

Trustees' Report and Financial Statements for the year ended **31 March 2022**

Association of Chief Executives of Voluntary Organisations
Company number: 03514635
Registered charity number: 1114591

acevo
imagine, inspire, improve

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The board of trustees of the Association of Chief Executives of Voluntary Organisations (ACEVO) presents its report with the consolidated financial statements for the year ended 31 March 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the charitable company's Articles of Association and 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).

Chair and CEO's welcome

This was the final year of our organisational strategy, and the ACEVO team again delivered against five strategic strands – connection, inspiration, support, advocacy and skills. Underpinning this was a level of sound financial performance and good governance which enabled us to deliver our strategic objectives and maintain our financial sustainability.

It's been a busy, productive, and rewarding year. Membership has continued to grow, rising 7% year on year in terms of membership numbers, and 11% in terms of membership income, and finances remain secure.

We've engaged with members, staff and trustees to develop a new three year strategy which kicked in from April 22. This is part of a wider time of change as our CEO of five years Vicky Browning left in May and was succeeded in the role by Jane Ide.

The post-pandemic environment remains challenging for the world, our communities, our sector and our members. Economic disruption and the likelihood of recession, political instability domestically and the direct and indirect impacts of the war in Ukraine globally, the cost of living crisis and the increasingly urgent need to tackle the climate catastrophe combine to create a context in which the social action sector is both desperately needed and in many ways deeply challenged.

As an organization we are fortunate and grateful that we have a high degree of stability financially, reputationally and operationally; as a membership body it is essential that we use that stability to provide the much needed support so many of our members, and the sector as a whole, need from us.

In the year 2021/22 we agreed a deficit budget in order to invest some of our reserves for the benefit of members, and then outperformed that budget, eventually achieving a surplus of £101,673. For the year 2022/23 we have again set a deficit budget in order to spend down some of our reserves on additional support for members and to give some protection against the likely increases in operating costs that we are as subject to as any.

Within that budget we look forward with excitement, optimism and determination to delivering our new strategy with its three key strands: inspire, imagine, improve.

Rosie Ferguson, chair and Jane Ide, CEO

“I cannot put a value on my ACEVO membership - it's a brilliant source of information, advice, reassurance, connections and inspiration!”
Katie Ghose, CEO, Kids

Highlights 2021-22

Grew our network to

1,679 ^{+7%}
members

“An invaluable resource for me and my charity... They always go above and beyond to help

Member engagement rate

74%

Member retention rate

84%

77 members matched with a mentor

website users = **68,403**

webpage views = **253,896**

“Hugely valuable opportunity to learn more and connect with others

9 **144**
podcasts blogs

342 delegates at our annual conference

Twitter followers = **31,000**

LinkedIn followers = **7,240**

321 members helped through our governance and support lines

“You are doing a great job of making CEOs feel like we're not alone

732 members signed-up to our online Community hub

124 members conducted
5,188 discounted DBS checks

72 members supported through our CEO in Crisis service

“ACEVO's support not only helped me personally but 100% helped the organisation

113 members accessed free coaching

“Being a member of ACEVO has been one of the best investments I've ever made in a business

ACEVO's greatest strength is our network of fantastic members, supported by our corporate partners and funders. **Thank you for being with us.**

acevo.org.uk
@acevo

Vision, purpose and public benefit

ACEVO is the Association of Chief Executives of Voluntary Organisations. We're a network of nearly 1,700 CEOs and aspiring CEOs who head up everything from small, community-based groups to ambitious medium-sized organisations to well known, well-loved national and international not-for-profits.

Our leaders drive positive change in their organisations and in their communities, and our peer-to-peer network supports and encourages them throughout their career.

ACEVO's vision is for civil society leaders to make the biggest possible difference. Together with our network we inspire and support civil society leaders by providing connection, skills and influence.

Our values are to be:

- Member-driven: We involve our members and include them in our thinking. We are driven by their needs and their potential to achieve change.
- Connected: We achieve more through bringing people together, building the relationships and networks that generate confidence and belief.
- Inclusive: We promote a culture that celebrates our differences and where everyone is heard, respected and valued. We aim to create a space that is safe and welcoming.
- Ambitious: We are bold, confident, energetic and vibrant. We are both agile and entrepreneurial in leading and supporting our members in the challenges ahead.
- Honest: We always act with integrity and in the best interests of our members. We do what we say we will do and are open about both our objectives and our impact.

Our public benefit

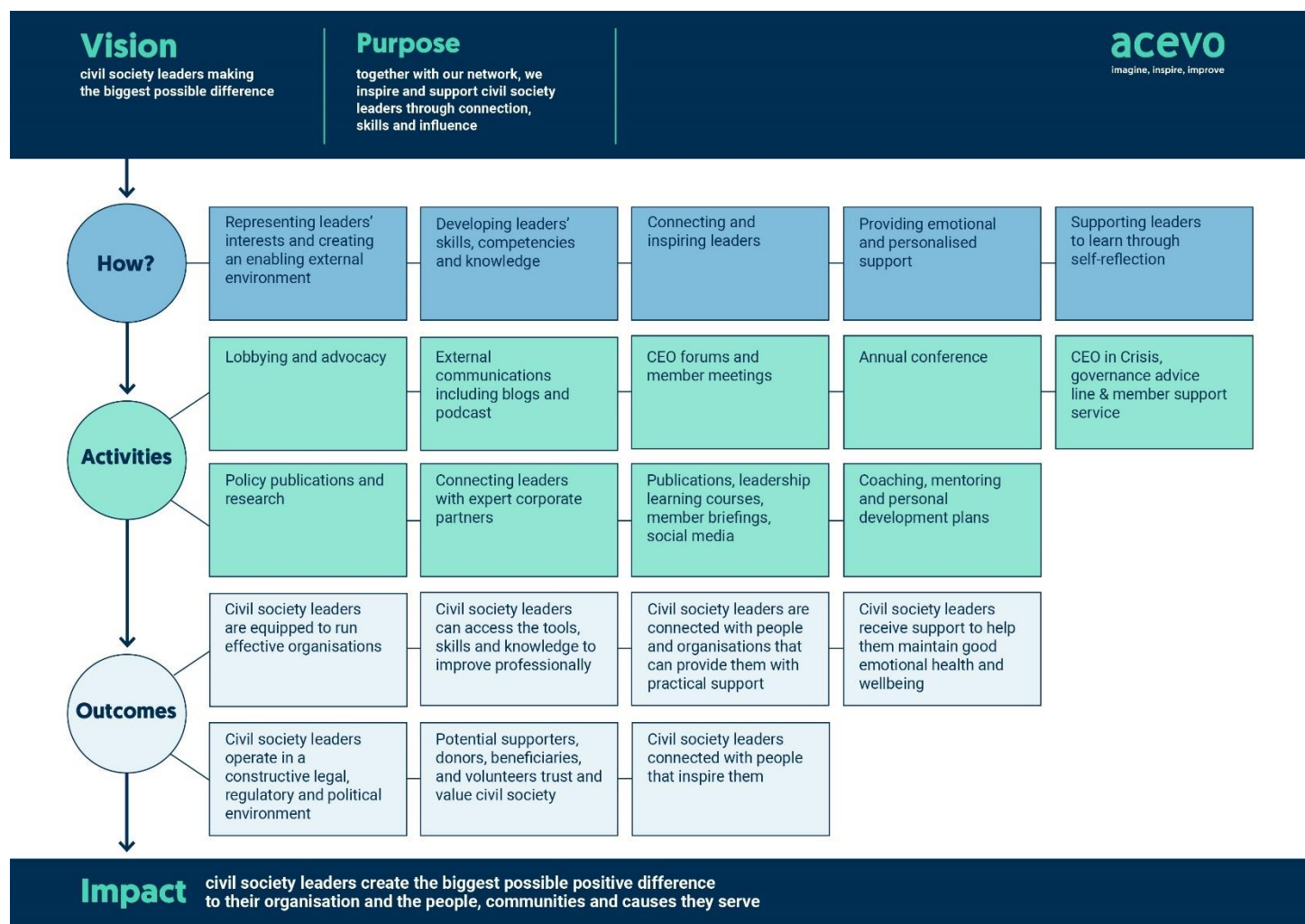
The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and activities, and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the objectives and activities that have been set.

