

THE INVOLVE FOUNDATION

England & Wales · Charity number 1130568

Details

Status Registered

Legal form Charitable company

Company number [05669443](#)

Registered 2009-07-15

Register [View on the Charity Commission register](#)

Contact

Address Oxford House
Derbyshire Street
London
E2 6HG

Phone 020 3745 4334

Email info@involve.org.uk

Website www.involve.org.uk

Activities

Objects: 3. THE OBJECTS OF THE CHARITY ARE:3.1 TO ADVANCE EDUCATION FOR THE PUBLIC BENEFIT IN METHODS AND PROCESSES OF PUBLICPARTICIPATION AND DEMOCRATIC PRACTICE;3.2 TO PROMOTE GOOD CITIZENSHIP FOR THE PUBLIC BENEFIT BY ENCOURAGING ANDFACILITATING PARTICIPATION BY THE PUBLIC IN DEMOCRATIC AND DECISION MAKINGPROCESSES WITH AN INTENDED OUTCOME OF ENABLING PEOPLE TO DEVELOP THEIRCAPACITIES, HELP MEET THEIR NEEDS AND PARTICIPATE MORE FULLY IN SOCIETY.

Activities: Since Involve was founded in 2003 we have worked closely with public organisations at a local, national and international level to transform how they engage with citizens. Our work seeks to create new innovations, new institutions and new norms of democracy. We do this by developing world-class participatory and deliberative processes, and by setting the agenda and building coalitions.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL AND OVERSEAS
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,689,956	£2,634,777	£550,961	27
2024-03-31	£1,936,281	£2,266,799	£495,782	25
2023-03-31	£2,263,538	£2,154,493	£826,300	20
2022-03-31	£1,910,760	£1,656,682	£717,255	16
2021-03-31	£1,662,710	£1,597,665	£463,177	11

Trustees

Name	Role	Appointed
Kevin Steele	Chair	2025-06-26
Andrew Cave		2023-04-20
Anna Wallace		2025-06-26
Delaweh Hamelo-Mensah		2023-08-10
Dr Temidayo Oluwaseun Eseonu		2021-05-27
James Vaccaro		2025-06-26
Kathryn Laurel Jones		2019-11-04
Paul Jack Braithwaite		2021-05-27

THE INVOLVE FOUNDATION

England & Wales - Charity number 1130568

Accounts

Company no. 05669443
Charity no. (England & Wales) 1130568
Charity no. (Scotland) SC047314

The Involve Foundation
Report and Audited Financial Statements
31 March 2025

The Involve Foundation

Reference and administrative details

For the year ended 31 March 2025

Company number	05669443
Charity numbers	1130568 and SC047314
Registered office and operational address	Oxford House Derbyshire Street London E2 6HG
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Claire Ainsley (resigned 26 June 2025) Paul Braithwaite Andrew Cave Edward Cox (resigned 26 June 2025) Temidayo Eseonu Delaweh Hamelo-Mensah Kathryn Jones Sharon Squires (resigned 11 September 2025) Kevin Steele (Chair) (appointed 26 June 2025) James Vacarro (appointed 27 June 2025) Anna Wallace (appointed 26 June 2025) Hannah White (resigned 11 September 2025)
Company secretary	Sarah Castell (resigned 13 June 2025) Gareth Bridges (appointed 13 June 2025)
Key management personnel	Sarah Castell CEO (resigned 13 June 2025) Stephanie Draper Interim CEO (from 16 August 2025), Interim co-CEO (from 13 June 2025 to 15 August 2025), Director of Innovation & Practice Carly Walker-Dawson Interim co-CEO (from 13 June 2025 to 15 August 2025), Director of Capacity Building & Standards, Kelly McBride Director of Capacity Building & standards (parental leave cover) (from 7 July 2025) Yasamin Alttahir Director of Advocacy & Communications (from 28 April 2025) Calum Green Director of Advocacy & Communications (resigned 29 January 2025) Gareth Bridges Director of Finance and Support Services

The Involve Foundation

Reference and administrative details

For the year ended 31 March 2025

Bankers

Unity Trust Bank
9 Brindley Place
Birmingham
B1 2HB

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Auditors

Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

The Involve Foundation

Report of the trustees

For the year ended 31 March 2025

The trustees, who are also directors under company law, present their report and financial statements for the year ended 31 March 2025.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives

We have a vision of a vibrant democracy, where everyone can shape a society that works for us all. We believe that decision making needs to be more open, participatory and deliberative. Our mission is to lead the UK in making public participation an everyday part of our democracy, and help meet the challenges of our time.

If our mission is successful, we expect to see the following outcomes:

- **Frequent use** – There is frequent use of participatory and deliberative processes supported by the right resources (people, budgets) both inside and outside of political institutions;
- **Democratic innovations** – There is continuous learning and innovation to improve democracy and related practice;
- **Clear standards** – There are clear principles and standards that support good practice in delivering and embedding participatory and deliberative processes, which are widely understood and followed;
- **Evidence and practice** – There is an accessible and well-communicated body of evidence and practice that demonstrates the impact of our vision and how to achieve it;
- **Democratic norms** – Participation and deliberation are recognised as essential features for a healthy modern democracy by the public, society and decision-makers; and
- **Political support** – People in positions of power and influence across society and the political spectrum understand and actively support the use of participatory and deliberative decision-making.

Our vision and mission support our core charitable objectives, which are:

- To advance education for the public benefit in methods and processes of public participation; and
- To promote good citizenship for the public benefit by encouraging and facilitating participation by the public in democratic and decision-making processes, with an intended outcome of enabling people to develop their capacities, help meet their needs and participate more fully in society.

In shaping our objectives for the year, and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

Activities, achievements and performance

Throughout the year Involve has worked with institutions across the UK to enable public involvement in the decisions that affect their lives. Through our processes, our capacity building and our advocacy and communications we have delivered improved decision making, increased trust in decisions, and shown how democracy can be transformed. Our activities break down into three areas of work: innovation and practice, capacity building and standards and advocacy and communications. Achievements against each are described below.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2025

Innovation and Practice

Through our pioneering practice, we deliver high quality participatory and deliberative processes, and promote continuous learning and innovation to improve democracy and deliver lasting solutions in key policy areas. This year we delivered 9,984 hours of dialogue and deliberation with 417 public participants. We created eight new approaches, including methods such as citizen scrutiny, that we view as transformational for the sector. We have also delivered 12 innovations within projects. Our achievements include:

- Citizen visioning and engagement on the Net Zero Living Programme. This major UK-wide project funded by UK Research and Innovation helps local authorities engage their citizens on how to get to Net Zero. We worked with 28 local authorities across the UK to bring residents together to create visions and recommendations for their area. These have been used to guide net zero strategies, projects and decisions that are shaped by people;
- Restorative scrutiny on Grenfell for the Royal Borough of Kensington and Chelsea. We were the consultation scrutiny partner for the £42 million Grenfell Future Support Programme, aimed at supporting bereaved families, survivors, and affected community members following the 2017 Grenfell fire. Alongside our partner, Collaborate, we worked with the Council and community to scrutinise the consultation and engagement process, ensuring it was inclusive, respectful, and responsive to the community's unique needs. The final models of support that emerged were not only informed by the needs of the community but also had high levels of support from across affected groups. This has had meaningful social impact through a trusted community support fund and a clear restorative route to express concerns and grievances. We believe that this new approach to involve residents in scrutiny could be an important intervention for many communities where there has been a tragic, traumatic event; and
- The Waltham Forest Citizen Assembly on neighbourhood policing, commissioned by the Council and Metropolitan Police together, delivered nine recommendations and a vision for policing in the borough. Two major projects have resulted and the recommendations are being taken up in different ways, including new funding. In addition, two Permanent Secretaries, from the Home Office and the Cabinet Office, attended the Assembly. This led to further action in their Departments, including a Sciencewise dialogue on AI in policing at the Home Office.

From our stated outcomes, this work contributes to frequent use and democratic innovations.

Capacity Building and Standards

We aim to embed change through building the capacity of public servants and practitioners, and developing the evidence, principles and standards that support participatory and deliberative practice. We have trained and mentored 252 people and developed a new set of standards for deliberative processes beyond citizens assemblies. We have supported 29 organisations with good practice in delivering and embedding participatory and deliberative processes. Our achievements include:

- The School for Everyday Democracy, a three-year programme funded by the National Lottery that is working to empower 100 people to make meaningful change in their communities all across the UK. We have worked with Act Build Change to deliver in-depth training with our first cohort of change makers this year;
- Providing policy-makers with assistance to carry out public dialogue to inform their decision-making on science and technology issues, through UK Research and Innovation's Sciencewise programme. This year we published "Sciencewise: 20 years of public voice on science, technology and innovation" that outlined how the programme has improved decision making in science and shared learning on how to do it well; and

The Involve Foundation

Report of the trustees

For the year ended 31 March 2025

- We delivered a number of resources and toolkits to enable others to deliver participatory processes including a co-design framework with Belfast City Council; Inclusive Climate Action: A Toolkit for Effective Public Engagement in Decision-Making - with UK100; the Greenwich Community Engagement Pledge and Handbook with the London Borough of Greenwich and a Guide to Deliberative Engagement in the Albanian Parliament - with IDM and the British Embassy in Albania.

From our stated outcomes, this work contributes to clear standards and evidence and practice.

Advocacy and communications

We work to make the case for participation and deliberation through our advocacy and communications. We demonstrate why they are essential features of a healthy modern democracy and help those in positions of power to understand and support their use in addressing some of the UK's most intractable issues. We have advised three government departments and two national governments in an official capacity this year; published 16 opinion pieces and reports; spoken at 22 events and had 13 media mentions. Our achievements include:

- Participatory and deliberative processes increasing salience in government departments following the Citizens' White Paper we wrote with Demos. A number of government departments are now exploring these approaches and the Participatory Methods Forum has brought key senior figures across government together with external experts like Involve to drive the participatory agenda hosted in the Cabinet Office; and
- The Welsh Government establishing a new Innovating Democracy Advisory Group, of which Involve is a member. We helped inspire the Deputy First Minister to champion participatory and deliberative democracy through a visit to our citizen forum on transport in Blaenau Gwent.

From our stated outcomes, this work contributes to democratic norms and political support.

You can find more information on our projects and work during the year on our website at www.involve.org.uk

Fundraising practices

Involve raises its funds through grant and consultancy funding. We do not proactively solicit funding from members of the public, and we are not registered with the Fundraising Regulator.

Financial review

2024/25 marked Involve's largest ever year in terms of turnover and the volume of work we have delivered. At 31 March 2025 Involve had total funds of £551k (2024: £496k), of which £404k were unrestricted funds and £147K restricted funds. The restricted funds are earmarked by grantors for specific projects as described in note 15 to the accounts. Historically, Involve's funding has come from a mix of contracts and restricted grants, with limited core funding. Our core funding, since 2017, has come from the Joseph Rowntree Charitable Trust.

We have secured long term programmatic funding through projects such as the School for Everyday Democracy, a three-year National Lottery- funded project, we have been appointed for a further six years in our role on the Sciencewise programme and the Net Zero Living project runs throughout 2024/25 and 2025/26.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2025

Over the last three years, there has been gradual growth in our staffing headcount. This brings additional capacity to meet the demand for our work and have greater impact but also means our overhead costs have increased. We closely monitor our fundraising and income generation performance to ensure that we continue to be able to raise funds to meet the costs of running a larger organisation.

Our budget for 2024/25 included a plan to grow our unrestricted reserves in line with the growth of the organisation. The year saw a more modest increase in unrestricted reserves than had been planned for. The impact of the general election resulted in a smaller number of tenders being issued by commissioners in the middle part of the year. However, there was a small growth in unrestricted reserves and we have planned for further adding to reserves in 2025/26.

Reserves policy

Involve's reserves are made up of the balance of the unrestricted funds and represent the funds we have available that are not committed to specific projects. Reserves are held to ensure that Involve has sufficient funds for an orderly wind down in the event of financial difficulties and to provide working capital through peaks and troughs of funding. At the year end total reserves stood at £404k (2024: £398k).

The reserves policy is for Involve to have between three and six months of operating expenses within these funds. For the forthcoming year, this is between £350,000 and £700,000. As our operating expenses have increased due to the growth in our capacity described above, the level of reserve needed to meet this policy has increased. Current reserves are therefore towards the lower end of this range. For 2025/26 we have set a budget that includes a plan to grow our reserves with the intention of reaching a level equivalent to six months of operating expenses over a three-year period.

Going concern

The trustees consider that Involve will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved, for the following reasons:

- Involve holds cash reserves (including current asset investments) at 31 March 2025 of £732k and total unrestricted funds of £404k;
- Budget for 2025/26 is based upon generating net income of £2.1m from our work. At 31st March 2025, a total of £950k of this work had already been secured with an additional £1.3m of opportunities in the pipeline;
- Involve's successful track record of securing and maintaining funding gives trustees some assurance that we will be able to continue to secure a pipeline of funding, and we continue to have opportunities in our pipeline. Trustees are also cognisant of the squeeze on public spending, and the risks that this presents to our future funding. Part of our funding strategy is to continue to build our capacity to originate work;
- We will manage any demands for increased capacity to deliver projects in ways that minimise the on-going liability for costs, for example by engaging additional staff on short-term contracts or by drawing on our pool of associates;
- Trustees will be keeping our funding pipelines, as well as budget performance, under careful scrutiny through the year ahead; and
- We have very well-established and real-time cash flow projections, which include trigger points to enable us to spot and manage any potential insolvency.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2025

Principal risks and uncertainties

Involve has a risk register, integrated with our Business Plan, which is actively managed by both the management team and by trustees. The detailed strategic risk register is a standing item on the Finance & Risk Subcommittee's agenda, and is reported by exception to the full Board.

Our principal risks and uncertainties, and the steps we take to manage them, are outlined below:

Strategy and impact risks

- **Lack of political will** – there is a risk that Government and related UK institutions fail to make significant commitment to participation and deliberation, which adversely affects our ability to achieve our mission. In response, we continue to advocate for this approach and develop research and communications to strengthen the argument with all levels of government; and
- **Impacts of new technology** – there is a risk that technology-enabled deliberation could impact standards and quality both positively and negatively. In response, we are experimenting with different forms of technology to understand the potential and collaborating with the sector to maintain standards.

Fundraising and income risks

- **Market transformation** – there is a risk that we don't respond sufficiently to changes in the market, including from AI and technology, which results in decreased pipeline and inability to meet fundraising targets. In response, we are reviewing our market and putting strategies in place to respond to changes and implement new fundraising strategies.

Strategy and impact risks

- **Staff wellbeing** – there is a risk that this is reduced due to high volumes of delivery and senior staff changes. In response, we are implementing new systems and processes and have good HR policies and line management practices in place;
- **Equity, diversity and inclusion** – there is a risk that we do not continue momentum internally and externally. In response, we are demonstrating what we are doing, embedding it across projects, and continually learning and challenging ourselves to go further; and
- **Governance models** – there is a risk that governance falls behind others in the sector especially around attitudes to participation, equity, diversity, inclusion and systemic change, which may adversely impact upon performance and reputation. In response, we have refreshed the Board and brought in new skills and are taking steps to further strengthen our approaches to internal participation.

Future plans

There is a growing recognition that the UK's current model of democracy is not fit for purpose, and people are increasingly looking for ways to make it better. Our work offers practical approaches that can contribute to this challenge. Over the coming years we plan to accelerate the work we have started to show that a different type of democracy is possible.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2025

We have a reputation for designing and delivering world-class participatory and deliberative decision-making processes and we will continue to innovate to deepen the impact of this work. But we are clear that individual projects are not enough to achieve the scale of change that is required. We will continue our strategy to shift the narrative about democracy and embed the principles of openness, participation and deliberation within institutions, through sustained advocacy and communications. We will broaden our impact through our established training and capacity-building, so that organisations and practitioners are equipped to make the shift to a better democracy themselves. This will be guided by our collaboration on standards setting and attention to the evidence base to demonstrate the value of this work. We also have a new impact framework in place that will allow us to better track and share the benefits of our approaches.

In these changing, turbulent times, we will apply our practical solutions to major societal challenges such as climate change, social cohesion and inequity. We will help institutions to create better outcomes, communities to be more resilient, governments to be more trusted and for people to be able to shape the decisions that affect them.

Structure, governance and management

Involve is a charitable company limited by guarantee. It was incorporated on 9 January 2006 and registered as a charity on 15 July 2009. We also registered as a charity with the Office of the Scottish Charity Regulator on 10 April 2017. Involve's Memorandum of Association establishes the objects and powers of the charitable company, which is governed under its Articles of Association.

Involve has a Board of Trustees who meet quarterly and are responsible for the strategic direction, finances and policies of Involve. Our Articles of Association allows us to have up to 15 trustees. The CEO and management team attend the Board, but have no voting rights. Other staff also attend the Board as required. The Board has four sub-committees – Finance & Risk, Advocacy & Communications, Innovation & Practice and Capacity Building & Standards. The sub-committees enable Trustees to undertake scrutiny of each function in greater depth.

Responsibility for the day to day management of the organisation is delegated to the Chief Executive Officer. The CEO is supported by the senior management team.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as the trustees. Trustees are appointed for an initial period of three years by resolution of the trustees. This is renewable for a further term of three years. Trustees who have served six continuous years must leave and remain out of office for a period of one year unless the trustees resolve that it is in the best interests of Involve for that person to continue to serve as a trustee.

Due to the nature of Involve's work, which is oriented towards participation, advocacy, democratic practice, and building capacity, the trustees have agreed that suitably experienced individuals are required to exercise adequate governance. Trustees identify potential new Board members through relevant networks and contacts and by open recruitment, followed by interview. When appointing new members, trustees look for a commitment to Involve's vision and mission and attempt to achieve a balance of skills and experience on the Board.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2025

Trustee induction and training

All new trustees are provided with a pack of information about governance, management and the work of Involve. This pack includes key financial and governance documents. In addition, all new trustees attend a short training session with the Chief Executive Officer or Director of Finance and Support Services. The purpose of this session is to familiarise them with the charity, its purpose, structure, financing and activities, as well as the role of a Board member.

Related parties and relationships with other organisations

Involve is a small organisation and, although we have a strong set of skills and experiences amongst our staff and Associates, we partner with other organisations and individuals on a significant proportion of our work. This partnering includes work where we are the lead organisation in a partnership as well as subcontracting by us or to us.

A full list of our funders in 2024/25, and details of our Associates and partner organisations, is available on our website: <https://www.involve.org.uk/>.

Involve has an established conflicts of interest policy for trustees. Trustees, and senior management staff, are required to complete an annual declaration of interests. Declaring interests is a standing item at the start of all Board and subcommittee meeting agendas. The policy outlines how any interests are then handled at the meeting, guided by the overall principle that trustees should not be able to influence decision-making on issues where they have an interest. Note 17 in the attached notes to the financial statements provides details of related party transactions.

Remuneration policy for key management personnel

Involve's pay policy and pay scales are approved by trustees. Pay progression for all staff at involve is considered within the annual appraisal process including for key management personnel.

Statement of responsibilities of the trustees

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

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 charity and of the income and expenditure of the charity 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 Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2025

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

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.

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 £10 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.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 4 December 2025 and signed on their behalf by



Kevin Steele, Chair

Independent auditors' report

To the members and the trustees of

The Involve Foundation

Opinion

We have audited the financial statements of The Involve Foundation (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cashflows and the related 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 Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 8 to the financial statements, 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Independent auditors' report

To the members and the trustees of

The Involve Foundation

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members and the trustees of

The Involve Foundation

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Independent auditors' report

To the members and the trustees of

The Involve Foundation

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

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

William Guy Blake

Date: 4 December 2025

William Guy Blake ACA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

The Involve Foundation

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2025

	Note	Restricted £	Unrestricted £	2025 Total £	2024 Total £
Income from:					
Donations		-	4,777	4,777	17,168
Charitable activities	3	849,213	1,830,274	2,679,487	1,913,377
Other trading activities	4	-	2	2	1,333
Investment income		-	5,690	5,690	4,403
Total income		<u>849,213</u>	<u>1,840,743</u>	<u>2,689,956</u>	<u>1,936,281</u>
Expenditure on:					
Raising funds		-	104,698	104,698	124,102
Charitable activities		<u>799,801</u>	<u>1,730,278</u>	<u>2,530,079</u>	<u>2,142,697</u>
Total expenditure	4	<u>799,801</u>	<u>1,834,976</u>	<u>2,634,777</u>	<u>2,266,799</u>
Net income / (expenditure) and net movement in funds	7	49,412	5,767	55,179	(330,518)
Reconciliation of funds:					
Total funds brought forward		<u>97,607</u>	<u>398,175</u>	<u>495,782</u>	<u>826,300</u>
Total funds carried forward		<u><u>147,019</u></u>	<u><u>403,942</u></u>	<u><u>550,961</u></u>	<u><u>495,782</u></u>

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 15 to the accounts.

The Involve Foundation

Balance sheet

As at 31 March 2025

	Note	£	2025 £	2024 £
Fixed assets				
Tangible assets	10		9,003	7,668
Current assets				
Debtors	11	271,659		498,253
Current asset investments		134,153		104,462
Cash at bank and in hand		597,872		142,368
		1,003,684		745,083
Liabilities				
Creditors: amounts falling due within 1 year	12	(461,726)		(256,969)
Net current assets			541,958	488,114
Net assets	14		550,961	495,782
Funds	15			
Restricted funds			147,019	97,607
Unrestricted funds				
Designated funds			-	99,748
General funds			403,942	298,427
Total charity funds			550,961	495,782

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 4 December 2025 and signed on their behalf by



Kevin Steele, Chair

The Involve Foundation

Statement of cash flows

For the year ended 31 March 2025

	2025	2024
	£	£
Cash used in operating activities:		
Net movement in funds	55,179	(330,518)
<i>Adjustments for:</i>		
Depreciation charges	5,437	4,343
Interest from investments	(5,690)	(4,403)
Decrease / (increase) in debtors	226,594	(98,612)
(Decrease) / increase in creditors	204,757	(42,001)
Net cash provided by / (used in) operating activities	486,277	(471,191)
Cash flows from investing activities:		
Interest from investments	5,690	4,403
Purchase of tangible fixed assets	(6,772)	(6,039)
Net cash used in investing activities	(1,082)	(1,636)
Increase / (decrease) in cash and cash equivalents in the year	485,195	(472,827)
Cash and cash equivalents at the beginning of the year	246,830	719,657
Cash and cash equivalents at the end of the year	732,025	246,830
Cash and cash equivalents:	2025	2024
	£	£
<i>Analysed as:</i>		
Cash at bank and in hand	597,872	142,368
Current asset investments	134,153	104,462
	732,025	246,830

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies

a) General information and basis of preparation

The Involve Foundation is a charitable company limited by guarantee registered both in England and Wales and in Scotland. The registered office address is Oxford House, Derbyshire Street, London, E2 6HG.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Involve Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern. Trustees continue to keep the financial sustainability of Involve under careful scrutiny to ensure long term viability. This includes reviewing fund balances, cashflow projections and the pipeline of funding opportunities at each meeting of the finance and risk subcommittee. These indicators provide confidence that Involve remains a going concern.

c) Income

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

Income from the 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.

