

REGISTERED COMPANY NUMBER: 03549029 (England and Wales)
REGISTERED CHARITY NUMBER: 1070331

**Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2023
for
National Governance Association**

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

National Governance Association

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National Governance Association

Report of the Trustees for the Year Ended 31 March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The National Governance Association (NGA) aims to improve the educational well-being of children and young people by promoting high standards in England's state funded schools and by improving the effectiveness of their governing boards. NGA is the membership association for governors, trustees and governance professionals in England's state schools and trusts.

Membership of the NGA is open to Governing Boards of individual schools (at a standard and a GOLD rate) and of multi academy trusts (MATs), to Associations of Governing Boards (normally covering a local authority area but independent of the local authority), to individual governors, trustees, clerks/governance professionals, and to public authorities and companies who have an interest in school/trust governance. We also offer a range of professional development for governors, trustees, chairs of boards, governance professionals and executive leaders. Our e-learning Learning Link is now the market leader.

At NGA we value: the voices of all; evidence, expertise, and our independence.

As well as embracing the Nolan Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; leadership) and the Framework for Ethical Leadership in Education (trust; wisdom; kindness; justice; service; courage; optimism) we champion fairness and opportunity for all young people, equality, diversity and inclusion for all. We aim to be creative, visionary and agile.

Ensuring our work delivers our aims

We aim to be the go-to trusted and valued authority for schools and trust governance, and to ensure the voices of those involved in school and trust governance are heard. We strive to influence relevant policy and shape the practice and culture of governance in a way which strengthens accountability. We empower those in school and trust governance with valuable resources, expert support and e-learning so that pupils can flourish.

We review our strategy annually, looking at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success towards achieving each strategic priority and the benefits they have brought to those groups of people we are set up to help. The review allows the trustees to ensure that our strategy and activities remain focused on our stated purposes, and the chief executive reports on that throughout the year.

In order to improve NGA's services as part of the strategic review the board of trustees decided to invest some of our reserves in a new website with far more capability. This new website is to be live just after this financial period in the summer term of 2023, but the majority of the expenditure on its development occurs in this financial year.

Alongside this the trustees agreed that for the first time in NGA's 17 years we would update our brand which has also been launched after this financial year.

NGA's two main areas of income and service come from our membership offers and our e-learning, Learning Link, part of our professional development offer. One of the improved functionalities on the new website will be to enable a single sign on for membership and learning link.

To ensure we were meeting the needs of academy trusts, this year we undertook a substantial review of our membership offer to MATs, consulting trusts on their needs. The revised offer takes effect from the beginning of 2023/24, with improvements including access to the GOLD advice services and more support available to local governors as well as the trustees, such as access to "Welcome to Governance Live" sessions.

National Governance Association

Report of the Trustees for the Year Ended 31 March 2023

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Key achievements and successes during the period include the following:

The annual survey of NGA members carried out in autumn 2022 showed again that the elements of the membership package - the Knowledge Centre (membership area of the website), "Governing Matters" magazine, and the weekly e-newsletter sent to members each Friday during term-time - continue to be well received. The number of calls to the GOLD advice line continues to increase as the number of GOLD members grows. Legal advice is given in partnership with the legal firm Browne Jacobson.

Virtual events are rated well in the survey with our monthly webinars remaining a popular part of our offer. We ran 34 online events as well as seeing the return of our annual conference/AGM as a face-to-face event in November. Attendance at the events in 2022/23 totalled 4,301 for the year, and there were more than an additional 5000 post-event views of the webinars.

Induction Guides: There is also continued high satisfaction with our publications, "Welcome to Governance", "The Chair's Handbook" and Welcome to a Multi- Academy Trust" (MAT). New editions of the Chairs Handbook and "Welcome to Governance" were published during this financial year.

The Governing Chatters podcast: audience has continued to grow with almost 14,000 downloads this year, in part due to two very popular episodes that have reached beyond the governance community. The podcast is now available on all major podcast apps which has helped to increase reach.

Professional development offer: We have continued to deliver our training and consultancy services this year with a choice of remote or face to face delivery. This work continues to provide a useful insight to the guidance needed for governing boards to help them improve. We have also extended our Leading Governance development offer to include a programme for academy trustees which has proved popular. We also developed induction sessions for senior leaders, at both school and trust level, on governance as there was a gap in the provision across the sector. Our consultancy service continues to be the largest supplier of external reviews of governance in the sector, particularly for trusts.