ACEVO's public benefit is delivered through the contribution it makes to civil society and beyond: our 'ripple effect'. Our members imagine a better world. By supporting CEOs and strengthening leadership within the sector, ACEVO inspires its members to have a greater impact on their organisations and - through them - their beneficiaries and causes, to improve lives. We believe that investing in our sector's leaders strengthens the impact they achieve.

“The ACEVO team has been a great support, particularly through the pandemic. Meeting up online with other CEOs has been invaluable. Tips and advice from other CEOs have saved me time and money and helped me feel less alone!”

James Watson O'Neill, CEO, SignHealth

Our theory of change



Activities and achievements

Connection

Our ambition is to build our network of civil society leaders to enable peer support and widen the reach of our services.

Key activities/achievements:

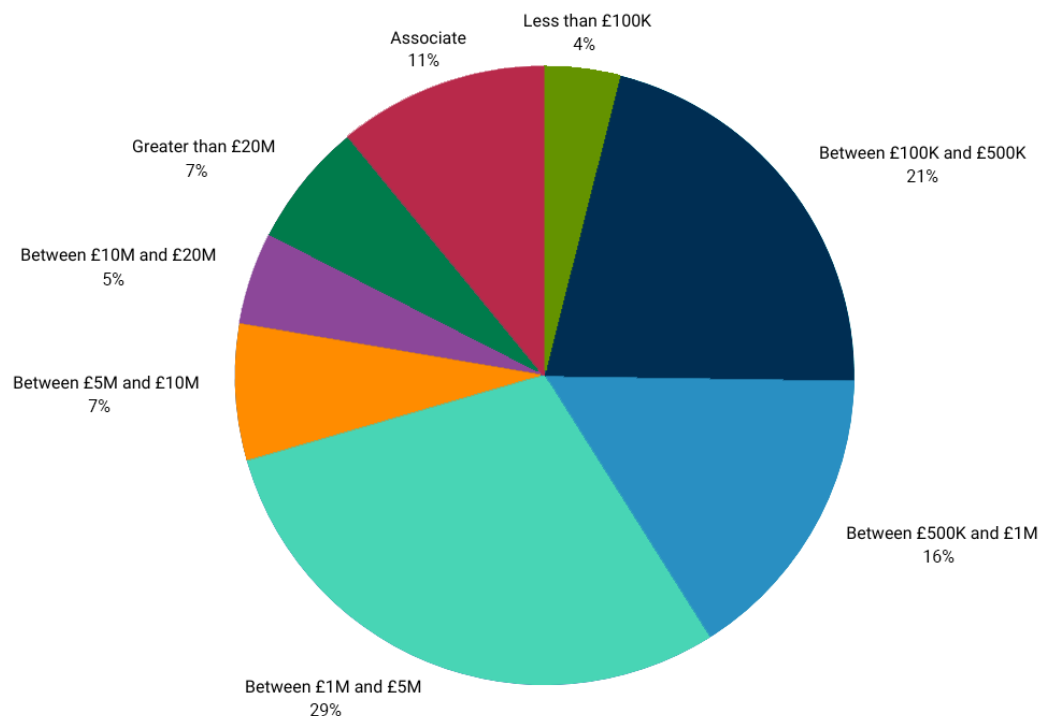
- Our network grew by 7% to 1,679 members (2021: 1,563).

“ I have gained so much from ACEVO in my first three months as a CEO: best charity money I think I have spent to date. I joined in my first week, and since then I have made connections with people, had some great conversations that have helped me to think, used the resources, been to events and mostly learnt a lot! I am sure this will continue to be a great platform and support network for me.”

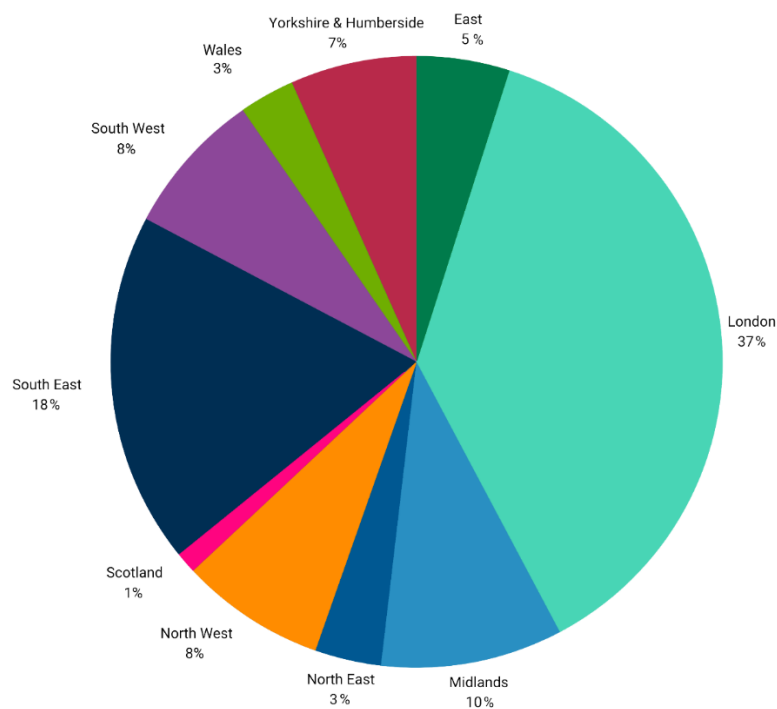
Libby Gordon, CEO, FARA Foundation

- We achieved an average annual member retention rate of 83% (2021: 85%)
- On average over the year, 74% of our members engaged with our services (2021: 69%)

ACEVO members by organisational income



ACEVO members by geographical location



Digital developments

- Our website received 68,403 visitors who generated 115,888 sessions and 253,896 pageviews. This is considerably down on 2021 due to a glitch in our Google Analytics settings which was duplicating volumes, causing an inflation in our figures for last year. This has now been fixed!
- We reached 31,000 followers on Twitter (2020: 30,305) and 7,240 (2020: 6,210) on LinkedIn
- We moved our podcast from Soundcloud to Anchor, a more specialised platform which provides better analytics and makes it easier to manage and distribute episodes across other platforms
- We created a one minute video [explaining the work ACEVO does and how we support civil society leaders](#). The team is using this video on social media and in newsletters, as well as on the website
- We continued our work to make all our digital platforms more accessible.
- By the end of the financial year, 732 members (44% of membership) had signed up to use the ACEVO Community online hub.