Income received in advance of provision of consultancy services is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

e) 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.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) 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.

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

h) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors falling due within one year or after one year (as appropriate).

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time spent on activities:

	2025	2024
Raising funds	6%	8%
Charitable activities	94%	92%

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Website	3 years straight line basis
Computer and office equipment	3 years straight line basis

Items are capitalised where the purchased price exceeds £750.

k) 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

l) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

m) 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.

n) Creditors

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.

o) 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 recognised at amortised cost using the effective interest method.

p) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

q) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1(j).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

2. Prior period comparatives

	Restricted £	Unrestricted £	2024 Total £
Income from:			
Donations	4,857	12,311	17,168
Charitable activities	425,508	1,487,869	1,913,377
Other trade income	-	1,333	1,333
Investment income	-	4,403	4,403
Total income	430,365	1,505,916	1,936,281
Expenditure on:			
Raising funds	-	124,102	124,102
Charitable activities	698,136	1,444,561	2,142,697
Total expenditure	698,136	1,568,663	2,266,799
Net expenditure	(267,771)	(62,747)	(330,518)
Transfers between funds	(49,382)	49,382	-
Net movement in funds	(317,153)	(13,365)	(330,518)

3. Income from charitable activities

	Restricted £	Unrestricted £	2025 Total £
Grant income*	849,213	51,250	900,463
Consulting income	-	1,739,781	1,739,781
Training income	-	39,243	39,243
Total income from charitable activities	849,213	1,830,274	2,679,487

Prior period comparative:

	Restricted £	Unrestricted £	2024 Total £
Grant income*	425,508	100,000	525,508
Consulting income	-	1,342,920	1,342,920
Training income	-	44,949	44,949
Total income from charitable activities	425,508	1,487,869	1,913,377

* Included within unrestricted grants is £51,250 (2024: £100,000) of funding received from the Joseph Rowntree Charitable Trust as contributions to core costs.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

4. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2025 Total £
Direct costs	-	747,707	-	747,707
Grants payable (note 5)	-	137,950	-	137,950
Staff costs (note 8)	49,078	820,008	592,718	1,461,804
Other staff costs	-	-	64,909	64,909
Premises costs	-	-	56,222	56,222
Office and IT costs	-	-	48,990	48,990
Other costs	6,278	-	102,708	108,986
Trustee meeting costs	-	-	1,409	1,409
Audit fees	-	-	6,800	6,800
Sub-total	55,356	1,705,665	873,756	2,634,777
Allocation of support and governance costs	49,342	824,414	(873,756)	-
Total expenditure	104,698	2,530,079	-	2,634,777

Total governance costs were £34,027 (2024: £24,818).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

4. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2024 Total £
Direct costs	-	755,933	-	755,933
Grants payable (note 5)	-	51,794	-	51,794
Staff costs (note 8)	62,038	706,885	477,251	1,246,174
Other staff costs	-	-	43,636	43,636
Premises costs	-	-	46,441	46,441
Office and IT costs	-	-	46,202	46,202
Other costs	6,942	-	62,018	68,960
Trustee meeting costs	-	-	1,209	1,209
Audit fees	-	-	6,450	6,450
Sub-total	68,980	1,514,612	683,207	2,266,799
Allocation of support and governance costs	55,122	628,085	(683,207)	-
Total expenditure	124,102	2,142,697	-	2,266,799

5. Grants payable

	2025 £	2024 £
<i>Grants paid to institutions:</i>		
Compassion in Politics	6,000	-
Act Build Change Ltd	67,950	-
Unlock Democracy	6,000	-
Community Organisers	13,000	-
Shared Future CIC	-	16,515
UK100	45,000	30,209
Climate Outreach	-	5,070
	137,950	51,794

No grants were paid to individuals, and no support costs have been allocated to grant-making activities.

6. Government grants

The charitable company receives government grants, defined as funding from the National Lottery Community Fund to fund charitable activities. The total value of such grants in the period ending 31 March 2025 was £280,808 (2024: £nil).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

7. Net movement in funds

This is stated after charging:

	2025 £	2024 £
Depreciation	5,437	4,343
Operating lease payments	53,504	47,562
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	1,409	676
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	6,800	6,450
▪ Other services	3,280	9,530

Trustees' reimbursed expenses in the current year relate to payments made to 6 trustees for reimbursed meeting, accommodation and travel expenses (2024: 4).

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements and to prepare and submit returns to the tax authorities. Our auditors have also provided payroll services to the charity during the year.

8. Staff costs and numbers

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	1,257,911	1,076,964
Social security costs	139,139	114,367
Pension costs	64,754	54,843
	<u>1,461,804</u>	<u>1,246,174</u>

The key management personnel of the charitable company comprise of the CEO and Directors. The total employee benefits of the key management personnel were £444,908 (2024: £363,948). The comparative has been restated for consistency with the current year.

Salaries and wages costs include termination payments of £nil (2024: £4,678).

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

	2025 No.	2024 No.
Average head count	<u>27.3</u>	<u>24.7</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

8. Staff costs and numbers (continued)

The number of higher paid employees was:	2025 No.	2024 No.
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible fixed assets

	Website £	Computer and office equipment £	Total £
Cost			
At 1 April 2024	10,471	21,379	31,850
Additions in year	-	6,772	6,772
At 31 March 2025	10,471	28,151	38,622
Depreciation			
At 1 April 2024	10,471	13,711	24,182
Charge for the year	-	5,437	5,437
At 31 March 2025	10,471	19,148	29,619
Net book value			
At 31 March 2025	-	9,003	9,003
At 31 March 2024	-	7,668	7,668

11. Debtors

	2025 £	2024 £
Trade debtors	262,200	374,851
Prepayments	8,058	12,729
Accrued income	-	110,673
Other debtors	1,401	-
	271,659	498,253

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

12. Creditors : amounts due within 1 year

	2025	2024
	£	£
Trade creditors	118,367	77,773
Accruals	88,517	42,268
Other taxation and social security	151,394	119,389
Deferred income (see note 13)	94,000	-
Other creditors	9,448	17,539
	<u>461,726</u>	<u>256,969</u>

13. Deferred income

	2025	2024
	£	£
At 1 April 2024	-	29,600
Released during the year	-	(29,600)
Deferred during the year	94,000	-
	<u>94,000</u>	<u>-</u>
At 31 March 2025	<u>94,000</u>	<u>-</u>

Deferred income comprises consultancy income received in advance of work being delivered.

14. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	9,003	9,003
Current assets	147,019	-	856,665	1,003,684
Current liabilities	-	-	(461,726)	(461,726)
	<u>147,019</u>	<u>-</u>	<u>403,942</u>	<u>550,961</u>
Net assets at 31 March 2025				

Prior period comparatives

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	7,668	7,668
Current assets	97,607	99,748	547,728	745,083
Current liabilities	-	-	(256,969)	(256,969)
	<u>97,607</u>	<u>99,748</u>	<u>298,427</u>	<u>495,782</u>
Net assets at 31 March 2024				

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

15. Movements in funds

	At 1 April 2024 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2025 £
Restricted funds					
Network for Democracy	22,353	305,789	(311,327)	-	16,815
Local Engagement on Climate Change	14,964	-	(12,538)	-	2,426
Riverwoods	(6,773)	16,250	(9,477)	-	-
Fellowship on impact of citizen's assemblies	11,312	1,348	(12,660)	-	-
UK OGN Co-ordination 2023	134	-	(134)	-	-
Our Zero Selby follow up	6,089	15,000	(11,328)	-	9,761
Positive Low Energy Futures	5,741	135,018	(133,044)	-	7,715
English Devolution Call to Action	12,982	-	(12,982)	-	-
Democracy Innovators Network	8,270	-	(7,807)	-	463
NEF Conditionality in Welfare	1,947	-	(1,947)	-	-
Local Engagement on Climate Change	22,046	90,000	(96,001)	-	16,045
School for Everyday Democracy	(1,458)	280,808	(185,556)	-	93,794
Graham Smith	-	5,000	(5,000)	-	-
	<u>-</u>	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>
Restricted funds carried forward	<u>97,607</u>	<u>849,213</u>	<u>(799,801)</u>	<u>-</u>	<u>147,019</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

15. Movements in funds (continued)

	At 1 April 2024 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2025 £
Total restricted funds	<u>97,607</u>	<u>849,213</u>	<u>(799,801)</u>	<u>-</u>	<u>147,019</u>
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	<u>99,748</u>	<u>-</u>	<u>-</u>	<u>(99,748)</u>	<u>-</u>
<i>Total designated funds</i>	<u>99,748</u>	<u>-</u>	<u>-</u>	<u>(99,748)</u>	<u>-</u>
General funds	<u>298,427</u>	<u>1,840,743</u>	<u>(1,834,976)</u>	<u>99,748</u>	<u>403,942</u>
Total unrestricted funds	<u>398,175</u>	<u>1,840,743</u>	<u>(1,834,976)</u>	<u>-</u>	<u>403,942</u>
Total funds	<u><u>495,782</u></u>	<u><u>2,689,956</u></u>	<u><u>(2,634,777)</u></u>	<u><u>-</u></u>	<u><u>550,961</u></u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

15. Movements in funds (continued)

Prior period comparative

	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2024 £
Restricted funds					
Forum for the Future Just Transitions	14,881	-	(14,881)	-	-
Just Transitions additional	40,971	-	(40,971)	-	-
Climate Assembly Evaluation - European Climate Foundation	3,599	-	(3,599)	-	-
Network for Democracy	213,914	113,794	(305,355)	-	22,353
Local Engagement on Climate Change	107,877	50,000	(97,652)	(45,261)	14,964
Rebooting Online Public Dialogue	19,409	15,000	(34,409)	-	-
UK OGN impact strategy	3,766	-	(3,766)	-	-
Riverwoods	(2,175)	48,750	(53,348)	-	(6,773)
GLA Civic Data Innovation Challenge	7,735	1,500	(5,114)	(4,121)	-
ECF KNOCA Innovations in Local Climate Authorities	(476)	4,667	(4,191)	-	-
UPPERNet Climate Summit	5,259	5,985	(11,244)	-	-
Fellowship on impact of citizen's assemblies	-	23,587	(12,275)	-	11,312
UK OGN Co-ordination 2023	-	6,000	(5,866)	-	134
Our Zero Selby follow up	-	7,500	(1,411)	-	6,089
Positive Low Energy Futures	-	40,000	(34,259)	-	5,741
English Devolution Call to Action	-	19,688	(6,706)	-	12,982
Democracy Innovators Network	-	12,300	(4,030)	-	8,270
NEF Conditionality in Welfare	-	31,594	(29,647)	-	1,947
Local Engagement on Climate Change	-	50,000	(27,954)	-	22,046
School for Everyday Democracy	-	-	(1,458)	-	(1,458)
Total restricted funds	414,760	430,365	(698,136)	(49,382)	97,607

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

15. Movements in funds (continued)

Prior period comparative

	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2024 £
Total restricted funds (from above)	<u>414,760</u>	<u>430,365</u>	<u>(698,136)</u>	<u>(49,382)</u>	<u>97,607</u>
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	78,748	-	-	21,000	99,748
Advocacy and communications	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>	<u>-</u>
<i>Total designated funds</i>	<u>98,748</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>99,748</u>
General funds	<u>312,792</u>	<u>1,505,916</u>	<u>(1,568,663)</u>	<u>48,382</u>	<u>298,427</u>
Total unrestricted funds	<u>411,540</u>	<u>1,505,916</u>	<u>(1,568,663)</u>	<u>49,382</u>	<u>398,175</u>
Total funds	<u><u>826,300</u></u>	<u><u>1,936,281</u></u>	<u><u>(2,266,799)</u></u>	<u><u>-</u></u>	<u><u>495,782</u></u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

15. Movements in funds (continued)

Purposes of restricted funds

Network for Democracy

These grants from the Joseph Rowntree Reform Trust of £185,571 (2024: £108,936), Joseph Rowntree Charitable Trust £76,868 (2024: £nil) and ChangeMakerXchange £43,450 (2024: £nil) enable Involve to work collaboratively with a range of stakeholders to build a stronger UK democracy network.

Local Engagement on Climate Change

These grants from the Esmée Fairbairn Foundation and the Calouste Gulbenkian Foundation (UK branch) enables Involve to work with partner organisations to support local authorities to engage with their communities around climate change.

Riverwoods

This grant from the Scottish Wildlife Trust enables Involve to work with partner organisations to support local community engagement in the delivery of riparian woodland and healthy river systems in Scotland.

Fellowship on the impact of citizen's assemblies

This Grant from Oxford University enabled Involve to research and present evidence on the impact of citizen's assemblies.

UK OGN Co-ordination

This grant from Open Government Partnership enables Involve to lead the co-ordination of the UK Open Government Network.

Our Zero Selby follow up

This grant from Up For Yorkshire enable Involve to support on-going engagement in the net zero project in Selby.

Positive Low Energy Futures

This grant from Lancaster university enables Involve to run a citizens panel on energy demand.

English Devolution Call to Action

This grant from JRSST-CT enabled Involve to develop proposals for how participatory and deliberative processes could improve accountability in English devolution.

Democracy Innovators Network

This Grant from St Stephen's Green Trust enables Involve to develop a Democracy Innovators Network across the island of Ireland.

NEF Conditionality in Welfare

This grant from the New Economics Foundation has enabled Involve to undertake deliberative workshops to consider fairer solutions in the use of conditionality in the welfare system.

Local Engagement on Climate Change

This Grant from Oxford University enabled Involve to research and present evidence on the impact of citizen's assemblies.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2025

15. Movements in funds (continued)

School for Everyday Democracy This grant from the National Lottery enables involve to deliver the School for everyday democracy programme.

University of Westminster
Diversity & Inclusion Community This grant enabled Involve to undertake research and development work on institutionalising public participation in national policy making

Purposes of designated funds

Stability fund This fund enables Involve, if necessary, to close down the organisation in an orderly and honourable manner.

Transfers between funds

The transfer from restricted funds to general funds in the prior year represents expenditure that was incorrectly allocated to general funds in the prior year. The Stability Fund was drawn down in 2024/2025.

16. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2025	2024
	£	£
Amount falling due:		
Within 1 year	<u>46,747</u>	<u>44,524</u>

17. Related party transactions

Ed Cox, a trustee (resigned 26 June 2025), is the Executive Director for West Midlands Combined Authority (WMCA). WMCA have joined a project that Involve are running, and during the year WMCA paid £84,384 to Involve to plan the Net Zero panel workshops (2024: £41,050, for the provision of training and coaching). No amounts were outstanding at year end (2024: No amounts).

Kathy Jones, trustee, is a partner in Forestville Communications Pty Ltd. Involve and Forestville Communications Pty Ltd jointly commissioned a small piece of illustration work that cost £1000 plus VAT. The invoice from SJ Charles Illustrations was sent to Forestville Communications, who then invoiced Involve £600 for 50% of this work. (2024: £nil).

Andrew Cave, a trustee, is a director of the Sortition Foundation. Involve paid the Sortition Foundation £53,912 (2024: £nil) for consultancy and project work. No amounts were outstanding at year end (2024: No amounts).

Paul Braithwaite, trustee, is European Regional Lead for the Open Government Network. During the year the charitable company received a grant for £nil (2023: £9,488) from the Open Government Network.

Julie Mellor, a trustee (resigned 10 August 2023), is a Director of Demos. Involve paid Demos £nil (2024: £3,600) for conference drinks.

THE INVOLVE FOUNDATION

England & Wales - Charity number 1130568

Accounts

Company no. 5669443
Charity no. (England & Wales) 1130568
Charity no. (Scotland) SC047314

The Involve Foundation
Report and Audited Financial Statements
31 March 2024

The Involve Foundation

Reference and administrative details

For the year ended 31 March 2024

Company number	5669443
Charity numbers	1130568 and SC047314
Registered office and operational address	Oxford House Derbyshire Street London E2 6HG
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Claire Ainsley Paul Braithwaite Andrew Cave (Appointed 20 April 2023) Edward Cox (Chair) Temidayo Eseonu Delaweh Hamelo-Mensah (Appointed 10 August 2023) Kathryn Jones Julie Mellor (Resigned 10 August 2023) Sharon Squires Hannah White (Deputy Chair)
Company secretary	Sarah Castell
Key management personnel	Sarah Castell (CEO) Calum Green (Director of Innovation & Practice) Carly Walker-Dawson (Director of Capacity Building & Standards) Gareth Bridges (Director of Finance and Support Services) Stephanie Draper (Director of Innovation & Practice)
Bankers	Unity Trust Bank CCLA 9 Brindley Place Senator House Birmingham 85 Queen Victoria Street B1 2HB London EC4V 4ET
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

The Involve Foundation

Report of the trustees

For the year ended 31 March 2024

The trustees, who are also directors under company law, present their report and financial statements for the year ended 31 March 2024.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives

Our vision is of a **vibrant UK democracy, with people at the heart of decision making**. And our mission is to **develop, support and campaign for new ways of involving people in the decisions that affect their lives**.

To achieve this mission, our work focuses on delivering these **outcomes**:

- **Democratic norms** – Participation and deliberation are recognised as essential features for a healthy modern democracy by the public, society and decision-makers;
- **Political support** – People in positions of power and influence across society and the political spectrum understand and actively support the use of participatory and deliberative decision-making;
- **Frequent use** – There is frequent use of participatory and deliberative processes supported by the right resources (people, budgets) both inside and outside of political institutions;
- **Evidence and practice** – There is an accessible and well-communicated body of evidence and practice that demonstrates the impact of our vision and how to achieve it;
- **Clear standards** – There are clear principles and standards that support good practice in delivering and embedding participatory and deliberative processes, which are widely understood and followed; and
- **Democratic innovations** – There is continuous learning and innovation to improve democracy and related practice.

Our vision and mission support our core charitable objectives, which are:

- To advance education for the public benefit in methods and processes of public participation; and
- To promote good citizenship for the public benefit by encouraging and facilitating participation by the public in democratic and decision-making processes, with an intended outcome of enabling people to develop their capacities, help meet their needs and participate more fully in society.

In shaping our objectives for the year, and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

Activities, achievements and performance

Throughout the year Involve has continued to work with decision makers across the UK to support public involvement in the decisions that affect their lives. The public have been engaged in thousands of hours of learning, deliberating, making recommendations and holding decision makers to account. Alongside this, we have continued to develop our strategic functions with each function having a new set of KPIs aligned to strategy in order for trustees to have clear, measurable indicators against which progress towards our mission can be reviewed.

During the year, we have delivered some innovative and strategically important projects bringing voices of the public into new spaces and increasing participation and the use of deliberative methods. Our annual report published on our website provides greater depth insight into our work and achievements, and a flavour of our projects undertaken this year are described here:

The Involve Foundation

Report of the trustees

For the year ended 31 March 2024

Waltham Forest Citizens' assembly on the future of neighbourhood policing

Waltham Forest Council wanted to ensure that all its communities have a stronger voice in how local policing is delivered. This is why they held a citizens' assembly to hand power to a representative group of local people to deliberate and make recommendations on how neighbourhood policing can be improved. These recommendations will shape how the local police work in neighbourhoods in Waltham Forest. The council will also use the recommendations to improve their engagement with the police so that they can better support residents.

The Assembly took place across three weekends in February and March 2024. There were 50 Assembly Members recruited through sortition to reflect the population of Waltham Forest in terms areas such as their age, gender, ethnicity, whether or not they have a disability, and where in the borough they live.

The People's Plan for Nature set out in 2022 to be the UK's biggest ever conversation about the future of nature. Commissioned by RSPB, WWF and the National Trust, the project adopted a participatory model as a way to build a public mandate for a series of recommendations to protect and restore nature including the role of National and Local Government, Businesses, Charities and NGOs and Individuals and communities.

The council worked closely with the local Metropolitan Police, Involve and the Sortition Foundation to design and deliver the assembly, which was shaped by communities. An Advisory Board made up of community leaders and national experts met regularly to input into the assembly plans, advising on areas such the topics the assembly considered, what information was presented to the assembly by whom, and the engagement that took place around the assembly.

Waltham Forest Council also undertook extensive engagement in the run-up the assembly to ensure that local communities play a key role in shaping the citizens' assembly, in terms of the areas it looks at and the information given to it. Their plans included youth engagement, community conversations and focus groups to hear from communities across the borough.

The project shows how deliberative approaches can successfully be applied with insights from the public ensuring communities have the opportunity to shape and influence the decisions that affect their lives.

The UK Democracy Network: making UK democracy actors greater than the sum of their parts

In 2021 Involve was awarded a three-year grant from the Joseph Rowntree Reform Trust and the Joseph Rowntree Charitable Trust to set up the Democracy Network. The Network aims to build a democracy in the UK fit for the 21st century, where people have more influence over the decisions that affect their lives, more power and resources to improve their communities and more ability to elect and hold politicians and governments to account.

In the year, the Democracy Network has continued to grow and flourish, the Network delivered its second annual Democracy Conference marking this shift and allowing people a major chance to connect, collaborate and celebrate.

It is also an example of how Involve is building on a strong existing culture of collaboration to develop collective, sector-wide efforts to strengthen our democracy.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2024

Southampton climate assembly: How can citizens shape decisions about the future of transport and responses to climate change in Southampton

At the end of 2023, Southampton City Council brought together 37 people from across the city in a citizens' assembly to answer the question: 'How do we ensure an accessible, affordable and connected transport system in the city, whilst reducing carbon emissions and meeting climate targets?'

The Southampton Citizens' Climate Assembly was set up as part of the council's commitment to work together with residents and businesses to tackle climate change. The council wanted to use the outputs of the assembly to inform its Local Transport Plan.

