



**ALARM**

embrace risk

**ANNUAL REPORT  
AND ACCOUNTS 2020**



# PRESIDENT'S STATEMENT

I am pleased to present ALARM's annual report and accounts for 2020. It will be no surprise to read this has been the most extraordinary year for ALARM. At the time of writing, it has been just over one year since the first positive case of COVID-19 was diagnosed in Scotland, there having been confirmed cases in England a few weeks before.

Even in pre-lockdown March 2020, the thought of repeated countrywide lockdowns, the closure of many businesses for prolonged periods and a heart wrenching number of people sadly succumbing to COVID-19 was most probably in very few of our minds.

To every one of you personally affected, the ALARM Board and Office extends our sympathy and support. We would like to assure you that our members and sponsors really do feel like family.

Notwithstanding the enormous challenges thrown our way I am pleased to report that we end the year in a stable financial position, thanks in the main to the continued support of members and of course our sponsors. Your continued support bodes well for ALARM as the country pulls itself towards recovery.

By April 2020 our core offerings, based around face-to-face contact opportunities between sponsors and members, were withdrawn. Terminology like 'social distancing', 'shielding', 'homeworking' and 'isolation' were introduced into everyday work discussions.

I would like to particularly thank the ALARM Office for their unstinting efforts in transforming our delivery channels in what often seemed to be a 'seamless' transition but in reality was the product of tireless work and innovation. Thankfully our team were absolutely on top of modern delivery methods, which, by now everyone has accepted as the norm for everyday working.

A special mention must go to my fellow Board members for their support and commitment, especially at a time when the day job has been overwhelming.

This level of resilience from within ALARM, and member and sponsor willingness to adapt to a different way of working for me is the true measure of our success in 2020.

I would also like to highlight how important I feel our member journal *stronger* has been in 2020. It has been our regular 'reach out' to our members in these difficult times. I am grateful to the editorial team and the many individual contributors of articles from right across the ALARM family who have delivered consistently quality content.

The changes agreed at the AGM in 2020 to Board governance arrangements and the establishment of an Advisory Panel made up of practitioners and sponsors will enhance resilience and encourage new ideas and faces. I would encourage members who wish to help shape the future of ALARM to contact the Office for further details.

While in many ways this has been the strangest of years to report on, in the UK we are in the enviable position of having one of the world's fastest vaccine rollout programmes, and with that, comes that word we have all been looking for during the last 12 months, 'hope'. Hope for a safer future for all our loved ones. Hope for a return to a more normal personal and working life where we can meet up, interact and forge those relationships which are the strength behind ALARM.

Until then I can think of no two better plagiarised quotes to finish on than 'stay safe' and 'tomorrow will be a good day'.

**Graeme Mackenzie**  
**ALARM President**



# ABOUT ALARM

ALARM is a not-for-profit professional membership association that has supported risk management professionals for 30 years. We provide our members with outstanding support including training, guidance & best practice, networking, and industry recognition for excellence across risk management.

With over 900 members, we are one of the UK's leading risk management professional associations.

**Membership is available to anyone with a responsibility for (but not limited to) risk, insurance, business continuity, governance, health and safety, assurance, audit and anti-fraud, across the following:**

- Local government – all councils and unitary and devolved authorities
- Blue light – police, fire and rescue, ambulance services and NHS trusts
- Housing – registered providers, arm's-length management organisations and local authorities
- Third sector – charities and not-for-profit organisations
- Education – schools and academies, universities and colleges
- Central government departments and agencies
- Organisations commissioned to provide services to communities and citizens.

## Our vision

ALARM's vision is that professionals with the responsibility for the management of risk are trained, supported and recognised for the excellent work they do. The terms risk management and management of risk are used for consistency in this plan, though it is recognised that a number of other professions fall within this scope. These include, but are not limited to: insurance, business continuity, governance, health and safety, assurance, audit and counter-fraud.

## Our voice

ALARM sets the professional standard on what strong risk management looks like. The purpose of ALARM's voice is to highlight and inform members on relevant, topical changes and developments in the sector, so they can make informed and balanced judgments in connection with their profession.