“Once again ACEVO and the Community has helped me find practical advice and wisdom in a very short space of time. It’s much appreciated and a real lifeline for me.”
Lucy Emmerson, CEO, Sex Education Forum

- We launched a new online renewal portal so members are able to renew and pay for their memberships digitally via the website.
- Members were connected to 153 senior leadership vacancies through our jobs service. We enabled over 4,000 job searches on the ACEVO jobs platform.
- We held 90 digital events with 1,892 attendees, including:
 - 10 expert webinars attended by 274 members
 - 32 member meetings attended by 791 members
 - Six new member meetings attended by 148 new members
 - 10 one day training workshops attended by 264 members

“Great content. Very practical. Impressive, energised speaker. Important issue. The best webinar I have attended during lockdown!”
Steven Wibberley, CEO, Cruse Bereavement Support

What we learned:

- The ACEVO online Community hub demonstrated the power of our network and responded to an unmet need for our members, providing a platform for them to connect directly with each other. It has also provided a vital additional way for ACEVO to communicate with its members and keep in touch with issues important to them.
- Regional virtual meetings don’t work for our members. Digital meetings remove geographical barriers but do not facilitate geographical connections, which are reinforced through face-to-face meetings.
- Less is more – we moved from putting on a large volume of webinars every week last year to creating fewer, higher-level digital member experiences, but a crucial element of those events is allowing time for facilitated discussion and enabling members to really explore issues together.

- There is a real danger of institutional knowledge evaporating when individual team members leave if it isn't documented. In particular, digital policies and processes are easy to remember when you're the person who developed them – not so much when you're the new team member taking them on!
- ACEVO's LinkedIn reach and engagement continues to grow, especially in content related to leadership, governance and wellbeing. We will continue to develop our presence on this platform in the coming year.
- If your website figures suddenly shoot up by 84%, don't just congratulate yourselves: double check the Analytics settings...

Inspiration

Our ambition is to showcase good leadership within civil society to inspire by example.

Key activity/achievements:

- We released nine new podcast episodes on subjects ranging from social mobility to the future beyond Covid 19. There was a 'second season' of the privilege miniseries in collaboration with Tessy Ojo and Polly Neate, and a special episode to discuss leadership and climate action with some of the members of the climate working group
- In June 2021, we published a recruitment guide in collaboration with our corporate partner Green Park: 'Recruiting a chair, trustees and chief executive'
- In January 2022 we launched a new quarterly newsletter sent to anyone who signs up for it, containing news from ACEVO and the sector in general. To date we have attracted 310 new non-member subscribers
- We published 144 blogs (including 30 from our corporate partners) and six member briefings
- Kindly supported by CCLA Investment Management, we held four roundtable discussions attended by 145 members, including:
 - Bringing the leadership diversity principles to life
 - How leaders can better navigate cultural change
 - A conversation with Nigel Huddleston MP
 - A conversation with Professor Sir Ian Diamond
- From 2-4 November, we held #ACEVOFest 21, a three-day online festival of leadership which attracted 342 delegates. Of those who responded to a feedback survey:
 - 95% said it was good value for money
 - 95% felt it developed their knowledge, learning or skills
 - 90% left feeling inspired
 - 87% gained new ideas
 - 82% were challenged to think differently
 - 82% gained access to expert/professional advice.
 - 80% felt their resilience boosted.

What we learned

- Focusing ACEVOFest into three days rather than five helped more members attend

- Online networking really doesn't work as well as face-to-face: two years into our digital service delivery we haven't fully cracked how to deliver networking online, although a couple of attempts at online speed networking were well received by event attendees.
- As we moved into the next phase of dealing with the pandemic, we found that half of members wanted to go back to face-to-face meetings but half wanted to stay online. We therefore planned a hybrid version of ACEVOFest in 2022 (now postponed to early 2023 due to the state funeral of the late Queen) and will offer a mixture of online and in-person member events.

“A great first #ACEVOFest. Really appreciated being able to dip in and out throughout the day and know there are some gems to catch up on when I can.”

Angela McConville, CEO, National Childbirth Trust

Support

Our ambition is for civil society leaders to feel supported and connected through their membership.

Key activity/achievements:

These continue to be unique times. Our support is focused on being there for our members, for them to be heard, and for us to deliver a personalised service that matches their needs. There are a range of ways we have helped this year:

- **One to one support:** we have supported – through email, phone, and online calls – 72 members through our CEO in Crisis service, 105 members through our governance advice and 216 members through our general support service. Themes include wellbeing, overwork, confidence, relationships with board and/or staff, strategy, grievances, beginnings, and endings. We appreciate the support from Garfield Weston in enabling us to deliver this essential support. We have also delivered 204 new member calls, connecting our most recent joiners to the services and content that best fit their needs.

“I am so very grateful. As you know working as a CEO can feel very isolating exactly at the most stressful moments! ACEVO's support not only helped me personally but 100% helped the organisation.”

CEO in Crisis service user

- **Mentoring and coaching:** we link our members with coaches and mentors to support their learning. This year we matched 77 leaders through our mentoring programme for one-off and year-long relationships. We are grateful to our mentors for their generosity, commitment, and skills in supporting our mentees, and to CCLA for supporting this much-valued aspect of our service.

“As a new CEO I have found having an experienced mentor invaluable. We have built an amazing rapport and mentoring has provided me with the space to reflect and find my own solutions, with a big dose of kindness thrown in. I would recommend to anyone.”

Katie Antill, CEO, Alzheimer's and Dementia Support Services

- 113 members accessed The Growing Coaches portal to be matched with a coach. In addition, we launched new coaching offers including team coaching.

- **Member meetings:** continuing our online support, we hosted 33 member support meetings attended by 415 members including for:
 - New CEOs, founder CEOs, mentors, CEOs leading membership organisations
 - Governance and risk management - the CEO's role
 - Spot the red flags in the boardroom
 - Attracting and retaining a fabulous board
 - Boardroom behaviours
 - Building resilience
 - Setting boundaries and having courageous conversations
 - How to keep your spark while doing challenging work
 - Friday review, reflecting on the past week and the one ahead

“Working on the front line of mental health is challenging at the best of times, but the past two years have been off the scale! This opportunity to share and reflect, expertly facilitated, has not only de-stressed and refreshed, but helped both me and the charity I lead to reboot and grow again.”

Peter Leigh, CEO, Key Changes: Positive Mental Health Through Music

- **Peer learning groups:** we helped establish four peer support groups – three for new CEOs and one for leaders of membership organisations – to support one another and to share questions, experiences and wisdom.
- **Member resources:** we produced a range of new guidance tools and templates including a guide to setting up peer learning groups and a member briefing on ending and starting well focused on founder CEOs.
- **The ACEVO DBS service** was used by 124 organisations (7% of members) to conduct 5,188 pre-employment checks.

What we learned

- People are tired. After two years of COVID, the cumulative effect of holding steady during change has had a significant impact on leaders' mental health and wellbeing.
- It has been even more important to highlight the strengths, resilience, and achievements of our members. These are often forgotten in a drive to keep going, tackle challenges and move forward.
- Our new member calls are so important – our first chance to support members and for them to finally be able to share what's happening for them.

Advocacy

Our ambition is for our policy work to amplify the voices of our members and represent their interests.