Southampton City Council commissioned the assembly alongside the University of Southampton and University of Oxford. They appointed Involve to independently design and facilitate the assembly and write a subsequent report about the findings.

Assembly members drafted wide ranging recommendations covering transport infrastructure, accessibility, affordability, safety and education. The recommendations will be used by the council to inform the development of the next iteration of the Local Transport Plan.

Fundraising practices

Involve raises its funds through grant and consultancy funding, and to a much lesser degree from donations. We do not proactively solicit funding from members of the public, and we are not registered with the Fundraising Regulator.

Financial review

Our fundraising this year has featured major projects including the long-running Sciencewise programme, the Democracy Network, Southampton Climate assembly and the Future Grenfell support programme. We have also secured significant additional funding for major projects into 2024/25 including the Thriving Places programme which means that a significant portion of our funding needs for 2024/25 have been secured before the year commences.

At 31 March 2024 Involve had total funds of £496k (2023: £826k), of which £398k (2023: £412k) were unrestricted and designated funds with restricted funds of £98k (2023: £415k). Historically, Involve's funding has come from a mix of contracts and restricted grants, with limited core funding. Our core funding, since 2017, has come from the Joseph Rowntree Charitable Trust, and in 2021 we successfully applied for a further three years of core funding from JRCT, of £150k. Most of our income continues to come from contracts and grants, and we expect this to continue.

There has been a gradual shift in our funding sources over recent years with a greater proportion of our income coming from restricted grants, this is a trend we expect to continue as we make a deliberate choice to apply for more longer term programmatic grant funding to compliment the more short term consultancy contracts. It is envisaged that this shift will aide the long term financial planning and sustainability of Involve as well as giving greater choice over the work we do, ensuring that our work is originated by Involve to further our mission alongside responsive bidding for consultancy projects.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2024

During the year, we have seen a modest growth in our team. This has included additional posts providing additional capacity for Involve to undertake its work and have greater impact reflecting the volume of new projects we are delivering. We have re-configured our pricing model to ensure that the full costs of running the organisation are recovered through our grant funded and consultancy work. These changes, seen in 2023/24 put us on a good footing to move forwards into 2024/25 with increased capacity and confidence to achieve fundraising targets.

Reserves policy

Involve's reserves are made up of the balances with the General Fund and Stability Designated Funds. The Stability Designated fund is designed to ensure that Involve has sufficient funds for an orderly wind down of the charity in the event of financial difficulties. The total of the General fund and Stability fund stood at £398k (2023 £392k).

The reserves policy is for Involve to have between 3 and 6 months of Operating expenses within these funds. For the forthcoming year, this is between £350,000 and £700,000. As our operating expenses have increased due to the growth in our capacity described above, the level of reserve needed to meet this policy has increased. Current reserves are therefore towards the lower end of this range, for 2024/25 we have set a budget that includes a plan to grow our reserves with the intention of reaching a level equivalent to 6 months operating expenses over a 3-year period.

Going concern

The trustees consider that Involve will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved, for the following reasons:

- Involve holds cash reserves (including current asset investments) at 31 March 2024 of £247k and total unrestricted funds of £398k;
- Budget for 2024/25 is based upon generating a contribution to salary costs and overheads of £2.1m from our work. At 31st March 2024, a total of £1.2m of this work had already been secured with a further £583k in the pipeline;
- Involve's successful track record of securing and maintaining funding gives trustees some assurance that we will be able to continue to secure a pipeline of funding, and we continue to have opportunities in our pipeline. Trustees are also cognisant of the squeeze on public spending, and the risks that this presents to our future funding. Part of our funding strategy is to continue to build our capacity to originate work; we already do this well (for example, the Local Climate Engagement programme and continued recommissioning of the UKRI Sciencewise programme) and have plans to extend this further, in particular by focusing on thematic areas such as data and climate as well as on democratic innovation in general;
- We will manage any demands for increased capacity to deliver projects in ways that minimise the on-going liability for costs, for example by engaging additional staff on short-term contracts or by drawing on our pool of associates. Our pool of associates has grown over the last year, and this has enabled us to successfully deliver another busy year of projects and programmes;
- Trustees will be keeping our funding pipelines, as well as budget performance, under careful scrutiny through the year ahead; and
- We have very well-established and real-time cash flow projections, which include trigger points to enable us to spot and manage any potential insolvency.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2024

Principal risks and uncertainties

Involve has a risk register, integrated with our Business Plan, which is actively managed by both the management team and by trustees. The detailed strategic risk register is a standing item on the Finance & Risk Subcommittee's agenda, and is reported by exception to the full Board.

Our principal risks and uncertainties, and the steps we take to manage them, are outlined below:

- **Involve reputation and position around power and privilege** – risk that we do not sufficiently address issues around power and privilege in our work, so we lose our ability to shift power, genuinely, in practice. Risk that we "don't know what we don't know", and also a risk that strong candidates do not see us as the most innovative place to work;
- **Governance risk** - risk that number of trustees reduces or that we don't plan for succession for key governance roles as terms of office come to an end;
- **Board structure and approach not suited to emerging context** - risk that governance models fall behind others in the sector especially around attitudes to power & privilege and systemic change, which may adversely impact upon reputation. Risk that staff team feel greater sense of disconnect from the board and the organisational governance structures; and
- **Involve reputation and position is not sufficiently established to advise a new government to create the model we would like to see** – risk that we are not considered close enough to powerful institutions to be able to shift power in practice. NB the new government is primarily an opportunity, so the "risk" is in many ways the risk of missing an opportunity.

Future plans

There is a growing recognition that our current model of democracy is not fit for purpose, and people are increasingly looking for ways to make it better. Our work demonstrates how. Over the coming years we plan to accelerate the work we have started to demonstrate how a different type of democracy is possible. We want to seize the current malcontent and channel it into creating change in a positive direction.

We have long had a reputation for designing and delivering world class participatory and deliberative decision-making processes, but we are clear that this is not enough to achieve the scale of change that is required. Our strategy in recent years has been to build our advocacy and communications capacity, and to build external networks, in order to shift the narrative about democracy and embed the principles of openness, participation and deliberation within institutions. We also broadened our strategy to cover capacity building and standard setting so that organisations and practitioners are helped to make that shift to a better democracy.

During 2023/24 we have been refining our strategy and linking to operational Key Performance Indicators to make the link between our strategy objectives with outputs and deliverables within our 3 main functions and we have ongoing internal work to develop a new impact framework to better capture and track the impacts from our work.

In terms of Involve's confirmed programmes for 2024/25, these include the ongoing delivery of the Sciencewise programme for UK Research and Innovation, The UK Democracy Network, and two new significant projects – the National Lottery funded School for Everyday Democracy and the Thriving Places project for Innovate UK.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2024

Structure, governance and management

Involve is a charitable company limited by guarantee. It was incorporated on 9 January 2006 and registered as a charity on 15 July 2009. We also registered as a charity with the Office of the Scottish Charity Regulator on 10 April 2017. Involve's Memorandum of Association establishes the objects and powers of the charitable company, which is governed under its Articles of Association.

Involve has a Board of Trustees who meet every quarterly and are responsible for the strategic direction, finances and policy of Involve. Our Articles of Association allows us to have up to 15 trustees. At 31 March 2024 there were 9 trustees, with a range of experience, skills and knowledge relevant to Involve's mission. The company Secretary (who is Involve's Chief Executive Officer) also sits on the Board but has no voting rights. Other staff also attend the Board as required. The Board has two sub-committees, a Finance & Risk sub-committee and an Advocacy & Communications sub-committee. The board intends to develop sub-committees in 2024/25 for its other functions – Capacity Building & Standards and Innovation & Practice.

Responsibility for the day to day management of the organisation is delegated to the Chief Executive Officer. Sarah Castell, CEO, was appointed in September 2021.

The CEO is supported by the senior management team, comprising:

- Sarah Castell, Chief Executive Officer;
- Calum Green, Director of Advocacy & Communications;
- Carly Walker-Dawson, Director of Capacity Building & Standards;
- Gareth Bridges, Director of Finance & Support Services; and
- Stephanie Draper, Director of Innovation & Practice.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as the trustees. Trustees are appointed for an initial period of three years by resolution of the trustees. This is renewable for a further term of three years. Trustees who have served six continuous years must leave and remain out of office for a period of one year unless the trustees resolve that it is in the best interests of Involve for that person to continue to serve as a trustee.

Due to the nature of Involve's work, which is oriented towards participation, advocacy, democratic practice, and building capacity, the trustees have agreed that suitably experienced individuals are required to exercise adequate governance. Trustees identify potential new Board members through relevant networks and contacts and by open recruitment, followed by interview. When appointing new members, trustees look for a commitment to Involve's vision and mission and attempt to achieve a balance of skills and experience on the Board.

Trustee induction and training

All new trustees are provided with a pack of information about governance, management and the work of Involve. This pack includes key financial and governance documents. In addition, all new trustees attend a short training session with the Chief Executive Officer or Director of Finance and Support Services. The purpose of this session is to familiarise them with the charity, its purpose, structure, financing and activities, as well as the role of a Board member.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2024

Related parties and relationships with other organisations

Involve is a small organisation and, although we have a strong set of skills and experiences amongst our staff and Associates, we partner with other organisations and individuals on a significant proportion of our work. This partnering includes work where we are the lead organisation in a partnership as well as subcontracting by us or to us.

A full list of our funders in 2023/24, and details of our Associates and partner organisations, is available on our website: <https://www.involve.org.uk/>.

Involve has an established conflicts of interest policy for trustees. Trustees, and senior management staff, are required to complete an annual declaration of interests. Declaring interests is a standing item at the start of all Board and subcommittee meeting agendas. The policy outlines how any interests are then handled at the meeting, guided by the overall principle that trustees should not be able to unduly influence decision-making on issues where they have an interest. Note 17 in the attached notes to the financial statements provides details of related party transactions.

Remuneration policy for key management personnel

Involve's pay policy and pay scales are approved by trustees. Pay progression for all staff at involve is considered within the annual appraisal process including for key management personnel.

Statement of responsibilities of the trustees

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

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 charity and of the income and expenditure of the charity 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 Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2024

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 £10 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.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 5 December 2024 and signed on their behalf by

A handwritten signature in dark ink, appearing to read 'Ed Cox', written in a cursive style.

Ed Cox, Chair

Independent auditors' report

To the members and the trustees of

The Involve Foundation

Opinion

We have audited the financial statements of The Involve Foundation (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cashflows and the related 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 Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 7 to the financial statements, 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Independent auditors' report

To the members and the trustees of

The Involve Foundation

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members and the trustees of

The Involve Foundation

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Independent auditors' report

To the members and the trustees of

The Involve Foundation

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

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 5 December 2024

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The Involve Foundation

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2024

	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Income from:					
Donations		4,857	12,311	17,168	4,816
Charitable activities	3	425,508	1,487,869	1,913,377	2,251,510
Other trading activities	4	-	1,333	1,333	5,750
Investment income		-	4,403	4,403	1,462
Total income		<u>430,365</u>	<u>1,505,916</u>	<u>1,936,281</u>	<u>2,263,538</u>
Expenditure on:					
Raising funds		-	124,102	124,102	111,629
Charitable activities		<u>698,136</u>	<u>1,444,561</u>	<u>2,142,697</u>	<u>2,042,864</u>
Total expenditure	5	<u>698,136</u>	<u>1,568,663</u>	<u>2,266,799</u>	<u>2,154,493</u>
Net income / (expenditure)		(267,771)	(62,747)	(330,518)	109,045
Transfers between funds		<u>(49,382)</u>	<u>49,382</u>	<u>-</u>	<u>-</u>
Net movement in funds	7	(317,153)	(13,365)	(330,518)	109,045
Reconciliation of funds:					
Total funds brought forward		<u>414,760</u>	<u>411,540</u>	<u>826,300</u>	<u>717,255</u>
Total funds carried forward		<u><u>97,607</u></u>	<u><u>398,175</u></u>	<u><u>495,782</u></u>	<u><u>826,300</u></u>

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 15 to the accounts.

The Involve Foundation

Balance sheet

As at 31 March 2024

	Note	£	2024 £	2023 £
Fixed assets				
Tangible assets	10		7,668	5,972
Current assets				
Debtors	11	498,253		399,641
Current asset investments		104,462		80,059
Cash at bank and in hand		142,368		639,598
		745,083		1,119,298
Liabilities				
Creditors: amounts falling due within 1 year	12	(256,969)		(298,970)
Net current assets			488,114	820,328
Net assets	14		495,782	826,300
Funds	15			
Restricted funds			97,607	414,760
Unrestricted funds				
Designated funds			99,748	98,748
General funds			298,427	312,792
Total charity funds			495,782	826,300

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 5 December 2024 and signed on their behalf by



Ed Cox, Chair

The Involve Foundation

Statement of cash flows

For the year ended 31 March 2024

	2024	2023
	£	£
Cash used in operating activities:		
Net movement in funds	(330,518)	109,045
<i>Adjustments for:</i>		
Depreciation charges	4,343	3,454
Decrease / (increase) in debtors	(98,612)	43,384
Decrease in creditors	(42,001)	(12,500)
Net cash provided by / (used in) operating activities	(466,788)	143,383
Cash flows from investing activities:		
Purchase of tangible fixed assets	(6,039)	(5,726)
Net cash used in investing activities	(6,039)	(5,726)
Increase / (decrease) in cash and cash equivalents in the year	(472,827)	137,657
Cash and cash equivalents at the beginning of the year	719,657	582,000
Cash and cash equivalents at the end of the year	246,830	719,657

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Cash and cash equivalents:	2024	2023
	£	£
Analysed as:		
Cash at bank and in hand	142,368	639,598
Current asset investments	104,462	80,059
	246,830	719,657

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies

a) General information and basis of preparation

The Involve Foundation is a charitable company limited by guarantee registered both in England and Wales and in Scotland. The registered office address is Oxford House, Derbyshire Street, London, E2 6HG.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Involve Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern. Trustees continue to keep the financial sustainability of Involve under careful scrutiny to ensure long term viability. This includes reviewing fund balances, cashflow projections and the pipeline of funding opportunities at each meeting of the finance and risk subcommittee. These indicators provide confidence that Involve remains a going concern.

c) Income

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

Income from the 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.

Income received in advance of provision of consultancy services is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies (continued)

e) 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.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) 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.

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

h) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors falling due within one year or after one year (as appropriate).

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time spent on activities:

	2024	2023
Raising funds	8%	10%
Charitable activities	92%	90%

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Website	3 years straight line basis
Computer and office equipment	3 years straight line basis

k) 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies (continued)

l) 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.

m) Creditors

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.

n) 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 recognised at amortised cost using the effective interest method.

o) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

q) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1(j).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

2. Prior period comparatives

	Restricted £	Unrestricted £	2023 Total £
Income from:			
Donations	-	4,816	4,816
Charitable activities	746,123	1,505,387	2,251,510
Other trade income	-	5,750	5,750
Investment income	-	1,462	1,462
Total income	746,123	1,517,415	2,263,538
Expenditure on:			
Raising funds	-	111,629	111,629
Charitable activities	493,426	1,549,438	2,042,864
Total expenditure	493,426	1,661,067	2,154,493
Net income / (expenditure)	252,697	(143,652)	109,045
Transfers between funds	306	(306)	-
Net movement in funds	253,003	(143,958)	109,045

3. Income from charitable activities

	Restricted £	Unrestricted £	2024 Total £
Grant income*	425,508	100,000	525,508
Consulting income	-	1,342,920	1,342,920
Training income	-	44,949	44,949
Total income from charitable activities	425,508	1,487,869	1,913,377

Prior period comparative:

	Restricted £	Unrestricted £	2023 Total £
Grant income*	746,123	60,000	806,123
Consulting income	-	1,409,347	1,409,347
Training income	-	36,040	36,040
Total income from charitable activities	746,123	1,505,387	2,251,510

* Included within unrestricted grants is £100,000 (2023: £60,000) of funding received from the Joseph Rowntree Charitable Trust as contributions to core costs.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

4. Income from other trading activities

	2024 £	2023 £
Sponsorship income	<u>1,333</u>	<u>5,750</u>

All income from other trading activities in the current period was unrestricted.

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2024 Total £
Direct costs	-	755,933	-	755,933
Grants payable (note 6)	-	51,794	-	51,794
Staff costs (note 8)	62,038	706,885	477,251	1,246,174
Other staff costs	-	-	43,636	43,636
Premises costs	-	-	46,441	46,441
Office and IT costs	-	-	46,202	46,202
Other costs	6,942	-	62,018	68,960
Trustee meeting costs	-	-	1,209	1,209
Audit fees	-	-	6,450	6,450
Sub-total	<u>68,980</u>	<u>1,514,612</u>	<u>683,207</u>	<u>2,266,799</u>
Allocation of support and governance costs	<u>55,122</u>	<u>628,085</u>	<u>(683,207)</u>	<u>-</u>
Total expenditure	<u>124,102</u>	<u>2,142,697</u>	<u>-</u>	<u>2,266,799</u>

Total governance costs were £24,818 (2023: £21,148).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

5. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Direct costs	-	935,401	-	935,401
Grants payable (note 6)	-	57,609	-	57,609
Staff costs (note 8)	43,566	406,253	474,832	924,651
Other staff costs	-	-	8,720	8,720
Premises costs	-	-	43,669	43,669
Office and IT costs	-	-	40,529	40,529
Other costs	4,883	-	75,083	79,966
Trustee meeting costs	-	-	3,353	3,353
Audit fees	-	-	6,150	6,150
Bad debt	-	54,445	-	54,445
Sub-total	48,449	1,453,708	652,336	2,154,493
Allocation of support and governance costs	63,180	589,156	(652,336)	-
Total expenditure	111,629	2,042,864	-	2,154,493

6. Grants payable

	2024 £	2023 £
<i>Grants paid to institutions:</i>		
Shared Future CIC	16,515	38,658
UK100	30,209	9,379
Climate Outreach	5,070	4,572
Original Content London	-	5,000
	51,794	57,609

No grants were paid to individuals, and no support costs have been allocated to grant-making activities.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

7. Net movement in funds

This is stated after charging:

	2024 £	2023 £
Depreciation	4,343	3,454
Operating lease payments	47,562	41,887
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	676	3,353
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	6,450	6,150
▪ Other services	9,530	7,613

Trustees' reimbursed expenses in the current year relate to payments made to 4 trustees for reimbursed meeting, accommodation and travel expenses (2023: 6).

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements and to prepare and submit returns to the tax authorities. Our auditors have also provided bookkeeping and payroll services to the charity during the year.

8. Staff costs and numbers

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	1,076,964	800,153
Social security costs	114,367	84,892
Pension costs	54,843	39,606
	<u>1,246,174</u>	<u>924,651</u>

The key management personnel of the charitable company comprise of the CEO and Directors. The total employee benefits of the key management personnel were £242,864 (2023: £226,181).

Salaries and wages costs include termination payments of £4,678 paid during the year.

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

	2024 No.	2023 No.
Average head count	<u>24.7</u>	<u>19.6</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

8. Staff costs and numbers (continued)

The number of higher paid employees was:	2024 No.	2023 No.
£60,001 - £70,000	1	-
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible fixed assets

	Website £	Computer and office equipment £	Total £
Cost			
At 1 April 2023	10,471	15,340	25,811
Additions in year	-	6,039	6,039
At 31 March 2024	10,471	21,379	31,850
Depreciation			
At 1 April 2023	10,471	9,368	19,839
Charge for the year	-	4,343	4,343
At 31 March 2024	10,471	13,711	24,182
Net book value			
At 31 March 2024	-	7,668	7,668
At 31 March 2023	-	5,972	5,972

11. Debtors

	2024 £	2023 £
Trade debtors	374,851	395,090
Bad debt provision	-	(54,445)
Prepayments	12,729	2,654
Accrued income	110,673	56,342
Other debtors	-	-
	498,253	399,641

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

12. Creditors : amounts due within 1 year

	2024	2023
	£	£
Trade creditors	77,773	98,374
Accruals	42,268	52,768
Other taxation and social security	119,389	113,676
Deferred income (see note 13)	-	29,600
Other creditors	17,539	4,552
	<u>256,969</u>	<u>298,970</u>

13. Deferred income

	2024	2023
	£	£
At 1 April 2023	29,600	19,900
Released during the year	(29,600)	(19,900)
Deferred during the year	-	29,600
	<u>-</u>	<u>29,600</u>
At 31 March 2024	<u>-</u>	<u>29,600</u>

Deferred income comprises consultancy income received in advance of work being delivered.

14. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	7,668	7,668
Current assets	97,607	99,748	547,728	745,083
Current liabilities	-	-	(256,969)	(256,969)
	<u>-</u>	<u>-</u>	<u>(256,969)</u>	<u>(256,969)</u>
Net assets at 31 March 2024	<u>97,607</u>	<u>99,748</u>	<u>298,427</u>	<u>495,782</u>

Prior period comparatives

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	5,972	5,972
Current assets	414,760	98,748	657,654	1,119,298
Current liabilities	-	-	(298,970)	(298,970)
	<u>-</u>	<u>-</u>	<u>(298,970)</u>	<u>(298,970)</u>
Net assets at 31 March 2023	<u>414,760</u>	<u>98,748</u>	<u>312,792</u>	<u>826,300</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

15. Movements in funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2024 £
Restricted funds					
Forum for the Future Just Transitions	14,881	-	(14,881)	-	-
Just Transitions additional	40,971	-	(40,971)	-	-
Climate Assembly Evaluation - European Climate Foundation	3,599	-	(3,599)	-	-
Network for Democracy	213,914	113,794	(305,355)	-	22,353
Local Engagement on Climate Change	107,877	50,000	(97,652)	(45,261)	14,964
Rebooting Online Public Dialogue	19,409	15,000	(34,409)	-	-
UK OGN impact strategy	3,766	-	(3,766)	-	-
Riverwoods	(2,175)	48,750	(53,348)	-	(6,773)
GLA Civic Data Innovation Challenge	7,735	1,500	(5,114)	(4,121)	-
ECF KNOCA Innovations in Local Climate Authorities	(476)	4,667	(4,191)	-	-
UPPERNet Climate Summit	5,259	5,985	(11,244)	-	-
Fellowship on impact of citizen's assemblies	-	23,587	(12,275)	-	11,312
UK OGN Co-ordination 2023	-	6,000	(5,866)	-	134
Our Zero Selby follow up	-	7,500	(1,411)	-	6,089
Positive Low Energy Futures	-	40,000	(34,259)	-	5,741
English Devolution Call to Action	-	19,688	(6,706)	-	12,982
Democracy Innovators Network	-	12,300	(4,030)	-	8,270
Restricted funds carried forward	414,760	348,771	(639,077)	(49,382)	75,072

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

15. Movements in funds (continued)

	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2024 £
Restricted funds carried forward (from above)	414,760	348,771	(639,077)	(49,382)	75,072
NEF conditionality in Welfare	-	31,594	(29,647)	-	1,947
Local Engagement on Climate Change follow on project	-	50,000	(27,954)	-	22,046
School for Everyday Democracy	-	-	(1,458)	-	(1,458)
Total restricted funds	414,760	430,365	(698,136)	(49,382)	97,607
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	78,748	-	-	21,000	99,748
Advocacy and communications	20,000	-	-	(20,000)	-
<i>Total designated funds</i>	98,748	-	-	1,000	99,748
General funds	312,792	1,505,916	(1,568,663)	48,382	298,427
Total unrestricted funds	411,540	1,505,916	(1,568,663)	49,382	398,175
Total funds	826,300	1,936,281	(2,266,799)	-	495,782

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

15. Movements in funds (continued)

Prior period comparative

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Restricted funds					
Distributed Dialogue on Data Sharing	17,425	5,030	(22,761)	306	-
Forum for the Future Just Transitions	-	20,189	(5,308)	-	14,881
Just Transitions additional	-	54,000	(13,029)	-	40,971
UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	31,101	10,952	(42,053)	-	-
Public Participation Capacity Building (Cross-border)	7,227	-	(7,227)	-	-
Climate Assembly Evaluation - European Climate Foundation	5,858	3,579	(5,838)	-	3,599
Network for Democracy	69,515	356,158	(211,759)	-	213,914
Local Engagement on Climate Change	30,631	210,000	(132,754)	-	107,877
SCA Network	-	13,500	(13,500)	-	-
Rebooting Online Public Dialogue	-	45,000	(25,591)	-	19,409
UK OGN impact	-	9,500	(5,734)	-	3,766
Riverwoods	-	-	(2,175)	-	(2,175)
GLA Civic Data	-	8,500	(765)	-	7,735
ECF KNOCA	-	4,270	(4,746)	-	(476)
UPPERNet Climate Summit	-	5,445	(186)	-	5,259
Total restricted funds	161,757	746,123	(493,426)	306	414,760

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

15. Movements in funds (continued)

Prior period comparative

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Total restricted funds (from above)	<u>161,757</u>	<u>746,123</u>	<u>(493,426)</u>	<u>306</u>	<u>414,760</u>
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	57,748	-	-	21,000	78,748
Advocacy and communications	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>(60,000)</u>	<u>20,000</u>
<i>Total designated funds</i>	<u>137,748</u>	<u>-</u>	<u>-</u>	<u>(39,000)</u>	<u>98,748</u>
General funds	<u>417,750</u>	<u>1,517,415</u>	<u>(1,661,067)</u>	<u>38,694</u>	<u>312,792</u>
Total unrestricted funds	<u>555,498</u>	<u>1,517,415</u>	<u>(1,661,067)</u>	<u>(306)</u>	<u>411,540</u>
Total funds	<u><u>717,255</u></u>	<u><u>2,263,538</u></u>	<u><u>(2,154,493)</u></u>	<u><u>-</u></u>	<u><u>826,300</u></u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

15. Movements in funds (continued)

Purposes of restricted funds

Forum for the Future Just
Transitions

This grant from Friends Provident Charitable Foundation, sub granted to Involve from Forum for the Future enables us to work with Forum to support local economies by demonstrating community led fair transitions to net zero.

Just Transitions additional

This grant from forum for the future enables Involve to extend the reach of the programme to additional participants.

Climate Assembly Evaluation -
European Climate Foundation

This grant from the European Climate Foundation enables Involve to commission additional evaluation of Climate Assembly UK to complement the evaluation commissioned separately by the UK Parliament.

Network for Democracy

These grants from the Joseph Rowntree Reform Trust, Joseph Rowntree Charitable Trust and the Open Society Foundation enables Involve to work collaboratively with a range of stakeholders to build a stronger UK democracy network.

Local Engagement on Climate
Change

These grants from the Esmée Fairbairn Foundation and the Calouste Gulbenkian Foundation (UK branch) enables Involve to work with partner organisations to support local authorities to engage with their communities around climate change.

Rebooting Online Public Dialogue

This grant from the RSA enables Involve to trial experimental approaches to public dialogue.

UK OGN impact strategy

This grant from the Open Government Partnership enables Involve to co-develop medium term impact and resourcing strategies for the UK Open Government Network.

Riverwoods

This grant from the Scottish Wildlife Trust enables Involve to work with partner organisations to support local community engagement in the delivery of riparian woodland and healthy river systems in Scotland.

GLA Civic Data Innovation
Challenge

This grant from the Greater London Authority enables Involve to develop a toolkit for identifying practice and impacts of deliberative and participatory engagement across London with local authorities.

ECF KNOCA Innovations in Local
Climate Authorities

This grant from the European Climate Foundation enables Involve to develop a framework for collecting and collating knowledge on innovations on climate assemblies at sub-national level.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

15. Movements in funds (continued)

Purposes of restricted funds (continued)

UPPERNet Climate Summit	This grant from Ashden Climate Outreach enables Involve to collaborate with partners to partake in a summit to unlock the potential for public engagement to help accelerate the reduction in carbon emissions.
Fellowship on impact of citizen's assemblies	This Grant from Oxford University enabled Involve to research and present evidence on the impact of citizen's assemblies.
UK OGN Co-ordination 2023	This grant from Open Government Partnership enables Involve to lead the co-ordination of the UK Open Government Network.
Our Zero Selby follow up	This grant from Up For Yorkshire enable Involve to support on-going engagement in the net zero project in Selby.
Positive Low Energy Futures	This grant form Lancaster university enables Involve to run a citizens panel on energy demand.
English Devolution Call to Action	This grant from JRSST-CT enabled Involve to develop proposals for how participatory and deliberative processes could improve accountability in English devolution.
Democracy Innovators Network	This Grant from St Stephen's Green Trust enables Involve to develop a Democracy Innovators Network across the island of Ireland.
NEF conditionality in Welfare	This grant from the New Economics Foundation has enabled Involve to undertake deliberative workshops to consider fairer solutions in the use of conditionality in the welfare system.
Local Engagement on Climate Change follow on project	These grants from the Esmée Fairbairn Foundation and the Calouste Gulbenkian Foundation (UK branch) enables Involve to work with partner organisations to support local authorities to engage with their communities around climate
School for Everyday Democracy	This grant from the National Lottery enables Involve to support people to become Everyday Democracy champions, giving them the power, confidence, connections, skills, and opportunities required to affect the things that matter most to them.
Distributed Dialogue on Data Sharing	Funded by Wellcome and the London Borough of Camden (and initially by the Scottish Government), this project will pilot models of distributed, community-based dialogue, which will explore how the data sharing debate can be widened and sustained.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

15. Movements in funds (continued)

Purposes of designated funds

UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	This grant from the Wellcome Sanger Institute enables Involve to run a Citizen's Jury in the UK as part of a global series of deliberations on genome editing.
Public Participation Capacity Building (Cross-border)	This grant from the Republic of Ireland's Department of Foreign Affairs enables Involve to help build capacity on public participation amongst local authorities on both sides of the Ireland/Northern Ireland border.
SCA Network	This grant from the Scottish Government enables Involve to form a members network of members from Scotland's Climate Assembly.
Stability fund	This fund enables Involve, if necessary, to close down the organisation in an orderly and honourable manner.
Advocacy and communications	This fund will be used to invest in Involve's Advocacy and Communications work, as part of Involve's new strategic focus.

Transfers between funds

The transfer from restricted funds to general funds represents expenditure that was incorrectly allocated to general funds in the prior year. The transfer between designated funds represents the trustees continued decision to increase the stability fund. The advocacy and communications fund was drawn down in 2023/2024.

Funds in deficit

All funds in deficit comprise restricted funds which have been spent in advance of the receipt of further income. All deficits are expected to be recovered in 2024/25.

16. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2024	2023
	£	£
Amount falling due:		
Within 1 year	<u>44,524</u>	<u>42,405</u>

17. Related party transactions

Ed Cox, a trustee, is the Executive Director for West Midlands Combined Authority (WMCA). WMCA have joined a project that Involve are running, and during the year WMCA paid £41,050 to Involve to plan the Net Zero panel workshops (2023: £33,216, for the provision of training and coaching). No amounts were outstanding at year end (2023: No amounts).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2024

17. Related party transactions (continued)

Julie Mellor, trustee, is a Director of Demos. Demos paid Involve £nil (2023: £250) for conference sponsorship, and Involve paid Demos £3,600 (2023: £2,400) for conference drinks. No amounts were outstanding at year end (2023: No amounts).

Paul Braithwaite, trustee, is the European Regional Lead for the Open Government Network. During the year the charitable company received a grant for £9,488 (2023: £nil) from the Open Government Network, no amounts were outstanding at year end (2023: No amounts).

Sharon Squires, a trustee, is the Chair of Panels for the Home Office. The Home Office paid Involve £nil (2023: £16,965) for consultancy and project work under the terms of the contract. No amounts were outstanding at year end (2023: No amounts).

Hannah White, a trustee, is a Director of IFG Enterprises Limited. Involve paid IFG Enterprises Limited £nil (2023: £260) for catering at a board meeting and strategy workshop. No amounts were outstanding at year end (2023: No amounts).

THE INVOLVE FOUNDATION

England & Wales - Charity number 1130568

Accounts

Company no. 5669443
Charity no. (England & Wales) 1130568
Charity no. (Scotland) SC047314

The Involve Foundation
Report and Audited Financial Statements
31 March 2023

THURSDAY



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COMPANIES HOUSE

The Involve Foundation

Reference and administrative details

For the year ended 31 March 2023

Company number	5669443
Charity numbers	1130568 and SC047314
Registered office and operational address	Oxford House Derbyshire Street London E2 6HG
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Claire Ainsley Paul Braithwaite Andrew Cave (Appointed 20 April 2023) Edward Cox (Chair) Temidayo Eseonu Kathryn Jones Julie Mellor Golam Morshed (Resigned 30 September 2022) Sharon Squires Hannah White (Deputy Chair)
Company secretary	Sarah Castell
Key management personnel	Sarah Castell (CEO) Sarah Allan Calum Green Kaela Scott Clive Mitchell (Resigned 15 February 2023) Gareth Bridges (Appointed 3 January 2023)
Bankers	Unity Trust Bank 9 Brindley Place Birmingham B1 2HB CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

The trustees, who are also directors under company law, present their report and financial statements for the year ended 31 March 2023.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives

Our vision is of a **vibrant UK democracy, with people at the heart of decision making**. And our mission is to **develop, support and campaign for new ways of involving people in the decisions that affect their lives**.

To achieve this mission, our work focuses on delivering these **outcomes**:

- **Democratic norms** – Participation and deliberation are recognised as essential features for a healthy modern democracy by the public, society and decision-makers;
- **Political support** – People in positions of power and influence across society and the political spectrum understand and actively support the use of participatory and deliberative decision-making;
- **Frequent use** – There is frequent use of participatory and deliberative processes supported by the right resources (people, budgets) both inside and outside of political institutions;
- **Evidence and practice** – There is an accessible and well-communicated body of evidence and practice that demonstrates the impact of our vision and how to achieve it;
- **Clear standards** – There are clear principles and standards that support good practice in delivering and embedding participatory and deliberative processes, which are widely understood and followed; and
- **Democratic innovations** – There is continuous learning and innovation to improve democracy and related practice.

Our vision and mission support our core charitable objectives, which are:

- To advance education for the public benefit in methods and processes of public participation;
- To promote good citizenship for the public benefit by encouraging and facilitating participation by the public in democratic and decision-making processes, with an intended outcome of enabling people to develop their capacities, help meet their needs and participate more fully in society.

In shaping our objectives for the year, and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

Activities, achievements and performance

Throughout the year, Involve has continued to work with decision makers across the UK to support public involvement in the decisions that affect their lives. The public have been engaged in thousands of hours of learning, deliberating, making recommendations and holding decision makers to account. Alongside this, we have developed our strategic functions with the CEO and Director of Advocacy and Communications, appointed during 2012/22 and becoming fully embedded, and with our first Director of Finance and Support Services appointed in January 2023.

During the year, we have delivered some innovative and strategically important projects bringing voices of the public into new spaces and increasing participation and the use of deliberative methods. Our annual report published on our website provides greater depth insight into our work and achievements, and a flavour of our projects undertaken this year are described here:

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

People's plan for nature: moving Citizen's Assemblies and deliberative approaches beyond government institutions.

The People's Plan for Nature set out in 2022 to be the UK's biggest ever conversation about the future of nature. Commissioned by RSPB, WWF and the National Trust, the project adopted a participatory model as a way to build a public mandate for a series of recommendations to protect and restore nature including the role of National and Local Government, Businesses, Charities and NGOs and Individuals and communities.

A Citizens' Assembly of 103 members met online and in person over four weekends to hear and question evidence from 40 expert witnesses, academics and case studies, working together to create visions for the future and calls to action. Assembly members were selected using a sortition process with representation from all age groups from 16+, all education levels, from across the UK, with different ethnic backgrounds and different views on the importance of nature.

The report gained national coverage and assembly members were involved in the launch of the report, asking the wider public to add their voices to the plan to create momentum for change. The plan is innovative in providing calls to action for formal and informal institutions and individuals.

The project demonstrates that participatory and deliberative approaches can be effectively deployed outside of governmental institutions and create a tangible vision for the future. We look forward to seeing the calls to action being implemented over the coming years.

The UK Democracy Network: making UK democracy actors greater than the sum of their parts

In 2021 Involve was awarded a three-year grant from the Joseph Rowntree Reform Trust and the Joseph Rowntree Charitable Trust to set up the Democracy Network. The Network aims to build a democracy in the UK fit for the 21st century, where people have more influence over the decisions that affect their lives, more power and resources to improve their communities and more ability to elect and hold politicians and governments to account.

In the year, the Democracy Network has continued to grow and flourish, securing additional funding from The Open Society Foundation. This funding enabled the Democracy Network team to grow with a new Campaigns and Advocacy Lead appointed alongside a Network Development Lead giving the Network capacity to support its growing membership. In December 2022 the Network launched its first Democracy Conference marking this shift and allowing people a major chance to connect, collaborate and celebrate.

It is also an example of how Involve is building on a strong existing culture of collaboration to develop collective, sector-wide efforts to strengthen our democracy.

Belfast Car Dependency

Commissioned by Queens University Belfast (QUB), Involve brought together 20 residents of the Belfast metropolitan area in a citizens July to consider the important question: How can car dependency and levels of car use in Belfast be reduced?

Belfast has some of the highest levels of car use in Europe and residents are particularly dependent on their cars – this project gave the public a chance to consider what can be done about this and how changes might impact residents. Solutions to this problem are not simple as there are many groups involved or affected by the transport system.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

To find policies and programmes that help reduce car reliance over the long term these groups must work together to solve the problem. This project brought these groups together to develop sustainable and scalable policies and programmes to reduce the reliance on cars in Belfast.

The Citizens' Jury complimented insights gained by researchers at QUB. The project enabled the work of the researchers to be considered by citizens, exploring intervention approaches and ensure the acceptability, utility, affordability, feasibility and sustainability of new approaches.

The Citizens' Jury formed in the project shows how deliberative approaches can successfully be applied to consider issues and synthesise findings from academic research with insights from the public ensuring communities have the opportunity to shape and influence the decisions that affect their lives.

Local Climate Engagement: Creating, consolidating and networking best practice in local public participation in climate decision-making

Avoiding the worst effects of climate change will be the biggest challenge in human history. Local authorities and partnerships will play a key role both in getting the UK to net zero and ensuring their areas are ready for changing conditions. To do this in a way that is effective and fair, they will need to engage the public. That's why Involve, along with others, developed the Local Climate Engagement (LCE) programme in 2021. Funded by Calouste Gulbenkian Foundation (UK branch) and Esmée Fairbairn Foundation, the programme uses a combination of training, mentoring, peer-learning and hands-on support to assist local authorities in engaging their local communities. The programme launched in late 2021 continued through 2022/23, into 2023/24. Five local authorities were selected for the Project Group to receive training, peer-learning, and practical support to run public participation in their area. 16 were selected for the Coaching Group to receive training, peer-learning, and mentoring to support them to develop their own public participation plans and thinking.

Fundraising practices

Involve raises its funds through grant and consultancy funding, and to a much lesser degree from donations. We do not proactively solicit funding from members of the public, and we are not registered with the Fundraising Regulator.

Financial review

2022/23 has been another successful year in terms of our funding. Significant sources of funding included the long-running Sciencewise programme, the People's Plan for Nature, Local Engagement on Climate Change and the Democracy Network.

At 31 March 2023, Involve had total funds of £826k (2022: £717k), of which £313k were general funds, with the balance being our designated funds of £98k and restricted funds of £415k. Historically, Involve's funding has come from a mix of contracts and restricted grants, with limited core funding. Our core funding, since 2017, has come from the Joseph Rowntree Charitable Trust, and in 2021 we successfully applied for a further three years of core funding from JRCT, of £150,000. Most of our income continues to come from contracts and grants, and we expect this to continue.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

There has been a gradual shift in our funding sources over recent years with a greater proportion of our income coming from restricted grants. This is a trend we expect to continue as we make a deliberate choice to apply for more longer term programmatic grant funding to compliment the more short term consultancy contracts. It is envisaged that this shift will aide the long term financial planning and sustainability of Involve as well as giving greater choice over the work we do, ensuring that our work is originated by Involve to further our mission alongside responsive bidding for consultancy projects.

During the year, we have seen a growth in our team. This has included additional posts to support the Democracy Network project as well as providing additional capacity for Involve to undertake its work and have greater impact. 2022/23 saw a part year impact of this both in terms of cost and total revenue and therefore, taking into account the full year effect of this into 2023/24, our budgeted salary costs have increased along with revenue targets and capacity to deliver our work.

Reserves policy

Involve's reserves are made up of the balances within General funds and Stability Designated funds. The Stability Designated fund is designed to ensure that Involve has sufficient funds for an orderly wind down of the charity in the event of financial difficulties. The total of the General fund and Stability fund stood at £392k (2022: £475k).

The reserves policy is for Involve to hold between 3 and 6 months of operating expenses (defined as salary and overhead costs) within these funds. For the forthcoming year, this is between £350,000 and £700,000. As our operating expenses have increased due to the growth in our capacity described above, the level of reserves needed to meet this policy has increased. Current reserves are therefore towards the lower end of this range and we will therefore keep a close focus on our reserves balance through 2023/24.

General fund

We normally budget to make a modest surplus on the general fund each year. For 2022/23, trustees approved a break-even budget for the year. As it turned out, there was an operating deficit on the general fund of £35k. In addition, our general fund reduced by £21k as we continue transfer funds to the stability fund with the objective of building this fund to £100k. We also saw a reduction in the general fund of £48k due to a provision for a bad debt following the liquidation of the Democratic Society. As a result, the general fund balance at the end of the year stood at £313k.

Designated funds

Stability fund

This fund is intended to enable Involve to weather income shocks, and to close down the organisation with honour if that were to become necessary. In our reserves review in 2020/21, trustees noted the fund was insufficient for both of these purposes, and resolved to grow the fund steadily over time, with an aim of holding £100k in the fund. At 31 March 2023, the Stability fund stood at £79k (2022: £58k).

We hold the stability fund in a deposit account with the CCLA, which is a charity fund manager that invests its clients funds in various ways. Other than the CCLA account, trustees have decided not to have any investments.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

Advocacy & Communications fund

This fund, established in 2020/21, is designated to be used for investment in Involve's Advocacy and Communications function. A total of £60,000 of this fund was drawn down in 2022/23 to support this activity. The balance on this fund now stands at £20,000 (2022: £80,000). We plan to spend a significant proportion of the fund in 2023/24.

Going concern

The trustees consider that Involve will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved, for the following reasons:

- Involve holds unrestricted reserves at 31 March 2023 of £412k (the combined total of the general and designated funds);
- Cash flow projections indicate a positive cash balance for at least 12 months ahead;
- Budget for 2023/24 is based upon delivery of £3m of work. At 31 March 2023, a total of £1.3m of this work had already been secured with an additional £1.1m in the pipeline;
- Involve's successful track record of securing and maintaining funding gives trustees some assurance that we will be able to continue to secure a pipeline of funding, and we continue to have opportunities in our pipeline. Trustees are also cognisant of the squeeze on public spending, and the risks that this presents to our future funding. Part of our funding strategy is to continue to build our capacity to originate work; we already do this well (for example, the Local Climate Engagement programme and continued recommissioning of the UKRI Sciencewise programme) and have plans to extend this further, in particular by focusing on thematic areas such as data and climate as well as on democratic innovation in general;
- We will manage any demands for increased capacity to deliver projects in ways that minimise the on-going liability for costs, for example by engaging additional staff on short-term contracts or by drawing on our pool of associates. Our pool of associates has grown over the last year, and this has enabled us to successfully deliver another busy year of projects and programmes;
- Trustees will be keeping our funding pipelines, as well as budget performance, under careful scrutiny through the year ahead; and
- We have very well-established and real-time cash flow projections, which include trigger points to enable us to spot and manage any potential insolvency.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

Principal risks and uncertainties

Involve has a risk register, integrated with our Business Plan, which is actively managed by both the management team and by trustees. The detailed strategic risk register is a standing item on the Finance & Risk Subcommittee's agenda, and is reported by exception to the full Board.

