

**The Association of  
Directors of Adult Social  
Services**

**Annual Report and Financial  
Statements**

Charity Registration Number  
299154

31 December 2020

## Contents

### **Reports**

Reference and administrative details	1
Report of the Trustees	2
Independent auditor's report	15

### **Financial statements**

Statement of financial activities	20
Balance sheet	21
Statement of cash flows	22
Principal accounting policies	23
Notes to the financial statements	27

## Reference and administrative details

<b>Trustees</b>	James Bullion, President (from 30 April 2020) Stephen Chandler, Vice President (from 30 April 2020) Julie Ogley, Immediate Past President (from 30 April 2020) Iain MacBeath, Honorary Treasurer Richard Webb, Honorary Secretary (to 30 April 2020) Glen Garrod, Honorary Secretary (from 30 April 2020) Sarah McClinton (from 3 November 2020) Alison Tombs Brian Parrott (to 12 October 2020) Richard Humphries (from 12 October 2020) Andy Begley (to 31 August 2020) Catharine Roff Carol Tozer
<b>Chief Officer</b>	Cathie Williams
<b>Resource Manager</b>	Julie Boulting-Hodge
<b>Principal address</b>	Association of Directors of Adult Social Services 18 Smith Square London SW1P 3HZ
<b>Charity Registration Number</b>	299154
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Principal bankers</b>	Metro Bank plc London WC1B 5HA
<b>Insurance</b>	Access Insurance Selsdon House 212-220 Addlington Road South Croydon Surrey CR2 8LD

The Trustees present their statutory report together with the financial statements of the Association of Directors of Adult Social Services for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out on pages 23 to 26 of the attached financial statements and comply with the charity's constitution, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective for accounting periods commencing 1 January 2015 or later.

ADASS members work together at a regional level, and whilst some of this activity is included in this report, these groupings are financially independent of the charity.

### **Objectives and activities**

The constitution of ADASS sets out the following charitable objects:

- a) *To promote the education of the public in matters of social policy, social organisation and social problems*
- b) *To promote the relief of those needing care, support or safeguarding and the preservation and protection of physical and mental health for the benefit of the public.*
- c) *To promote the preservation of family, friendship and community life for the benefit of the public.*
- d) *To promote inclusion of older, disabled and mentally ill people in all aspects of society.*

ADASS is the voice of leaders in adult social care. We believe that all individuals, regardless of disability or frailty should have the means to live purposeful and independent lives, free from discrimination, with dignity and respect. We believe that people who require support as a result of disability, ill health or frailty have the right to high quality support and choice and control over that support. We believe that the views and needs of families and carers are important and that the rights of people who lack mental capacity, who are at risk of compulsory detention under the Mental Health Act or who are in need of care and support and at risk of abuse or neglect should be safeguarded.

We aim to ensure that high quality social work and care is available to all who need it. We aim to promote the need for adequate funding for social care and to ensure that the infrastructure needed to provide it is available. We aim to further the interests of people who require access to social care regardless of their background and status and to promote public understanding of social care.

**Objectives and activities** (continued)

ADASS produces an annual business plan that outlines the key activities for the Association on a three-year rolling basis. In 2020 two iterations of the business plan were developed in response to the onset of the coronavirus pandemic. The first was an interim plan, published in April 2020, which set out the high-level activities relating to the Covid-19 response, as well as an overview of the activities that would enable the Association to deliver on essential business as usual activities. The second, published in September 2020, was a more comprehensive business plan that provided an overview of the work relating to ADASS's priorities, alongside the work required to support the ongoing response to the pandemic for the remainder of the year and beyond.

The Association's aims and objectives are met in a variety of ways, some aimed directly at the public and others aimed indirectly at the public via the impact and influence it has on government, policy makers, and other professions and organisations who serve the public. Whilst the Association's activities and achievements are reported in full throughout this Annual Report, some of the key activities are outlined below.

**Public benefit**

When setting the objectives and planning the work of the charity for the year, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

**Achievements and performance in 2020**

***Policy and Practice***

Over the course of the year a substantial volume of work has been delivered by ADASS, with a significant shift in focus required from March 2021 onwards in response to the onset of Covid-19. In the first quarter of the year, ADASS was completing No-Deal Brexit contingency planning and communications, most particularly in relation to service continuity in the context of underfunded and fragile care markets. This was funded through the Department of Health and Social Care (DHSC).

**Achievements and performance in 2020** (continued)

***Policy and Practice*** (continued)

From March onwards ADASS was pivotal in the response to the pandemic in relation to people needing social care, whether through social work and personal care, shielded people, responses to rough sleepers, safeguarding or mental ill health. ADASS staff and members pulled out all the stops, working over weekends and holidays to comment on formative stages of government responses, to co-ordinate local responses and to rapidly communicate issues from local areas into national forums for resolution. The impact of the pandemic on people needing care and support, the least equal members of society, was tragic, but could have been far worse had it not been for the co-ordination of ADASS staff and members locally, regionally and nationally with a range of partners. Over the course of the pandemic there were significant challenges: the supply and quality of PPE, testing, guidance, terrible outbreaks in care homes, visiting, social distancing and the ability to provide services in any kind of group settings, the loneliness of isolation and the fear of older and disabled people to have staff in their homes. ADASS co-chaired the initial DHSC national steering group for social care, was a key player in the Task Force and part of every working group, produced a wide range of advice notes and top tips for its members, including on safeguarding in closed institutions, human rights and visiting. DHSC funded additional staffing nationally and for the regions between April to July and again at the end of the year. Specific work, including every ADASS member was delivered in relation to a review of risks and mitigations in respect to service continuity relating to Covid, winter and No-Deal EU Exit. The pandemic flu planning that DHSC had commissioned from ADASS in 2017 proved to be a helpful foundation but Covid was different and on a scale that none of us have known in our lifetimes.