Key activity/achievements:

- ACEVO's written evidence was quoted in the Public Accounts Committee report on government support for charities during the pandemic. We produced a member briefing covering key issues raised in the report
- In our work on the climate crisis, we launched ACEVO's climate and environmental leadership principles, which has 18 signatories. We've started publishing a series of climate action case studies to inspire leaders to drive action in their own organisations. We have also created a

'climate action hub' within the Influencing section of the website, containing practical resources, information about our internal work and member working group, and direct access to blogs and climate case studies

- We released a joint report (led by Bond) on the positive impact of campaign work during the coronavirus pandemic, and why campaigning should be protected
- We published our annual Pay and Equalities Survey in September 2021, with 1,080 CEOs taking part
- In February 2022, in collaboration with NCVO, we launched 'Time to Flex: embracing flexible working – benefits and barriers in the voluntary sector', a report which aims to support leaders and individuals to approach flexible working in their organisations
- With sector partners, we were actively engaged in trying to influence the Charity Commission's chair recruitment process to encourage the appointment of a politically independent candidate
- A new equality, diversity and inclusion guides, tools, templates section has been added to the website
- We engaged with cross-sector action on the Police, Crimes, Courts and Sentencing Bill
- Home Truths 2: we have developed a programme of activity to provide solutions to the challenges raised by our 2020 Home Truths report on racism in the sector. We will be taking this to funders in the year ahead to enable us to drive this activity forward across the sector
- We worked closely with infrastructure partners to formalise the Civil Society Group, a cross-sector collaboration of over 50 organisations. The aim of the collaboration is to help build a fairer, more sustainable, enriched and connected society by harnessing the collective strengths of its members to influence government and relevant agencies, and strengthen relationships within and without the sector
- We worked with the Social Mobility Foundation to encourage charities to participate in SMF's Social Mobility Index, an annual benchmarking tool for organisations looking to understand how they perform on social mobility and where they can improve

What we learned

- It is challenging to get signatories for various leadership principles, as well as following up on them to hold signatories accountable. We will need to review this approach in the year ahead, as doing annual updates seems unsustainable in terms of resource.

“ACEVO has led strongly on focusing on equity, diversity and inclusion, never shying away from keeping the conversation going; so important now, more than ever.”
Dalton Leong, CEO, The Children's Trust

Skills

Our ambition is for ACEVO to develop the skills and competencies of civil society leaders.

Key activity/achievements:

- We ran our New and Emerging Leaders programme which helped 25 senior leaders explore how they can be at their best in their current role and also progress their careers.

“With access to coaches, a toolkit of knowledge and a group of other inspiring leaders this is a fantastic, ring-fenced space to learn, share and develop the right leadership style for you.
Clem Parker, head of operations, Catalyst Support

- We also ran the final year of cohort one of the Jane Slowey Memorial Membership programme which offered tailored support and skills development for eight women within their first few years of being a CEO. In January 2021 we started cohort two of the programme which will support seven female leaders of colour running charities or social enterprises in their leadership journeys over the next two years.
- We ran four 'Dynamic Duo' one day workshops for CEO and chair pairs to attend together and six 'Leadership Learning' one day workshops, all kindly supported by Sarasin and Partners, including:
 - Unpacking ED&I for charity leaders
 - The challenges of leading a remote team
 - How to build a 'can do' team in uncertain times
 - Charity boardroom dynamics in the 21st century
 - Creating a resilient culture workshop
 - Powerful communication and navigating conflict

“One of the best training sessions I've ever attended”.
Shona Fleming, CEO, ScotsCare

- 274 members attended 10 corporate partner skills-based webinars
- 22 members worked through their personal leadership development plan using the ACEVO tool and personalised service.

What we learned:

- While offering good quality, well-received programmes and workshops, ACEVO doesn't strategically plan out its paid for leadership training services. With a clear market offer in leadership training and development, ACEVO is in a good position to respond to the overwhelming demand by many of its members to be able to learn and develop through a peer network who can relate to the environment charities and not-for-profit organisations work within. We need to undertake a full review of how our leadership development services are driven, owned and strategically planned across ACEVO, leading to clarity of direction and sustained quality and innovation.

Financial sustainability

We will secure the income and resources required to deliver our strategic objectives and maintain our financial sustainability.

Non-member earned income

After ending 2020/2021 on a high note, we started this year in a strong position. We generated further momentum by forming new partnerships with organisations to address service needs not currently met by our existing corporate partners. The increasing popularity of our jobs board allowed us to add new advertising packages for trustee roles which also contributed to increased income.

Our partners were able to connect with members in new ways, including through Community sponsored posts and banner advertisements. As a result, partners were able to curate targeted campaigns and

content for exceptionally engaged audiences, which further increased responses and enquiries.

At the end of a successful year, we exceeded all earned non-member income financial targets.

A big thank you to our 46 corporate partners, organisations which share our vision of encouraging effective and inspiring civil society leadership and have provided valuable support and advice to ACEVO and its members over the past year:

Strategic partners

CCLA, Energycentric, Foster Denovo, Hempsons, Sarasin and Partners LLP, Worknest and Zurich Insurance.

Premium partners

Action Planning, Applied, Barclays, BDB Pitmans, BDO, BoardClic, Brewin Dolphin, Buzzacott, Campbell Tickell, Centre for Alternative Technology, Charles Stanley, Chartered Governance Inst (ICSA), Clarasys, Digi-Board, Digithouse, Eastside Primetimers, Endsleigh, Flair Impact, Forster Communications, Freeths LLP, Fundraising Everywhere, Gatherwell, Green Park, Hope and May, Ivy Rock Partners, NHS Open Space, NSPCC Training, ProVantage Procurement, Rathbones, Ruffer, SmartDesc, Stone King LLP, uCheck, VS Group, Womble Bond Dickinson, Wrigley's.

Corporate partners

nfpSynergy, Sayer Vincent, Working Families.

“ Thanks for the supplier recommendation: our working partnership with Eastside Primetimers was a very positive experience and we'll be looking at how to implement some of the opportunities our dedicated consultant highlighted.”

Adeela Warley, CEO, CharityComms

What we learned

- Corporate partnerships are an important element of the membership offer, with 1% of recent joiners stating access to corporate services as their motivation for joining ACEVO. This is equal to the numbers that join primarily to access our training and events.

Grant funding

We'd like to thank a number of foundations for their support. Through funding our core work, they have demonstrated their belief in ACEVO as a vital part of a successful, impactful voluntary sector and enabled our members to imagine better, inspire others and improve lives. Other grant-givers have given access to ACEVO membership to their own grantees, allowing us to support the people and organisations they fund.

In 2021-22, ACEVO was grateful for grant funding and support from Garfield Weston, Lloyds Bank Foundation, Pears Foundation and Paul Hamlyn Foundation.

Future plans

The 2022-23 financial year will be the first year of delivering against ACEVO's new three-year strategy,

which starts in April 2022.

Strong financial performance over each of the past five years has allowed the organisation to build its cash reserves to a really healthy level. However, it is important that we reinvest the funds we hold over our agreed reserves level back into the charity and member offer, so we will be budgeting a deficit for 2022-3 to start spending down excess reserves.