Our principal risks and uncertainties, and the steps we take to manage them, are outlined below:

- **Medium and longer term pressures on public spending** - given the considerable on-going pressures on the cost of living, and wider global economic shocks, it is likely that there will be medium-term pressures on spending – and shifts in spending – by public sector bodies, and given that a significant proportion of Involve's work is with the public sector, this is likely to affect us. We will be keeping a close watch on how public spending patterns change and, where appropriate, will look to diversify our funding streams further, including building on our strong track record of attracting funding from grant-making trusts and foundations;

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

- **Funding a larger organisation** - we are now a bigger organisation and our cost base has grown. We have set challenging targets for generating income and delivering efficiently in 2023/24. We think the targets are achievable, but trustees will be keeping this under close scrutiny in the year ahead;
- **Market changes** - Involve has played a central role in delivering some of the UK's major public deliberative events over the last 5 years. The market for these major deliberative methodologies has been stable for some years but this may change in the future. There are two key risks associated with this; the first is that they continue to increase in number, but the ability for quality supply to keep up with demand is limited, and the standard goes down over time. We are mitigating this risk through building our capacity building and standards function in particular, amongst other work. The second is that they decrease in number. We are mitigating this risk by building a more robust case for these processes in the UK, building support amongst decision makers, while also increasing our work using a wider variety of other methods to engage the public; and
- **Capacity to respond to demand, and deliver projects** - future opportunities mean that we may have acute peaks in demands for staff capacity. We are familiar with this risk and we manage it in several ways; by paying careful attention to the way we manage staff and the way we support their development and career progression; by regularly reviewing capacity and matching this to opportunities; by making temporary appointments to manage peaks in demand; and by working with our Associates and partnering with other organisations where appropriate, in 2023/24 we are developing our Associates team to ensure that we have continued availability of high calibre professionals to support when demand is high.

Future plans

There is a growing recognition that our current model of democracy is not fit for purpose, and people are increasingly looking for ways to make it better. Our work demonstrates how. Over the coming years, we plan to accelerate the work we have started to demonstrate how a different type of democracy is possible. We want to seize the current malcontent and channel it into creating change in a positive direction.

We have long had a reputation for designing and delivering world class participatory and deliberative decision-making processes, but we are clear that this is not enough to achieve the scale of change that is required. Our strategy in recent years has been to build our advocacy and communications capacity, and to build external networks, in order to shift the narrative about democracy and embed the principles of openness, participation and deliberation within institutions. We also broadened our strategy to cover capacity building and standard setting so that organisations and practitioners are helped to make that shift to a better democracy.

During 2022/23, we invested in new staff appointments to grow our capacity within the Democracy Network as well as appointing a new Director of Finance and Support Services to ensure we have the internal systems in place to support the growing organisation. During 2023/24, this work will continue, together with developing the capacity within our Associates team, to ensure we have capacity to respond to increases in demand.

We have also been refining our strategy and linking to operational Key Performance Indicators to make the link between our strategy objectives with outputs and deliverables within our three main functions.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

In terms of Involve's confirmed programmes for 2023/24, these include the ongoing delivery of the Sciencewise programme for UK Research and Innovation, The UK Democracy Network, the Local Climate Engagement programme and climate assemblies in Southampton and Westminster.

Structure, governance and management

Involve is a charitable company limited by guarantee. It was incorporated on 9 January 2006 and registered as a charity on 15 July 2009. We also registered as a charity with the Office of the Scottish Charity Regulator on 10 April 2017. Involve's Memorandum of Association establishes the objects and powers of the charitable company, which is governed under its Articles of Association.

Involve has a Board of trustees who meet every two months and are responsible for the strategic direction, finances and policy of Involve. Our Articles of Association allows us to have up to 15 trustees. At 31 March 2023 there were 9 trustees, with a range of experience, skills and knowledge relevant to Involve's mission.

A new trustee was appointed to the Board in April 2023 and one trustee resigned from the Board in September 2022. The company Secretary (who is Involve's Chief Executive Officer) also sits on the Board, but has no voting rights. Other staff also attend the Board as required. The Board has one sub-committee; the Finance & Risk Sub-committee.

Responsibility for the day to day management of the organisation is delegated to the Chief Executive Officer. Sarah Castell, CEO, was appointed in September 2021.

The CEO is supported by the senior management team, comprising:

- Sarah Castell, Chief Executive Officer;
- Calum Green, Director of Advocacy & Communications;
- Sarah Allan, Director of Capacity Building & Standards; and
- Gareth Bridges, Director of Finance & Support Services

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as the trustees. Trustees are appointed for an initial period of three years by resolution of the trustees. This is renewable for a further term of three years. Trustees who have served six continuous years must leave and remain out of office for a period of one year unless the trustees resolve that it is in the best interests of Involve for that person to continue to serve as a trustee.

Due to the nature of Involve's work, which is oriented towards participation, advocacy, democratic practice, and building capacity, the trustees have agreed that suitably experienced individuals are required to exercise adequate governance. Trustees identify potential new Board members through relevant networks and contacts and by open recruitment, followed by interview. When appointing new members, trustees look for a commitment to Involve's vision and mission and attempt to achieve a balance of skills and experience on the Board.

Trustee induction and training

All new trustees are provided with a pack of information about governance, management and the work of Involve. This pack includes key financial and governance documents. In addition, all new trustees attend a short training session with the Chief Executive Officer or Director of Operations. The purpose of this session is to familiarise them with the charity, its purpose, structure, financing and activities, as well as the role of a Board member.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

Related parties and relationships with other organisations

Involve is a small organisation and, although we have a strong set of skills and experiences amongst our staff and Associates, we partner with other organisations and individuals on a significant proportion of our work. This partnering includes work where we are the lead organisation in a partnership as well as subcontracting by us or to us.

A full list of our funders in 2022/23, and details of our Associates and partner organisations, is available on our website: <https://www.involve.org.uk/>.

Involve has an established conflicts of interest policy for trustees. Trustees, and senior management staff, are required to complete an annual declaration of interests. Declaring interests is a standing item at the start of all Board and subcommittee meeting agendas. The policy outlines how any interests are then handled at the meeting, guided by the overall principle that trustees should not be able to unduly influence decision-making on issues where they have an interest. Note 17 in the attached notes to the financial statements provides details of related party transactions.

Remuneration policy for key management personnel

Involve's pay policy and pay scales are approved by trustees. Pay progression for all staff at involve is considered within the annual appraisal process including for key management personnel.

Statement of responsibilities of the trustees

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

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 charity and of the income and expenditure of the charity 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 Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2023

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 £10 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.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 10 August 2023 and signed on their behalf by

Edward R Cox

Ed Cox, Chair

Kathy Jones

Kathryn Jones, Treasurer

Independent auditors' report

To the members of

The Involve Foundation

Opinion

We have audited the financial statements of The Involve Foundation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cashflows and the related 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 Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustees Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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.

Independent auditors' report

To the members of

The Involve Foundation

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 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.

Independent auditors' report

To the members of

The Involve Foundation

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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the members of

The Involve Foundation

Use of our report

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

Alison Godfrey

Date: 21 August 2023

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The Involve Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income from:					
Donations		-	4,816	4,816	7,913
Charitable activities	3	746,123	1,505,387	2,251,510	1,902,847
Other trading activities	4	-	5,750	5,750	-
Investment income		-	1,462	1,462	-
Total income		<u>746,123</u>	<u>1,517,415</u>	<u>2,263,538</u>	<u>1,910,760</u>
Expenditure on:					
Raising funds		-	111,629	111,629	56,835
Charitable activities		<u>493,426</u>	<u>1,549,438</u>	<u>2,042,864</u>	<u>1,599,847</u>
Total expenditure	5	<u>493,426</u>	<u>1,661,067</u>	<u>2,154,493</u>	<u>1,656,682</u>
Net income / (expenditure)		252,697	(143,652)	109,045	254,078
Transfers between funds		<u>306</u>	<u>(306)</u>	-	-
Net movement in funds	7	253,003	(143,958)	109,045	254,078
Reconciliation of funds:					
Total funds brought forward		<u>161,757</u>	<u>555,498</u>	<u>717,255</u>	<u>463,177</u>
Total funds carried forward		<u>414,760</u>	<u>411,540</u>	<u>826,300</u>	<u>717,255</u>

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 15 to the accounts.

The Involve Foundation

Balance sheet

As at 31 March 2023

	Note	£	2023 £	2022 £
Fixed assets				
Tangible assets	10		5,972	3,700
Current assets				
Debtors	11	399,641		443,025
Current asset investments		80,059		57,748
Cash at bank and in hand		639,598		524,252
		1,119,298		1,025,025
Liabilities				
Creditors: amounts falling due within 1 year	12	(298,970)		(311,470)
Net current assets			820,328	713,555
Net assets	14		826,300	717,255
Funds	15			
Restricted funds			414,760	161,757
Unrestricted funds				
Designated funds			98,748	137,748
General funds			312,792	417,750
Total charity funds			826,300	717,255

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 10 August 2023 and signed on their behalf by

Edward R Cox

Ed Cox, Chair

The Involve Foundation

Statement of cash flows

For the year ended 31 March 2023

	2023 £	2022 £
Cash used in operating activities:		
Net movement in funds	109,045	254,078
<i>Adjustments for:</i>		
Depreciation charges	3,454	4,831
Decrease / (increase) in debtors	43,384	(44,522)
Increase / (decrease) in creditors	(12,500)	(105,450)
Net cash provided by / (used in) operating activities	<u>143,383</u>	<u>108,937</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(5,726)	(2,217)
Net cash provided by / (used in) investing activities	<u>(5,726)</u>	<u>(2,217)</u>
Increase / (decrease) in cash and cash equivalents in the year	137,657	106,720
Cash and cash equivalents at the beginning of the year	<u>582,000</u>	<u>475,280</u>
Cash and cash equivalents at the end of the year	<u><u>719,657</u></u>	<u><u>582,000</u></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Cash and cash equivalents:	2023 £	2022 £
Analysed as:		
Cash at bank and in hand	639,598	524,252
Current asset investments	<u>80,059</u>	<u>57,748</u>
	<u><u>719,657</u></u>	<u><u>582,000</u></u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Involve Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern. Trustees continue to keep the financial sustainability of Involve under careful scrutiny to ensure long term viability. This includes reviewing fund balances, cashflow projections and the pipeline of funding opportunities at each meeting of the finance and risk subcommittee. These indicators provide confidence that Involve remains a going concern.

c) Income

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

Income from the 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.

Income received in advance of provision of consultancy services is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated 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.

e) 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) 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.

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

h) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors falling due within one year or after one year (as appropriate).

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time spent on activities:

	2023	2022
Raising funds	10.0%	6.7%
Charitable activities	90.0%	93.3%

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Website	3 years straight line basis
Computer and office equipment	3 years straight line basis

k) 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.

l) 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

m) Creditors

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.

n) 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 recognised at amortised cost using the effective interest method.

o) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

q) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1(j).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

2. Prior period comparatives

	Restricted £	Unrestricted £	2022 Total £
Income from:			
Donations	-	7,913	7,913
Charitable activities	472,487	1,430,360	1,902,847
Total income	472,487	1,438,273	1,910,760
Expenditure on:			
Raising funds	-	56,835	56,835
Charitable activities	375,397	1,224,450	1,599,847
Total expenditure	375,397	1,281,285	1,656,682
Net income	97,090	156,988	254,078
Transfers between funds	(6,096)	6,096	-
Net movement in funds	90,994	163,084	254,078

3. Income from charitable activities

	Restricted £	Unrestricted £	2023 Total £
Grant income*	746,123	60,000	806,123
Consulting income	-	1,409,347	1,409,347
Training income	-	36,040	36,040
Total income from charitable activities	746,123	1,505,387	2,251,510

Prior period comparative:

	Restricted £	Unrestricted £	2022 Total £
Grant income*	472,487	50,000	522,487
Consulting income	-	1,362,360	1,362,360
Training income	-	18,000	18,000
Total income from charitable activities	472,487	1,430,360	1,902,847

* Included within unrestricted grants is £60,000 (2022: £50,000) of funding received from the Joseph Rowntree Charitable Trust as contributions to core costs.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

4. Income from other trading activities

	2023 £	2022 £
Sponsorship income	<u>5,750</u>	<u>-</u>

All income from other trading activities in the current period was unrestricted.

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Direct costs	-	935,401	-	935,401
Grants payable (note 6)	-	57,609	-	57,609
Staff costs (note 8)	43,566	406,253	474,832	924,651
Other staff costs	-	-	8,720	8,720
Premises costs	-	-	43,669	43,669
Office and IT costs	-	-	40,529	40,529
Other costs	4,883	-	75,083	79,966
Trustee meeting costs	-	-	3,353	3,353
Audit fees	-	-	6,150	6,150
Bad debt	-	54,445	-	54,445
Sub-total	48,449	1,453,708	652,336	2,154,493
Allocation of support and governance costs	63,180	589,156	(652,336)	-
Total expenditure	<u>111,629</u>	<u>2,042,864</u>	<u>-</u>	<u>2,154,493</u>

Total governance costs were £21,148 (2022: £17,174).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

5. Total expenditure (continued)
Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Direct costs	-	743,134	-	743,134
Grants payable (note 6)	-	115,795	-	115,795
Staff costs (note 8)	25,976	363,384	273,827	663,187
Other staff costs	-	-	7,341	7,341
Premises costs	-	-	28,550	28,550
Office and IT costs	-	-	23,413	23,413
Other costs	3,871	-	65,924	69,795
Trustee meeting costs	-	-	67	67
Audit fees	-	-	5,400	5,400
Sub-total	29,847	1,222,313	404,522	1,656,682
Allocation of support and governance costs	26,988	377,534	(404,522)	-
Total expenditure	<u>56,835</u>	<u>1,599,847</u>	<u>-</u>	<u>1,656,682</u>

6. Grants payable

	2023 £	2022 £
<i>Grants paid to institutions:</i>		
Shared Future CIC	38,658	38,658
UK100	9,379	21,762
Climate Outreach	4,572	11,264
Original Content London	5,000	-
The Democratic Society	-	44,111
	<u>57,609</u>	<u>115,795</u>

No grants were paid to individuals, and no support costs have been allocated to grant-making activities.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

7. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	3,454	4,831
Operating lease payments	41,887	8,622
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	3,353	67
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	6,150	5,350
▪ Other services	5,400	5,400

Trustees' reimbursed expenses in the current year relate to payments made to 6 trustees for reimbursed meeting, accommodation and travel expenses (2022: 3).

8. Staff costs and numbers

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	800,153	579,798
Social security costs	84,892	55,484
Pension costs	39,606	27,905
	<u>924,651</u>	<u>663,187</u>

The key management personnel of the charitable company comprise of the CEO and Directors. The total employee benefits of the key management personnel were £226,181 (2022: £65,649). This increase is due to an increased number of posts in key management.

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

	2023 No.	2022 No.
Average head count	<u>19.6</u>	<u>16.0</u>

The number of higher paid employees was:

	2023 No.	2022 No.
£80,001 - £90,000	<u>1</u>	<u>0</u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

10. Tangible fixed assets

	Website £	Computer and office equipment £	Total £
Cost			
At 1 April 2022	10,471	9,614	20,085
Additions in year	-	5,726	5,726
At 31 March 2023	10,471	15,340	25,811
Depreciation			
At 1 April 2022	10,471	5,914	16,385
Charge for the year	-	3,454	3,454
At 31 March 2023	10,471	9,368	19,839
Net book value			
At 31 March 2023	-	5,972	5,972
At 31 March 2022	-	3,700	3,700

11. Debtors

	2023 £	2022 £
Trade debtors	395,090	382,487
Bad debt provision	(54,445)	-
Prepayments	2,654	2,232
Accrued income	56,342	57,791
Other debtors	-	515
	399,641	443,025

12. Creditors : amounts due within 1 year

	2023 £	2022 £
Trade creditors	98,374	143,021
Accruals	52,768	40,810
Other taxation and social security	113,676	100,856
Deferred income (see note 13)	29,600	19,900
Other creditors	4,552	6,883
	298,970	311,470

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

13. Deferred income

	2023 £	2022 £
At 1 April 2022	19,900	27,500
Released during the year	(19,900)	(27,500)
Deferred during the year	<u>29,600</u>	<u>19,900</u>
At 31 March 2023	<u>29,600</u>	<u>19,900</u>

Deferred income comprises consultancy income received in advance of work being delivered.

14. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	5,972	5,972
Current assets	414,760	98,748	605,790	1,119,298
Current liabilities	-	-	(298,970)	(298,970)
Net assets at 31 March 2023	<u>414,760</u>	<u>98,748</u>	<u>312,792</u>	<u>826,300</u>
Prior period comparatives				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	3,700	3,700
Current assets	161,757	137,748	725,520	1,025,025
Current liabilities	-	-	(311,470)	(311,470)
Net assets at 31 March 2022	<u>161,757</u>	<u>137,748</u>	<u>417,750</u>	<u>717,255</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

15. Movements in funds

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Restricted funds					
Distributed Dialogue on Data Sharing	17,425	5,030	(22,761)	306	-
Forum for the Future Just Transitions	-	20,189	(5,308)	-	14,881
Just Transitions additional	-	54,000	(13,029)	-	40,971
UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	31,101	10,952	(42,053)	-	-
Public Participation Capacity Building (Cross-border)	7,227	-	(7,227)	-	-
Climate Assembly Evaluation - European Climate Foundation	5,858	3,579	(5,838)	-	3,599
Network for Democracy - Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust	69,515	81,702	(157,855)	-	(6,638)
Open Society Foundation - Democracy Network Action Plus Grant	-	274,456	(53,904)	-	220,552
Local Engagement on Climate Change	30,631	210,000	(132,754)	-	107,877
SCA Network	-	13,500	(13,500)	-	-
Rebooting Online Public Dialogue	-	45,000	(25,591)	-	19,409
UK OGN impact strategy	-	9,500	(5,734)	-	3,766
Riverwoods	-	-	(2,175)	-	(2,175)
GLA Civic Data Innovation Challenge	-	8,500	(765)	-	7,735
ECF KNOCA Innovations in Local Climate Authorities	-	4,270	(4,746)	-	(476)
UPPERNet Climate Summit	-	5,445	(186)	-	5,259
Total restricted funds	161,757	746,123	(493,426)	306	414,760

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

15. Movements in funds (continued)

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Total restricted funds (from above)	161,757	746,123	(493,426)	306	414,760
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	57,748	-	-	21,000	78,748
Advocacy and communications	80,000	-	-	(60,000)	20,000
<i>Total designated funds</i>	137,748	-	-	(39,000)	98,748
General funds	417,750	1,517,415	(1,661,067)	38,694	312,792
Total unrestricted funds	555,498	1,517,415	(1,661,067)	(306)	411,540
Total funds	717,255	2,263,538	(2,154,493)	-	826,300

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

15. Movements in funds (continued)

Prior period comparative

	At 1 April 2021 £	Income £	Expenditure £	Transfers between £	At 31 March 2022 £
Restricted funds					
Coalition for Deliberative Democracy	22,221	-	(13,189)	(9,032)	-
Climate Assembly UK	(4,000)	4,000	-	-	-
Distributed Dialogue on Data Sharing	17,790	-	(365)	-	17,425
Climate Change and Deliberative Democracy - Calouste Gulbenkian Foundation	2,222	-	(2,222)	-	-
University of Westminster - Democratic Response to Covid	-	4,134	(2,841)	(1,293)	-
Forum for the Future Just Transitions	1,199	47,865	(49,064)	-	-
UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	(268)	32,947	(1,578)	-	31,101
Public Participation Capacity Building (Cross-border)	20,078	-	(12,851)	-	7,227
Climate Assembly UK Legacy - European Climate Foundation	(666)	1,666	-	(1,000)	-
Climate Assembly Evaluation - European Climate Foundation	12,187	-	(1,204)	(5,125)	5,858
April and May - European Climate Foundation	-	15,292	(16,279)	987	-
June and September - European Climate Foundation	-	34,456	(43,823)	9,367	-
Network for Democracy - Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust	-	132,127	(62,612)	-	69,515
Local Engagement on Climate Change	-	200,000	(169,369)	-	30,631
Total restricted funds	70,763	472,487	(375,397)	(6,096)	161,757

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

15. Movements in funds (continued)

Prior period comparative

	At 1 April 2021 £	Income £	Expenditure £	Transfers between £	At 31 March 2022 £
Total restricted funds (from above)	70,763	472,487	(375,397)	(6,096)	161,757
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	45,748	-	-	12,000	57,748
Advocacy and communications	80,000	-	-	-	80,000
<i>Total designated funds</i>	125,748	-	-	12,000	137,748
General funds	266,666	1,438,273	(1,281,285)	(5,904)	417,750
Total unrestricted funds	392,414	1,438,273	(1,281,285)	6,096	555,498
Total funds	463,177	1,910,760	(1,656,682)	-	717,255

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

15. Movements in funds (continued)

Purposes of restricted funds

Distributed Dialogue on Data Sharing	Funded by Wellcome and the London Borough of Camden (and initially by the Scottish Government), this project will pilot models of distributed, community-based dialogue, which will explore how the data sharing debate can be widened and sustained.
Forum for the Future Just Transitions	This grant from Friends Provident Charitable Foundation, sub granted to Involve from Forum for the Future enables us to work with Forum to support local economies by demonstrating community led fair transitions to net zero.
Just Transitions additional	This grant from forum for the future enables Involve to extend the reach of the programme to additional participants.
UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	This grant from the Wellcome Sanger Institute enables Involve to run a Citizen's Jury in the UK as part of a global series of deliberations on genome editing.
Public Participation Capacity Building (Cross-border)	This grant from the Republic of Ireland's Department of Foreign Affairs enables Involve to help build capacity on public participation amongst local authorities on both sides of the Ireland/Northern Ireland border.
Climate Assembly Evaluation - European Climate Foundation	This grant from the European Climate Foundation enables Involve to commission additional evaluation of Climate Assembly UK to complement the evaluation commissioned separately by the UK Parliament.
Network for Democracy - Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust	These grants from the Joseph Rowntree Reform Trust, Joseph Rowntree Charitable Trust and the Open Society Foundation enables Involve to work collaboratively with a range of stakeholders to build a stronger UK democracy.
Open Society Foundation - Democracy Network Action Plus Grant	This grant from Open Society Foundation enables Involve to undertake additional work in the Democracy Network.
Local Engagement on Climate Change	These grants from the Esmée Fairbairn Foundation and the Calouste Gulbenkian Foundation (UK branch) enables Involve to work with partner organisations to support local authorities to engage with their communities around climate change.
SCA Network	This grant from the Scottish Government enables Involve to form a members network of members from Scotland's Climate Assembly.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

15. Movements in funds (continued)

Purposes of restricted funds (continued)

Rebooting Online Public Dialogue	This grant from the RSA enables Involve to trial experimental approaches to public dialogue.
UK OGN impact strategy	This grant from the Open Government Partnership enables Involve to co-develop medium term impact and resourcing strategies for the UK Open Government Network.
Riverwoods	This grant from the Scottish Wildlife Trust enables Involve to work with partner organisations to support local community engagement in the delivery of riparian woodland and healthy river systems in Scotland.
GLA Civic Data Innovation Challenge	This grant from the Greater London Authority enables Involve to develop a toolkit for identifying practice and impacts of deliberative and participatory engagement across London with local authorities.
ECF KNOCA Innovations in Local Climate Authorities	This grant from the European Climate Foundation enables Involve to develop a framework for collecting and collating knowledge on innovations on climate assemblies at sub-national level.
UPPERNet Climate Summit	This grant from Ashden Climate Outreach enables Involve to collaborate with partners to partake in a summit to unlock the potential for public engagement to help accelerate the reduction in carbon emissions.

