationships and activates populations.

With this renewed clarity of purpose and direction, the Centre's team has been working hard on delivering programmes and projects with its clients, whilst also investing into the range of business development opportunities set out in the strategy.

2022-23 has been a process of continued delivery of bespoke, high quality and impactful development and, at the same time, investing in new opportunities to strengthen and grow the reach and reputation of the Centre.

I hope that you enjoy reading about our ambitious agenda and would be delighted for you to join us on this journey of supporting leaders to be the very best they can be for the communities they serve.

David Lloyd, Chair  
(Police and Crime Commissioner, Hertfordshire)

## **REPORT OF THE TRUSTEES**

The Trustees present their report and audited financial statements of The Leadership Centre for Local Government ("the Leadership Centre") for the year from 1 April 2022 to 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" ("FRS 102 SORP") in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006 and relevant Accounting Standards. The Trustees consider that the current level of the Centre's unrestricted funds and, along with the continuing likelihood of securing funding for periods beyond April 2023, the Centre has sufficient resources to continue as a going concern.

## **Structure, Governance and Management**

The Leadership Centre was established to help local government in England improve its political and managerial leadership. Its principal source of funding at the time was the Department for Communities and Local Government (DCLG), drawing on the Capacity Building Fund. The Centre was originally set up as a limited company and became a registered charity on 1 April 2008.

The Leadership Centre for Local Government is a company limited by guarantee governed by its Memorandum and Articles of Association dated of 13 June 2005, amended on 3 September 2007, 5 March 2008, 20 May 2009 and 12 February 2014 to improve its governance arrangements.

### **Appointment of Trustees**

As set out in the Articles and Memorandum of Association, new Trustees are nominated and appointed by the existing Trustees. There is no formally constituted nomination committee and nomination matters are reported and taken at ordinary meetings. The Board of Trustees will advertise and invite suitable candidates, who can bring a full range of expertise to the Board, establishing their suitability through a formal selection process.

### **Trustee induction and training**

New Trustees have a one to one meeting with the Chair and receive a full information pack comprising the Memorandum and Articles of Association, the Charity Commission guidelines for Trustees, agendas, papers and minutes of the last year's board meetings, a blank register of interests form and the list of dates for future meetings.

### **Organisation**

The Board of Trustees is responsible for the strategic direction of the Leadership Centre and is concerned with ensuring sound stewardship of the organisation, including overseeing its financial and business performance and agreeing related policies. The Board met four times in the year. The role of the Chair is paid, as set up in the Memorandum and Articles of Association and approved by the Charities Commission. There is no formally constituted audit committee and audit matters are reported and taken at ordinary meetings of the Board. The Board also sets the pay for the Chief Executive, who is deemed to be the key management personnel of the charity.

The Chair works closely with the Leadership Centre's Chief Executive and Company Secretary who have delegated authority from the Trustees to manage the day to day running of the charity and delivery of its objectives in accordance with the agreed business plan and budget, including operational management of the Centre, finance and employment matters.

### **Related parties**

Trustees and senior officers verbally declare any potential conflict of interest at the beginning of each Board meeting. In addition, a register of interests is completed by Trustees and senior officers every year. Details of any transactions with related parties are fully disclosed in the Annual Report and Accounts in compliance with the applicable financial reporting framework.

### **Objectives & Activities:**

The objects of the Leadership Centre for Local Government, as set out in the Memorandum and Articles, are:

1. The advancement of education for the public benefit, in particular (without prejudice to the generality) by promoting, improving and developing leadership amongst public servants and, in particular, local authority employees and councillors.
2. To promote for the public benefit the efficient public administration of government and public services by the provision of education and training in the organisation and practice of the administration of government and the development of leadership skills for public servants, in particular, local authority employees and councillors.

All the charities activities are informed, designed and delivered through the lens of these objects and are undertaken to further our charitable purposes for the public benefit.

In deciding the charities objectives and activities, the Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

### **Strategic Missions:**

During 2022 the Leadership Centre engaged widely and deeply with its network of clients, participants, alumni, partners and collaborators in order to calibrate its strategic intent with leadership need.

Key issues identified for public service leaders include:

- The ambition to, and challenges therein of tackling growing inequalities, for example, health & wellbeing, energy and food security.
- Understanding and working in political environments and with politicians.
- Responding to the 'new austerity': challenges associated with cost-of-living, inflation, and economic slowdown.
- Addressing the climate emergency.
- Developing organisational and personal resilience strategies, managing transitions and churn, ensuring the readiness and availability of future leaders.
- The need for safe spaces to reflect and plan.
- Addressing a lack of system interconnectedness.
- Struggles to imagine and enact new futures.
- The importance of valuing difference as an asset.