## Our structure

### ALARM BOARD

Elected or appointed volunteer directors from the membership responsible for the strategic management and future planning of the organisation.

### ADVISORY PANEL

Volunteers from the membership that assist the Board and Office in planning outputs.

### FOCUS GROUP

Directors, members and Office representatives that plan, deliver and monitor outputs against key performance indicators.

### MEMBER NETWORK BRANCH AND SECTOR GROUPS

Volunteer members that plan and deliver regional events.

### SUPPLIERS

External companies that provide a range of services that support the delivery of outputs.

### SPONSORS

Partner companies that provide financial and technical support to help ALARM achieve key strategic objectives.

## Our key strategic objectives

Be a highly valued, respected and influential professional membership association to members and other stakeholders.

Be a resilient and sustainable business (in pandemic and post-pandemic times).

Deliver on member and other stakeholder promises and offers with an ambition to exceed them.

# 2020 IN REVIEW

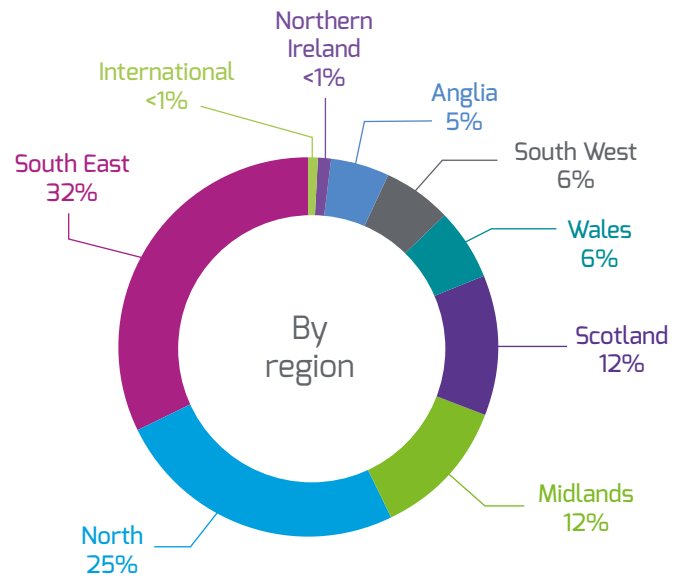
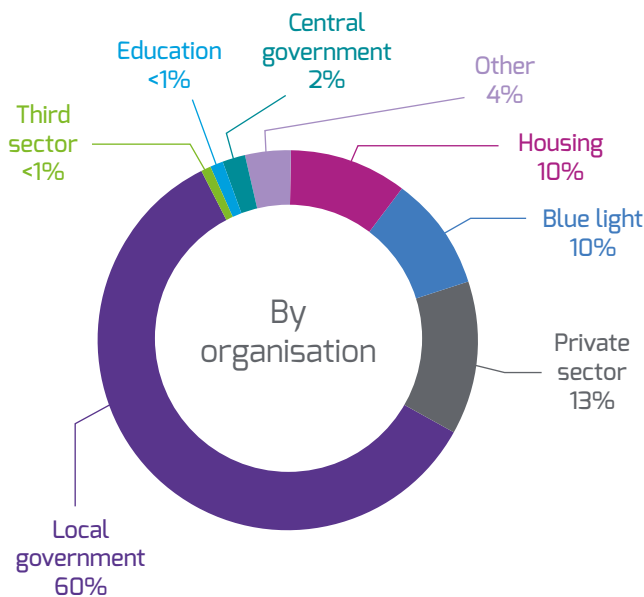
As the pandemic developed throughout 2020, ALARM had to learn to adapt very quickly to the changing landscape. Due to pandemic pressures, it was sadly not possible for us to deliver our flagship Conference, Exhibition and Risk Awards. We were however, able to deliver many of our other popular offerings, as well as a wealth of new benefits.

## In 2020, we delivered:

- Four bumper issues of *stronger*, the ALARM journal.
- Two guides
- Fifty-two webinars
- Eighty-six web news articles
- Eight virtual training courses
- Two virtual two-day conference
- Six face-to-face events.

## Membership

In 2020 we supported 384 organisations and ended the year with a total of 918 members.