This work influenced the response of government and of NHS England (NHSE). In the revision of the hospital discharge guidance in July and the conclusions of the Task Force, ADASS's input was evident and supported the co-ordination of delivery by regions and local Directors of Adult Social Services (DASSs).

As set out above, this led to the publication of two business plans over the course of the calendar year as the Association reprioritised its focus initially to deliver a core of business as usual, alongside responding to the needs of older and disabled people, their carers and care staff, members and government departments. It is important to emphasise that throughout the year the ADASS policy and enabling priorities set out in the business plan have underpinned everything that we have delivered.

We have undertaken significant work to ensure that we have a strong evidence base by which to provide professional input, both written and verbally, to a range of key stakeholders. In the past year we have undertaken enhanced Budget and Autumn Surveys, a day services survey and a rapid provider support survey. The latter sought to provide an up-to-date picture of not only the financial sustainability of adult social care, but also the impacts of the onset of Covid-19.

The Home Office provided grant funding to ADASS to enable support with the European Union Settlement Scheme (EUSS) relating to 'vulnerable' people in needing care and support, and the workforce. DHSC have also provided funding to support the development of work relating to Liberty Protection Safeguards.

**Achievements and performance in 2020** (continued)

***Policy and Practice*** (continued)

We have also sought to continue to prioritise our 'business as usual' activities. This includes maintaining a strong emphasis on the need for sustainable funding and reform for adult social care. To help communicate our key policy asks of Government for a reformed social care system, we developed and published Adult Social Care - [Nine Statements to Help Shape Adult Social Care Reform](#). This document clearly sets out the principles that we believe can help shape the future of adult social care. In short these are:

- ◆ We need a public conversation about adult social care reform.
- ◆ Locally integrated care built around the individual should be the norm.
- ◆ We need a complete review of how care markets operate.
- ◆ We must address existing and historical inequalities
- ◆ Good quality housing and accommodation is central to care and to our lives.
- ◆ We need a workforce strategy.
- ◆ We must prioritise access to technological and digital solutions.
- ◆ We need a cross-government strategy.
- ◆ We need a managed & funded transition pending proper long-term funding.

The Nine Statements have formed the basis of our wider policy and influencing work. We have met with and discussed reform with the DHSC, Ministry of Housing, Communities & Local Government (MHCLG), HM Treasury and No10 colleagues alongside local government and social care sector colleagues. We have continued to provide regular input into a number of NHS interface initiatives including supporting the work of the Better Care Fund team, Emergency Care teams and the Ageing Well workstream.

Under the heading of the Care We Want priority, we have continued our Carers' Network and ongoing relationship with Carers' UK and Carers' Trust. We have also continued our work in relation to developing housing-based care solutions and have started further dialogue with the Associated Retirement Community Operators on projecting need. We have worked through our Commissioning Network to strengthen our focus on quality, provider viability and social value. We continue to engage with Care Quality Commission in relation to quality and safeguarding, restraint, segregation and seclusion.

We worked with the TEC Services Association (TSA) to establish a technology commission to examine the role of technology in a reformed social care system. The commission reported in March 2021.

DHSC commissioned ADASS to work on the second phase of the Adult Social Care Outcomes Framework project. The project will produce a report, having consulted a range of local authorities, sector experts and people with lived experience, that sets out a refined set of metrics that better reflect the outcomes that the sector hopes to achieve through the provision of care and support services. This is expected to report in March 2021.

In relation to our workforce priority, we have supported the adult social care recruitment campaign, linking with the ADASS regions. Our Workforce Network has continued to be active across a range of fronts. We also jointly hosted bi-annual workforce conferences with Skills for Care and the Local Government Association (LGA).

**Achievements and performance in 2020** (continued)

***Policy and Practice*** (continued)

The past year has also seen a strong focus on equality, diversity and inclusion (EDI). This has included the establishment of an EDI Action Group. The agreed focus for the group going into 2021 is workforce. The group recognises that the only way to increase the diversity of Directors of Adult Social Services and Assistant Directors is by developing a more diverse pipeline of people at middle management level.

Our staff, members and the President's team have continued to work with key partners including people with lived experience, NHS organisations, the Local Government Association, Care Quality Commission, Healthwatch, National Audit Office, the Office of the Public Guardian, think tanks, research bodies, government departments, the Care and Support Alliance and the Care Providers Alliance, the criminal justice system and voluntary and community sector partners.

***Communications and Public Affairs***

Communication is key for ADASS. All team members play an active role in communicating with our members, partners, press and the public.

ADASS has been funded by government in recognition of its excellent internal communication mechanisms. The onset of Covid-19 led to the volume and importance of content from a range of sources, including government departments, increasing substantially. To ensure that this messaging was disseminated to members and that members' issues were raised with government in a timely manner we increased the frequency of our member bulletins from weekly to five times per week.

Trustees have been kept apprised of key issues and developments daily via an evening summary email with a weekly virtual call for business requiring rapid discussion and decision making. ADASS regional chairs and leads receive weekly summary emails, at a minimum, and during the course of the pandemic have actively participated in fortnightly virtual calls, in turn increasing their communications within the regions.