The result is a 2022 – 25 strategy that brings together the key elements of organisational purpose, values and practice that will continue to deepen and broaden the Leadership Centre's impact. Conceptualised as three missions, the approach will amplify the Centre's distinctiveness and positive reputation.

#### **Innovate:**

We are committed to creating a collaborative missions-based platform for experimentation and enquiry. We want to act as a convenor in this space because we believe breakthroughs can come from connecting disciplines which should be discussing social issues together, but are not.

#### **Inspire:**

We offer a range of cutting-edge projects, programmes and supportive, experienced consultancy. Our work is designed to help create significant, sustainable transformation in complex systems – ultimately creating lasting change which benefits society.

**Invest:**

We are interested in every system that is finding the leadership challenge difficult and we want what we have to be available to everyone. We are developing opportunities which support future generations of leaders and helping organisations to reach the people they aspire to reach, by supporting them to invest in local communities in a way which builds relationships and activates populations.

**Significant Activities Undertaken:**

Innovate | Inspire | Invest: developing leadership and change capability

Throughout the financial year the Leadership Centre created and delivered a variety of projects and programmes aligned with its core priorities and ambitious outcomes.

**Future Vision:** Future Vision's purpose is to help senior leaders address the leadership challenges they are facing, helping to inspire and create a better future for citizens by enabling systems change through leadership development. This period marked the 10-year anniversary of the programme.

**Boosting Middle Leaders:** The Centre's ambition is to bring the best of what it offers to a wider audience, whilst creating ever more stimulating learning environments. During 2022-23, in collaboration with the Local Government Association, the Centre prototyped a new programme for local government officers and councillors.

**Integrated Care Systems:** During 22-23 the Leadership Centre worked with a wide range of health and local government public servants across the country to support the development of systemic leadership and place-shaping practice in the formation of Integrated Care Systems (ICS). The primary legislation necessary to enshrine ICSs in statute was not enacted until July 2022 and furthermore no national blueprint was issued – the intention being to foster local solutions reflecting the unique history and context of each place. With differing levels of investment, funding, health status and inequalities, infrastructure, as well as the less obvious but critical differences in relationships, leadership styles, culture, collaborative working, the Leadership Centre approach was therefore flexible and adaptive in each place rather than applying a fixed and prescriptive process regardless of local history and context.

**Community wellbeing:** From tackling homelessness to inspiring people to get active the Centre has supported councillors, local government officers, voluntary and community sector staff and the community with leadership development interventions focussed on directly improving health and wellbeing outcomes for residents.

- **Let's Go Southall:** Southall, in the London Borough of Ealing, is a vibrant, multicultural town, rich in diversity and home to migrant communities from across the world, including India, Pakistan, Sri Lanka, Bangladesh and Somalia. With an inactive population of at least 43% and the highest levels of preventable and chronic health conditions in the borough, the Southall community and Ealing Council wanted to change the system, redesigning it so it no longer produces the inequalities created by the status quo.

The Leadership Centre co-designed a bespoke programme for Southall residents - investing in community leadership and change capacity. This has resulted in the development of a collaborative leadership and learning system from which a movement for change has been created. Power has shifted to the community, harnessing and releasing the energies and expertise of a diverse set of people and fostering spaces to challenge and change the existing system.

- **Public health:** In 2022, the Leadership Centre worked with Richmond and Wandsworth Councils' Public Health Division on a developmental journey aimed to maximise their impact and effectiveness as a team operating within an ever-changing context and build up resilience following the significant COVID-19 pandemic effort. Using real challenges as learning vehicles (tackling health in relation to climate

change, the visibility of our work on dementia, leadership in an emergency response, listening to and working with communities, and tackling obesity), the team used techniques and approaches to help them look at these issues differently and develop their leadership role in relation to that.

*"I would 110% recommend this type of development to any team wanting to work on their team dynamics whilst working on the issues that really matter in their work."*

Shannon Katiyo, Director of Public Health, Richmond & Wandsworth Councils.

- **Homeless Link:** The Leadership Centre worked with the Homeless Link Partnerships Team to co-design a programme which would be jointly delivered by the Partnership Managers and the Leadership Centre. The aim was to raise awareness of the power of influence – at all levels and without positional authority – and to build the confidence of front-line staff in bringing new ideas into their organisations, and in shifting thinking, behaviour and action.

*"I can see through the complexity more clearly and, instead of becoming overwhelmed by it, can focus on what I have the power to change in a very practical way."* Catherine Storey, Partnership Manager for East Midlands and the East of England at Homeless Link

- **Commonwealth Games:** Whilst almost 700 sportspeople from across 72 nations and territories gathered for this global spectacle, behind the scenes the Leadership Centre had been working with the West Midlands Combined Authority (WMCA) and Sport England to help develop the systems and relationships which will ensure that the Games has a long-lasting legacy for people in the region.