We continue to deliver and continuously improve our e-learning offer, Learning Link. By the end of 2022/23, very nearly half of schools, including academies, subscribed to Learning Link. We have 55,000 registered users, an increase of approximately 13,000 or 30% on the previous year, and 97% of users who have completed modules would recommend them to others. This year we have particularly increased and improved our offer to clerks/governance professionals and on panel work.

NGA successfully delivered the National Leaders of Governance programme for the Department for Education tender for its first full year. The autumn saw a successful independent evaluation report published by the DfE.

Governance professionals: We have also improved the services available to governance professionals and devoted considerable time to consulting them on their needs to inform the building of our substantial collection of resources, including for those working within trusts. Our Learning Link offer has been transformed. As well as providing resources and networking opportunities, NGA continues to raise the profile and status of governance professionals working in schools and academy trusts. December 2022 saw the publication of a career pathway for governance professionals, a freely available on the NGA website. The pathway has a wealth of content aimed at helping governance professionals to further their career and is also highly relevant to governing boards and employers in schools, trusts and service providers. The pathway was endorsed by Baroness Barran, Parliamentary Under Secretary of State for the Department for Education and has been warmly welcomed by the schools' sector.

Services for different school structures: we continue to serve all governance structures, example our termly virtual governance leadership forums have become business as usual, providing governance and executive leaders in similar school structures with a format to share experiences and good practice, with specific forums provided for local authority maintained schools, single academy trust (SATs), MAT trustees, and local academy committees. All our offers are considered as to whether they suit all four types of governance.

National Governance Association

Report of the Trustees for the Year Ended 31 March 2023

NGA has continued to be at the front of the curve on the conversation and practice of MAT governance. For example, in April 2002 we published a thought piece on local governance in MATs which continued to gather traction as we tested its recommendations in various ways. We also published a MAT specific survey report in September that achieved significant media attention, as did a further survey report built on the responses from 100 different MATs showcasing their view on system development following the DfE's White Paper to inform its regulatory and commissioning review. We have continued to update and add to our guidance on trusts, including taking the lead on the third edition of our joint guide with Association School and College Leaders and BrowneJacobson for schools looking to join or form a MAT - Taking the Next Step.

Working with partners: We also work with a large number of partners in the sector to further the effectiveness of governing boards. Some of our content has been the result of collaboration with partners, for example, the popular guide covering what school leaders and those governing should expect from each other are written with and backed by the Association of School and College Leaders (ASCL), the National Association of Head Teachers (NAHT), the Local Government Association (LGA) and the Institute of School Business Leaders (ISBL). For its sixth edition in April 2022, the guide has been created as two distinct versions to reflect how governance models have changed with one for single schools and another for multi academy trusts.

We also updated our succession planning guidance which the two governor recruitment services (Inspiring Governance and Governors for Schools) supported. Inspiring Governance also provides a copy of "Welcome to Governance" to new governors successfully appointed. Our key projects on environmental sustainability, EDI (equality, diversity and inclusion) and disadvantaged pupils all gained substantially from input from many other expert organisations, as did our summer seminars which covered similar topics. Similarly our work on wellbeing gained enormously from us being part of the Well Schools initiative, coordinated by the Youth Sport Trust. We would like to acknowledge particularly for their support with our disadvantage toolkits: The Child Poverty Action Group, The Children's Society, Place 2 Be and Class 13. We are also active members of the Fair Education Alliance and the Foundation for Education Development.

Research and governance policy: In the summer term we undertook the annual governance survey 2022, publishing three themed reports in September which secured more media coverage and sector attention than ever before. It forms the only significant data on the experiences of those who govern our schools and trust and is used by many others, including the Department for Education (DfE). NGA raised concerns with Ofsted on the day of the publication of a new study "School inspection: a view from the board, two years on" in June 2022 looking at the experiences of governors, trustees and school leaders questioned during Ofsted inspections

Through our work we have been instrumental in informing and influencing policy, practice and guidance changes. NGA continues to be represented at many DfE meetings, both at roundtables and bi-laterals. We are represented on several DfE stakeholder groups, including the School Academy Funding Group, the Academies Finance and Assurance Steering Group, and the Ofqual stakeholders group. We were represented on a number of DfE working groups including its Flexible Working Advisory Group, Mental Health in Action group and its sustainability and climate change group. This year we also had instrumental roles in informing the DfE's response to their regulatory and commissioning review and the development of their MAT CEO programme where our idea of involving chairs of boards was taken up. NGA's parliamentary focus and visibility has also been targeted in the last 12 months, and we are now present at a number of All Party Parliamentary groups. and recently presented at the APPG on parental engagement.