We have worked hard to ensure that the profile of adult social care is communicated through the media to inform public debate. Our work in developing relationships with and in briefing journalists has led to 28 broadcast interviews across a range of media outlets. In addition to this, ADASS was quoted 185 times in the national or trade media in 2020, the equivalent of once every other day.

We have specifically sought to ensure that the voice of those with care and support needs is central to our media messaging and that there is a stronger focus on adult social care in national media coverage, whether in relation to the Covid-19 pandemic or the wider challenges facing care and support services.

**Achievements and performance in 2020** (continued)

***Events***

Our annual Spring Seminar is our key member event, providing an opportunity for our members to come together to explore the key issues facing adult social care and to help shape our thinking for the coming year. Due to the Covid-19 pandemic, the Spring Seminar became a Summer Seminar which we hosted virtually on 22 and 23 July 2020. This was our first ever virtual conference and it provided a timely opportunity for more than 450 colleagues to come together to reflect on the challenges posed by the pandemic, to celebrate the contribution of adult social care and to refocus the wider questions facing the sector. Over two days we heard contributions from a broad range of members, as well as people with lived experience and other sector experts. We also formally launched the Nine Statements to help shape adult social care reform.

The [National Children and Adult Services Conference](#) (NCASC) also took place as a virtual event as a result of the onset of the coronavirus pandemic and resultant local and national restrictions on social contact. NCASC is an annual event providing a critical opportunity for leaders in social care to come together, learn and share challenges and opportunities. It is run in alternative years by ADASS and the Local Government Association (LGA) and is in less challenging times a key source of income for the charity.

The event saw more than 700 colleagues joining a number of excellent virtual plenary and sub-plenary sessions, which were aligned to the ADASS policy priorities set out in the past three iterations of our Business Plan. These included sessions on Equality, Diversity and Inclusion, housing, mental health and winter, workforce, care markets and EU Exit.

The contributions over the three days of the virtual event were from a range of individuals and organisations, including people with lived experience, sector experts, DASSs, Third Sector organisations and government and opposition ministers. Positive feedback was received with many referencing the informative nature of the conference, and the enhanced reach of the conference due to it being virtual and enabling a greater number of staff from each local authority to be able to attend.

We also delivered a programme of round table events in partnership with a number of our partners and sponsors, on a series of issues including assisted technology, housing and a range of Covid-19 related issues.

***Public Affairs***

We have continued to utilise our position as experts in adult social care to inform and influence key policy agendas. The intelligence gathered from our surveys - rapid provider support, Annual Budget and Autumn Survey - has enabled us to clearly articulate the opportunities and challenges facing the sector to parliamentarians, the Civil Service, key sector stakeholders and the public. The results of our various surveys have been routinely quoted and referenced in key reports by parliamentary committees, think tanks and other key partners and shaped the wider political conversation about adult social care and reform.

**Achievements and performance in 2020** (continued)

**Public affairs** (continued)

The President and Trustees spoke at a range of events over the course of 2020, the majority of which were hosted virtually. These high-profile events, many of which were virtual, were arranged for the Local Government Association, NHS Confederation, the Ministry of Justice (MJ) and Carers UK, . These events have helped us to position the Nine Statements and to influence wider conversations about adult social care.

ADASS provided verbal evidence to a range of parliamentary committees including the Health and Social Care Committee, Housing, Communities and Local Government Committee and the Lords Public Services Committee. We have also provided written evidence to parliamentary inquiries including those focused on Covid-19 and wider issues. In each case, our evidence has helped shape the relevant Committees' final reports. We also provided verbal and written evidence to the Low Pay Commission.

We responded to a range of Government consultations and calls for evidence, including the Spring and Autumn Budgets, Spending Review, the provisional local government finance settlement, Department for Business, Energy and Industrial Strategy Carer's Leave consultation and the Health and Social Care Committee Inquiry – Social Care: Funding and Workforce.

ADASS Trustees have met with a range of representatives from the main political parties, including Helen Whately, MP, Rt. Hon. Sir Keir Starmer, MP, Rt. Hon. Jeremy Hunt, MP, Liz Kendall, MP and Munira Wilson, MP.

**Financial review**

During the year, the Association was involved in many activities, as set out above. The net movement in funds for the year generated by those activities was a surplus of £355,259 (2019: £37,407 surplus).

Total income for the year was £3,286,454 (2019: £2,095,808). Sponsorship received for the benefit of members was £277,100 (2019: £239,800). Membership subscription income increased in the year to £371,295 (2019: £327,057). Grant and contract funding increased during the year from £1,340,959 in 2019 to £2,429,496 in 2020. The income received includes funding from the Department of Health and Social Care to support the infrastructure of ADASS, to provide independent advice and ensure its capacity to achieve shared objectives.

Membership remains very good value for local authorities and they may now have up to six members of ADASS in total as a result of the extended membership scheme now including the Principal Social Worker role. The Spring Seminar was again successful this year with a surplus of £55,275 (2019 – surplus of £31,988) of income over expenditure. Gifts in kind income in both 2019 and 2020 was £41,200.

The Association's total funds were £2,272,453 at 31 December 2020 compared to £1,917,194 at 31 December 2019. No funds were restricted to specific purposes. Designated funds at 1 January 2020 of £171,115 were utilised during the year for specific purposes.

**Financial review** (continued)

***Reserves policy***

The Trustees reviewed the reserves policy during the year in the light of the relevant guidance on the established level of reserves (those funds that are freely available) that the charity ought to have at any given time and the increasing tendency towards shorter term agreements for funding. The Association needs to maintain sufficient funds to cover any potential loss in sponsorship and conference income and short-term cash flow and to have approximately twelve months of expenditure (based on turnover during a year in which ADASS runs the NCAS conference) available at all times and to cover costs of the Association in the event of the charity winding up. This equates to approximately £1,860,000. At the current time, the reserves have to be sufficient to enable ADASS to operate in the exceptional circumstances created by the Covid-19 pandemic.