*"The work we have done gives us the best possible chance of ensuring that, through our Commonwealth Active Communities, we are together able to steer the system in a way which really does reduce inequalities in those participating in physical activity. People own what they design, so it's important what we develop is co-designed which means investing in relationships and making sure people can see where their perspectives feed in. It has developed far past just being a 'project' – this is about how we work as a system for the long-term."* Simon Hall, Strategic Lead for Wellbeing and Prevention at WMCA

**Developing local governance:** The Centre has worked - on occasion with the Local Government Association - with Combined Authorities to design and deliver a range of interventions – from bespoke to support to specific mayoral combined authorities, to facilitating large pan geographic communities of practice. The ambition of the interventions is to both assist in the locality now, and inform future support for upcoming devolution places.

**Enquiries:** The Centre's alumni, partners and clients raise the challenge of creating the future whilst dealing with the onslaught of immediate pressures. They identify how there remain long standing complex issues and new ones emerging. It's clear therefore that using existing solutions in the face of persistent challenges isn't sufficient.

During 2022-23 the Centre began to develop its innovation platform and test it on two core questions:

- a) 'What does a cultural competent organisation look like and how do you develop it?', and
- b) 'what might we create that helps leaders move forward with the challenges that feel impossible?'

This has resulted in the prototype of a new innovation platform, a new programme and insight to inform all the Centre's work.

#### Relationship-based infrastructure

Our distinctive contribution to leadership is grounded in a relational approach that allows for deep exploration, sense-making and action. The Centre therefore needs to proactively curate and maintain its relationships which have been enhanced through the following activity.



**Network activation:** During 2022-23 the Centre invested financial resource in capacity to further develop its extensive network, which includes over 300 Alumni and a vast range of colleagues from local and national organisations, skilful leadership and change practitioners, and interested parties. There is inherent opportunity in this exceptional network which can be a powerful stimulus and catalyst for change in public services and in civic society in the round. Activity has involved:

- A bespoke programme of alumni activity for public servants including, focusing on places and human systems, the role of politics and power, confronting the challenges of complexity, and working with communities.
- Network events – creating an opportunity to shape and co-own the new strategy, and planning for deepening and widening the engagement with Alumni in particular.
- Renewing/strengthening relationships with partners.

**Promotion and communication of leadership development:** The ambition for the Centre's external communications is to support its strategic missions and therefore charitable objects, by:

- Demonstrating the value of leadership and the importance of empowering leaders to have the greatest collective positive impact with the communities they serve.
- Highlight the expertise and experience of the Leadership Centre, in particular working with the most challenging, complex and uncertain issues.
- Show how the work of the Leadership Centre is bespoke and co-produced, taking into consideration the unique identity of each place.
- Convey the charitable, independent status of the Leadership Centre and its commitment to sharing learning, resources and thought leadership openly in the interests of public good.
- Promote the Leadership Centre in ways which attract and maintain a robust network of relationships which support ongoing work and future development.

Communication activities have included:

- Sharing case studies in video and blog form—an opportunity to showcase impact by hearing directly from the people the Centre works with and occasionally linking with national awareness days
- Sharing content to give visibility to events staff from the Centre are attending or speaking at – to reach new audiences and help promote thought leadership
- Using social media to link to individuals and organisations we are working with, increasing reach and highlight the breadth of the Centre's work
- Sharing feedback— including end of cohort photos, to encourage alumni to follow and remain connected to the work of the Centre.
- Sharing leadership thought pieces and occasions when the Centre is mentioned in publications and reports.

## **Achievements & Performance:**

2022 was a significant year for the charity as it celebrated its 18th birthday and brought together the wider Leadership Centre 'family' in London for the first time since before the Covid-19 pandemic. Eighty of our passionate colleagues from across the public, private and voluntary and community sectors joined us for an interactive, exploratory workshop session followed by a reception at the House of Lords.

The Centre's team is extremely grateful to all those that have placed their faith in them over the past twelve months – it's been a pleasure working with such enthusiastic and committed public servants.

Below are quotes from some of those the Centre has worked with during 2022/23, and stats that indicate our growing online presence.