Key developments for the year ahead include:

- Welcoming our new chief executive, Jane Ide, from May 2022
- Operationalising and delivering our new strategy
- Investing in the organisation and its services, including direct investment in our Home Truths 2 project
- Continuing to deliver organic growth in member volumes and targeted growth in non-member income
- Developing and implementing our new influencing strategy in line with our organisational objectives
- Developing our approach to impact measurement and reporting
- Reintroducing regular face-to-face networking events for members across the country, including a hybrid annual conference
- Reviewing and determining the future of our leadership development offer
- Measuring ACEVO's carbon emissions, and setting targets to reduce them

Financial review

Details of the ACEVO Group income and expenditure for the year are set out on page 28. Income for the year was £1,068,056 (2021: £1,029,186); costs were £966,383 (2021: £915,310). The surplus in 2021-22 was £101,673 comprising an unrestricted surplus of £105,163 (2021: £117,708) and expenditure on restricted funds brought forward of £3,490. Carried forward restricted funds were £13,767 (2021: £17,257). The application of funds in support of ACEVO's charitable activities is disclosed in note 17. At 31 March 2022 total group fund balances increased to £563,881 (2021: £462,208).

ACEVO Solutions Ltd is a wholly owned subsidiary company of ACEVO, delivering corporate sponsorship and affinity activity which support ACEVO's main charitable activities. ACEVO Solutions made a surplus of £95,895 during the year (2020: £68,041) (see note 11). This will be paid to ACEVO as a qualifying distribution.

Reserves policy

In defining its reserves policy, ACEVO has considered what level of free reserves it is appropriate for the charity to hold in order to ensure its financial sustainability, future strategic development and continuing to operate and meet the needs of members in the event that unforeseen and potentially financially damaging circumstances arise. It has taken into account the reliability and continuance of future income generation and funding, timing of cash flow and working capital requirements and cover for unplanned expenditure. The ongoing impact of both the COVID-19 pandemic and the cost of living crisis, and the uncertainty this continues to create has been considered when planning for the coming year and the reserve policy set with this in mind.

Free reserves represent unrestricted funds of the charity excluding restricted and designated funds.

The determination of an appropriate reserves level is a key part of the strategic planning process. This is linked into a risk assessment of key areas of income and expenditure, along with the following:

- Working capital
- Financial risk management
- Future strategic development

The trustees review the reserves level on an annual basis, along with the risk assessment of key areas of income, as this provides the information on an adequate level of reserves to be maintained.

The trustees consider that it would be prudent to set aside an amount equivalent to between three to five months of the forthcoming year's planned expenditure costs – for 2022-23 this would be between £285,249 and £475,415. The free reserves at 31 March 2022 of £554k meet the requirements of the reserves policy.

Going concern

Despite ongoing challenges caused by the pandemic and the cost of living crisis, ACEVO has had another successful financial year.

Our membership offer continues to be valued and member numbers grew another 7% year on year, from 1,563 to 1,679. Non-member earned income from our corporate partners also grew over the year, and we are fortunate to retain the Paul Hamlyn Foundation Backbone funding of £40k per year for a further three years.

In reviewing our business and financial plans for the coming year, the trustees took account of possible outcomes should our membership renewal rates decline, and the flexibility we have within our cost budget to offset any income shortfall.

In June 2022 trustees discussed the specific areas around our viability as a going concern and any anticipated risk to our operations.

The positive membership trends seen in recent years last year have continued to date, with continued growth in membership numbers in the first months of the new financial year and member retention remaining very strong at an average of 85% in the new financial year to date. There are currently no identifiable risks which could materially impact our operating expenditure.

The charity has a strong balance sheet, with free reserves of £546k well within the reserve policy approved by trustees, and no indication of any short term cashflow shortfall.

Given the availability and liquidity of these unrestricted funds, the trustees believe the charity will have sufficient resources to meet its liabilities as they fall due. As such, they remain satisfied that the charity can continue operating for the foreseeable future and these accounts have been prepared on a going concern basis.

Reference and administrative details

Status	The organisation is a charitable company limited by guarantee, incorporated on 20 February 1998 and not having a share capital. The company was registered as a charity on 7 June 2006.
Governing document	ACEVO is governed by its Articles of Association, as adopted on 13 January 2021.
Company number	03514635
Charity number	1114591
Registered office	71-75 Shelton Street London WC2H 9JQ
Trustees	Rosie Ferguson, chair David Smith, deputy chair Joyce Materego, treasurer Kate Allen Neil Heslop Rashid Iqbal Ruth Marks Rosie Slater-Carr (to 23.8.21) Tiger de Souza Wanda Wyporska (to 18.1.22)
Chief executive	Vicky Browning (an ex officio trustee) (to 27.5.22) Jane Ide (an ex officio trustee) (from 23.5.22)
Banker	National Westminster Bank plc 332 High Holborn, London WC1V 7PS
Solicitor	Hempsons 100 Wood St, London EC2V 7AN
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane, London EC1Y 0TL

Structure, governance and management

Governing document

ACEVO is a company limited by guarantee governed by its Articles of Association dated 13 January 2021. It is registered as a charity with the Charity Commission. Full membership of ACEVO is open to individuals holding the chief executive post (or equivalent) of civil society organisations. In the event of an insolvent winding up, each member's liability is limited to £1.

Appointment of trustees

As set out in the articles of association, the board of trustees comprises

- not more than 10 trustees elected from among and by the full members;
- not more than five trustees appointed by co-option, which may include the chair and the treasurer; and
- the chief executive of the Association as an ex-officio member of the board.

Board members may serve up to two terms of three years.

Trustees' induction and training

On appointment, new trustees are provided with information about the company including its constitution, strategy and plans, finances, staffing structure and its risk register. Their attention is drawn to relevant Charity Commission guidance. They are offered the opportunity to meet with the chief executive and other staff for a full briefing on the organisation's work.

Organisation

The board is responsible for the governance of the charity. The trustees delegate the running of the organisation to the chief executive, within a framework of delegated authority. The board meets at least quarterly. The board has established a Finance and Audit Committee and a Remuneration Committee to which appropriate matters are delegated.

Trustees

The trustees who served during the year, and their pattern of attendance at board meetings, are shown in the table below.

Trustee	24/6/2021	07/10/2020	03/12/2020	17/3/2022
Rosie Ferguson (chair)	✓	✓	✓	✓
David Smith (deputy chair)	✓	✓	✓	✓
Joyce Materego (treasurer)	✓	X	✓	✓
Vicky Browning (CEO)	✓	✓	✓	✓
Kate Allen	✓	✓	✓	✓
Neil Heslop	✓	✓	✓	✓
Rashid Iqbal	✓	✓	✓	✓
Ruth Marks	✓	✓	✓	✓
Rosie Slater-Carr	X	o	o	o

Tiger de Souza	√	√	√	√
Wanda Wyporska	X	X	√	o

Key o: not in post, X: did not attend, √: attended

The board has delegated detailed aspects of its work to a Finance and Audit Committee. The board members who served on the committee were Joyce Materego (chair), Rosie Ferguson, Rosie Slater-Carr (to 23.8.21), Wanda Wyporska (to 18.1.22), Kate Allen (from 16.11.21) and Robin Osterley who served as a co-opted member of the committee.

The Finance and Audit Committee has key responsibilities for

- ongoing monitoring and review of financial performance
- ensuring there is a framework for accountability
- reviewing the systems of internal control
- identifying, managing and reporting of financial and operational risk
- ensuring ACEVO is compliant with relevant legal and regulatory requirements, along with good practice
- considering the relationship with and monitoring the performance of ACEVO's external auditors.

The board has also delegated some decisions to its Remuneration Committee, which comprises Rosie Ferguson, David Smith and Joyce Materego.

The Remuneration Committee has delegated authority for

- determining the remuneration and conditions for the chief executive of ACEVO, and in the event of a vacancy, overseeing arrangements for the appointment of a CEO, making recommendations to the board
- agreeing a remuneration policy for the organisation that supports the objects, vision, mission and strategic priorities of the charity
- reviewing and agreeing all HR policies and the staff gifts and hospitality register.