The level of free reserves at 31 December 2020 was £2,263,634 (2019 - £1,739,396) being general funds of £2,272,453 (2019 - £1,746,079) minus the net book value of tangible fixed assets i.e. £8,816 (2019 - £6,683). This is slightly higher than the amount set out in our reserves policy, but is deemed to be reasonable in light of the uncertainties created by the Covid-19 pandemic.

**Plans for the future**

The implementation of the Next Generation review work has laid solid foundations for the future of ADASS. Upskilling the staff team and our national and regional infrastructures enabled us to respond rapidly to the pandemic and deliver timely advice to members and to government. The President, Trustees and Chief Officer, supported by the staff team have been able to engage in a range of critical national activity during 2020. We were able to rapidly recruit and induct a diverse and talented group of temporary staff. It is our intention to continue to build on this and to further increase our capacity and effectiveness, working with clear vision, beliefs and values. It is clear that the focus on resources, workforce, social justice and inclusion, sustainable health and care systems and the quality and sustainability of personalised care and support will necessarily continue. We are working hard to influence decision makers to agree long term funding solutions and the material to deliver the care, support and safeguards we want for people to live the lives they want to live.

Trustees acknowledge and recognise the impact of the Covid-19 pandemic on the current and future operations of the charity, its beneficiaries, partners and stakeholders, and our wider society. The national team has moved to full remote working which has proved both a success in reducing commuting time and a challenge in relation to caring for children and ageing parents. As well as the personal risk to health of our members and staff, the charity has lost planned income as the result of the switch to online events. The impact on both the wellbeing and increased responsibilities for care giving on key personnel has had personal costs. The staff team, Trustees and Regional Chairs have been phenomenal in the amount of work undertaken, in their talents and in their support for each other. Trustees will continue to keep income generation and the balance of subscriptions, events, contracts, grants and sponsorship under review. However, as noted above, whilst there will be challenges, the Trustees do not expect material concerns to arise over the charity's financial position.

### **Structure, governance and management**

The governing body of ADASS is the Board of Trustees, which comprises of ten posts. Occasionally vacancies arise when a Trustee leaves and occasionally someone is elected to a post ahead of a vacancy, which may decrease/increase the number of Trustees on a temporary basis. Trustees meet formally at least five times a year and, due to the pandemic, these meetings have been remote. Further informal meetings by teleconference now take place weekly. Trustees are elected for a three-year term and may serve a second three-year term. The Trustees are ex officio officers of the Association and new officers after election are inducted and trained by existing Trustees and ADASS staff.

The staff team supports members, the Executive Council and Trustees. It has been enhanced temporarily during the year to respond to the pandemic and is deployed as follows:

The **Chief Officer** provides support to the President, Trustees, Executive, attendance at senior private meetings and the leadership of the staff team.

The **Deputy Chief Officer** supports the Chief Officer and provides advice and leadership, with specific responsibility for policy and communications.

The **Resource Manager** supports the Trustees and manages the business functions of the organisation.

Two acting **Assistant Chief Officers** (job share), three **Senior Officers and a Liberty Protection Standards Co-ordinator** have had the lead for co-ordinating work on policy, practice and links with ADASS regions. A **Co-ordinator** leads our work supporting EU settled status and adult social care.

The **Business Partnerships Manager** has developed sponsorship with a range of organisations.

A **Communications, Events and Systems Lead** manages member engagement and external communications via the website, seminars, conferences and events.

Three **Administrators** focus on supporting the charity overall, and finance, membership, events, communications and membership engagement in particular.

The majority of staff are on fixed-term contracts and provide support for the priority areas of the business plan, for the regional and policy leads of the Association and for communications with the regional policy and Sector Led Improvement staff. One policy officer remained seconded to Social Care Institute for Excellence (SCIE) as part of the Think Local Act Personal project throughout the year.

The functions relating to the organisation of the National Children and Adult Services Conference are provided under contract with North Yorkshire Council.

**Structure, governance and management** (continued)

***Key management personnel***

The Trustees consider that they, together with the Chief Officer, Deputy Chief Officer and Resource Manager, comprise the key leadership and management of the charity in charge of directing, controlling, running and operating the charity on a day to day basis.

The Trustees are elected to their positions and do not receive any funding for the work that they undertake on behalf of the charity. However, as a result of contracts with DHSC during Covid, funding has increased to the President's council to partially compensate and allow backfill for his time delivered nationally.

The Chief Officer is employed on a part-time (four days per week) basis. This post, alongside the part time Resource Manager and Deputy Chief Officer are remunerated on a salary scale decided by Trustees in consideration of the skills, knowledge and experience needed.

***Risk management***

The Trustees review the principal risks and uncertainties that the charity faces at each of their meetings held throughout the year. During these meetings risks are raised and discussed, existing mitigations are reviewed, and new actions are set to minimise or manage any potential impact to the charity should the risks materialise. This process is particularly important during the current Covid-19 pandemic. The risks considered can be divided into two main areas

- ◆ Financial – includes considerations such as the future financial stability of the charity, bad debts, the risk of fraud and issues arising as a result of poor budgetary control and inappropriate spending.
- ◆ Governance and management – includes risks around the staffing and functional requirements of the charity, reputation, the ability of the charity to provide the level of service, and the efficient and proper use of its resources.