**Leadership development impact:**

*"I've really enjoyed the programme over the last six or so months. Thank you for all the effort you've made in curating such powerful and thought provoking sessions. I'll certainly be promoting this in my organisation and suggesting who I think would benefit from taking part in future cohorts."*

*"it was by far and away the most powerful training/CPD that I have attended over the last 5 years"*

*"It resonated with the ways in which I've been trying to work for a few years now, rooting it in relevant theory and giving clear examples of techniques to try. Exciting and innovative. Thanks for putting this on. More of this sort of thing please!"*

*"One of the best Masterclasses I've attended. It was very practical, backed by theory. Presenter was very engaging and 'said it how it was' which was very refreshing. I almost want to do the masterclass again in case there were bits I missed it was that good! Thank you!"*

*"Fantastic facilitator, the content and delivery was superb and I came away very inspired."*

*"Really loved this session. Massive amount of information and tips packed in. Hugely engaging and inspiring"*

*"The Leadership Centre brought excellent provocation and new perspectives to help us as we work to reposition the County Council for the long term, building on our strengths and exploring next generation ways of leading for place. Leaders across our organisation appreciated how quickly the Leadership Centre understood our context, our history and what lies in our organisational DNA to position their input with appropriate challenge and support".*

**Communications:**

All digital platforms had increases in interactions and followership, resulting in more enquires.

X (formerly Twitter): Tweets: 1148 | Impressions: 90,560 | Profile visits: 18,854 | Followers: 40% increase

LinkedIn: Posts: 85 | Impressions: 20,600 | Followers: 268% increase

Website: Visitors: 59,000 – 16% increase

**Financial Review**

From the beginning of the first lockdown, the Covid-19 pandemic impacted the Leadership Centre's reserves over an extended period of time as it sought to maintain support for public service leaders and staff whilst regular ways of operating were restricted. Whilst steps were taken to maintain the viability of the Leadership Centre through reducing overheads, actively manage debtors and shifting ways of working, it was not possible to offset fully the impact on revenues and margin and, therefore, reserves. Consequently, the Centre continues to find new ways to grow itself out of this short term position.

Whilst during 2022-23 the Leadership Centre has managed to attract some private sector support, as well as significant specific funding from public sources, to meet its ambitious 2025 strategic missions, the Leadership Centre has further invested in core capacity, providing the foundations for growth and product development.

Results were a use of reserves of £294k (a decrease from the £1k deficit the previous year). Income for the year was £1,776k (an increase from £1,426k the previous year). Support costs increased by £36k and overall staff costs increased by £62k. Expenditure for the year was £2,070k (up from £1,427k the previous year). As a result, the reserves figure at the year-end decreased to -£140k (down from £154k the previous year).

The prior year figures have been restated to reflect income in advance which was incorrectly recognised as income. Further details are included in note 15.

#### Principal risks and uncertainties

The Leadership Centre's operating environment and future activities are shaped by the complex interaction of many factors including:

- The future of public services and their role being radically uncertain - recession, inflation, extended pandemic impact, climate change, food and fuel security alongside challenges specifically felt locally such as, economies, inequality and inequity means there's a lot of important and urgent issues taking leadership time potentially inhibiting a learning environment.
- The needs of leaders and the need for leaders - needs are likely to grow extensively as leaders' resilience is tested again. At the same time a higher-than-normal turnover of experienced leaders is not being matched by a widening of the pipeline of the upcoming.
- Competing ideas and philosophies about what the future of the country looks like, how we might get there and who needs to be involved makes authorising environments and purpose fuzzy, helping leaders navigate this will be a key challenge.
- With a general election on the horizon, and tough spending decisions for local and national public services, there is a situation where decision making and funding for development may be squeezed.
- Acquiring sustainable funding from sources that align with the Centre's mission and values remains a key challenge.

The Leadership Centre has reviewed its arrangements for risk management with clear responsibilities assigned to named senior officers for the management of the principal risks. The Trustees consider these risks are being effectively mitigated.

#### Reserves policy

The reserves policy requires the retention of adequate funds to support approximately six months of operating costs for the Leadership Centre and this should be in the order of £200,000. Taking account of current costs and operational circumstances, the retention required to cover at least three months of full staff costs and accommodation, including facilities and IT would be £100,000. The policy is reviewed regularly, is considered adequate at the present time, and will be looked at again, in the light of changing economic, funding circumstances and timing. At 31st March 2023 the balance on unrestricted reserves was - £139,946.

The breadth of current projects, coupled with the new strategy, project pipeline, and institutional supporters, provides a platform for the Leadership Centre to return to regular surplus, contributing to reserves over the next 3-5 years, bringing unrestricted reserves closer to the optimal amount.

#### Going Concern

The trustees have considered the financial position and future business prospects and consider that a going concern opinion is reasonable.

The change in the charities financial circumstances, largely due to an extended Covid-19 impact, are unprecedented for the Centre, but recoverable.

In an immediate response to these matters the charity has taken action to reduce overheads, secure institutional supporters, and increase trade.