The trustees would like to register our thanks for the commitment, input and service of Rosie Slater-Carr and Wanda Wyporska who stepped down on 23 August 2021 and 18 January 2022 respectively.

Key executive personnel

The key executive personnel (ACEVO's senior management team) at the end of the year were:

Tom Andrews, head of member support; Vicky Browning, chief executive; Pete Johnson, head of business development; Alan Lally-Francis, head of influencing; Yetunde Ogundele, head of finance and operations; and Anne Wallis, head of membership and marketing.

We are grateful to two former members of our senior management team who left us during the year, Catherine Macrae and Kristiana Wrixon for their contribution to the organisation over a number of years.

Related parties

None of the trustees receives remuneration or other benefit from their work with the charity, other than Vicky Browning, the CEO. Trustees are invited to declare any relevant interests at each board meeting, and formally requested to submit an annual register of interests form. Other than their interests as chief executives of member charities, board members have reported no relevant interests or transactions. The charity's wholly owned subsidiary, ACEVO Solutions Ltd was established to operate ACEVO's

related trading and non-charitable business streams – principally corporate partnerships and sponsorship and affinity schemes. ACEVO Solutions Ltd gift aids all its distributable profit to ACEVO.

Remuneration policy

The board is responsible for considering the chief executive's remuneration, taking account of the skills and experience required and sector norms for charities of similar size. Staff pay is reviewed annually by the Remuneration Committee in relation to their responsibilities and performance, the external economic environment and financial affordability for ACEVO. ACEVO is a Living Wage Employer.

Our CEO Vicky Browning's salary was £88,217 plus pension benefits of 6%. Vicky Browning is an ex officio trustee. ACEVO's articles require the chief executive to be a trustee and allow the chief executive to be remunerated.

Risk management

The board follows a comprehensive risk management policy which clearly defines the roles of the board, finance and audit committee and senior staff in identifying and managing risk, and how the register of risks should be used as a live document. The board identifies the key risks and discusses the impact, likelihood and the risk management in place to mitigate these risks. The key risks currently identified by the board, and their mitigation, are shown in the table below.

Key risk	Mitigation
Economic downturn/recession hits income as members and corporates cannot afford to join/renew	Retain sharp focus on costs and member and corporate partner engagement. Maximise awareness of the support and services we offer to members, particularly in relation to leading through crisis.
Staff burnout due to high demand and lack of capacity	Short term actions are being taken to address immediate capacity issues. A new structure is being developed by the CEO & SMT to ensure longer term sustainability, service to members and support for existing staff. A number of staff wellbeing measures in place and being further developed.
Loss of key staff	Staff satisfaction is at a good level, and we keep staff terms and conditions as well as staff wellbeing under review. However, pressures on capacity and workload are primary concerns, and we are planning to take immediate and longer term steps to address these.
Disruption and potential failure of our CRM system and membership database.	Specialist expertise being contracted to oversee upgrades and potentially longer term review of current systems.
ACEVO is not financially sustainable	Reserves are within levels set by trustees

The trustees are satisfied that appropriate steps are being taken to manage these risks, and that

sufficient procedures are in place to enable management and trustees to assess the effectiveness of risk management.

Fundraising

ACEVO does not engage in public fundraising and does not use professional fundraisers or commercial participators. The charity nevertheless observes the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and ACEVO received no complaints relating to its fundraising practice.

Equity, diversity and inclusion

ACEVO's equity, diversity and inclusion action plan details the steps we are taking as an organisation to fulfil our aspiration to be a genuinely inclusive charity through diverse representation at all levels, a culture that supports staff and volunteers to fully be themselves, and to be a charity that is anti-racist and able to demonstrate how we have removed structural barriers that perpetuate racism, ableism and other discriminatory behaviours.

We publish [progress against the plan every six months](#), including how we're meeting our diversity targets for staff and trustees:

	ACEVO staff		ACEVO trustee board	
	Target by 2024	Status at 31.3.22	Target by 2022	Status at 31.3.22
Gender balance (women : men)	60:40	80:20	60:40	55:45
Proportion of BAME staff /trustees	40%	44%	40%	33%
Proportion of BAME staff at SMT level	-	60%	-	-
Proportion of staff/trustees with a disability or long-term health impairment	20%	13%	20%	33%

A full explanation of why we chose these targets and how we have been working to achieve them is [available on our website](#), as is our most recent [gender and equity pay gap data](#). In 2022-23 we will be introducing a new target for LGBT+ representation at board level.

This year, we introduced a new [organisational value](#) of inclusion to formalise our commitment to creating a truly inclusive organisation. Our new value is:

Inclusive: We promote a culture that celebrates our differences and where everyone is heard, respected and valued. We aim to create a space that is safe and welcoming.

Compliance with the Charity Governance Code

The aim of the Charity Governance Code is to help charities and their trustees develop high standards of governance. As a sector, we owe it to our beneficiaries, stakeholders and supporters to demonstrate exemplary leadership and governance. The Code is not a legal or regulatory requirement. Instead, the Code sets the seven principles and recommended practice for good governance and is deliberately

aspirational, a tool for continuous improvement towards the highest standards.

One of ACEVO's strategic objectives is to establish the organisation as the voice and promote of good governance. As a result, we need to ensure we are working to ensure our own governance is conducted to a high standard.

ACEVO undertook a full governance review using the online Digi-Board tool. This assesses the organisation's governance against the recommended practice in the Governance Code as well as reviewing board behaviours and cultures.

The results of the review were very positive, both in absolute terms and when compared to Digi-Board's 'All Charities Benchmark' (ACB). ACEVO's ratings are above the ACB for all the governance principles assessed in this review, particularly the rating for equality, diversity & inclusion.

Digi-Board's experience is usually that trustees rate current performance higher than the senior management team (SMT) for most principles. This is not the case with ACEVO where there is a high level of alignment between the two groups – with some exceptions. The results are a good indication of the strong relationship between the trustees and the SMT.

Alongside strong ratings, the review found areas where ACEVO could make changes to benefit its members and take the charity's governance to an even higher level. These include:

- Potential for greater alignment between trustees and SMT on a shared understanding of 'why we are here'.
- Including annual appraisals and regular feedback for trustees, alongside ongoing learning and development opportunities
- Further development of a board environment where alternative viewpoints can be expressed, and any potential conflict of interests noted.
- Taking more advantage of digital opportunities.

Following the review, ACEVO's chair and CEO will be working with the trustees and SMT to develop a programme of activity to further strengthen the organisation's governance over the next 12 months.

Trustee's responsibilities in relation to the financial statements

The trustees (who are also directors of ACEVO for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have

been followed, subject to any material departures disclosed and explained in the financial statements

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- 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.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Approval

The trustees' report was approved by the trustees on 29 September 2022 and signed on their behalf by

Rosie Ferguson
Chair

Joyce Materego
Treasurer

Independent auditor's report to the members of Association of Chief Executives of Voluntary Organisations

Opinion

We have audited the financial statements of Association of Chief Executives of Voluntary Organisations (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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 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 trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

Date **29 September 2022**.