## Events

We were able to host six face-to-face events before lockdown measures were introduced by the UK Government. In September, we hosted our first ever virtual Conference which covered eight, one-hour long sessions over two days. Topics on offer to all members reflected the extraordinary year we were all experiencing; agile working, wellbeing in the workplace, reducing stress risks, profiteering from the pandemic, climate change and much more.

In October, the Scotland virtual conference reflected life in the aftermath of the pandemic.

These events were staged with the support of our sponsors who provide subjects, speakers and venues for many of our events. Also, our members share their valuable practitioner experiences.

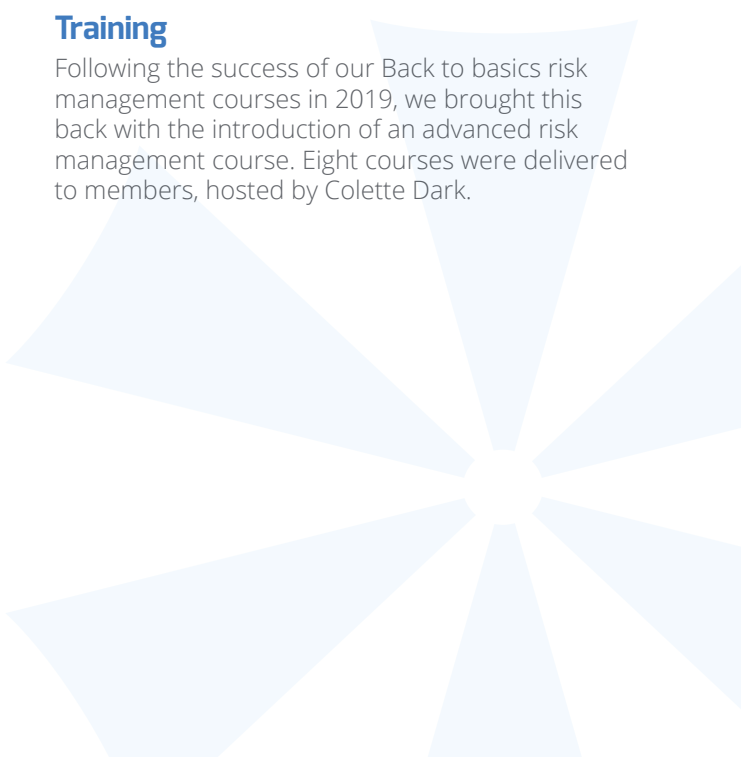
These networking opportunities are unique to our members. They also provide bespoke educational and professional development prospects for those managing risk in public services.

In 2020, as most sector and regional events were online, it opened up further opportunities for wider sharing and more diverse networking.

Our regional and sector events would not be possible without the support and dedication of the committees and the ALARM Office. We are grateful for all volunteers' ongoing commitment to ALARM.

## Training

Following the success of our Back to basics risk management courses in 2019, we brought this back with the introduction of an advanced risk management course. Eight courses were delivered to members, hosted by Colette Dark.



## Publications

Content for our publications, including guidance documents and *stronger*, the ALARM journal, was created by sponsors, practitioners and external authors with specialist knowledge. Apart from the Editor and Editorial Assistant of *stronger*, ALARM does not use professional writers and we are grateful for all author submissions and their time spent developing content for us in 2020.

Feedback from the membership on previously published content indicated that, alongside insight from sponsors, case studies and personal professional experiences from practitioners is particularly appreciated. To reflect this we launched a new series of guides based on practitioner stories, supported by relevant tips and guidance from sponsors.

In October, *Transforming organisations* was launched, with six practitioner sections, then followed by *Climate change ambition to action* with five practitioner sections, in December. These guides were well received, and similar format publications, along with other guidance documents, are planned for 2021.



## Sponsorship

It would not be possible for ALARM to evolve and continue supporting members, without the commitment and dedication of our sponsors. Throughout the pandemic, they have continued to provide their expert guidance at our virtual events, contributed to guidance documents and *stronger*, written web articles and much more. We are grateful for their support in 2020.