Looking forwards Trustees have considered:

**Demand for the services:** the services the Leadership Centre provides are in demand and highly regarded. The context in which public sector leaders are operating is only becoming more complex and challenging. Leaders say the support we provide them is invaluable.

**Financial performance:** Reviews of existing services provided and changes to new ones will improve individual projects financial performance and the overall organisations stability. This is a process which will continue.

**Existing commitments:** The Centre has a breadth and depth of committed project and clients throughout 2023-24 and into 2024-25, which provides a level of certainty now and which also creates a platform for increased activity in future years.

**Strategy and Pipeline:** The Centre's newly formed strategy and business plan provides a basis on which new partnerships can be formed and existing ones extended. It will support the charity to offer new services into existing sectors and reach into new ones.

In addition the Trustees continue to investigate opportunities to enhance the long term sustainability of the charity, including new areas of business and sponsorship.

As a result of all the above the Trustees consider the going concern basis to be appropriate.

### **Plans for the future:**

The Leadership Centre views itself as being part of a wider national ecosystem of leadership for public good, embracing a generous ethos in doing its work. This drives it to seek excellent value for the investments of money and time that clients and partners place into its services.

This approach positions the Leadership Centre as a thinking partner and critical friend to those institutions, places, and individuals that it works alongside – whilst staying objective, curious and empathetic, and striving for excellence.

### **Direction of travel:**

The essence of the Centre's direction of travel is captured in its 'do-tank' approach, embodied in restless enquiry into how leaders can best understand and navigate complexity and, accordingly, achieve the greatest public good through their partnerships and in their places.

The decisions made, resources deployed, paths walked or made will continue to be framed by the Centre's strategic missions.

### **Innovate: examining cutting-edge leadership issues that matter most.**

We believe that innovation happens when unlikely combinations of people come together in enquiry, so we act as a convenor, connecting a variety of disciplines through a rolling programme of 'Enquiries' that anticipate and investigate the changing demands of leadership and the challenges being faced.

Inspire: delivering relevance and excellence:

The Centre will generously share its learning, thought leadership and extensive intellectual and human resources and networks. We will grow the role, involvement and impact of all the Centre's alumni and allies, ensuring the availability of more entry and progression pathways, a wider range of learning sets and networks, and a programme of one-off refresher or new learning opportunities.

Invest: nurturing future leaders:

The Centre aims, with partners, to strengthen the pipeline of future leaders and ensure its diversity – reaching out to under-served sectors, organisations, people and places. We will create more opportunities for first and middle leaders to engage in systems thinking, system challenges and place-based leadership so that they are better equipped both in the here and now and for more senior roles they may seek in the future.

**Aims & Objectives:**

Running Enquiries & Experiments: ensuring existing and new programmes are meeting needs at the cutting edge of new issues and new learning

A) start at least two new areas of development where we can inject imagination, redefine risk and develop the architecture to support experimentation.

B) refine and deploy innovation platform across the Leadership Centre.

Focus on Future Leaders: create programmes and other learning and development opportunities that: i) strengthen the pipeline of future leaders and ensure its diversity; and ii) reach into under-represented places.

Securing Business Partners and Sponsors: securing a small number of medium-term partners and one-off sponsors with an interest in developing their own leadership capabilities and, in pursuit of this, investing in the Centre's missions.

Board Review: agreeing the future role and membership requirements in the light of the strategy.

Start Cultural Competency journey: "inclusion is not bringing people into what already exists: it is making a new space, a better space for everyone." Professor George J. Sefa Dei

The Centre will plan and execute a process to improve and develop its cultural competency, as an organisation and within its services. It will feature:

- Scope: what do we currently do that is good practice, and what do we need to stop, shift, or change?
- People: who do we bring into the organisation – staff, enablers, trustees, partners – how do we design their pathways in, and how do we support and develop everyone, regardless of how long they have been with us.
- Learning: we want to deepen our understanding of global majority leadership and bring that expertise and understanding into the organisation.

Networks: To grow the role and impact of all the Centre's alumni and allies the charity will shift its custom further from 'events' towards a 'community of practice' - bringing people from different layers of the system, a mix of professions, and people with different perspectives around common challenges.

Further enhance digital visibility: The Centre's focus in 2023-4 will feature:

- A re-organisation of the website content to improve accessibility and shape around the strategic mission structure
- Development of a new prospectus, style guide and internal design resources
- Agile support to enquiries under the Innovate strand
- Continued development of case studies, thought pieces and blogs

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of the Leadership Centre for Local Government for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Under Company law the Trustees are required to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Provision of information to Auditors**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

This confirmation is given and should be interpreted in accordance with the provisions of section 414 of the Companies Act 2006.