NGA responded to all relevant formal consultations including on the School Teachers' Review Body (STRB), the SEND and Alternative Provision Green Paper, implementing the National Funding Formula for schools, ensuring the resilience of the qualifications system in 2023, keeping children safe in education, workforce reporting on disability and children's mental health in schools.

Priority topics: We continue to attempt to improve the awareness and understanding of the role of governance in schools and trusts, through the **Visible Governance** in Schools and Trusts campaign with the release of an animation. It has been widely used by numerous schools, trusts and local authorities to celebrate the power of governance, the value that good governance brings to the school system and to encourage people to volunteer for the role. We also published a range of resources to help equip schools and trusts tackle the volunteer recruitment challenge.

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Report of the Trustees for the Year Ended 31 March 2023

We continued to act as sector leaders in promoting **equality, diversity and inclusion** through a range of resources. In particular we developed a suite of four Learning Link modules with ASCL which take the consideration of EDI beyond legal responsibilities and compliance to how the board works with leaders to ensure a culture of whole school/trust EDI.

Through our **Greener Governance** campaign we raised the topic of environmental sustainability with schools and trusts, providing leadership at a time when this topic had not yet been embedded as business in usual in the sector. We also produced well received resources to support governing boards in this work.

With the new academic year, we increased our work on **Widening the lens on disadvantage** which was very much a top priority for the remainder of this current financial year.

Finally **our reach** continues to grow and by the end of the year we were serving 70% of the state schools, including academies. An increasing number of MATs have taken out membership for all their schools: 47% of trusts have joined as MAT members and even more buy Learning Link.

We have restructured our staff team slightly to add an HR Manager; and the regional team is now fully staffed which has made a bit difference to members and Learning Link subscribers who want to talk to an experienced NGA member of staff. We successfully invested in the Learning Link team in the autumn with the extension of our graduate development scheme to include two junior content development support officers.

The board would like to thank the staff group for their continued hard work and support during a successful year. Staff continue to go above and beyond. The board are also very proud of the support for governance within our staff team with many governing themselves.

FINANCIAL REVIEW

Principal funding sources

We should like to take this opportunity to thank those partners who promoted NGA membership and services alongside their own services during the year. NGA values these partnerships and is looking forward to continuing to work closely with our partners in the coming year.

Investment policy and objectives

The trustees have full powers under the Memorandum of Association to make investments on behalf of the charity. The trustees, having regard to the liquidity requirements of the NGA's operations, have operated a policy of keeping available funds in short-term interest-bearing deposit accounts and seek to achieve the best available market return on such deposits, commensurate with the requirement for absolute security of capital.

Reserves policy

The National Governance Association has a reserves policy to help secure the Association's viability beyond the immediate future and to provide reliable services over the longer term. NGA has set a reserves policy based on a review of income, expenditure, projects and risks which is regularly reviewed. In March 2023 the trustees revised the level of reserves required at £391,550. The NGA's board reconsiders the level of any legal requirements in the event of any potential winding-up of the NGA on an annual basis.

As at 31 March 2023 the amount of reserves were £497,447 (compared to £842,671 at 31 March 2022) of which £474,627 were free reserves (compared to £811,119 at 31 March 2022). Free reserves are reserves which do not include restricted funds, or reserves tied up in tangible fixed assets of £21,995. At 31 March 2023, free reserves represented 15% of annual income.

National Governance Association

Report of the Trustees for the Year Ended 31 March 2023

FINANCIAL REVIEW

Financial review

The Statement of Financial Activities for the year ended 31 March 2023 shows total incoming resources of £3,143,593 (2022 £3,108,389) and total resources expended of £3,488,817 (2022 £2,805,837) generating net resources expended of £345,224 (2022 net incoming resources £302,552). The deficit reported is due to the use of our reserves to invest in a new website.

Membership subscriptions, our principle source of income, increased by some 9% during the year ended 31 March 2023 from £1,415,915 to £1,540,031: the increase was due to a combination of an increase in membership numbers during the year ended 31 March 2023 as well as an increase in the price of membership which occurs each January. Our current fees, including for our e-learning, are more affordable for schools than other national providers - this is important to us.