Purposes of designated funds

Stability fund	This fund enables Involve, if necessary, to close down the organisation in an orderly and honourable manner.
Advocacy and communications	This fund will be used to invest in Involve's Advocacy and Communications work, as part of Involve's new strategic focus.

Transfers between funds

The transfer from general funds serves the purpose of covering the overspend on restricted funds, as well as designating funds for the Stability fund. The Advocacy and communications fund has been drawn down in 2022/23.

Funds in deficit

All funds in deficit comprise restricted funds which have been spent in advance of the receipt of further income. All deficits are expected to be recovered in 2023/24.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2023

16. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2023 £	2022 £
Amount falling due:		
Within 1 year	42,405	38,522
Within 1 - 5 years	-	-
	<u>42,405</u>	<u>38,522</u>

17. Related party transactions

Ed Cox, a trustee, is the Executive Director for West Midlands Combined Authority (WMCA). WMCA have joined a project that Involve are running, and during the year WMCA paid £33,216 to Involve to provide training and coaching (2022: £6,500). No amounts were outstanding at year end.

Julie Mellor, trustee, is a Director of Demos. Demos paid Involve £250 (2022: £nil) for conference sponsorship, and Involve paid Demos £2,400 (2022: £nil) for conference drinks. No amounts were outstanding at year end.

Sharon Squires, a trustee, is the Chair of Panels for the Home Office. The Home Office paid Involve £16,965 (2022: £14,775) for consultancy and project work under the terms of the contract. No amounts were outstanding at year end.

Hannah White, a trustee, is a Director of IFG Enterprises Limited. Involve paid IFG Enterprises Limited £260 (2022: £nil) for catering at a board meeting and strategy workshop. No amounts were outstanding at year end.

THE INVOLVE FOUNDATION

England & Wales - Charity number 1130568

Accounts

Company no. 5669443
Charity no. (England & Wales) 1130568
Charity no. (Scotland) SC047314

The Involve Foundation
Report and Audited Financial Statements
31 March 2022

The Involve Foundation

Reference and administrative details

For the year ended 31 March 2022

Company number	5669443
Charity numbers	1130568 and SC047314
Registered office and operational address	Oxford House Derbyshire Street London E2 6HG
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Claire Ainsley Paul Braithwaite (Appointed 27 May 2021) Edward Cox (Chair) Temidayo Eseonu (Appointed 27 May 2021) Kathryn Jones Julie Mellor Golam Morshed (Treasurer) Paul Skidmore (Retired 22 May 2021) Sharon Squires Hannah White (Deputy Chair)
Company secretary	Sarah Castell (Appointed 6 September 2021) Tim Hughes (Retired 6 September 2021)
Key management personnel	Tim Hughes (Director to 6 September 2021) Sarah Castell (CEO from 6 September 2021) Clive Mitchell (Director of Operations)
Bankers	Unity Trust Bank 9 Brindley Place Birmingham B1 2HB CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

The trustees, who are also directors under company law, present their report and financial statements for the year ended 31 March 2022.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives

Our vision is of **a vibrant UK democracy, with people at the heart of decision making**. And our mission is to **develop, support and campaign for new ways of involving people in the decisions that affect their lives**.

To achieve this mission, our work focuses on delivering these **outcomes**:

- **Democratic norms** – Participation and deliberation are recognised as essential features for a healthy modern democracy by the public, society and decision-makers;
- **Political support** – People in positions of power and influence across society and the political spectrum understand and actively support the use of participatory and deliberative decision-making;
- **Frequent use** – There is frequent use of participatory and deliberative processes supported by the right resources (people, budgets) both inside and outside of political institutions;
- **Evidence and practice** – There is an accessible and well-communicated body of evidence and practice that demonstrates the impact of our vision and how to achieve it;
- **Clear standards** – There are clear principles and standards that support good practice in delivering and embedding participatory and deliberative processes, which are widely understood and followed; and
- **Democratic innovations** – There is continuous learning and innovation to improve democracy and related practice.

Our vision and mission support our core charitable objectives, which are:

- To advance education for the public benefit in methods and processes of public participation; and
- To promote good citizenship for the public benefit by encouraging and facilitating participation by the public in democratic and decision-making processes, with an intended outcome of enabling people to develop their capacities, help meet their needs and participate more fully in society.

In shaping our objectives for the year, and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

During the past year we have focused on building the case, and then making the case, for how the principles we advocate are fundamental to bridging the divisions in our society, overcoming the complex challenges we face, and giving people power over the decisions that affect them. We have also established three strategic functions: Innovation & Practice, Advocacy & Communications, and Capacity Building & Standards.

Much of our innovation & practice work has been aimed at helping to solve the toughest and most complex challenges we face as a country, and we have continued to pioneer participatory processes that involve people in decisions that affect their lives. From exploring with citizens how democracy in the UK should work, and running a significant national Assembly in Scotland, to reimagining the civic data cooperative in Liverpool, we have demonstrated the role that the public can play in making better decisions.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

We have also been building our Advocacy & Communications and Capacity Building & Standards functions. We have collaborated widely to establish the UK's Democracy Network, which is now on a solid foundation, and we are helping to build capacity within local government through our heavily oversubscribed Local Climate Engagement programme.

The coronavirus pandemic has had a continuing impact on how we design and facilitate public participation, but we have been able to apply the learning and adaptations that we had already developed during the pandemic's first year. As we reported in 2020/21, the pandemic has not removed the need for a stronger democracy - on the contrary, as public bodies seek to navigate new and very challenging territory, involving citizens in the many critical and important decisions that are affecting all our lives has become more important than ever. The uncertainties and shifts in the wider world, including geopolitical and economic shocks, also reinforce the need for a stronger and more robust democracy here at home.

Activities, achievements and performance

We put our new senior team in place in 2021/22, with a new CEO and Directors for each of our strategic functions: Advocacy & Communications, Capacity Building & Standards, and Innovation & Practice. We delivered some significant and high profile pieces of work during the year, and we have started to expand our work in Advocacy & Communications and Capacity Building & Standards. We also started an appropriately-staged return to delivering projects in person.

Throughout the year, Involve has worked with decision makers in all four nations of the UK to support the engagement of over **1,800 members of the public**. They have taken part in **tens of thousands of hours** of learning, deliberating, making recommendations and holding decision-makers to account. Alongside this, we have grown and strengthened advocates for participatory and deliberative processes; for example within the Climate Change Committee, among MPs and civil servants through Select Committees and All Party Parliamentary Groups, in the Scottish Government, local government in Northern Ireland, in local and central government departments, the research and innovation ecosystem, and across the wider democracy sector. These stakeholders have taken part in processes as advisors, observers, participants and experts, and have changed their views on how effectively the public can engage with tough challenges and reach consensus.

As part of this work, decision-makers and the public have worked together to tackle complex issues such as what to do about climate change in their local community, under what circumstances assisted dying should be allowed, and how different parts of our governments and health service use our data.

Here are some examples of how our projects and programmes during 2021/22 have delivered impacts; impacts which contribute to each of the outcomes we are seeking to achieve.

Democratic norms

The UK Democracy Network: making UK democracy actors greater than the sum of their parts

In 2021, Involve was awarded a three-year grant of £350,000 from the Joseph Rowntree Reform Trust, which included a contribution of £50,000 from the Joseph Rowntree Charitable Trust. This was to set up a Democracy Network, whose aim is to build a stronger UK democracy, which can help counter threats to democracy, meet the challenges of the digital world and increase equity and participation. To achieve this, it is working to better connect the people, projects and organisations working on issues of democracy, power, accountability and voice to increase the sector's collective effectiveness and influence.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

We started this work in summer of 2021, with the appointment of a Coordinator for the Democracy Network. Since then we have achieved the following through the project:

- Connected across the democracy sector through **106 one-to-one relational meetings** with others in the sector;
- **Built a governance structure** of an Interim Steering Group of 16 people and a Council of Reference with between 25 and 30 organisations;
- Supported **215 hours of deliberation** on the Network's strategy by prospective members;
- Generated a wider subscriber **list of 447 people**; and
- Designed a programme of **16 events for our first year, with 131 attending our first four.**

This has built a solid foundation for the Network, and has placed Involve amongst peers in a vital connecting role in the democracy sector; an organisation ready and able to ensure we achieve our collective goals, together.

It is also an example of how Involve is starting to build on a strong existing culture of collaboration to develop collective, sector-wide efforts to strengthen our democracy.

Political support

Climate Assembly UK One Year On: keeping the impact of Citizens' Assemblies in the public eye

Funded by the European Climate Foundation, in September 2021 we held a series of events in the Houses of Parliament, attended by members of Climate Assembly UK, The Speaker of the House of Commons, MPs, stakeholders, and Sir David Attenborough.

The event was held to mark the one year anniversary of the Climate Assembly UK report, to allow participants to see the impact their work has had, and support them to have continued influence on government, MPs, stakeholders, and others. It built on developments across the year including the report of the BEIS Select Committee on the Government's response to the assembly, and the Government's response to the Committee's findings. The events were well attended and enabled assembly members to talk directly to key politicians, officials and stakeholders. They also served to keep the assembly in front of people's minds.

The assembly's anniversary events were covered across national press outlets, including a prime time piece on [Channel 4 news](#), and on the front page of the BBC News online.

We have also increased our proactive engagement with UK MPs through numerous channels, including supporting the All Party Parliamentary Group for Deliberative Democracy.

Citizens Jury on Assisted Dying: public engagement unblocks moral and legislative stalemate

The Government of Jersey appointed Involve to set up a Citizens Jury on Assisted Dying, after an e-petition in 2018, signed by 1,861 people, called for the States Assembly to amend Jersey law and allow for assisted dying.

The recommendations formed by the 23 members of the Jury led to the States Assembly becoming the first parliament in the British Isles to decide 'in principle' to allow assisted dying in November 2021. Further detailed legislation is planned for late 2022.

The project was covered in local and national media, ranging from BBC and ITV News, to the British Medical Journal and the Mirror.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

This demonstrates how, when done well, public engagement can help unblock challenging moral issues and lead to a clear legislative path forward for decision-makers. We will be building on this argument to further increase political support throughout 2022/23.

Frequent use

Scotland Climate Assembly: demonstrating new ways to hold government to account

Following the report of the landmark Scotland Climate Assembly in 2021 – and the Scottish Government's response to the Assembly's recommendations – the Assembly was reconvened for its 8th weekend of deliberations in February 2022. This innovative 8th session was designed to enable Members to review the Scottish Government's response to their report together, and hold decision makers to account.

As with the original Assembly's work, Involve was commissioned (in partnership with The Democratic Society) to design, facilitate and deliver the Assembly's weekend 8.

Experts scored the Scottish Government's responses to each of the Assembly's recommendations, concluding that for 60 of the 81 recommendations the Government's policy has changed positively, in the direction of the Assembly's recommendations. However, members were more ambitious in their assessment, and expressed some disappointment in the response from government. Nevertheless, they also acknowledged that they were seeing clear links between some of their recommendations and policy development.

Following weekend 8, Involve has been awarded a small grant from the Scottish Government to continue working with the members of the assembly who want to work together to build a longer term way to hold the government to account for their recommendations. Members plan to work together to monitor the government's actions and to network with other climate assemblies, organisations working to tackle the climate emergency, the Scottish Parliament's Net Zero Committee and the Scottish Open Government Partnership Climate Network.

Additionally, two members of the assembly stood as candidates at the recent local government elections, directly because of their experience in the assembly, with one successfully elected.

This accountability stage marked a major innovation in deliberative processes in the UK, demonstrating the importance of decision-makers responding to all recommendations, and providing an opportunity for members to hold decision-makers to account on their response. It also raised an important question about how, and if, we should support some participants to continue to contribute to public life after the process is complete.

As part of the Scottish Government's response to the Assembly's recommendation, Rt Hon Nicola Sturgeon MSP First Minister of Scotland said the following:

'These recommendations show strong support for leaders to act with urgency, and make the difficult decisions needed for Scotland to become a net zero nation. In the wake of COP26 in Glasgow, and the new Glasgow Climate Pact, it could not be more critical to hear from the people of Scotland. As the Scottish Government acted as a bridge between those outside of the negotiations, and those inside, so too can the Assembly provide a bridge between government and the rest of society.'

To the Assembly members – thank you.'

The project was covered in local and national media, see [here](#) for an example in The Scotsman.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

Evidence and practice

Sciencewise: setting standard for science and tech public engagement, looking to the future

Sciencewise is an internationally recognised public engagement programme which enables policy makers to develop socially informed policy with a particular emphasis on science and technology. It is the UK Government's exemplar of how to develop robust evidence on public views to inform policy development in areas of scientific and technological innovation. Established in 2004, the programme has supported over 50 public dialogue projects.

Sciencewise is led and funded by UK Research and Innovation (UKRI), with support from the UK Government's Department for Business, Energy, and Industrial Strategy. Involve runs the programme, on behalf of UKRI, providing expert advice, assurance, and support to the programme. Involve was recommissioned, in April 2021, to deliver this role for a further two years.

By continuing to run the Sciencewise programme Involve has been in a position to advise UKRI and others as to the best way to embed public voices in decision making; supporting UKRI to implement its public engagement strategy; and playing a key role in discussions about the future of public engagement in the science and innovation research ecosystem.

In the year 2021/22, Sciencewise completed 7 dialogues and 6 were underway. This equates to 700 public participants, 147 specialist participants, 39 stakeholder participants, 60 event hours and 42,000 participant hours. These dialogues included issues ranging from Newborn Screening for Genomics England to the Ethics of data location for the Geospatial Commission.

Through these dialogues, Involve has demonstrated that even highly complex, future-focused issues can benefit from quality public engagement. It has also helped continue to build the case that the public must be part of deciding how we use science and technology in years to come, particularly when there are major moral implications, such as use of data and genome-editing.

Clear standards

Local Climate Engagement: Creating, consolidating and networking best practice in local public participation in climate decision-making

Avoiding the worst effects of climate change will be the biggest challenge in human history. Local authorities and partnerships will play a key role both in getting the UK to net zero and ensuring their areas are ready for changing conditions. To do this in a way that is effective and fair, they will need to engage the public. That's why Involve, along with others, developed [Local Climate Engagement \(LCE\)](#) - a new programme that uses a combination of training, mentoring, peer-learning and hands-on support to assist local authorities in engaging their local communities.

The programme launched in late 2021, and 75 local authorities applied to take part, demonstrating the increasing support for public engagement in climate decision-making. Of these, 5 were selected for the Project Group to receive training, peer learning, and practical support to run a public participation process. 16 were selected for the Coaching Group who will receive training, peer learning, and mentoring to support them to run/commission their own public participation process. Of the 54 unsuccessful local authorities, 26 have since been back in touch asking for some form of further support throughout early 2022/23.

Initial analysis of the 75 applications we received shows an excellent spread across regions, geographies, the political spectrum and types of local authority.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

The programme has been developed by Involve and four partner organisations: Democratic Society, Shared Future, UK100, and Climate Outreach. The programme is funded by Calouste Gulbenkian Foundation (UK branch) and Esmée Fairbairn Foundation.

Democratic innovations

Citizens' Assembly on Democracy in the UK: evidence of what the public want our democracy to be

The Citizens' Assembly on Democracy in the UK was the first UK-wide deliberative process to ask the public to consider the future of their democratic system. It brought together 70 people from right across the UK for 6 weekends to explore, online, the big question: How should democracy in the UK work?

The Assembly was convened by the Constitution Unit at University College London (UCL) as part of its wider research project on attitudes to democracy in the UK today: Democracy in the UK after Brexit. The project as a whole, including the Assembly, was funded by the Economic and Social Research Council through its Governance after Brexit programme. Involve was commissioned by UCL to design and deliver the Assembly. The Assembly's final report was published in April 2022, and can be found [here](#).

Since its publication, events and press coverage have been carried out to ensure wider understanding of the public's views on part of our democratic system. This includes events with politicians, public events, and meetings with politicians and civil servants. See an example of in-depth coverage in Prospect magazine [here](#).

The subject matter and findings of the Assembly also contributed to building the case for public support for democratic renewal. Members, representing an informed public, called for honesty, transparency, openness, and integrity from politicians, and a balanced media which can scrutinise government. Deliberative innovations like Citizens' Assemblies overwhelmingly were seen as part of that renewal; but critically, Members saw them as advisory to governments, rather than binding decision makers or replacing representative democracy.

Participatory local government in the Irish border region: capacity building for innovation

Involve secured funding in 2021 from the Republic of Ireland's Department of Foreign Affairs to develop and run a programme of bespoke training on innovations in public participation for councils in the Irish border region. The programme has been developed in partnership with the Irish Central Border Area Network.

Through the project, we conducted 6 days of training for 21 council staff. Amongst other outcomes, this supported an increase in confidence among participants to undertake public participation after training compared with before training. For example, 100% of participants agreed with the statement, 'I am clear on my role and the role of other stakeholders when developing a public participation project' compared with 35% before training, and 89% agreed with the statement, 'I feel confident to identify the right people to engage with the participation I am planning' compared with 18% before training. This suggests a slowly growing group of decision-makers more comfortable to use and embed participatory and deliberative methods.

Fundraising Practices

Involve raises its funds through grant and consultancy funding, and to a much lesser degree from donations. We do not proactively solicit funding from members of the public, and we are not registered with the Fundraising Regulator.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

Financial review

2021/22 has been another successful year in terms of our funding. Significant sources of funding included Sciencewise, the Citizens' Assembly on Democracy in the UK, Devon Climate Assembly, the UK Democracy Network, and UK Parliament Restoration & Renewal.

At 31 March 2022 Involve had total funds of £717k (2021: £463k), of which £418k were general funds, with the balance being our designated funds of £138k and restricted funds of £162k. Historically, Involve's funding has come from a mix of contracts and restricted grants, with limited core funding. Our core funding, since 2017, has come from the Joseph Rowntree Charitable Trust, and in 2021 we successfully applied for a further three years of core funding from JRCT, of £150k. Most of our income continues to come from contracts and grants, and we expect this to continue.

Looking ahead, we plan to attract funding to further develop our Advocacy & Communications function, as well as driving growth in consultancy-led Innovation & Practice work and supporting new growth in Capacity Building & Standards.

Reserves policy

Involve's reserves comprise our general fund and two designated funds (advocacy & communications fund and stability fund). We aim to hold three to six months operating expenses (currently deemed to be £250k to £500k) in the general fund. We are therefore currently within our targeted reserves range. We have held the stability fund for some years now, and Trustees designated the advocacy & communications fund in 2020/21. Trustees will review the reserves strategy again in 2022/23, and this is likely to consider whether we need to hold a separate stability fund, given the policy in respect of our general fund reserve, and also to set the maximum intended level of our cash reserves.

General fund

We normally budget to make a modest surplus on the general fund each year. For 2021/22 trustees approved a break-even budget for the year. As it turned out, we exceeded our income targets, and our general fund had grown by financial year end. At 31 March 2022 the general fund stood at £418k compared to the balance brought forward at the start of the financial year of £267k - a surplus of £151k.

Designated funds

Advocacy & Communications fund

This fund, established in 2020/21, holds £80k and is designated to be used for investment in Involve's Advocacy & Communications function. We did not need to draw down on the fund in 2021/22. We plan to spend a significant proportion of the fund in 2022/23.

Stability fund

This fund is intended to enable Involve to weather income shocks, and to close down the organisation with honour if that were to become necessary. In our reserves review in 2020/21, trustees noted the fund was insufficient for both of these purposes, and resolved to grow the fund steadily over time, with an aim of holding £100k in the fund. At 31 March 2022 the stability fund stood at £58k (2021: £46k). We will continue to grow the fund during 2022/23.

We hold the stability fund in a deposit account with the CCLA, which is a charity fund manager that invests its clients funds in various ways. Other than the CCLA account, trustees have decided not to have any investments.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

Going concern

Trustees had given very careful consideration at the start of 2020/21 to the impact that the COVID-19 pandemic would have on Involve's current and future financial position. They identified the key risks and implemented a number of mitigating actions, including cash-flow scenario modelling, a shift to home working, and successfully adapting our projects to online delivery. Those actions enabled Involve to continue as a going concern, and indeed we had another busy year of programme delivery in 2020/21. And also, as noted in last year's trustees' report, the pandemic made more acute the need for government and organisations to give priority to listening to citizens.

We took the learning from that year forward into 2021/22 and, again, we had another successful year of securing funding to run a range of important programmes and projects.

The trustees consider that Involve will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved, for the following reasons:

- Involve holds unrestricted reserves at 31 March 2022 of £555k (the combined total of the general and designated funds);
- Cash flow projections indicate a positive cash balance for at least 12 months ahead;
- We are starting to return to in-person working, but we also have a successful model for operating our projects online. This gives us the agility to adapt our methodologies to circumstance, including if the UK governments were to implement any further lockdowns later in the year;
- We continue to win important commissions. For example, in 2021 we successfully bid for significant grant funding to run the Local Climate Engagement programme, which we will be delivering in partnership with others over the next two years;
- Involve's successful track record of securing and maintaining funding gives trustees some assurance that we will be able to continue to secure a pipeline of funding, and we continue to have opportunities in our pipeline. Trustees are also cognisant of the squeeze on public spending, and the risks that this presents to our future funding. Part of our funding strategy is to continue to build our capacity to originate work; we already do this well (for example, the Local Climate Engagement programme and continued recommissioning of the UKRI Sciencewise programme) and have plans to extend this further, in particular by focusing on thematic areas such as data and climate as well as on democratic innovation in general;
- We will manage any demands for increased capacity to deliver projects in ways that minimise the on-going liability for costs, for example by engaging additional staff on short-term contracts or by drawing on our pool of associates. Our pool of associates has grown over the last year, and this has enabled us to successfully deliver another busy year of projects and programmes;
- We invested in new senior staff appointments in 2021: our new Chief Executive Officer, our Director of Advocacy & Communications, and a new Engagement Lead. We are very gradually growing the organisation, and are currently recruiting for a further Engagement Lead and some administrative support. Whilst these investments have increased our cost base, they also give us the much-needed capacity to originate funding and deliver our strategic objectives. Trustees approved a budget for 2022/23 that includes some challenging income targets, to match our growth. Trustees will be keeping our funding pipelines, as well as budget performance, under careful scrutiny through the year ahead;
- We have very well-established and real-time cash flow projections, which include trigger points to enable us to spot and manage any potential insolvency; and
- The Finance & Risk Subcommittee will continue to meet on a two-monthly cycle, mirroring the cycle for the main trustee Board, and will keep a close overview of Involve's financial health.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

Principal risks and uncertainties

Involve has a risk register, integrated with our Business Plan, which is actively managed by both the management team and by trustees. The detailed strategic risk register is a standing item on the Finance & Risk Subcommittee's agenda, and is reported by exception to the full Board.