**The Leadership Centre for Local Government  
Year ended 31st March 2023**

**Report of the Trustees**

**Auditors**

PKF Littlejohn LLP has signified its willingness to continue in office as auditor.

Approved by the Board of Trustees on 21<sup>st</sup> December 2023 and signed on their behalf by



**David Lloyd**

**21<sup>st</sup> December 2023**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
LEADERSHIP CENTRE FOR LOCAL GOVERNMENT**

**Opinion**

We have audited the financial statements of The Leadership Centre for Local Government (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 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 Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. 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.



**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take the small companies' exemption from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the charitable company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.

- We determined the principal laws and regulations relevant to the charitable company in this regard to be those arising from the Companies Act 2006, Financial Reporting Standard 102, the Charities SORP and relevant employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the timing of recognition of income from grants. We addressed this through review of all material grant agreements to ensure correct treatment under the Charities SORP, including consideration of the accounting period in which income should be recognised.
- We also identified potential for management bias in the judgements made around recoverability of debtors. We addressed this through examination of post year end cash received, review of correspondence with debtors and discussion of recoverability with management.
- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Alastair Duke (Senior Statutory Auditor)  
For and on behalf of PKF Littlejohn LLP  
Statutory Auditor**

15 Westferry Circus  
Canary Wharf  
London E14 4HD

Date: 28 December 2023

**The Leadership Centre for Local Government**  
**Year ended 31st March 2023**

**STATEMENT OF FINANCIAL ACTIVITIES**

(Incorporating an INCOME AND EXPENDITURE ACCOUNT)  
For the year ended 31 March 2023

	Notes	Unrestricted funds 2023 £	Total funds 2023 £	As restated total funds 2022 £
<b>Income from:</b>				
Grants	1	80,825	80,825	10,000
Charitable Activities	1	1,696,082	1,696,082	1,415,811
Investment income	2	(785)	(785)	136
<b>Total income</b>		<b>1,776,122</b>	<b>1,776,122</b>	<b>1,425,947</b>
<b>Expenditure on:</b>				
Charitable activities	6	2,048,901	2,048,901	1,401,266
Other Costs	8	20,791	20,791	26,016
<b>Total Expenditure</b>		<b>2,069,692</b>	<b>2,069,692</b>	<b>1,427,282</b>
<b>Net expenditure</b>	4	<b>(293,570)</b>	<b>(293,570)</b>	<b>(1,335)</b>
<b>Reconciliation of Funds:</b>				
Total funds brought forward		<u>153,624</u>	<u>153,624</u>	<u>154,959</u>
<b>Total funds carried forward</b>	14	<u><b>(139,946)</b></u>	<u><b>(139,946)</b></u>	<u><b>153,624</b></u>

There are no recognised gains or losses other than those disclosed above.

All of the above results derive from continuing activities.

All income and expenditure in both years was unrestricted.

The notes on pages 22 to 27 form part of these financial statements.

**The Leadership Centre for Local Government**  
**Year ended 31st March 2023**

**Company Registration number 05467557**

**BALANCE SHEET**  
**As at 31 March 2023**

	Notes	2023 £	As restated 2022 £
<b>Current assets</b>			
Debtors	10	640,876	261,485
Short term Investments	2		502,280
Cash at bank and in hand		10,000	10,000
		<u>650,876</u>	<u>773,765</u>
<b>Creditors: amounts falling due within one year</b>			
Creditors falling due within one year	10	790,822	620,141
		<u>790,822</u>	<u>620,141</u>
<b>Net current assets</b>		<b>(139,946)</b>	<b>153,624</b>
<b>Total assets less current Liabilities</b>		<u><b>(139,946)</b></u>	<u><b>153,624</b></u>
<b>Funds</b>			
Restricted Funds	14		
Unrestricted Funds	14	(139,946)	153,624
		<u><b>(139,946)</b></u>	<u><b>153,624</b></u>

These financial statements were approved by the Trustees on 21<sup>st</sup> December 2023 and are signed and authorised for issue on their behalf by:



**David Lloyd**  
**Trustee**

The notes on pages 22 to 27 form part of these financial statements.

**The Leadership Centre for Local Government  
Year ended 31st March 2023**

**Company Registration number 05467557**

**STATEMENT OF CASH FLOWS  
As at 31 March 2023**

	Note	2023 £	2022 £
Cash flow from operating activities	12	(502,280)	336,193
Net cash flow provided by operating activities		<u>(502,280)</u>	<u>336,193</u>
Cash and cash equivalents at 1 April		512,280	176,087
Cash and cash equivalents at 31 March		<u>10,000</u>	<u>512,280</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		10,000	10,000
Short term deposits			502,280
Cash and cash equivalents at 31 March		<u>10,000</u>	<u>512,280</u>

The notes on pages 22 to 27 form part of these financial statements.