## CORPORATE SPONSORS 2020

### Platinum sponsors



### Gold sponsors



### Silver sponsors



### Bronze sponsors



# COMPANY SECRETARY'S REPORT



ALARM is a company registered by guarantee which was established in 2008, although as a membership organisation has existed since 1991. The Articles of Association set out its governance arrangements, including the powers and responsibilities of the Board, memberships, meetings of company members, Board meetings and other matters.

This report forms part of ALARM's annual report and accounts which it is required to produce for members in accordance with paragraph 23 of the Articles of Association. The period covered in this report aligns with ALARM's financial year (1 January to 31 December 2020).

## Changes to the Board

At the AGM held on 23 June 2020, the membership of ALARM approved new Articles of Association and Rules. These replaced the previous Articles.

During 2020, the Board changed its way of working and has been meeting virtually on a monthly basis. Given the unprecedented challenges faced by ALARM and our members, the Board has decided, in accordance with the Articles and Rules, to defer the holding of elections to the Board until 2022 and have asked existing Directors to continue to undertake their roles for the time being.

From the 2020 AGM, the named official functions were fulfilled by:

- **President**  
Graeme Mackenzie
- **Company Secretary**  
Peter Andrews
- **Finance Director**  
Chris Walker

The post of Vice President was left vacant.

**Peter Andrews**  
Company Secretary

## The Board

The Board is comprised of directors elected from the membership, individuals appointed by the Board or co-opted on a non-voting basis. The Board met on 11 occasions in 2020.

## Board attendance

Below is a summary of attendance at Board meetings in 2020.:

	% of attendance
<b>Peter Andrews</b>	92%
<b>Paul Dudley</b>	83%
<b>Graeme Mackenzie</b>	92%
<b>Karen Locke</b>	90%
<b>Beverley Nichol-Culff</b>	100%
<b>Kerry O'Donovan</b>	42%
<b>Wayne Rigby</b>	100%
<b>Chris Walker</b>	100%
<b>Perry Hill (Co-opted)</b>	100%



# FINANCE DIRECTOR'S REPORT



The accounts for the year ended 31 December 2021 are detailed on pages 16 to 25 of this report. Once again, our auditors, Thompson Jenner LLP have issued an unqualified opinion on the accounts and have not raised any issues of concern that need to be brought to the attention of the membership.

Despite navigating the most challenging economic parameters in our history, I am pleased to report that ALARM delivered a budget surplus of £56,241 in 2020. This robust performance was largely attributable to pandemic restrictions and their impact on both our annual programme of events and governance arrangements. While face-to-face events have been restricted, we remain grateful to our sponsors for allowing us to utilise their venues, knowledge and expertise when delivering content for members. We were able to offer a significant number of digital events and webinars in 2020, including our first ever virtual conference and these will continue to feature as key product streams in the future.

Expenditure continues to be closely monitored, and thanks to the hard work of the ALARM team we were once again able to reduce our operating costs compared to the previous year. In June, the Board recast its annual budget to take into account the impact of COVID-19, removing significant income and expenditure from annual projections. While many budget lines came in on or under budget, some expenditure was higher than anticipated due to development works required to deliver digital training and events across the year.

## Financial outlook for 2021 and beyond

At the time of writing, the UK remains in a national lockdown and it is clear that restrictions in some form will continue into the medium-term. The Board were mindful of this when setting the 2021 budget and have ensured appropriate provisions are in place to deliver high quality member benefits throughout the year. Income and expenditure is scrutinised at each Board meeting, and controls to protect our ongoing financial resilience are tracked as part of our risk management arrangements.

The strength of ALARM has always been in its members, and our focus continues to be the offering of events and content that are accessible to all. The Board has reaffirmed its commitment to a comprehensive range of products and services as part of annual membership, including attendance at the ALARM Conference in whatever form this takes. A range of exciting guidance documents are planned this year, with an enhanced budget available to ensure their successful delivery.

In summary, I am pleased to report that our balance sheet remains in a healthy position and, while challenges within our operating environment remain, I am confident that the company can continue to operate at its current level.