Our principal risks and uncertainties, and the steps we take to manage them, are outlined below:

- **Medium and longer term pressures on public spending** - given the extraordinary and unprecedented levels of public spending occasioned by the COVID-19 pandemic, the considerable on-going pressures on the cost of living, and wider global economic shocks, it is likely that there will be medium-term pressures on spending – and shifts in spending – by public sector bodies. And given that a significant proportion of Involve's work is with the public sector, this is likely to affect us. We will be keeping a close watch on how public spending patterns change and, where appropriate, will look to diversify our funding streams further, including building on our strong track record of attracting funding from grant-making trusts and foundations;
- **Funding a larger organisation** - we are now a bigger organisation, our cost base has grown, and we have some ambitious plans for delivering our strategy in 2022/23. We have set challenging targets for generating income and delivering efficiently in 2022/23. We think the targets are achievable, but trustees will be keeping this under close scrutiny in the year ahead;
- **Market changes** - Involve has played a central role in delivering some of the UK's major public deliberative events over the last 5 years, including the Citizens' Assemblies on Brexit and Social Care, the Citizens' Assembly for Northern Ireland, the Citizens' Assembly of Scotland, Scotland's Climate Assembly, and the Climate Assembly UK. The market for these major deliberative methodologies has been stable for some years but this may change in future. There are two key risks associated with this. The first is that they continue to increase in number, but the ability for quality supply to keep up with demand is limited, and the standard goes down over time. We are mitigating this risk through building our capacity building and standards function in particular, amongst other work. The second is that they decrease in number. We are mitigating this risk by building a more robust case for these processes in the UK, building support amongst decision makers, while also increasing our work using a wider variety of other methods to engage the public; and
- **Capacity to respond to demand, and deliver projects** - 2021/22 was another busy year for us, and on-going programmes of work and future opportunities mean that we may have acute peaks in demands for staff capacity. We are familiar with this risk and we manage it in several ways: by paying careful attention to the way we manage staff and the way we support their development and career progression; by regularly reviewing capacity and matching this to opportunities; by making temporary appointments to manage peaks in demand; and by working with our Associates and partnering with other organisations where appropriate.

Future plans

There is a growing recognition that our current model of democracy is not fit for purpose, and people are increasingly looking for ways to make it better. Our work demonstrates how. Over the coming years we plan to accelerate the work we have started to demonstrate how a different type of democracy is possible. We want to seize the current malcontent and channel it into creating change in a positive direction.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

We have long had a reputation for designing and delivering world class participatory and deliberative decision-making processes, but we are clear that this is not enough to achieve the scale of change that is required. Our strategy in recent years has been to build our advocacy and communications capacity, and to build external networks, in order to shift the narrative about democracy and embed the principles of openness, participation and deliberation within institutions. We also broadened our strategy to cover capacity building and standard setting so that organisations and practitioners are helped to make that shift to a better democracy.

During 2021/22 we continued to invest in new staff appointments to enable us to deliver our strategy, including our new Director of Advocacy & Communications, and the Coordinator for the UK Democracy Network. We also appointed our Head of Democratic Innovation as our Director of Innovation & Practice, and our Head of Engagement as our Director of Capacity Building & Standards. We are currently recruiting for an Engagement Lead who will work in our Capacity Building & Standards function. We are now well placed to continue to move forward on our strategic objectives.

In terms of Involve's confirmed programmes for 2022/23, these include the ongoing delivery of the Sciencewise programme for UK Research and Innovation, The UK Democracy Network, the Local Climate Engagement programme, UK Power Network's pilot People's Panel, The Engage Britain's People Panel, and Voice Matters with Cooperation Ireland.

Structure, governance and management

Involve is a charitable company limited by guarantee. It was incorporated on 9 January 2006 and registered as a charity on 15 July 2009. We also registered as a charity with the Office of the Scottish Charity Regulator on 10 April 2017. Involve's Memorandum of Association establishes the objects and powers of the charitable company, which is governed under its Articles of Association.

Involve has a Board of trustees who meet every two months and are responsible for the strategic direction, finances and policy of Involve. Our Articles of Association allows us to have up to 15 trustees. At 31 March 2022 there were 9 trustees, with a range of experience, skills and knowledge relevant to Involve's mission. Two new trustees were appointed to the Board in May 2021. One trustee resigned from the Board in May 2021, having come to the end of their six year term. The company Secretary (who is Involve's Chief Executive Officer) also sits on the Board, but has no voting rights. Other staff also attend the Board as required. The Board has one sub-committee, a Finance & Risk Sub-committee.

Responsibility for the day to day management of the organisation is delegated to the Chief Executive Officer. Sarah Castell, CEO, was appointed in September 2021, replacing Tim Hughes, the outgoing Director. We also appointed Calum Green, Director of Advocacy & Communications, in August 2021.

The CEO is supported by the senior management team, comprising:

- Sarah Castell, Chief Executive Officer;
- Calum Green, Director of Advocacy & Communications;
- Sarah Allan, Director of Capacity Building & Standards;
- Kaela Scott, Director of Innovation & Practice; and
- Clive Mitchell, Director of Operations.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

Recruitment and appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as the trustees. Trustees are appointed for an initial period of three years by resolution of the trustees. This is renewable for a further term of three years. Trustees who have served six continuous years must leave and remain out of office for a period of one year unless the trustees resolve that it is in the best interests of Involve for that person to continue to serve as a trustee.

Due to the nature of Involve's work, which is oriented towards participation, advocacy, democratic practice, and building capacity, the trustees have agreed that suitably experienced individuals are required to exercise adequate governance. Trustees identify potential new Board members through relevant networks and contacts and by open recruitment, followed by interview. When appointing new members, trustees look for a commitment to Involve's vision and mission and attempt to achieve a balance of skills and experience on the Board.

One of our trustees came to the end of their six-year term in May 2021. We undertook a round of trustee recruitment at the start of 2021 and appointed two new trustees in May 2021.

Trustee induction and training

All new trustees are provided with a pack of information about governance, management and the work of Involve. This pack includes key financial and governance documents. In addition, all new trustees attend a short training session with the Chief Executive Officer or Director of Operations. The purpose of this session is to familiarise them with the charity, its purpose, structure, financing and activities, as well as the role of a Board member.

Related parties and relationships with other organisations

Involve is a small organisation and, although we have a strong set of skills and experiences amongst our staff and Associates, we partner with other organisations and individuals on a significant proportion of our work. This partnering includes work where we are the lead organisation in a partnership as well as subcontracting by us or to us.

A full list of our funders in 2021/22, and details of our Associates and partner organisations, is available on our website: <https://www.involve.org.uk/>.

Involve has an established conflicts of interest policy for trustees. Trustees, and senior management staff, are required to complete an annual declaration of interests. Declaring interests is a standing item at the start of all Board and subcommittee meeting agendas. The policy outlines how any interests are then handled at the meeting, guided by the overall principle that trustees should not be able to unduly influence decision-making on issues where they have an interest. Note 16 in the attached notes to the financial statements provides details of related party transactions.

Remuneration policy for key management personnel

Involve's pay policy and pay scales are approved by trustees. We will be reviewing our pay policy and pay scales in 2022.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2022

Statement of responsibilities of the trustees

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

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 charity and of the income and expenditure of the charity 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 Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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.

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 £10 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.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 28 July 2022 and signed on their behalf by

Edward Cox

Ed Cox, Chair

Golam Morshed

Golam Morshed, Treasurer

Independent auditors' report

To the members of

The Involve Foundation

Opinion

We have audited the financial statements of The Involve Foundation (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cashflows and the related 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 Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustees Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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.

Independent auditors' report

To the members of

The Involve Foundation

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 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.

Independent auditors' report

To the members of

The Involve Foundation

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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the members of

The Involve Foundation

Use of our report

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

Alison Godfrey

Date: 1 August 2022

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The Involve Foundation

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2022

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Income from:					
Donations		-	7,913	7,913	566
Charitable activities	3	<u>472,487</u>	<u>1,430,360</u>	<u>1,902,847</u>	<u>1,662,144</u>
Total income		<u>472,487</u>	<u>1,438,273</u>	<u>1,910,760</u>	<u>1,662,710</u>
Expenditure on:					
Raising funds		-	56,835	56,835	44,000
Charitable activities		<u>375,397</u>	<u>1,224,450</u>	<u>1,599,847</u>	<u>1,553,665</u>
Total expenditure	4	<u>375,397</u>	<u>1,281,285</u>	<u>1,656,682</u>	<u>1,597,665</u>
Net income		97,090	156,988	254,078	65,045
Transfers between funds		<u>(6,096)</u>	<u>6,096</u>	<u>-</u>	<u>-</u>
Net movement in funds	6	90,994	163,084	254,078	65,045
Reconciliation of funds:					
Total funds brought forward		<u>70,763</u>	<u>392,414</u>	<u>463,177</u>	<u>398,132</u>
Total funds carried forward		<u><u>161,757</u></u>	<u><u>555,498</u></u>	<u><u>717,255</u></u>	<u><u>463,177</u></u>

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 14 to the accounts.

The Involve Foundation

Balance sheet

As at 31 March 2022

	Note	£	2022 £	2021 £
Fixed assets				
Tangible assets	9		3,700	6,314
Current assets				
Debtors	10	443,025		398,503
Cash at bank and in hand		<u>582,000</u>		<u>475,280</u>
		1,025,025		873,783
Liabilities				
Creditors: amounts falling due within 1 year	11	<u>(311,470)</u>		<u>(416,920)</u>
Net current assets			<u>713,555</u>	<u>456,863</u>
Net assets	13		<u><u>717,255</u></u>	<u><u>463,177</u></u>
Funds	14			
Restricted funds			161,757	70,763
Unrestricted funds				
Designated funds			137,748	125,748
General funds			<u>417,750</u>	<u>266,666</u>
Total charity funds			<u><u>717,255</u></u>	<u><u>463,177</u></u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 28 July 2022 and signed on their behalf by

Edward Cox

Golam Morshed

Ed Cox, Chair

Golam Morshed, Treasurer

The Involve Foundation

Statement of cash flows

For the year ended 31 March 2022

	2022	2021
	£	£
Cash used in operating activities:		
Net movement in funds	254,078	65,045
<i>Adjustments for:</i>		
Depreciation charges	4,831	5,608
Decrease / (increase) in debtors	(44,522)	(196,054)
Increase / (decrease) in creditors	(105,450)	187,578
Net cash provided by / (used in) operating activities	108,937	62,177
Cash flows from investing activities:		
Purchase of tangible fixed assets	(2,217)	(1,390)
Net cash provided by / (used in) investing activities	(2,217)	(1,390)
Increase / (decrease) in cash and cash equivalents in the year	106,720	60,787
Cash and cash equivalents at the beginning of the year	475,280	414,493
Cash and cash equivalents at the end of the year	582,000	475,280

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Involve Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

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

Income from the 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.

Income received in advance of provision of consultancy services is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated 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.

e) 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) 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.

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

h) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors falling due within one year or after one year (as appropriate).

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time spent on activities:

	2022	2021
Raising funds	6.7%	7.1%
Charitable activities	93.3%	92.9%

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Website	3 years straight line basis
Computer and office equipment	3 years straight line basis

k) 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.

l) 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

m) Creditors

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.

n) 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 recognised at amortised cost using the effective interest method.

o) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

q) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1(j).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

2. Prior period comparatives

	Restricted £	Unrestricted £	2021 Total £
Income from:			
Donations	-	566	566
Charitable activities	135,199	1,526,945	1,662,144
Total income	135,199	1,527,511	1,662,710
Expenditure on:			
Raising funds	-	44,000	44,000
Charitable activities	207,914	1,345,751	1,553,665
Total expenditure	207,914	1,389,751	1,597,665
Net income / (expenditure)	(72,715)	137,760	65,045
Transfers between funds	56,944	(56,944)	-
Net movement in funds	(15,771)	80,816	65,045

3. Income from charitable activities

	Restricted £	Unrestricted £	2022 Total £
Grant income*	472,487	50,000	522,487
Consulting income	-	1,362,360	1,362,360
Training	-	18,000	18,000
Total income from charitable activities	472,487	1,430,360	1,902,847
Prior period comparative:			
	Restricted £	Unrestricted £	2021 Total £
Grant income*	135,199	57,500	192,699
Consulting income	-	1,467,705	1,467,705
Training	-	1,740	1,740
Total income from charitable activities	135,199	1,526,945	1,662,144

* Included within unrestricted grants is £50,000 (2021: £37,500) of funding received from the Joseph Rowntree Charitable Trust and £nil (2021: £20,000) from the Esmée Fairbairn Foundation as contributions to core costs.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

4. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Direct costs	-	858,929	-	858,929
Staff costs (note 7)	25,976	363,384	273,827	663,187
Other staff costs	-	-	7,341	7,341
Premises costs	-	-	28,550	28,550
Office and IT costs	-	-	23,413	23,413
Other costs	3,871	-	65,924	69,795
Trustee meeting costs	-	-	67	67
Audit fees	-	-	5,400	5,400
Sub-total	29,847	1,222,313	404,522	1,656,682
Allocation of support and governance costs	<u>26,988</u>	<u>377,534</u>	<u>(404,522)</u>	<u>-</u>
Total expenditure	<u>56,835</u>	<u>1,599,847</u>	<u>-</u>	<u>1,656,682</u>

Total governance costs were £17,174 (2021: £12,976).

Prior period comparative	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Direct costs	-	1,030,123	-	1,030,123
Staff costs (note 7)	20,311	267,186	167,047	454,544
Other staff costs	-	-	9,080	9,080
Premises costs	-	-	17,373	17,373
Office and IT costs	-	-	19,410	19,410
Other costs	4,201	-	57,784	61,985
Trustee meeting costs	-	-	150	150
Audit fees	-	-	5,000	5,000
Sub-total	24,512	1,297,309	275,844	1,597,665
Allocation of support and governance costs	<u>19,488</u>	<u>256,356</u>	<u>(275,844)</u>	<u>-</u>
Total expenditure	<u>44,000</u>	<u>1,553,665</u>	<u>-</u>	<u>1,597,665</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

5. Grants payable

	2022 £	2021 £
<i>Grants paid to institutions:</i>		
The Democratic Society	44,111	-
Shared Future CIC	38,658	-
UK100	21,762	-
Climate Outreach	11,264	-
	115,795	-

Grants payable are included within direct costs (note 4). No grants were paid to individuals, and no support costs have been allocated to grant-making activities.

6. Net movement in funds

This is stated after charging:

	2022 £	2021 £
Depreciation	4,831	5,608
Operating lease payments	8,622	16,254
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	67	Nil
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	5,350	5,000
▪ Other services	5,400	8,011

Trustees' reimbursed expenses in the current year relate to payments made to 3 trustees for reimbursed meeting, accommodation and travel expenses (2021: nil).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

7. Staff costs and numbers

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	579,798	395,813
Social security costs	55,484	36,765
Pension costs	27,905	21,966
	<u>663,187</u>	<u>454,544</u>

No employee earned more than £60,000 during the year.

The key management personnel of the charitable company comprise the Director, their predecessor, and the Director of Operations. The total employee benefits of the key management personnel were £65,649 (2021: £92,478).

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

	2022 No.	2021 No.
Average head count	<u>16.0</u>	<u>11.3</u>

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Tangible fixed assets

	Website £	Computer and office equipment £	Total £
Cost			
At 1 April 2021	10,471	7,397	17,868
Additions in year	<u>-</u>	<u>2,217</u>	<u>2,217</u>
At 31 March 2022	<u>10,471</u>	<u>9,614</u>	<u>20,085</u>
Depreciation			
At 1 April 2021	8,435	3,119	11,554
Charge for the year	<u>2,036</u>	<u>2,795</u>	<u>4,831</u>
At 31 March 2022	<u>10,471</u>	<u>5,914</u>	<u>16,385</u>
Net book value			
At 31 March 2022	<u>-</u>	<u>3,700</u>	<u>3,700</u>
At 31 March 2021	<u>2,036</u>	<u>4,278</u>	<u>6,314</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

10. Debtors

	2022	2021
	£	£
Trade debtors	382,487	290,224
Prepayments	2,232	3,602
Accrued income	57,791	104,677
Other debtors	515	-
	<u>443,025</u>	<u>398,503</u>

11. Creditors : amounts due within 1 year

	2022	2021
	£	£
Trade creditors	143,021	192,141
Accruals	40,810	92,666
Other taxation and social security	100,856	97,679
Deferred income (see note 12)	19,900	27,500
Other creditors	6,883	6,934
	<u>311,470</u>	<u>416,920</u>

12. Deferred income

	2022	2021
	£	£
At 1 April 2021	27,500	21,667
Released during the year	(27,500)	(21,667)
Deferred during the year	<u>19,900</u>	<u>27,500</u>
At 31 March 2022	<u>19,900</u>	<u>27,500</u>

Deferred income comprises consultancy income received in advance of work being delivered.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

13. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	3,700	3,700
Current assets	161,757	137,748	725,520	1,025,025
Current liabilities	-	-	(311,470)	(311,470)
Net assets at 31 March 2022	161,757	137,748	417,750	717,255

Prior period comparatives

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	6,314	6,314
Current assets	70,763	125,748	677,272	873,783
Current liabilities	-	-	(416,920)	(416,920)
Net assets at 31 March 2021	70,763	125,748	266,666	463,177

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
Coalition for Deliberative Democracy	22,221	-	(13,189)	(9,032)	-
Climate Assembly UK	(4,000)	4,000	-	-	-
Distributed Dialogue on Data Sharing	17,790	-	(365)	-	17,425
Climate Change and Deliberative Democracy - Calouste Gulbenkian Foundation	2,222	-	(2,222)	-	-
University of Westminster - Democratic Response to Covid	-	4,134	(2,841)	(1,293)	-
Forum for the Future Just Transitions	1,199	47,865	(49,064)	-	-
UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	(268)	32,947	(1,578)	-	31,101
Public Participation Capacity Building (Cross-border)	20,078	-	(12,851)	-	7,227
Climate Assembly UK Legacy - European Climate Foundation	(666)	1,666	-	(1,000)	-
Climate Assembly Evaluation - European Climate Foundation	12,187	-	(1,204)	(5,125)	5,858
April and May - European Climate Foundation	-	15,292	(16,279)	987	-
June and September - European Climate Foundation	-	34,456	(43,823)	9,367	-
Network for Democracy - Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust	-	132,127	(62,612)	-	69,515
Local Engagement on Climate Change	-	200,000	(169,369)	-	30,631
Total restricted funds	70,763	472,487	(375,397)	(6,096)	161,757

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued)

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Total restricted funds (from above)	<u>70,763</u>	<u>472,487</u>	<u>(375,397)</u>	<u>(6,096)</u>	<u>161,757</u>
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	45,748	-	-	12,000	57,748
Advocacy and communications	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,000</u>
<i>Total designated funds</i>	<u>125,748</u>	<u>-</u>	<u>-</u>	<u>12,000</u>	<u>137,748</u>
General funds	<u>266,666</u>	<u>1,438,273</u>	<u>(1,281,285)</u>	<u>(5,904)</u>	<u>417,750</u>
Total unrestricted funds	<u>392,414</u>	<u>1,438,273</u>	<u>(1,281,285)</u>	<u>6,096</u>	<u>555,498</u>
Total funds	<u><u>463,177</u></u>	<u><u>1,910,760</u></u>	<u><u>(1,656,682)</u></u>	<u><u>-</u></u>	<u><u>717,255</u></u>

Purposes of restricted funds

Coalition for Deliberative Democracy

Building a coalition of supporters of participatory and deliberative democracy to advocate for its adoption. Funded by the Esmée Fairbairn Foundation.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued)

Purposes of restricted funds (continued)

Climate Assembly UK

The first UK-wide citizens' assembly on climate change took place in early 2020, bringing together 110 citizens from across the UK, randomly selected to be representative of the national population. The Assembly was commissioned by six select committees of the House of Commons, and looked at how the UK can meet its target of net zero greenhouse gas emissions by 2050. The work was funded by the UK parliament, the Esmée Fairbairn Foundation and the European Climate Foundation.

Distributed Dialogue on Data Sharing

Funded by Wellcome and the London Borough of Camden (and initially by the Scottish Government), this project will pilot models of distributed, community-based dialogue, which will explore how the data sharing debate can be widened and sustained.

Climate Change and Deliberative Democracy - Calouste Gulbenkian Foundation

This grant from the Calouste Gulbenkian Foundation has enabled Involve to maximise the impact of Climate Assembly UK, including retaining external advocacy and media expertise and capacity.

University of Westminster - Democratic Response to Covid

This grant from the University of Westminster enabled Involve to develop a 'Build Back With' guide for local government, in collaboration with our wider practitioners' network, and also to curate a blog series on our website on participation, democracy and Covid-19.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued)

Purposes of restricted funds (continued)

Forum for the Future Just Transitions

This grant from Friends Provident Charitable Foundation, sub-granted to Involve from Forum for the Future, will enable us to work with Forum for the Future to support local economies by demonstrating community-led fair transitions to net zero in two pilot locations.

UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute

This grant from the Wellcome Sanger Institute will enable Involve to run a citizens' jury in the UK, as part of a global series of deliberations on genome editing.