## **ACCOUNTING POLICIES**

### **BASIS OF ACCOUNTING**

The Leadership Centre is a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, The Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

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.

### **GOING CONCERN**

The Trustees (who are also the directors of The Leadership Centre for Local Government ('the Centre') for purposes of company law) have prepared the accounts on a going concern basis. As described in the Report of the Trustees, during 2022/23 the Leadership Centre worked closely with the LGA and various public/private funded specified bodies. The Trustees have considered the likely impact of Covid-19 on the operational activities of the Leadership Centre and are of the view that there was an impact. Looking forwards, Trustees have carefully considered; the demand and need for the charities services, the financial performance improvements available, existing commitments, operating environment, strategy and project pipeline. As a result of this deliberation, the Trustees consider the plans, and likelihood of securing future funding adequate to ensure the Leadership Centre has sufficient resources to continue as a going concern.

### **FUNDS**

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.

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 are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### **INCOME POLICY**

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

Income from donations is recognised on receipt, unless there are conditions attached to the donation that require a level of performance before entitlement can be obtained. In this case income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Leadership Centre and it is probable that they will be fulfilled.

Government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income comprising only bank interest on short term deposits is recognised on a receivable basis.

## **RESOURCES EXPENDED**

Expenditure is recognised on an accruals basis. This occurs when a legal or constructive obligation commits the Leadership Centre to the expenditure.

Irrecoverable VAT is charged against the category of resources expended from which it is incurred.

Any costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the Leadership Centre in the delivery of its activities and services for its beneficiaries. It includes both the costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants payable to third parties are included in expenditure on charitable activities. Where unconditional grants are made, these amounts are recognised when a constructive obligation is created, typically when the recipient is notified that a grant will be made to them. Where grants are conditional on performance, then the grant is only recognised once any unfulfilled conditions are outside of the control of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

## **ALLOCATION OF SUPPORT COSTS**

Support costs are those that assist the work of the Leadership Centre but do not directly represent charitable activities and include office costs, governance costs, and project management costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to those activities on a consistent pro rata to the level of direct costs incurred.

The analysis of these costs is included in notes 7 and 8.

## **TAX**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. It therefore meets the definition of a charitable company for UK corporation tax purposes.

### **1. INCOME**

	<b>2023</b>	<b>As restated</b>
	<b>£</b>	<b>2022</b>
		<b>£</b>
<b><i>Income from donations and grants</i></b>		
Voluntary Income and Grants	80,825	10,000
<b><i>Income from charitable activities</i></b>		
Services recharged	1,696,082	1,415,811
	<u><b>1,776,907</b></u>	<u><b>1,425,811</b></u>

Voluntary income and grants mainly relate to funding from other public sector bodies. It is allocated to the main activities of the charity. Services recharged include events and conferences, publications and consultancy. £nil (2022 £nil) of the above income was attributable to restricted funds and £1,776,907 (2022 £1,425,811) to unrestricted funds.

## **2. INVESTMENT INCOME**

All of the investment income arises from interest bearing deposits. The Leadership Centre participates in arrangements in which surplus cash balances are deposited with borrowers on the LGA's approved list. The Leadership Centre's investments are pooled with those of other entities that have adopted the LGA Group Investment Strategy. Investments are typically for periods of up to six months and as such the loan amount is a reasonable assessment of fair value. The LGA Group Investment Strategy strictly applies credit limits for all of the financial institutions to ensure that deposits are spread across a number of its approved counterparties. No credit limits were exceeded during the year and the Leadership Centre does not expect any losses on short term investments. The difference between carrying value and fair value is immaterial.

## **3. AUDITOR'S REMUNERATION**

The auditor's remuneration amounts to an audit fee of

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Audit fees	3,500	3,500

No non-audit fees were paid in the year to the auditor (2022 nil).

## **4. EMOLUMENTS AND RELATED PARTY TRANSACTIONS**

Total remuneration of £17,168 (2021/22; £22,397) was paid to the Chairs for work done in this capacity in accordance with a written agreement approved by the Trustees under clause 5.9 of the Memorandum of Association. Reimbursement of expenses to one (2021/22; one) Trustees for travel costs totalled £123 (2021/22; £119).

There were no other related party transactions in the current or prior year.

## **5. EMPLOYEES**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Staff, agency and secondments</b>		
Staff	413,916	350,041
Agency staff fees	28,428	30,245
<b>Total staffing costs</b>	<b>442,344</b>	<b>380,287</b>

The aggregate employee benefits of key management personnel were £303,847 (2022: £273,242). The average number of senior staff employed directly during the year was 4 with employee benefits, excluding employer pension costs, in the ranges of £40k to £110k (2021 2 persons in the range £40,000 - £100,000).