**Chris Walker**  
Finance Director

# CONTENTS

ALARM, the public risk management association  
A company limited by guarantee

## Directors' report and financial statement for the year ended 31 December 2020

Thompson Jenner LLP  
Chartered Accountants and Statutory Auditor  
1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG

### Pages

Company information	11
Statement of Director's responsibilities	11
Directors' report for the year ended 31 December 2020	13
Profit and loss account	16
Statement of comprehensive income	18
Statement of changes in equity	19
Notes to the financial statements	20
Detailed profit and loss account	22

# COMPANY INFORMATION

## President

- Graeme Mackenzie

## Company Secretary

- Peter Andrews

## Finance Director

- Chris Walker

## Directors

- Peter Andrews
- Paul Dudley
- Karen Locke
- Graeme Mackenzie
- Beverley Nichol-Culff
- Kerry O'Donovan
- Wayne Rigby
- Chris Walker
- Perry Hill (Co-opted)

## Registered office

- Unit B, Ulysses Park  
Heron Road  
Exeter  
Devon  
EX2 7PH

## Bankers

- HSBC
- National Westminster Bank plc
- Saffron Building Society

## Registered office

- Thompson Jenner LLP  
Chartered Accountants and Statutory Auditor  
1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG

# STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors acknowledge their responsibilities for preparing the annual report and the financial statement in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with *United Kingdom Generally Accepted Accounting Practice (United Kingdom Accountant Standards and applicable law)*. Under company law the Directors must not approve of the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period.

**In preparing these financial statements, the Directors are required to:**

- Select suitable accounting policies and apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the *Companies Act 2006* and in accordance with the *United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law)*. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report and the financial statements for the year ended 31 December 2020.

## Directors of the company

The Directors who held office during the year were as follows:

- Peter Andrews – Company Secretary
- Paul Dudley
- Angela Gooch (resigned 6 April 2020)
- Karen Locke (appointed 23 June 2020)
- Graeme Mackenzie – President
- Beverley Nichol-Culff
- Kerry O'Donovan
- Wayne Rigby
- Chris Walker – Finance Director

## Principal activity

The principal activity of the company is to assist, advise and represent public service organisations in the promotion, development and delivery of integrated risk management.

## Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

## Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within *Part 15* of the *Companies Act 2006*.

Approved by the Board on 23 March 2021 and signed on its behalf by:

**Peter Andrews**  
Company Secretary

# INDEPENDENT AUDITOR'S REPORT

## Opinion

We have audited the financial statements of ALARM, the public risk management association (the 'company') for the year ended 31 December 2020, which comprise the profit and loss account, statement of comprehensive income, balance sheet, statement of changes in equity, and notes to the financial statements, including a summary of significant accounting policies.

The financial accounting framework that has been applied in their preparation is applicable law and *United Kingdom Accounting Standards*, including *Financial Reporting Standard 102 Section 1A – '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 company's affairs as at 31 December 2020 and of its loss for the year then ended.
- Have been properly prepared in accordance with *United Kingdom Generally Accepted Accounting Practice*.
- 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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 Directors' 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 company's ability to continue as a going concern for a period of at least 12 months from when the original financial statements were authorised for issue.

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

## Other information

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

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

## Opinion on other matter 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Directors' report has been prepared in accordance with applicable legal requirements.

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

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

### We have nothing to report in respect of the following matters where 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.
- The financial statements are not in agreement with the accounting records and returns.
- Certain disclosures of Directors' remuneration specified by law are not made.
- We have not received all the information and explanations we require for our audit.
- The Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

## Responsibilities of Directors

As explained more fully in the Statement of directors' responsibilities (set out on page 11), the Directors 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 Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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 Directors either intend to liquidate the 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.

### Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, are 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 company through discussions with the Directors and other management, and from our commercial knowledge and experience of the sector.
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the *Companies Act 2006*, taxation legislation, data protection and health and safety legislation.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

**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 journal entries to identify unusual transactions.
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.
- Investigated the rationale behind any 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 those charged with governance.
- Enquiring of management as to actual and potential litigation and claims.
- Reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures as 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 the Directors and other 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 is available on the Financial Reporting Council's website at: [frc.org.uk/auditorsresponsibilities](http://frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Neil Curtis (Senior Statutory Auditor)  
For and on behalf of Thompson Jenner LLP,  
Statutory Auditor

1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG

Date:

# PROFIT AND LOSS

## Profit and loss account for the year ended 31 December 2020

	<b>Total 31 December 2020 £</b>	<b>Total 31 December 2019 £</b>
Turnover	327,978	553,344
Administrative expenses	(299,613)	(473,798)
Operating surplus	28,365	79,546
Gain on financial assets at fair value through profit and loss account	20,273	30,735
Other interest receivable and similar income	7,603	9,072
Surplus before tax	5 56,247	119,353
Taxation	-	180
Surplus for the financial year	56,541	119,533

The above results were derived from continuing operations.

The company has no recognised gains or losses from the year other than the results above.

# STATEMENT OF COMPREHENSIVE INCOME

## Statement of comprehensive income for the year ended 31 December 2020

	<b>2020 £</b>	<b>2019 £</b>
Surplus for the year	56,241	119,533
Total comprehensive income for the year	56,241	119,533



# BALANCE SHEET

Balance sheet as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	6	1,735	2,728
Other financial assets	7	417,040	398,286
		<hr/> 418,775	<hr/> 401,014
<b>Current assets</b>			
Debtors	8	39,549	50,552
Cash at bank and in hand		589,352	425,299
		<hr/> 628,901	<hr/> 475,851
Creditors: Amounts falling due within one year	9	(133,464)	(18,894)
		<hr/> 495,437	<hr/> 456,957
Net current assets			
		<hr/> 914,212	<hr/> 857,971
Net assets			
		<hr/> <hr/>	<hr/> <hr/>
<b>Capital and reserves</b>			
Profit and loss account		914,212	857,971
		<hr/>	<hr/>
Total equity		<hr/> 914,212	<hr/> 857,971
		<hr/> <hr/>	<hr/> <hr/>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within *Part 15* of the *Companies Act 2006*.

Approved and authorised by the Board on 23 March 2021 and signed on its behalf by:

**Chris Walker**  
Finance Director

# STATEMENT OF CHANGES IN EQUITY

## Statement of changes in equity for the year ended 31 December 2020

	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 January 2020	857,971	857,971
Surplus for the year	56,241	56,241
<b>Total comprehensive income</b>	<b>56,241</b>	<b>56,241</b>
At 31 December 2020	914,212	914,212

	<b>Profit and loss account £</b>	<b>Total (£)</b>
At 1 January 2019	738,438	738,438
Surplus for the year	119,533	119,533
<b>Total comprehensive income</b>	<b>119,533</b>	<b>119,533</b>
At 31 December 2019	857,971	857,971

# NOTES TO FINANCIAL STATEMENTS

## 1. General information

The company is a company limited by guarantee incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

**Unit B, Ulysses Park  
Heron Road  
Exeter  
Devon  
EX2 7PH**

## 2. Accounting policies

### Summary of significant accounting policies and key accounting estimates

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

### Statement of compliance

These financial statements have been prepared in accordance with *Financial Reporting Standard 102 Section 1A – 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'* and the *Companies Act 2006*.

### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown as fair value.

The Directors have considered the impact of COVID-19 and do not consider it to have a material impact on the balances included within the financial statements.

In addition, the Directors do not consider it to cast any significant doubt upon the charity's ability to continue to trade as a going concern.

The Directors have taken both reactive and proactive measures in order to mitigate any risks associated with COVID-19 including managing cash flow to ensure that debts can be paid when they fall due and monitoring key customer and supplier activity.

The Directors have implemented a robust system of procedures and controls in order to deal with the associated risks.

### Revenue recognition

Turnover represents the total invoice value, net of value added tax, in respect of membership fees, conference income, sponsorship and income generated by the regions and derives from the provision of services falling within the company's ordinary activities. Turnover is recognised upon agreement with the member, upon signing of a sponsorship agreement or on a booking confirmation received from a member.

### Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciated and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost

of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	25% straight line

## Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

## Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least 12 months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## 3. Staff numbers

The average number of persons employed by the company (including Directors) during the year, was 0 (2019 - 0).