***Financial***

There is a need to ensure sufficient income is generated to sustain future staffing requirements and activity.

Trustees acknowledge the risks relating to potential loss of income and decrease in the level of reserves particularly in the current climate.

ADASS deliberately seeks to secure income from a range of diverse sources in order to mitigate the risk of the failure of any one.

Sponsorship income has made a significant contribution to the sustainability of the charity and Trustees continue to review the benefits, risks and implications particularly in the challenging financial climate.

Contracts with DHSC, the Home Office and funding from the Care and Health Improvement Partnership increased in proportion during 2020.

Service contracts are reviewed on a rolling programme.

**Structure, governance and management** (continued)

**Risk management** (continued)

*Governance and management*

1. *Charity Governance Code (Larger Charities).*

Trustees have agreed to work towards full compliance with the recommendations of the Code. The third annual compliance review took place in December and areas requiring further attention included:

- ◆ Continued focus on impact and outcome measurement
- ◆ Positive action to set and achieve diversity objectives

Trustees, the Chief and Deputy Chief Officers and Resource Manager undertook an externally facilitated evaluation and development exercise, and plan to continue to implement the recommendations in the coming year.

2. *Capacity planning for ADASS elected voluntary roles*

Trustees have successfully led ADASS throughout the year and have sought to actively recruit colleagues for voluntary lead roles within the organisation. Regional Chairs have taken an increasingly significant role in co-ordinating activity relating to Brexit, Sector Led Improvement, Service Continuity and Covid.

3. *Capacity planning for staffing within the ADASS staff team*

The ongoing plan to upskill and increase staffing moves ADASS towards more fitting staffing structures. This has included the appointment of acting Assistant Chief Officers to increase capacity, and a realignment of the communications function. It is an aspiration, subject to funding, to continue in this direction, particularly as the organisation's credibility increases.

Having assessed the major risks to which the charity is exposed, the Trustees believe that by monitoring reserve levels, by ensuring controls exist of key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate the risks. In particular, as noted above, whilst Covid-19 will continue to present challenges, the Trustees believe the associated risks are manageable.

**Raising funds**

In 2020 the charity did not seek to raise funds from individuals but has partnered with sponsors who are sympathetic with our charitable aims and objectives.

### **Acknowledgements**

We value the support we received from our sponsors at the Spring Seminar, NCASC and throughout the year. We would like to thank *adam* HTT, Home Group, Cordis Bright, EveryLIFE Technologies, EY, Grant Thornton, HAS Technology, IMPOWER, Microsoft, Newton, OLM, PA Consulting, PPP Taking Care Ltd, RT Group and Tunstall Healthcare. ADASS does not encourage Directors of Adult Social Services to trade with any of these organisations.

ADASS complies with all requirements of the General Data Protection Regulation (GDPR) and works hard to protect personal data both within ADASS and that of our partners. We will never sell on any personal information.

### **Statement of Trustees' responsibilities**

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

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 income and expenditure 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of Trustees' responsibilities** (continued)

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

Approved by the Trustees and signed on their behalf by:

*Iain MacBeath*

Iain MacBeath

Honorary Treasurer

Date: 29/03/21

## **Independent auditor's report to the Trustees of The Association of Directors of Adult Social Services**

### **Opinion**

We have audited the financial statements of the Association of Directors of Adult Social Services (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 31 December 2020 and of 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 accounts 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**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 Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- ◆ sufficient accounting records have not been kept; 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**

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.

*How the audit was considered capable of detecting irregularities including fraud*

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with key management and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of key management and review of minutes of Trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of key management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

**Auditor's responsibilities for the audit of the financial statements** (continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of Trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of key management and the inspection of regulatory and legal correspondence, if any.

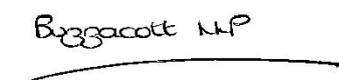
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

## Independent auditor's report Year to 31 December 2020

### Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. 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.

A handwritten signature in black ink that reads "Buzzacott LLP". Below the signature is a horizontal line that starts under the first letter and extends to the right, ending under the last letter.

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

22 April 2021

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

## Statement of financial activities Year to 31 December 2020

	Notes	Total Funds 2020 £	Total Funds 2019 £
<b>Income</b>			
Donations and legacies			
. Gifts in kind		41,200	41,200
. Donations		300	—
Other trading activities			
. Sponsorship		277,100	239,800
Interest receivable		13,487	14,326
Charitable activities			
. Contracts, grants and service level agreements	1	2,429,496	1,340,959
. Subscriptions		371,295	327,057
. Conferences and seminars	2	149,394	102,256
Miscellaneous		4,182	30,210
<b>Total income</b>		<b>3,286,454</b>	<b>2,095,808</b>
<b>Expenditure</b>			
Cost of raising funds	3	71,854	70,253
Expenditure on charitable activities			
. Promotion of high quality social care and social justice	4	2,859,341	1,988,148
<b>Total expenditure</b>		<b>2,931,195</b>	<b>2,058,401</b>
<b>Net income before transfers</b>		<b>355,259</b>	<b>37,407</b>
Transfer between funds	12	—	—
<b>Net movement in funds</b>		<b>355,259</b>	<b>37,407</b>
<b>Reconciliation of funds:</b>			
. Fund balances brought forward at 1 January	12	1,917,194	1,879,787
. Fund balances carried forward at 31 December	12	2,272,453	1,917,194

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

All income and expenditure in the above two financial periods related to unrestricted funds.