<b>Range £k</b>	<b>2023</b>	<b>2022</b>
100-110	1	
90-100	1	1
80-90		1
40-80	2	1

The average number of persons employed (including agency staff) was 6.7 (2022 4.5 persons).



**6. EXPENDITURE ON CHARITABLE ACTIVITIES**

	2023 Activities undertaken Directly	2023 Support Costs	2023 Total Costs	2022 Total Costs
	£	£	£	£
<b>Delivery Areas</b>				
Future Vision	323,072	79,946	403,018	160,709
Centre Projects	271,649	67,220	338,869	257,521
Accident and Emergency	96,841	23,964	120,805	121,777
Specific Location Support for Leaders	64,903	16,060	80,963	183,261
Lets Go Southall	796,097	196,999	993,096	625,284
Sport England	2,175	538	2,713	4,502
Local Vision			-	16,996
Public Health Leadership	87,728	21,709	109,437	31,216
<b>Total</b>	<b>1,642,465</b>	<b>406,436</b>	<b>2,048,901</b>	<b>1,401,266</b>

£- (2022 £-) of the above costs were attributable to restricted funds and £2,069,692 (2022 £1,401,266) to unrestricted funds.

**7. BREAKDOWN OF SUPPORT COSTS**

	2023 £	2022 £
Finance support	27,400	10,300
Direction	88,814	66,398
General Office Costs	33,706	19,020
IT	27,376	45,288
Staff Costs	229,140	82,010
	<b>406,436</b>	<b>223,016</b>

Support costs are based on staff time spent on different activities.

**8. EXPENDITURE ON OTHER COSTS**

	2023 £	2022 £
Trustees Emoluments (see note 5)	17,168	22,397
Trustee's expenses	123	119
Statutory Audit fees	3,500	3,500
	<b>20,791</b>	<b>26,016</b>

**9. DEBTORS**

	2023 £	2022 £
Trade debtors	483,324	210,629
Other Debtors	6,723	12,406
VAT	150	-
Accrued Income	150,679	38,450
	<b>640,876</b>	<b>261,485</b>

**10. CREDITORS**

	<b>2023</b>	<b>As restated 2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	33,463	66,990
Accruals and deferred income	606,969	399,922
Other taxes and PAYE	18,705	15,104
VAT	85,283	119,956
Earned Leave Liability	13,970	18,169
Owed to related party	32,432	
	<b>790,822</b>	<b>620,141</b>

**11. RECONCILIATION OF NET (EXPENDITURE)/ INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2023</b>	<b>As restated 2022</b>
	<b>£</b>	<b>£</b>
<b>Net expenditure for year</b>	<b>(293,570)</b>	<b>(1,335)</b>
(Increase)/Decrease in debtors	(379,391)	218,375
Increase in creditors	170,681	119,153
<b>Net cash flow from operating activities</b>	<b>(502,280)</b>	<b>336,193</b>

**12. MEMBERS' LIABILITY**

The company is a registered charity and is limited by guarantee with no share capital. The liability of each member in the event of winding up is limited to £1.

**13. FUNDS ANALYSIS OF NET ASSETS BETWEEN FUNDS at 31st March 2023**

The balance of Net assets and liabilities fall under unrestricted funds.

	<b>Current Assets</b>	<b>Current Liabilities</b>	<b>Funds Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>UNRESTRICTED</b>	<b>650,876</b>	<b>790,822</b>	<b>(139,946)</b>
	<b>650,876</b>	<b>790,822</b>	<b>(139,946)</b>

  

	<b>As restated as at 1 April 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>As at 31 March 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted Funds</b>	<b>153,624</b>	<b>1,776,122</b>	<b>2,069,692</b>	<b>(139,946)</b>
<b>Total</b>	<b>153,624</b>	<b>1,776,122</b>	<b>2,069,692</b>	<b>(139,946)</b>

**14. PRIOR YEAR ADJUSTMENT**

The Prior Year numbers are adjusted for an omitted income in advance accrual:

The comparative figures have been restated to reflect an error of £28,500 of income recognised in the prior year that should have been deferred to future periods. The impact of the adjustment is:

	£
Surplus for the year to 31 March 2022 as previously stated	27,165
Adjustment to defer income to 2022/23	(28,500)
<b>Deficit for the year to 31 March 2022 as restated</b>	<b>(1,335)</b>
 Creditors as previously stated at 31 March 2022	 591,641
Adjustment to defer income to 2022/23	28,500
<b>Creditors as restated at 31 March 2022</b>	<b>620,141</b>

**15. POST BALANCE SHEET EVENTS**

The directors are not aware of any post balance sheet events.