FUTURE PLANS

NGA will prioritise continuing to provide excellent support and services to existing members & Learning Link customers in order to retain members. While we wish to reach governing boards that are not currently engaged with our work in order to improve governance, this must be achieved in a way which is sustainable for the NGA as well as value for money for all types of schools and which does not detract from the services delivered to existing members. We expect that the number of MATs in membership will continue to grow after the recent review and improvement of that offer. The new website should also drive better use of all our resources, and we will continue to consider how technology could improve our offer.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The National Governance Association (NGA) is a company limited by guarantee (registered number 03549029) which was incorporated on 20 April 1998 and which achieved charitable status on 1 July 1998 (registered number 1070331).

The NGA was established under a Memorandum of Association which established the objects and powers of the NGA and is governed under its Articles of Association.

In the event of the NGA being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The governance of the company is the responsibility of the Directors who are elected and appointed under the terms of the Articles of Association. Under charity law the directors are deemed to be trustees of the charity. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the NGA are set out in the notes to the financial statements.

The Board of Directors contains a maximum of nine elected Directors and up to four further co-opted Directors. The current Board will continue in office until the next Annual General Meeting of the NGA to be held in November 2023.

The NGA has worked hard to ensure that there are some elections held each year and that together with the limits on length of service ensures there should always be a mix of new and more experienced trustees. We are also conscious of the diversity on the board and have made efforts to improve the diversity of the board, particularly as regards ethnicity and age.

National Governance Association

Report of the Trustees for the Year Ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Each December the Board of Directors appoints, from its members, four or five honorary officers: The Chair, one or two Vice-Chairs, a Treasurer and an Honorary Secretary. The officers' group acts as a staffing committee when necessary. The board's meeting are supported by the company secretary who has been externally appointed.

The Directors meet five times during the year as a full board, in person if possible, to confirm a strategy to guide the organisation's work and to monitor its implementation. This year the board introduced two specific shorter virtual strategy and risk meetings which successfully enable more generative discussion, and also held three additional meetings to decide on the succession plan for the organisation's leadership.

Operational implementation of the strategic objectives is delegated to a Chief Executive, Emma Knights, who is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. To facilitate effective operations, the Chief Executive also has authority, within terms of delegation approved by the Directors, for operational matters including finance, employment and service delivery.

Induction and training of new trustees

New board members undergo an induction training session before their first board meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the schedule and structure of meetings, board protocols and the organisation's strategic plan. This is usually led by the Chair of the NGA and its Chief Executive or the Company Secretary. During this session, which takes place at the NGA's office, new trustees meet the staff of the organisation and are briefed on their roles. A trustees' section of the NGA's sharepoint contains past and forthcoming papers, relevant policies and other useful resources.

Board development In 2022, an annual Board Development Day has been added to the Trustees working calendar at the start of each autumn term. This step has been taken in recognition of the importance of regular whole board training to ensure trustees remain focussed on their core mission and have the necessary skills and knowledge to be effective in their role. The training is provided by external experts in the charity governance field.

Key management remuneration

In the trustees' opinion, the key management personnel of the NGA responsible for the direction, control, running and operation of the NGA on a day to day basis consists of the Board of Trustees and the Chief Executive.

Key management personnel - trustees

All trustees give of their time freely and no trustee received remuneration during the year.

Details of trustees' expenses and related party transactions are disclosed in the financial statements. There were no trustees' remuneration or other benefits for the year ended 31 March 2023.

Key management personnel - chief executive

The pay of the NGA's senior staff is reviewed annually and normally increased based upon the position of the NGA's finances and the cost of living in general.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Chief Executive reviews the risk assessment at regular intervals and reports on any changes in this risk assessment to the Board.

Progress against the priorities in the strategy forms the basis of the exception reporting by the Chief Executive to each meeting of the Board. The annual budget, first considered before the start of each financial year, is agreed by the Board at its March meeting and is monitored through quarterly reports to trustees. Internal risks are minimised by sound financial procedures.