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

Association of Chief Executives of Voluntary Organisations

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations and legacies		–	–	–	260	–	260
Charitable activities							
Membership services	2	638,797	–	638,797	575,301	–	575,301
Training and development	2	140,677	–	140,677	171,427	–	171,427
Supporting services and projects	2	55,000	–	55,000	71,000	7,133	78,133
Other trading activities	3	233,582	–	233,582	203,658	–	203,658
Investments		–	–	–	407	–	407
Total income		1,068,056	–	1,068,056	1,022,053	7,133	1,029,186
Expenditure on:							
Raising funds		135,761	–	135,761	135,617	–	135,617
Charitable activities							
Membership services		409,050	3,490	412,540	351,458	3,832	355,290
Training and development		219,141	–	219,141	237,383	–	237,383
Policy and representation		198,941	–	198,941	179,887	7,133	187,020
Total expenditure	4	962,893	3,490	966,383	904,345	10,965	915,310
Net income/(expenditure) for the year and net movement in funds	5	105,163	(3,490)	101,673	117,708	(3,832)	113,876
Reconciliation of funds:							
Total funds brought forward		444,951	17,257	462,208	327,243	21,089	348,332
Total funds carried forward		550,114	13,767	563,881	444,951	17,257	462,208

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Association of Chief Executives of Voluntary Organisations

Balance Sheets

Company Number: 03514635

As at 31 March 2022

	Note	Group 2022 £	2021 £	Charity 2022 £	2021 £
Fixed assets:					
Investment in subsidiary undertaking	10	–	–	1	1
		–	–	1	1
Current assets:					
Debtors	13	80,236	120,255	400,733	463,208
Short term deposits		41,006	240,987	41,006	240,987
Cash at bank and in hand		901,156	569,936	547,658	191,107
		1,022,398	931,178	989,397	895,302
Liabilities:					
Creditors: amounts falling due within one year	14	458,517	468,970	425,517	433,095
Net current assets		563,881	462,208	563,880	462,207
Total net assets		563,881	462,208	563,881	462,208
Funds:	17a				
Restricted funds		13,767	17,257	13,767	17,257
Unrestricted funds:					
General Funds (Free reserves)		550,114	444,951	550,114	444,951
Total unrestricted funds		550,114	444,951	550,114	444,951
Total funds		563,881	462,208	563,881	462,208

The parent charity result for the year included in the group accounts is a surplus of £109,048 (2021: a surplus of £113,876).

Approved by the trustees on 29 September 2022 and signed on their behalf by

Rosie Ferguson
Chair

Joyce Materego
Treasurer

Association of Chief Executives of Voluntary Organisations

Consolidated statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		101,673		113,876	
Dividends, interest and rent from investments		–		(407)	
Decrease/(increase) in debtors		40,019		(59,660)	
(Decrease)/increase in creditors		(10,453)		35,591	
Net cash provided by operating activities		131,239			89,400
Cash flows from investing activities:					
Dividends, interest and rents from investments		–		407	
Net cash provided by investing activities			–		407
Change in cash and cash equivalents in the year		131,239			89,807
Cash and cash equivalents at the beginning of the year		810,923			721,116
Cash and cash equivalents at the end of the year		942,162			810,923

Analysis of group cash and cash equivalents

Group	At 1 April 2021 £	Cash flows £	Other changes £	At 31 March 2022 £
Cash at bank and in hand	569,936	331,220	–	901,156
Deposits (more than 3 months)	240,987	(199,981)	–	41,006
Total cash and cash equivalents	810,923	131,239	–	942,162

1 Accounting policies

a) Statutory Information

Association of Chief Executives of Voluntary Organisations is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 71–75 Shelton St London WC2H 9JQ.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary ACEVO Solutions Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The financial results of the parent company are disclosed in note 12.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees considered the financial position of the company and its business plan in March 2022, taking account of the external environment and the ongoing global pandemic, and were content that these plans were affordable. They remain confident that ACEVO can continue its business-critical activities and achieve its charitable objectives. The principle risk is its ability to generate sufficient income to cover the costs of meeting these objectives. In the current year and committed for next year there has been an increase in membership subscriptions and income, and continued support from sponsors. Given the availability and liquidity of unrestricted funds totalling around £550k, the trustees believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern. The trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the proportions of direct staff cost in each activity.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

- Computer – hardware and software 3 years

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) 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.

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.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) 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.

q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

ACEVO operates a defined contribution pension policy in compliance with the stakeholder pension requirements. The employer contributions are charged to the statement of financial activities in the period in which they are incurred.

s) Critical judgements and estimates

In the course of preparing the financial statements, no judgements have been made in the process of applying the Group's accounting policies, other than those involving estimations that have had a significant effect on the amounts recognised in the financial statements.

2 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Membership Fees	638,797	–	638,797	575,301	–	575,301
Training and development	140,677	–	140,677	171,427	–	171,427
Supporting services	55,000	–	55,000	71,000	7,133	78,133
Total	834,474	–	834,474	817,728	7,133	824,861

Notes to the financial statements

For the year ended 31 March 2022

3 Income from other trading activities

	2022 Total £	2021 Total £
Sponsorship Income	149,425	148,350
Commissions received from affinity schemes	38,802	30,457
Trading income from business activities	45,355	24,851
	<u>233,582</u>	<u>203,658</u>

All income from other trading activities is unrestricted.

Association of Chief Executives of Voluntary Organisations

Notes to the financial statements

For the year ended 31 March 2022

4a Analysis of expenditure (current year)

	Staff	Other direct costs	Support	2022 Total	2021 Total
Charitable activities					
Membership services	208,699	43,724	160,117	412,540	355,290
Training and development	106,177	34,996	77,968	219,141	237,383
Policy and representation	109,558	2,700	86,683	198,941	187,020
	424,434	81,420	324,768	830,622	779,693
Other trading activities					
Cost of raising funds	77,131	1,315	57,315	135,761	135,617
	501,565	82,735	382,083	966,383	915,310

	Member Services	Training and development	Policy and representation	Cost of raising funds	2022 Total	2021 Total
Support costs						
Management and admin	116,610	59,653	66,156	43,388	285,807	204,060
Office and premises	21,393	10,944	12,103	7,960	52,400	85,194
Governance	5,847	2,924	3,341	2,367	14,479	11,770
Other	16,267	4,447	5,083	3,600	29,397	28,985
	160,117	77,968	86,683	57,315	382,083	330,009

The basis of allocation of support costs is staff time spent on areas of strategic focus.

Notes to the financial statements

For the year ended 31 March 2022

4b Analysis of expenditure (prior year)

	Staff	Other direct costs	Support	2021 Total
Charitable activities				
Membership services	195,390	29,520	130,380	355,290
Training and development	95,657	76,518	65,208	237,383
Policy and representation	99,402	5,975	81,643	187,020
	390,449	112,013	277,231	779,693
Other trading activities				
Cost of raising funds	77,139	5,700	52,778	135,617
	467,588	117,713	330,009	915,310

	Member Services	Training and development	Policy and representation	Cost of raising funds	2021 Total
Support costs					
Management and admin	82,401	41,212	47,091	33,356	204,060
Office and premises	34,402	17,206	19,660	13,926	85,194
Governance	4,753	2,377	2,716	1,924	11,770
Other	8,824	4,413	12,176	3,572	28,985
	130,380	65,208	81,643	52,778	330,009

The basis of allocation of support costs is staff time spent on areas of strategic focus.