**Balance sheet** 31 December 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	8	<b>8,816</b>	6,683
<b>Current assets</b>			
Debtors	9	<b>844,543</b>	607,919
Cash deposits		<b>420,000</b>	20,000
Cash at bank and in hand		<b>1,762,861</b>	1,877,559
		<b>3,027,404</b>	2,505,478
<b>Liabilities</b>			
Creditors: amounts falling due within one year	10	<b>(763,767)</b>	(594,967)
		<b>2,263,637</b>	1,910,511
<b>Net current assets</b>			
		<b>2,263,637</b>	1,910,511
<b>Total net assets</b>			
	11	<b>2,272,453</b>	1,917,194
<b>The funds of the charity:</b>			
Unrestricted funds			
. General fund	12	<b>2,272,453</b>	1,746,079
. Designated funds	12	—	171,115
		<b>2,272,453</b>	1,917,194
<b>Total funds</b>			
	12	<b>2,272,453</b>	1,917,194

Approved by the trustees and signed on their behalf by:

*Iain MacBeath*

Honorary Treasurer Iain MacBeath

Date of approval: 29/03/21

## Statement of cash flows Year to 31 December 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Net cash provided by (used in) operating activities	A	<b>267,776</b>	(51,227)
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<b>(4,961)</b>	(7,290)
Interest received		<b>13,487</b>	14,326
Net cash provided by investing activities		<b>8,526</b>	7,036
<b>Change in cash and cash equivalents in the year</b>		<b>285,302</b>	(44,191)
<b>Cash and cash equivalents at 1 January 2020</b>	B	<b>1,897,559</b>	1,941,750
<b>Cash and cash equivalents at 31 December 2020</b>	B	<b>2,182,861</b>	1,897,559

### Notes to the statement of cash flows for the year to 31 December 2020.

#### A Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	<b>355,259</b>	37,407
Depreciation	<b>2,828</b>	607
Interest receivable	<b>(13,487)</b>	(14,326)
Increase in debtors	<b>(236,624)</b>	(108,175)
Increase in creditors	<b>168,800</b>	33,260
<b>Net cash provided by (used in) operating activities</b>	<b>276,776</b>	(51,227)

#### B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<b>1,762,861</b>	1,877,559
Cash deposits	<b>420,000</b>	20,000
<b>Total cash and cash equivalents</b>	<b>2,182,861</b>	1,897,559

## **Principal accounting policies** 31 December 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year to 31 December 2020 with comparative information provided in respect to the year to 31 December 2019. The financial statements are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ the valuation of gifts in kind
- ◆ the extent of completion of work funded by contractual income
- ◆ the allocation of support costs
- ◆ the calculation of the provision for bad and doubtful debts
- ◆ the expected useful life of tangible fixed assets used to calculate the annual depreciation charge
- ◆ assessing future income and expenditure flows for the purpose of assessing going concern (see below).

### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements.

**Assessment of going concern** (continued)

The total eventual impact of the ongoing global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, suppliers, beneficiaries and the wider economy. The charity had liquid reserves at 31 December 2020 in excess of the amount set out in its reserves policy. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due including sufficient to enable the charity to operate in the exceptional circumstances created by Covid-19. The most significant areas of judgement that affect items in the financial statements are detailed above.

**Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations (being gifts in kind), sponsorship income, interest receivable, income from charitable activities (comprising grants and contractual income, subscriptions, conference and seminar income and fees) and miscellaneous income.

Gifts in kind (i.e. donated services) are recognised in the period in which it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided to the charity. Such income is recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market. An equivalent amount is included as expenditure.

Sponsorship income is recognised when the charity has entitlement to the income under the relevant sponsorship agreement.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid of payable by the bank.

Income from charitable activities being grants and/or contractual income and income from fees and conferences or seminars is measured at the fair value of the consideration received or receivable, excluding discounts and rebates. Grants from government and other agencies are included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding. Income in respect to seminars and conferences is recognised when the charity has entitlement to such income which is normally on the date of the relevant seminar or conference.

Miscellaneous income is measured at fair value and accounted for on an accruals basis.

### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of promoting high quality social care and social justice

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of personnel development, accounting support, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned based on staff time. This basis is consistent with the use of resources.

### **Tangible fixed assets**

All assets with a cost in excess of £1,000 and an expected useful life exceeding one year are capitalised and depreciated.

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

- ◆ IT and Communications equipment 33.3% per annum based on cost

Depreciation is charged from the date of acquisition.

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand and short term deposits**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

**Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Taxation**

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

**Fund structure**

The general fund represents those monies which are freely available for application towards achieving any charitable purpose that falls within ADASS's charitable objects.

Designated funds are defined as unrestricted funds set aside by the Trustees for particular purposes in the future. The Trustees have the power to reallocate such funds within unrestricted funds until expended.

**Staff costs**

The staff group is made up of direct employees and those employed by the Local Government Association (LGA) on behalf of the charity. Salaries and associated costs for secondees, including contributions to a defined benefit pension scheme operated by the LGA, are initially met by the LGA and then are recharged to the charity. These recharged staff costs are included as expenditure in the statement of financial activities as incurred.