National Governance Association

Report of the Trustees for the Year Ended 31 March 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03549029 (England and Wales)

Registered Charity number
1070331

Registered office
4th Floor
36 Great Charles St
Birmingham
B3 3JY

Trustees
Lynn Howard
Nigel Brent Fitzpatrick (until 12.11.2022)
Peter Duncan Haworth
Lawayne Jefferson
Alastair Cowen
Rachel Wilson (until 06.07.2022)
Howard Davies
Anthea Kenna
Tim Brock
Bobby Thandi
Annie McMaster (from 12.11.2022)

Trustee attendance at Board Meetings

Lynn Howard - Attended 10 of 10
Anthea Kenna - Attended 8 of 10. Apologies 2
Nigel Brent Fitzpatrick - Attended 4 of 4
Lawayne Jefferson - Attended 10 of 10
Duncan Haworth - Attended 9 of 10. Apologies 1.
Alastair Cowen - Attended 10 of 10.
Howard Davies - Attended 8 of 10. Apologies 1.
Tim Brock - Attended 7 of 10. Apologies 1.
Rachel Wilson - Attended 0 of 1. Apologies 1.
Bobby Thandi - Attended 9 of 10
Annie McMaster - Attended 4 of 6. Apologies 2

Senior Statutory Auditor
David Williams FCA FCCA

Auditors
Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Company secretary
Lara Angell-Wood

Chief executive
Emma Knights OBE

National Governance Association

Report of the Trustees for the Year Ended 31 March 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

HSBC Bank
130 New Street
Birmingham
West Midlands
B2 4JU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of National Governance Association for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Locke Williams Associates LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 4 July 2023 and signed on its behalf by:



Lynn Howard - Trustee

Report of the Independent Auditors to the Members of National Governance Association

Opinion

We have audited the financial statements of National Governance Association (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of National Governance Association

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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, as 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:

Report of the Independent Auditors to the Members of National Governance Association

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to these risks, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We concentrated on those laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP (FRS 102 and UK tax legislation). Our audit tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management and with third parties, where relevant.

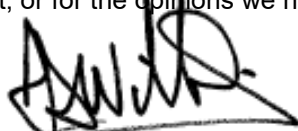
As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and checking the authorisation of expenditure as part of our substantive testing, using analytical review to identify any significant or unusual transactions and evaluating whether there was evidence of bias by the trustees or management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

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. This description forms part of our Report of the Independent Auditors.

Use of our report

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



David Williams FCA FCCA (Senior Statutory Auditor)
for and on behalf of Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

25 September 2023



TRUSTED ACCOUNTING SOLUTIONS



Registered number: OC350146
Registered in England and Wales.
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National Governance Association

**Statement of Financial Activities
for the Year Ended 31 March 2023**

	Notes	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	4				
Charitable activities		2,856,564	276,578	3,133,142	3,086,068
Other trading activities	2	7,924	-	7,924	21,530
Investment income	3	2,527	-	2,527	791
Total		<u>2,867,015</u>	<u>276,578</u>	<u>3,143,593</u>	<u>3,108,389</u>
 EXPENDITURE ON					
Charitable activities	5				
Charitable activities		<u>3,212,239</u>	<u>276,578</u>	<u>3,488,817</u>	<u>2,805,837</u>
 NET INCOME/(EXPENDITURE)		(345,224)	-	(345,224)	302,552
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>841,846</u>	<u>825</u>	<u>842,671</u>	540,119
 TOTAL FUNDS CARRIED FORWARD		<u><u>496,622</u></u>	<u><u>825</u></u>	<u><u>497,447</u></u>	<u><u>842,671</u></u>

The notes form part of these financial statements


National Governance Association

Balance Sheet 31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	13	21,995	-	21,995	30,647
CURRENT ASSETS					
Stocks	14	9,787	-	9,787	6,870
Debtors	15	557,135	-	557,135	375,851
Cash at bank and in hand		<u>723,836</u>	<u>825</u>	<u>724,661</u>	<u>1,022,727</u>
		1,290,758	825	1,291,583	1,405,448
CREDITORS					
Amounts falling due within one year	16	(816,131)	-	(816,131)	(593,424)
NET CURRENT ASSETS		<u>474,627</u>	<u>825</u>	<u>475,452</u>	<u>812,024</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>496,622</u>	<u>825</u>	<u>497,447</u>	<u>842,671</u>
NET ASSETS		<u>496,622</u>	<u>825</u>	<u>497,447</u>	<u>842,671</u>
FUNDS	18				
Unrestricted funds				496,622	841,846
Restricted funds				<u>825</u>	<u>825</u>
TOTAL FUNDS				<u>497,447</u>	<u>842,671</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 4 July 2023 and were signed on its behalf by:



Bobby Thandi - Trustee

National Governance Association

**Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(289,884)</u>	<u>116,652</u>
Net cash (used in)/provided by operating activities		<u>(289,884)</u>	<u>116,652</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(10,709)</u>	<u>(21,477)</u>
Interest received		<u>2,527</u>	<u>791</u>
Net cash used in investing activities		<u>(8,182)</u>	<u>(20,686)</u>
Change in cash and cash equivalents in the reporting period		<u>(298,066)</u>	<u>95,966</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,022,727</u>	<u>926,761</u>
Cash and cash equivalents at the end of the reporting period		<u><u>724,661</u></u>	<u><u>1,022,727</u></u>

The notes form part of these financial statements

National Governance Association

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2023**

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

	31.3.23	31.3.22
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(345,224)	302,552
Adjustments for:		
Depreciation charges	19,361	17,590
Interest received	(2,527)	(791)
Increase in stocks	(2,917)	(2,179)
(Increase)/decrease in debtors	(181,284)	74,240
Increase/(decrease) in creditors	<u>222,707</u>	<u>(274,760)</u>
Net cash (used in)/provided by operations	<u>(289,884)</u>	<u>116,652</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,022,727</u>	<u>(298,066)</u>	<u>724,661</u>
	<u>1,022,727</u>	<u>(298,066)</u>	<u>724,661</u>
Total	<u><u>1,022,727</u></u>	<u><u>(298,066)</u></u>	<u><u>724,661</u></u>

National Governance Association

Notes to the Financial Statements for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the NGA, rounded to the nearest £1.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The expected level of income and expenditure is sufficient with the level of reserves for the NGA to be able to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Where entitlement is not met the income is deferred.

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

Income from charitable activities includes membership fees, project, training and consultancy work undertaken and the sale of publications.

Income from government and other grant making bodies are recognised at fair value when the charity has entitlement after any performance conditions have been met.

Investment income is earned through holding assets such as cash on deposit. It includes interest receivable. Interest income is recognised using the effective interest rate method and is recognised as the NGA's right to receive payment is established.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Expenditure is categorised under the following headings.

- Expenditure on charitable activities.
- Other expenditure representing those items not falling into the above categories.

Support costs are those that assist with the work of the NGA but do not directly represent charitable activities and include office costs, governance costs and other administrative costs.

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Items of equipment and fixtures and fittings individually costing in excess of £500 are capitalised and carried in the balance sheet.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

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

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2020 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

Contributions to the personal pension schemes of certain employees are charged to the Statement of Financial Activities in the period in which they relate. The assets of these personal pension schemes are held separately from those of the NGA in independently administered funds.

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Employee benefits

When employees have rendered service to the NGA, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Termination benefits are recognised immediately as an expense when the NGA is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2. OTHER TRADING ACTIVITIES

	31.3.23	31.3.22
	£	£
Advertising	<u>7,924</u>	<u>21,530</u>

3. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Bank interest receivable	<u>2,527</u>	<u>791</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.23	31.3.22
Activity	£	£
Membership fees	1,540,031	1,415,915
Project income	6,300	26,027
Training and consultancy income	1,273,663	1,325,081
Publications income	33,654	48,120
Grants	-	7,713
Miscellaneous income	2,916	4,510
NLG income	<u>276,578</u>	<u>258,702</u>
	<u>3,133,142</u>	<u>3,086,068</u>

Grants received, included in the above, are as follows:

	31.3.23	31.3.22
	£	£
HMRC - coronavirus job retention scheme	<u>-</u>	<u>7,713</u>

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activities	<u><u>2,387,981</u></u>	<u><u>1,100,836</u></u>	<u><u>3,488,817</u></u>

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable activities	<u><u>1,057,280</u></u>	<u><u>43,556</u></u>	<u><u>1,100,836</u></u>

Support costs, included in the above, are as follows:

Management

	31.3.23 Charitable activities £	31.3.22 Total activities £
Salaries	184,116	156,482
Social security	22,589	18,220
Pensions	12,868	10,634
Office rent and services	143,438	153,198
Marketing and publicity	59,911	33,342
Insurance	8,068	5,851
Professional development	16,155	19,930
Office expenses	134,020	101,832
IT equipment and expenses	451,133	104,090
Bank charges	7,381	8,928
(Recoverable)/Irrecoverable VAT	(1,760)	(1,181)
Depreciation of tangible and heritage assets	<u>19,361</u>	<u>17,590</u>
	<u><u>1,057,280</u></u>	<u><u>628,916</u></u>

Expenditure for the year on website design and maintenance was £351,169, which is exceptional, in so much as its size and its nature, incurred in the planned investment in the new website. Additionally £10,560 was expended in the preceding year.