#### 4. Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	3,500	3,500
Other fees to auditors		
All other non-audit services	2,513	2,513

#### 5. Profit before tax

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	993	993

#### 6. Tangible assets

	Furniture, fittings and equipment £	Total £
<b>Cost or valuation</b>		
At 1 January 2020	3,973	3,973
At 31 December 2020	3,973	3,973
<b>Depreciation</b>		
At 1 January 2020	1,245	1,245
Charge for the year	993	993
At 31 December 2020	2,238	2,238
<b>Carrying amount</b>		
At 31 December 2020	1,735	1,735
At 31 December 2019	2,728	2,728

## 7. Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 January 2020	398,286	398,286
Fair value adjustments	20,167	20,167
Additions	44,094	44,094
Disposals	(45,507)	(45,507)
At 31 December 2020	417,040	417,040

## 8. Debtors

	2020 £	2019 £
Trade debtors	6,112	5,976
Other debtors	10,407	22,684
Prepayments and accrued income	23,030	21,892
Total current trade and other debtors	39,549	50,552

## 9. Creditors

	2020 £	2019 £
<b>Due within one year</b>		
Trade creditors	3,902	494
Other creditors	3,638	8,247
Accruals and deferred income	125,924	10,153
	133,464	18,894

## 10. Financial instruments

### Financial assets measured at fair value

#### *Listed investments*

The fair values of the assets and liabilities held at fair value through profit and loss at the balance sheet date are determined using quoted prices.

The fair value is £417,043 (2019 - £398,286) and the change in value included in profit and loss is £18,757 (2019 - £30,854).

# DETAILED PROFIT AND LOSS ACCOUNT

Detailed profit and loss account for the year ended 31 December 2020

	2020 £	2019 £
Turnover	327,978	553,344
Gross surplus (%)	100%	100%
<b>Administrative expenses</b>		
Employment costs	(168,000)	(211,205)
General administrative expenses	(129,166)	(259,730)
Finance charges	(1,454)	(1,870)
Depreciation costs	993	(993)
	(299,613)	(473,798)
Operating surplus	28,635	79,546
Gain on financial assets at fair value through profit and loss account	20,273	30,735
Other interest receivable and similar income	7,603	9,072
Surplus before tax	56,241	119,353
<b>Turnover</b>		
ALARM membership fees	148,427	148,726
Annual Conference income	-	207,987
Training income	500	100
Corporate sponsorship	176,650	185,150
Regional income	450	2,421
Benchmarking club income	-	5,675
Registered risk practitioner	950	600
Other income	131	110
Website income	870	2,665
	327,978	553,344
<b>Employment costs</b>		
Administration contractor	168,000	211,205



	<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
<b>General administrative expenses</b>		
Insurance	4,959	4,959
Civic representation	123	796
Regional expenditure	4,216	24,174
Training expense	14,688	4,735
Consumables Exeter	5,009	22,677
Committee costs	2,996	22,470
Annual Conference costs	19,559	97,648
Advertising	13,548	8,554
Stronger	47,011	58,915
President's hospitality	1,110	841
Auditor's remuneration - the audit of the company's annual accounts	3,500	3,500
Auditors' remuneration - non-audit work	2,513	2,513
Business plan	2,830	962
Legal and professional fees	7,104	6,986
	<u>129,166</u>	<u>259,730</u>
<b>Finance charges</b>		
Bank charges	<u>1,454</u>	<u>1,870</u>
<b>Depreciation costs</b>		
Depreciation of fixtures and fittings (owned)	<u>993</u>	<u>993</u>
<b>Gain/(loss) on financial assets at fair value through profit and loss account</b>		
Listed fixed asset investment movement	<u>20,273</u>	<u>30,735</u>
<b>Other interest receivable and similar income</b>		
Interest income on financial assets	2,861	3,222
Bank interest receivable	2,018	1,967
Dividend income from financial assets	2,724	3,883
	<u>7,603</u>	<u>9,072</u>



# ALARM

Contact us for more  
information about ALARM  
and membership

01297 680417

[admin@alarmrisk.com](mailto:admin@alarmrisk.com)

[alarmrisk.com](http://alarmrisk.com)