**1 Contracts, grants and service level agreements**

	Total Funds 2020 £	Total Funds 2019 £
Department of Health and Social Care		
. Leadership and Expert Advice on Adult Social Care	166,667	166,666
. Liberty Protection Safeguards	95,336	113,204
. ASCOF	47,222	5,278
. Carers Day Services	47,262	—
. Efficient and Effective Carers Intervention	117,264	149,236
. Local Authority Contingency Plans (Allied)	—	8,495
. Covid-19 funding	1,290,095	—
. Contingency planning for the UK's exit from the European Union	493,053	816,947
Local Government Association		
. Learning Difficulties	—	19,108
. Covid-19 Contract	106,781	—
. Tripartite Agreement	—	62,025
. CHIP SCCMR	60,000	—
Home Office EUSS Grant	5,816	—
<b>2020 Total funds</b>	<b>2,429,496</b>	<b>1,340,959</b>

All income from contracts, grants and service level agreements was unrestricted in both the above years.

**2 Conferences and seminars**

	Total Funds 2020 £	Total Funds 2019 £
Spring seminar	86,129	102,256
Biennial conference	63,265	—
<b>2020 Total funds</b>	<b>149,394</b>	<b>102,256</b>

All income from conferences and seminars was unrestricted in both the above years.

**3 Raising funds**

	Total Funds 2020 £	Total Funds 2019 £
Costs of raising sponsorship and donations	71,253	69,571
Other costs associated with raising funds	601	682
<b>2020 Total funds</b>	<b>71,854</b>	<b>70,253</b>

All expenditure on raising funds was unrestricted in both the above years.

**4 Promotion of high quality social care and social justice**

	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
Special Projects		
. Neighbourhood Integration Project	<b>2,389</b>	—
. Allied	—	1,560
. Safeguarding, Tripartite Agreement	—	58,423
. Autism	—	15,413
. LGA CHIP Covid-19	<b>84,954</b>	—
. LGA CHIP SCCMR	<b>6,000</b>	—
. Contingency planning for the UK's exit from the European Union	<b>50,806</b>	118,643
. DHSC Unpaid Carers Day	<b>12,632</b>	—
. DHSC LPS	<b>61,411</b>	—
. DHSC Covid-19	<b>204,040</b>	—
. ASCOF	<b>35,453</b>	—
. EUSS	<b>5,186</b>	—
. Efficient and Effective Carers Intervention	<b>17,000</b>	31,111
Support to ASC		
. LGA CHIP SCCMR	<b>54,000</b>	—
. DHSC Unpaid Carers Day	<b>32,100</b>	—
. Contingency planning for the UK's exit from the European Union	<b>55,390</b>	320,973
. DHSC Covid-19	<b>1,047,975</b>	—
. Efficient and Effective Carers Intervention	<b>65,250</b>	118,125
. EU Comms	<b>369,475</b>	375,997
Conferences & seminars	<b>47,255</b>	70,268
Sponsorship expenditure	<b>3,937</b>	15,647
Subscriptions	<b>2,650</b>	6,525
Conference distribution	<b>3,900</b>	—
Administration expenses	<b>3,699</b>	10,502
Bad debts	<b>(4,479)</b>	22,754
Event/activity costs	—	773
IT development costs*	<b>26,000</b>	26,000
Professional fees**	<b>16,693</b>	20,242
Staff travel, subsistence and accommodation	<b>767</b>	8,225
Support to the President	<b>48,000</b>	19,500
Irrecoverable VAT	<b>30,537</b>	43,280
Printing and postage	<b>700</b>	4,419
Support costs (note 5)	<b>572,793</b>	699,161
Depreciation	<b>2,828</b>	607
<b>2020 Total funds</b>	<b>2,859,341</b>	1,988,148

\*The majority of these costs relate to donated services in relation to website work provided by OLM Systems.

\*\*In 2020, £15,200 relates to donated services in relation to professional advice provided by Cordis Bright.

There was no restricted expenditure for the promotion of high quality social care and social justice in either of the above years.

## 5 Support costs

	Staff costs £	Office costs £	Total 2020 £	Staff costs £	Office costs £	Total 2019 £
Costs of raising funds (note 3)	<b>71,253</b>	<b>601</b>	<b>71,854</b>	69,571	682	70,253
Costs of charitable activities (note 4)	<b>486,390</b>	<b>86,403</b>	<b>572,793</b>	635,686	63,475	699,161
	<b>557,643</b>	<b>87,004</b>	<b>644,647</b>	705,257	64,157	769,414

Support costs have been allocated based on staff time. This basis is consistent with the use of resources.

Office costs include the costs for office accommodation, IT and HR support. These are based on a service level agreement with the LGA.

Support costs above include the following governance costs:

	2020 £	2019 £
Auditor's remuneration		
. Current year	<b>7,600</b>	7,500
. Other services	<b>2,000</b>	2,000
Insurance		
. Trustees' indemnity	<b>537</b>	436
. Other	<b>758</b>	647
Trustees', Executive Committee and meeting expenses	<b>8,009</b>	13,598
	<b>18,904</b>	24,181

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

## 6 Staff costs

The number of persons employed by the LGA on behalf of the charity or employed directly by the charity during the year was:

	2020 No.	2019 No.
Full time	<b>9.8</b>	7.0
Part time	<b>3.2</b>	2.4
Total	<b>13</b>	9.4

Average head count for the number of employees in the year was 11.2 (2019: 8.5)

**6 Staff costs** (continued)

	2020 £	2019 £
Staff costs during the year were as follows:		
Wages and salaries	699,509	538,748
Social security costs	75,924	57,465
Pension costs	39,635	30,783
	<b>815,068</b>	626,996
Payments to subcontractors	222,057	300,199
Other staff costs	389	3,211
	<b>1,037,514</b>	930,406

Details of the number of employees with emoluments greater than £60,000 (excluding employer's National Insurance and pension contributions) are as follows:

	2020 No.	2019 No.
£60,001 - £70,000	—	1
£70,001 - £80,000	2	2
£80,001 - £90,000	1	—
£90,001 - £100,000	—	1
£120,001 - £130,000	1	—

During the year the following pension contribution amounts were paid in respect to the above higher paid employees:

	2020 £	2019 £
Pension contributions	26,739	21,909

The key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day to day basis comprise the Trustees, the Chief Officer, the Deputy Chief Officer and the Resource Manager of the charity.