Notes to the financial statements

For the year ended 31 March 2022

5 Net income for the year

This is stated after charging /(crediting):

	2022 £	2021 £
Depreciation	-	-
Interest receivable	-	(407)
Operating lease rentals:		
Property	7,500	18,150
Equipment	-	-
Auditor's remuneration (excluding VAT):		
Audit	9,350	8,900
Other services	925	900
	<u>9,350</u>	<u>8,900</u>
	<u>925</u>	<u>900</u>

6 Staff and trustee remuneration and expenses

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	562,718	530,129
Social security costs	57,041	50,069
Pension contributions	94,750	70,465
Total Staff Costs	<u>714,509</u>	<u>650,663</u>

The following number of employees received employee benefits in excess of £60,000 (excluding employer national insurance and employer pension contributions) during the year between:

	2022 No.	2021 No.
£80,000 – £89,999	<u>1</u>	<u>1</u>

Vicky Browning was paid £88,217 (2021: £86,700) as Chief Executive with employer pension contributions of £5,293 (2021: £5,202). Vicky Browning is a member of the ACEVO Board, ex officio.

The ratio of the highest paid member of staff to the lowest was 3.6:1 (2021: 3.6:1).

7 trustees (2021: Nil) were reimbursed expenses in respect of travel and subsistence totalling £2,921 (2021: £Nil). The charity maintains a liability insurance policy that protects both the charity and its Trustees from losses arising from neglect or default by the Trustees, employees or other agents of the group.

Members of the Board (other than Vicky Browning as Chief Executive) have had no beneficial interest in the charity, or the trading subsidiary, ACEVO Solutions Limited.

The total employee benefits including employer pension contributions and employer national insurance of the key management personnel were £324,866 (2021: £313,815).

Notes to the financial statements

For the year ended 31 March 2022

7 Staff numbers

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

	2022 Headcount	2021 Headcount	2022 FTE	2021 FTE
Member Services	6.1	5.1	4.3	4.2
Training and development	1.2	1.9	1.1	1.8
Policy and representation	3.0	3.0	2.6	2.5
Supporting services	4.0	5.3	3.6	4.9
	14.3	15.3	11.6	13.4

8 Related party transactions

Aggregate donations from related parties were £Nil (2021: £260)

A management charge of £135,761 was made for the year (2021: £135,617) to the charity's trading subsidiary, ACEVO solutions Ltd.

A distribution of profits for the year of £95,895 (2021: £68,041) was received from the charity's trading

9 Taxation

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

	2022 £	2021 £
UK corporation tax	-	-

10 Investments – Charity

Investment in subsidiary undertaking at cost

	Total £
At 1 April 2021 and at 31 March 2022	1

ACEVO Solutions Limited is registered in England and Wales (Company Registration No. 07194347) and has a share capital of one share of £1, representing 100% of the voting rights. The share capital is wholly owned by the charity and the company is consolidated into the group financial statements as a subsidiary.

ACEVO Solutions has a Board of Directors. At the Balance Sheet date the Board had two members who were also ACEVO trustees. See note 11.

Notes to the financial statements

For the year ended 31 March 2022

11 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of ACEVO Solutions Limited, a company registered in England (company number 07194347). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed to the charitable company. The trustee David Smith as well as the CEO, Jane Ide, are directors of the subsidiary. A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	231,656	203,658
Cost of sales	(78,446)	(82,839)
Gross profit	153,210	120,819
Administrative expenses	(57,315)	(52,778)
Profit before tax and distribution	95,895	68,041
Distribution to parent charity	(95,895)	(68,041)
Retained in subsidiary	–	–
The aggregate of the assets, liabilities and funds was:		
Assets	430,813	494,429
Liabilities	(430,812)	(494,428)
Funds	1	1

A management charge of £135,761 was made for the year (2021: £135,617).

12 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	1,066,741	1,023,486
Result for the year	109,048	113,876

13 Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	77,315	120,255	–	4,655
Prepayments	2,921	–	2,921	–
Amounts due from subsidiary undertaking	–	–	397,812	458,553
	80,236	120,255	400,733	463,208

Notes to the financial statements

For the year ended 31 March 2022

14 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Membership fees received in advance	300,700	291,999	300,700	291,999
Other member income received in advance	33,865	44,236	33,865	44,236
Trade creditors	9,713	10,992	9,713	10,992
Accruals	26,503	31,411	26,503	31,411
Taxation and social security	37,391	32,996	37,391	32,996
Other creditors	9,345	6,461	9,345	6,461
Deferred sponsor income	41,000	50,875	8,000	15,000
	458,517	468,970	425,517	433,095

Membership fees received in advance comprises £277,530 for 2022/23, £17,970 for 2023/24 and £5,199 for 2024/25.

15 Movements in income received in advance and deferred income

All year end balances relate to income where the work has not yet been completed or contracts are still active and therefore the income cannot be recognised.

16a Analysis of group net assets between funds (current year)

	Restricted funds	General unrestricted	Total funds
	£	£	£
Current assets	13,767	1,008,631	1,022,398
Current liabilities	–	(458,517)	(458,517)
Net assets at the end of the year	13,767	550,114	563,881

16b Analysis of group net assets between funds (prior year)

	Restricted funds	General unrestricted	Total funds
	£	£	£
Current assets	10,747	913,921	924,668
Current liabilities	–	(468,970)	(468,970)
Net assets at the end of the year	10,747	444,951	455,698

Notes to the financial statements

For the year ended 31 March 2022

17a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Jane Slowey memorial membership programme	7,257	–	(3,490)	–	3,767
National Lottery Awards for all	10,000	–	–	–	10,000
Total restricted funds	17,257	–	(3,490)	–	13,767
Unrestricted funds:					
General funds (free reserves)	444,951	1,068,056	(962,893)	–	550,114
Total unrestricted funds	444,951	1,068,056	(962,893)	–	550,114
Total funds	462,208	1,068,056	(966,383)	–	563,881

Purposes of restricted funds

Lloyds Bank Foundation: a grant to be spent on a review of infrastructure bodies' collaboration

Jane Slowey Memorial Fund: donated funding for ACEVO's Jane Slowey memorial membership programme to provide support, guidance, advice and mentoring for women who have recently become CEOs or are aspiring CEOs of a charity or social enterprise, particularly those who are under 45, from BAME backgrounds and/or who have a disability.

The National Lottery Awards for all: a match-funding grant to support years 5–6 of the Jane Slowey memorial programme.

Notes to the financial statements

For the year ended 31 March 2022

17b Movements in funds (prior year)

	At 31 March 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Jane Slowey memorial membership programme	11,089	–	(3,832)	–	7,257
National Lottery Awards for all	10,000	–	–	–	10,000
Lloyds Bank Foundation	–	7,133	(7,133)	–	–
Total restricted funds	21,089	7,133	(10,965)	–	17,257
Unrestricted funds:					
General funds (free reserves)	327,243	1,022,053	(904,345)	–	444,951
Total unrestricted funds	327,243	1,022,053	(904,345)	–	444,951
Total funds	348,332	1,029,186	(915,310)	–	462,208

Purposes of restricted funds

Lloyds Bank Foundation: a grant to be spent on a review of infrastructure bodies' collaboration

Jane Slowey Memorial Fund: donated funding for ACEVO's Jane Slowey memorial membership programme to provide support, guidance, advice and mentoring for women who have recently become CEOs or are aspiring CEOs of a charity or social enterprise, particularly those who are under 45, from BAME backgrounds and/or who have a disability.

The National Lottery Awards for all: a match-funding grant to support years 5–6 of the Jane Slowey memorial programme.

18 Legal status of the charity

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