Governance costs

	31.3.23 Charitable activities £	31.3.22 Total activities £
Trustees' expenses	3,075	2,688
Auditors' remuneration	4,800	4,920
Professional fees	17,616	3,947
Board expenses	3,797	12,196
Clerk to the Board	<u>14,268</u>	<u>7,800</u>
	<u><u>43,556</u></u>	<u><u>31,551</u></u>

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.23	31.3.22
	£	£
Auditors' remuneration	4,800	4,920
Depreciation - owned assets	<u>19,361</u>	<u>17,591</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

During the year ended 31 March 2023 7 trustees (2022 - 8) were directly reimbursed £3,075 for expenses incurred such as travel, subsistence and telephone whilst performing duties on behalf of the NGA (2022 - £2,688).

9. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	1,712,524	1,468,191
Social security costs	176,541	140,742
Other pension costs	<u>114,642</u>	<u>94,697</u>
	<u>2,003,707</u>	<u>1,703,630</u>

The average monthly number of employees during the year was as follows:

	31.3.23	31.3.22
Head count	<u>49</u>	<u>49</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.23	31.3.22
£60,001 - £70,000	1	-
£70,001 - £80,000	<u>1</u>	<u>1</u>
	<u>2</u>	<u>1</u>

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Charitable activities	2,691,479	394,589	3,086,068
Other trading activities	21,530	-	21,530
Investment income	<u>791</u>	<u>-</u>	<u>791</u>
Total	<u>2,713,800</u>	<u>394,589</u>	<u>3,108,389</u>
 EXPENDITURE ON			
Charitable activities			
Charitable activities	<u>2,412,073</u>	<u>393,764</u>	<u>2,805,837</u>
 NET INCOME	 301,727	 825	 302,552
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>540,119</u>	<u>-</u>	<u>540,119</u>
 TOTAL FUNDS CARRIED FORWARD	 <u><u>841,846</u></u>	 <u><u>825</u></u>	 <u><u>842,671</u></u>

11. FUNDS RECEIVED AS AGENT

As part of the contractual arrangements with the DfE, to design and deliver a programme to implement the recommendations for NLG Reform, the charity administers funds under the contract for payment to suppliers. The charity does not have discretion about the use to which these funds received are put and acts only in accordance with the instructions or directions of the DfE.

Therefore to present the appropriate substance of these transactions, these funds are not included as income or expenditure in the Statement of Financial Activities.

Under the terms of the arrangement, there is a timing difference between the receipt and payment of these funds, details of which are:

	31.3.23	31.03.22
	£	£
Funds received as agent in the year	450,577	127,349
Funds paid out in the year	<u>(424,377)</u>	<u>(22,599)</u>
	26,200	<u>104,750</u>
Funds held 31 March 2022 (included in accruals in note 16)	104,750	
Funds held 31 March 2023 (included in accruals in note 16)	<u>130,950</u>	

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

12. PENSION COMMITMENTS

The NGA contributes to the individual pension plans of certain employees. The assets of these schemes are held separately from those of the Association in independently administered funds.

Total contributions for the year ended 31 March 2023 amounted to £114,642 (2022 - £94,967) and outstanding contributions as at 31 March 2023 amounted to £15,961 (2022 - £11,989).

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022	4,495	65,773	70,268
Additions	-	10,709	10,709
At 31 March 2023	4,495	76,482	80,977
DEPRECIATION			
At 1 April 2022	3,754	35,867	39,621
Charge for year	267	19,094	19,361
At 31 March 2023	4,021	54,961	58,982
NET BOOK VALUE			
At 31 March 2023	474	21,521	21,995
At 31 March 2022	741	29,906	30,647

All assets are used in direct furtherance of the Charity's objects.

14. STOCKS

	31.3.23	31.3.22
	£	£
Books and publications for resale	9,787	6,870

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade debtors	412,286	289,940
Accrued income	8,508	6,202
Prepayments	136,341	79,709
	557,135	375,851

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	376,350	159,010
Social security and other taxes	88,873	52,911
Other creditors	14,759	10,787
Accruals	154,039	154,639
Deferred income	<u>182,110</u>	<u>216,077</u>
	<u>816,131</u>	<u>593,424</u>
Deferred income		
Deferred at 1 April	216,077	587,400
Released to income in the year	(216,077)	(552,400)
Additionally deferred in the year	<u>172,885</u>	<u>181,077</u>
Deferred at 31 March	<u>172,885</u>	<u>216,077</u>
Deferred income comprises:		
Membership	73,135	95,160
Professional & Development	<u>99,750</u>	<u>120,917</u>
	<u>172,885</u>	<u>216,077</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.23	31.3.22
	£	£
Within one year	91,170	89,613
Between one and five years	<u>45,370</u>	<u>136,540</u>
	<u>136,540</u>	<u>226,153</u>

Leasing commitments are mostly in respect of the charity's office premises.

18. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	841,846	(345,224)	496,622
Restricted funds			
ASCL - joint publication	825	-	825
TOTAL FUNDS	<u>842,671</u>	<u>(345,224)</u>	<u>497,447</u>

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,867,015	(3,212,239)	(345,224)
Restricted funds			
DfE - National Leaders of Governance (NLG) support	276,578	(276,578)	-
TOTAL FUNDS	<u>3,143,593</u>	<u>(3,488,817)</u>	<u>(345,224)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	540,119	301,727	841,846
Restricted funds			
ASCL - joint publication	-	825	825
TOTAL FUNDS	<u>540,119</u>	<u>302,552</u>	<u>842,671</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,713,800	(2,412,073)	301,727
Restricted funds			
HMRC - coronavirus job retention scheme	7,713	(7,713)	-
DfE - National Leaders of Governance (NLG) support	386,051	(386,051)	-
ASCL - joint publication	825	-	825
	<u>394,589</u>	<u>(393,764)</u>	<u>825</u>
TOTAL FUNDS	<u>3,108,389</u>	<u>(2,805,837)</u>	<u>302,552</u>

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

18. MOVEMENT IN FUNDS - continued

Purpose of funds

General fund.

This fund represents the free funds of the Association that have not been designated for particular purposes.

Restricted fund : HMRC coronavirus job retention scheme

This fund represents grants claimed under the Government's covid-19 job retention scheme for employees who required being placed on furlough during the year.

Restricted fund : DfE - National Leaders of Governance

This fund represents the income and associated expenditure on staff costs and overheads in carrying out the contractual arrangements with the DfE, to design and deliver a programme to implement the recommendations for NLG Reform.

ASCL - joint publication

This fund represents income to be spent in funding a joint publication on the three Pillars of Leadership.

19. ULTIMATE CONTROLLING PARTY

The NGA is controlled by the trustees as listed in the Report of the Trustees.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

National Governance Association

Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Other trading activities		
Advertising	7,924	21,530
Investment income		
Bank interest receivable	2,527	791
Charitable activities		
Membership fees	1,540,031	1,415,915
Project income	6,300	26,027
Training and consultancy income	1,273,663	1,325,081
Publications income	33,654	48,120
Grants	-	7,713
Miscellaneous income	2,916	4,510
NLG income	276,578	258,702
	3,133,142	3,086,068
Total incoming resources	3,143,593	3,108,389
EXPENDITURE		
Charitable activities		
Salaries	1,528,408	1,311,709
Social security	153,952	122,522
Pensions	101,774	84,063
Training and consultancy expenses	341,751	354,431
Project costs	40,571	85,816
Conferences and regional meeting expenses	37,610	24,696
Members' magazine expenses	154,953	146,232
Other publication costs	22,523	12,912
Representation expenses	1,791	425
Business development costs	4,648	2,564
	2,387,981	2,145,370
Support costs		
Management		
Salaries	184,116	156,482
Social security	22,589	18,220
Pensions	12,868	10,634
Office rent and services	143,438	153,198
Marketing and publicity	59,911	33,342
Insurance	8,068	5,851
Professional development	16,155	19,930
Office expenses	134,020	101,832
IT equipment and expenses	451,133	104,090
Bank charges	7,381	8,928
Carried forward	1,039,679	612,507

This page does not form part of the statutory financial statements

National Governance Association

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
Management		
Brought forward	1,039,679	612,507
(Recoverable)/Irrecoverable VAT	(1,760)	(1,181)
Depreciation of fixtures & fittings	267	267
Depreciation of computer equipment	19,094	17,323
	1,057,280	628,916
 Governance costs		
Trustees' expenses	3,075	2,688
Auditors' remuneration	4,800	4,920
Professional fees	17,616	3,947
Board expenses	3,797	12,196
Clerk to the Board	14,268	7,800
	43,556	31,551
 Total resources expended	3,488,817	2,805,837
 Net (expenditure)/income	<u>(345,224)</u>	<u>302,552</u>

This page does not form part of the statutory financial statements