The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £264,826 (2019 - £197,537).

**7 Trustees' expenses and remuneration**

ADASS Trustees have an active role as the face and voice of the organisation, including influencing policy and developing partner relationships nationally. Out of pocket expenses incurred performing this role are reimbursed to Trustees or paid for directly by ADASS on their behalf.

During the year, expenses totalling £7,793 (2019: £10,793) have been incurred in respect of two Trustees (2019: five). Expenses comprise hotel accommodation of £236 (2019: £2,448), travel of £957 (2019: £4,298), and subsistence and other expenses of £6,600 (2019: £4,047).

**Notes to the financial statements** 31 December 2020

**7 Trustees' expenses and remuneration** (continued)

No Trustee received any remuneration in the year (2019: £nil) from the charity.

The charity has purchased insurance to protect it from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £537 (2019: £436) and provides cover of up to a maximum of £1 million (2019: £1 million).

**8 Tangible fixed assets**

	IT & Comms equipment 2020 £
<b>Cost</b>	
At 1 January 2020	7,290
Additions	4,961
At 31 December 2020	<u>12,251</u>
<b>Depreciation</b>	
At 1 January 2020	608
Charge for the year	2,828
At 31 December 2020	<u>3,436</u>
<b>Net book value</b>	
As at 31 December 2019	<u>6,682</u>
As at 31 December 2020	<u>8,816</u>

**9 Debtors**

	2020 £	2019 £
Contract income and grants receivable	697,285	486,073
Other debtors	126,686	91,693
Prepayments	20,572	30,153
	<u>844,543</u>	<u>607,919</u>

**10 Creditors: amounts falling due within one year**

	2020 £	2019 £
Accruals	62,291	23,675
Other creditors	17,842	—
Amounts owed to Regions	491,698	315,885
Taxation and social security	126,436	139,743
Deferred income	65,500	115,664
	<b>763,767</b>	<b>594,967</b>

Deferred income relates to amounts invoiced in relation to 2020 funding.

	2020 £	2019 £
Deferred income as at 1 January	115,664	169,294
Released in the year	(115,664)	(169,294)
New deferrals	65,500	115,664
Deferred income as at 31 December	<b>65,500</b>	<b>115,664</b>

**11 Analysis of net assets between funds**

	2020			2019		
	Unrestricted funds		Total 2020 £	Unrestricted funds		Total 2019 £
	General Fund £	Designated Funds £		General Fund £	Designated Funds £	
Tangible fixed assets	8,816	—	8,816	6,683	—	6,683
Current assets	3,027,404	—	3,027,404	2,334,363	171,115	2,505,478
Current liabilities	(763,767)	—	(763,767)	(594,967)	—	(594,967)
	<b>2,272,453</b>	<b>—</b>	<b>2,272,453</b>	<b>1,746,079</b>	<b>171,115</b>	<b>1,917,194</b>

**12 Funds**

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Designated funds					
. NCAS Conference	91,115	—	—	(91,115)	—
. Support fund	80,000	—	—	(80,000)	—
General fund	1,746,079	3,286,454	(2,931,195)	171,115	2,272,453
	<b>1,917,194</b>	<b>3,286,454</b>	<b>(2,931,195)</b>	<b>—</b>	<b>2,272,453</b>

**12 Funds** (continued)

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Designated funds					
. NCAS Conference	182,231	—	—	(91,116)	91,115
. Support fund	90,000	—	—	(10,000)	80,000
General fund	<u>1,607,556</u>	<u>2,095,808</u>	<u>(2,058,401)</u>	<u>101,116</u>	<u>1,746,079</u>
	<u>1,879,787</u>	<u>2,095,808</u>	<u>(2,058,401)</u>	<u>—</u>	<u>1,917,194</u>

**NCAS Conference fund:**

The fund comprised the charity's share of the surplus generated from the conference in 2018. The transfer from this fund to the general fund during the year of £91,115 (2019 - £91,116) is to support the core activities of the charity.

**Support fund:**

The support fund comprised monies designated during prior years to provide the charity with a 'cushion' to mitigate a known risk of unusual expenditure associated with a staffing matter. The transfer from this fund to the general fund during the year of £80,000 (2019 - £10,000) reflects the change in the amount estimated as required to mitigate this risk.

**13 Related party transactions**

ADASS holds service level agreements with the Local Government Association (LGA) for office rental, media services and the employment within the charity. The total amount charged to ADASS by the LGA during the year was £257,110 (2019: £243,650). The balance owed to the LGA at 31 December 2020 was £nil (2019: £nil).

In 2020, ADASS made a contribution to the President's employer in recognition of the significant time required to perform the role within the charity. ADASS paid £48,000 (2019 - £nil) to Norfolk County Council in respect to this. ADASS paid £nil (2019 - £18,000) to Central Bedfordshire Council in respect to this.

ADASS received £nil (2019: £5,000) from Lincolnshire County Council as reimbursement for contractor expenditure.

All Trustees are also members of ADASS with their respective local authorities meeting the cost of their subscriptions on an arms-length basis. Other transactions with Trustees are disclosed in note 7 to these financial statements.

There were no other related party transactions in the year requiring disclosure (2019 - none).