Public Participation Capacity Building (Cross-border)

This grant from the Republic of Ireland's Department of Foreign Affairs will enable Involve to help build capacity in public participation amongst local authorities on both sides of the Ireland / Northern Ireland border.

Climate Assembly UK Legacy - European Climate Foundation

This grant from the European Climate Foundation has enabled Involve to maximise the impact of Climate Assembly UK, including retaining external advocacy and media expertise and capacity.

Climate Assembly Evaluation - European Climate Foundation

This grant from the European Climate Foundation will enable Involve to commission some additional evaluation of Climate Assembly UK, to complement the evaluation commissioned separately by the UK Parliament.

April and May - European Climate Foundation

This grant from the European Climate Foundation has enabled Involve to maximise the impact of Climate Assembly UK, including retaining external advocacy and media expertise and capacity.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued)

Purposes of restricted funds (continued)

June and September - European Climate Foundation

This grant from the European Climate Foundation has enabled Involve to maximise the impact of Climate Assembly UK, particularly in respect of engagement with key parliamentary stakeholders.

Network for Democracy - Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust

This grant from Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust is enabling Involve to work collaboratively with a wide range of stakeholders to build a stronger UK democracy.

Local Engagement on Climate Change

This grant from the Esmée Fairbairn Foundation and the Calouste Gulbenkian Foundation (UK Branch) is enabling Involve to work with partner organisations to support local authorities to engage their communities around climate change.

Purposes of designated funds

Stability fund

This fund enables Involve, if necessary, to close down the organisation in an orderly and honourable manner.

Advocacy and communications

This fund will be used to invest in Involve's Advocacy & Communications work, as part of Involve's new strategic focus.

Transfers between funds

Transfers between restricted funds are carried out only where funders have given express permission for the repurposing of restricted funds, where projects have changed significantly in scope. Transfers made from general funds serve the purpose of designating funds for the Stability and Advocacy funds.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued)

Funds in deficit

All funds in deficit comprise restricted funds which have been spent in advance of the receipt of further income. All deficits are expected to be recovered in 2022-23.

Prior period comparative

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
MH:2K Mental Health Project - Round 2	5,812	-	(7,200)	1,388	-
Coalition for Deliberative Democracy	35,177	-	(12,956)	-	22,221
Climate Assembly UK	6,863	56,000	(117,288)	50,425	(4,000)
Distributed Dialogue on data sharing	36,209	-	(18,419)	-	17,790
Practitioners' Network on Citizens' Assemblies	2,473	-	(6,311)	3,838	-
Climate Change and Deliberative Democracy - Calouste Gulbenkian Foundation	-	20,000	(17,778)	-	2,222
University of Westminster - Democratic response to Covid	-	8,928	(10,221)	1,293	-
Forum for the Future Just Transitions	-	8,123	(6,924)	-	1,199
UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	-	-	(268)	-	(268)
Public Participation Capacity Building (Cross-border)	-	21,168	(1,090)	-	20,078
Climate Assembly UK Legacy - European Climate Foundation	-	6,667	(7,333)	-	(666)
Climate Assembly Evaluation - European Climate Foundation	-	14,313	(2,126)	-	12,187
Total restricted funds	86,534	135,199	(207,914)	56,944	70,763

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued) - prior period comparative

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Total restricted funds (from above)	<u>86,534</u>	<u>135,199</u>	<u>(207,914)</u>	<u>56,944</u>	<u>70,763</u>
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	40,748	-	-	5,000	45,748
Advocacy and communications	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>80,000</u>
<i>Total designated funds</i>	<u>40,748</u>	<u>-</u>	<u>-</u>	<u>85,000</u>	<u>125,748</u>
General funds	<u>270,850</u>	<u>1,527,511</u>	<u>(1,389,751)</u>	<u>(141,944)</u>	<u>266,666</u>
Total unrestricted funds	<u>311,598</u>	<u>1,527,511</u>	<u>(1,389,751)</u>	<u>(56,944)</u>	<u>392,414</u>
Total funds	<u><u>398,132</u></u>	<u><u>1,662,710</u></u>	<u><u>(1,597,665)</u></u>	<u><u>-</u></u>	<u><u>463,177</u></u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

15. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2022 £	2021 £
Amount falling due:		
Within 1 year	38,522	14,176
Within 1 - 5 years	-	-
	<u>38,522</u>	<u>14,176</u>

16. Related party transactions

Ed Cox, a trustee, is the Executive Director for West Midlands Combined Authority (WMCA). WMCA have joined a project that Involve are running, and during the year WMCA paid £6,500 to Involve to provide training and coaching (2021: £nil). The full amount was outstanding at year end.

Julie Mellor, a trustee, is also a trustee of Engage Britain. During the year, Involve worked as subcontractors to the Democratic Society on a project funded by Engage Britain and were paid £65,990 (2021: £nil). At year end, £35,750 was outstanding.

Sharon Squires, a trustee, is the Chair of Panels for the Home Office. The Home Office paid Involve £14,775 (2021: £38,550) for consultancy and project work under the terms of the contract. There were no amounts outstanding at year end.

THE INVOLVE FOUNDATION

England & Wales - Charity number 1130568

Accounts

Company no. 5669443
Charity no. (England & Wales) 1130568
Charity no. (Scotland) SC047314

The Involve Foundation
Report and Audited Financial Statements
31 March 2021

The Involve Foundation

Reference and administrative details

For the year ended 31 March 2021

Company number	5669443
Charity numbers	1130568 and SC047314
Registered office and operational address	Oxford House Derbyshire Street London E2 6HG
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Claire Ainsley Edward Cox Kathryn Jones Julie Mellor Golam Morshed Paul Skidmore (retired 22 May 2021) Sharon Squires Hannah White Temidayo Eseonu (appointed 27 May 2021) Paul Braithwaite (appointed 27 May 2021)
Company secretary	Tim Hughes (retired 5 September 2021) Sarah Castell (appointed 6 September 2021)
Key management personnel	Tim Hughes (retired 5 September 2021) Sarah Castell (appointed 6 September 2021) Clive Mitchell (Director of Operations)
Bankers	Unity Trust Bank 9 Brindley Place Birmingham B1 2HB CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

The Trustees, who are also directors under company law, present their report and financial statements for the year ended 31 March 2021.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives

Our vision is of **a vibrant UK democracy, with people at the heart of decision making**. And our mission is to develop, support and campaign for new ways of involving people in the decisions that affect their lives.

We believe that democracy should be underpinned by the principles of:

- **Openness** - so that people can understand, influence and hold decision-makers to account for the actions and inactions of their governments;
- **Participation** - so that people have the freedom, support and opportunity to shape their communities and influence the decisions that affect their lives; and
- **Deliberation** - so that people can exchange and acknowledge different perspectives, understand conflict and find common ground, and build a shared vision for society.

We are seeking these **outcomes** from our work:

- **Democratic norms** – Participation and deliberation are recognised as essential features for a healthy modern democracy by the public, society and decision-makers;
- **Political support** – People in positions of power and influence across society and the political spectrum understand and actively support the use of participatory and deliberative decision-making;
- **Frequent use** – There is frequent use of participatory and deliberative processes supported by the right resources (people, budgets) both inside and outside of political institutions;
- **Evidence and practice** – There is an accessible and well-communicated body of evidence and practice that demonstrates the impact of our vision and how to achieve it;
- **Clear standards** – There are clear principles and standards that support good practice in delivering and embedding participatory and deliberative processes, which are widely understood and followed; and
- **Democratic innovations** – There is continuous learning and innovation to improve democracy and related practice.

Our vision and mission support our core charitable objectives, which are:

- To advance education for the public benefit in methods and processes of public participation; and
- To promote good citizenship for the public benefit by encouraging and facilitating participation by the public in democratic and decision-making processes, with an intended outcome of enabling people to develop their capacities, help meet their needs and participate more fully in society.

In shaping our objectives for the year, and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit.

During the past year we have focused on making the case for how the principles we advocate are fundamental to bridging the divisions in our society, overcoming the complex challenges we face, and giving people power over the decisions that affect them.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

We have continued to pioneer participatory processes that involve people in decisions that affect their lives. From working with citizens to help shape Scotland's response to climate change, to exploring whether assisted dying should be allowed in Jersey, we have demonstrated the role that the public can play in making better decisions.

All of our work in some way has been aimed at helping to solve the toughest and most complex challenges we face as a country. We have continued to champion public participation in decisions on issues such as climate change, the ethics of data use, and how we respond to the coronavirus pandemic. Our work shows how the public can be involved in shaping them in a responsible way.

The coronavirus pandemic has had a significant impact on how we design and facilitate public participation, and we outline some of the ways that we've been adapting to this in our programme highlights below. But the pandemic has not removed the need for a stronger democracy - on the contrary, as public bodies seek to navigate new and very challenging territory, involving citizens in the many critical and important decisions that are affecting all our lives has become more important than ever.

Activities, achievements and performance

Here are some of the highlights of our work and achievements in 2020/21.

Climate Assembly UK

We were commissioned by the House of Commons in 2019 to run Climate Assembly UK, an assembly of over a hundred citizens from across the country that considered how the UK can meet its legally binding target to get to net zero emissions of greenhouse gases by 2050. Funded by the House of Commons, the Esmée Fairbairn Foundation, and the European Climate Foundation, and working closely with partner organisations mySociety and the Sortition Foundation, Involve's role was to ensure we delivered a high quality citizens' assembly.

The coronavirus pandemic meant that we had to move the assembly online during April 2020, rapidly redesigning the meetings so that the assembly could continue to meet and deliberate remotely, using online conferencing technology. As a result we were able to successfully complete the assembly's work and produce its report and recommendations, which were published in September 2020.

Following publication of the report, over 800 politicians, civil servants and stakeholders attended briefings on the assembly's work. The Government has said that it "welcome[s] the report and will be considering its findings closely as we shape our approach to net zero."

Darren Jones MP, Chair of the Business, Energy and Industrial Strategy Select Committee, said "This is an extremely important contribution to the debate on how the UK reaches our net zero target and I hope it gives impetus to policy makers to take bold action to reduce our emissions. The range of voices within these pages reflect our population. The fact that assembly members have been able to arrive at clear recommendations whilst respecting each others' values and experiences sets an example for us all."

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

Scotland's Climate Assembly

Commissioned by the Scottish Government, and partnering with The Democratic Society and the Sortition Foundation, Involve successfully delivered Scotland's Climate Assembly. The assembly brought together people from all walks of life across Scotland to learn about and discuss the question: "How should Scotland change to tackle the climate emergency in an effective and fair way?".

Meeting over seven weekends between December 2020 and March 2021, 101 citizens learnt about climate change, deliberated on the question above, and produced a series of goals and a statement of ambition that were set out in the assembly's interim report, which was laid in the Scottish Parliament on 24 March 2021. The full report of the Assembly, which contains detailed recommendations for how these goals should be achieved, was laid before the new Parliament in June 2021.

Susie, an assembly member from Dumfries and Galloway, said, "We've worked really hard. If you give ordinary people this evidence base, it is amazing what they can do in collaboration with each other. When I joined the Climate Assembly my daughter told me 'that's amazing, you're part of history!' It's democracy in action."

A democratic response to Covid-19

In many ways this has been a year like no other. The pandemic has affected our lives so much, and will continue to do so for years to come. Involve wanted to explore what these impacts mean for our democracy. What role can and should the public play in decisions about how the country responds to the pandemic?

In a joint project with the Centre for the Study of Democracy at the University of Westminster, Involve explored these questions in collaboration with our wider network of deliberative democracy practitioners. We collectively produced a handbook "Building Back With: a handbook for local government", intended to support local authorities working with their communities to develop their responses to and recovery from Covid-19.

We also curated a blog series on our website, from a wide range of contributors, on participation, democracy and Covid-19.

Building on this work, we will be publishing a book "Democracy in a Pandemic" in 2021, jointly authored with Professor Graham Smith from the University of Westminster.

Citizen participation in Jersey

In partnership with New Citizenship Project and the Sortition Foundation, we were commissioned by the Government of Jersey to run two major deliberative democracy projects in 2020/21: a Citizens' Assembly on Climate Change and a Jersey's Assisted Dying Citizens' Jury.

Citizens' Assembly on climate change

Following the declaration of a climate emergency in 2019, the States Assembly of the island of Jersey approved a carbon neutral strategy setting out a 'people powered' approach, giving islanders a real say over when and how Jersey should become carbon neutral. The convening of the Citizens' Assembly was a key part of this strategy. Comprising 45 citizens, the assembly met over 14 sessions between March 2021 and May 2021. The assembly's report will in due course be presented to the States Assembly.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

Assisted dying citizens' jury

In 2018 an e-petition was launched calling for the States Assembly to amend the legislation on assisted dying. In light of the public debate that took place following the launch of the petition, the Jersey Minister for Health and Social Services committed to establishing a citizens' jury to consider whether assisted dying should be permitted in Jersey.

The jury of 23 citizen jurors - selected randomly, and demographically representative of the island's population - met in a number of online sessions between March and May 2021. They considered the question: "Should assisted dying be permitted in Jersey and, if so, under what circumstances?". An independent advisory panel oversaw and scrutinised the delivery of this project. The jury's report will in due course be presented to the Minister of Health and Social Services.

Rethinking water citizens' juries

We rely on water every day and in many different ways. In a rapidly changing climate it is vital to ensure there is clean and plentiful water for everyone who lives, works and plays in an area, all without harming rivers, estuaries, lakes and seas. Working in partnership with the Sortition Foundation, Involve was commissioned by the Environment Agency (EA) to run three citizens' juries across the UK: in Lower Tyne, Ilkley, and Thames. Each jury took a local approach to what is a national issue, and each of them considered the question: "How do you connect with water in your local environment, and what needs to be changed in the future to benefit people and wildlife?".

Each jury brought together 22 randomly selected and demographically representative members of the public, and met online between January and March 2021. The juries' recommendations will be presented to the Environment Agency's Board, and will inform the development of EA's future water ambition and action plan for delivering improvements to water management. EA are also continuing to build the local partner relations that were developed through the local advisory groups to identify opportunities for joint action to deliver local catchment plans.

Financial review

2020/21 has been another successful year in terms of our funding. Significant sources of funding included the Scotland Climate Assembly, Sciencewise, and the Bristol Climate Assembly.

At 31 March 2021 Involve had total funds of £463,177 (2020: £398,132), of which £266,666 were general funds, with the balance being our designated fund of £125,748 and restricted funds of £70,763. Historically, Involve's funding has come from a mix of contracts and grants, with little or no core funding. In 2017 we received our first significant core-funding grant (£60,000 from the Joseph Rowntree Charitable Trust). In 2018 we successfully applied for further unrestricted core funding from the Joseph Rowntree Charitable Trust, amounting to £150,000 payable over a period of three years from January 2019. However, most of our income continues to come from contracts and restricted grants.

Looking ahead to the future, our longer-term strategy is to re-balance our sources of funding, to enable us to sustain focus on our new strategic goals. Our work is now focused in three areas:

- **Making the case** - demonstrating why participation and deliberation are essential features for a healthy modern democracy, and ensuring that those in positions of power and influence understand and support their use;
- **Embedding change** - building the capacity of public servants and practitioners, and developing the body of evidence, principles and standards that support participatory and deliberative practice; and

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Report of the trustees

For the year ended 31 March 2021

- **Pioneering practice** - encouraging widespread uptake of participatory and deliberative processes, and promoting continuous learning and innovation to improve democracy and deliver lasting solutions in key policy areas.

This new strategic focus will have implications for our funding streams: we are likely to move towards greater reliance on grant funding.

We have reorganised Involve's senior leadership team, to enable delivery of our new strategic goals. From 2021/22 the senior team will comprise:

- Chief Executive
- Director of Advocacy & Communications
- Director of Capacity Building & Standards
- Director of Innovation & Practice
- Director of Operations

Reserves policy

Involve's reserves comprise our general fund and two designated funds.

We normally budget to make a modest surplus on unrestricted funds each year. For 2020/21, in light of the uncertainties at that time around funding streams during the coronavirus pandemic, Trustees approved a break-even budget for the year. As it turned out, our income streams during the pandemic have held up remarkably well, not least because we made a successful transition to running participation events online. As a result our unrestricted funds had grown by financial year end. At 31 March 2021 unrestricted funds stood at £392,414, compared to the balance brought forward at the start of the financial year of £311,598 - a surplus of £80,816.

Trustees reviewed Involve's reserves during 2020/21. Given the healthy position in the general fund, and the introduction of our new strategic goals and senior leadership team, Trustees committed to allocating £80,000 of the general fund to pay for some of our Advocacy & Communications work in 2021/22.

Involve has a 'stability' designated fund, which we hold as a reserve. We hold this in a deposit account with the CCLA, which is a charity fund manager that invests its clients' funds in various ways. Other than the CCLA account, Trustees have decided not to have any investments. The purpose of the stability fund is to enable Involve to weather shocks and remain resilient, and (if necessary) close the organisation with honour.

Trustees recognised that the amount held in the stability fund, whilst sufficient to close down the organisation, was insufficient to meet its other intended purpose: weathering income shocks. Trustees resolved to gradually grow the fund over time to £100,000 (equivalent to approximately two months worth of operating expenses). At 31 March 2021 the stability fund stood at £45,748 (2020: £40,748).

Going concern

Trustees gave very careful consideration at the start of 2020/21 to the impact that the COVID-19 pandemic would have on Involve's current and future financial position. They identified the key risks as follows:

- The risk that some of our projects might have been delayed till later in the year, or cancelled;

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Report of the trustees

For the year ended 31 March 2021

- The implications of not being able to run in-person participation events, and uncertainty around when these could start up again; and
- Whether we would need to furlough any of our staff.

But given the profound impact of the pandemic on public sector organisations, and their likely appetite to engage citizens in adapting their policy responses, we recognised that there was likely to be an on-going demand for good quality participation work.

Trustees implemented a number of mitigating actions to address these risks:

- The Finance & Risk Subcommittee was reconstituted, and started meeting fortnightly (and subsequently monthly) from April 2020. This enabled Trustees to keep a very close watch over the financial impacts of the pandemic;
- Trustees reviewed the anticipated funding streams on all projects and identified the at-risk projects. We modelled cash flow scenarios, including the worst-case (that all at-risk projects are cancelled). The worst-case scenario, if realised, would have had a significant, but not critical, impact on our projected cash balances;
- We actively reviewed all at-risk projects with their commissioners;
- We continued to make use of our very well-established cash flow projections, which include trigger points to enable us to manage any potential insolvency;
- We kept the option of staff furloughs (and other government support options) under very close review, and we deferred our VAT payment (for Q4 of 2019/20) for six months. We did not need to furlough any staff during the year;
- Involve starts 2021/22 with a significant balance in unrestricted funds (our highest ever brought-forward balance) which gives the organisation a cushion to help manage financial pressures;
- We continued, as before, to actively pursue a range of funding opportunities. Involve has a successful track record of winning bids and attracting funding;
- We were proactive and agile in re-shaping our projects to enable them to continue to operate online. For example, we were able to successfully complete Climate Assembly UK (a complex set of deliberations involving over 100 participants and around 25 staff), despite having to cancel the final Assembly weekend in March 2020 due to the risks of coronavirus transmission. And we were also able to attract further grant funding to enable us to complete the Climate Assembly. We learnt a great deal from the shift to online deliberation and were able to apply this learning to our other projects in 2020/21. As a result we have successfully delivered a range of major projects and programmes this last year, notwithstanding that this has all had to be done online; and
- In respect of staff safety, we moved to working from home the week before the government's mandated lockdown in March 2020. We have always been a geographically dispersed team, and our cloud-based systems have meant that we were able to quickly shift to working from home. We also took additional steps to support our team's mental health during lockdown.

The Trustees consider that Involve will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved, for the following reasons:

- Involve holds unrestricted reserves at 31 March 2021 of £392,414 (the combined total of the general and designated funds);
- Cash flow projections indicate a positive cash balance for at least 12 months ahead;
- The COVID-19 pandemic will continue to affect how we work, probably for some time to come. It is not clear at this stage when we'll be able to return to holding in-person events. However, we now have a workable and effective model for operating online;
- Involve's successful track record of securing funding gives Trustees some assurance that we will be able to continue to secure a pipeline of funding;

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Report of the trustees

For the year ended 31 March 2021

- We continue to win important commissions. For example, we successfully retendered to deliver the Sciencewise programme for UK Research and Innovation, worth £440,000 for the next two years. We will be delivering Devon County Council's Climate Assembly over the summer;
- The opportunities and bids in our funding pipeline continue to hold up well in comparison with previous years;
- We will manage any demands for increased capacity in ways that minimise the on-going liability for costs, for example by engaging additional staff on short-term contracts or by drawing on our pool of associates. Our pool of associates has grown over the last year, and this has enabled us to successfully deliver another busy year of projects and programmes;
- Trustees approved a break-even budget for 2021/22, as well as a new Business Plan which details how we will fund our new strategic goals; and
- The Finance & Risk Subcommittee will continue to meet on a two-monthly cycle, and will keep a close overview of Involve's financial health.

The Trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

Principal risks and uncertainties

Involve has a risk register which is actively managed by both the management team and by Trustees. Our principal risks and uncertainties, and the steps we take to manage them, are outlined below.

- **COVID-19** - many of the risks, mitigations and opportunities related to the pandemic have already been covered in the sections above, but the principal risks relate to the risk of our staff becoming ill, the uncertainties about the return to in-person events, and the longer-term sustainability of online deliberation. We now understand these risks much better than we did 12 months ago, and they are now more manageable for us. We have conducted risk assessments for limited use of our offices by staff, where permitted by law. We will continue to reassess the risks from COVID-19 throughout 2021;
- **Capacity to respond to demand, and deliver projects** - notwithstanding the uncertainties associated with COVID-19, 2020/21 was a busy year for us, and on-going programmes of work and future opportunities mean that we may have acute peaks in demands for staff capacity. We are familiar with this risk and we manage it in several ways: by paying careful attention to the way we manage staff and the way we support their development and career progression, by regularly reviewing capacity and matching this to opportunities, by making temporary appointments to manage peaks in demand, and by working with our Associates and partnering with other organisations where appropriate;
- **Future Involve** - we are starting to implement our plans for reshaping the organisation to deliver our new strategic goals. A new senior leadership team is now in place, and we will be building our capacity this year in advocacy, communications, and in embedding good practice. Whilst the changes will be relatively gradual, it will be a period of change for our staff team and for Involve's wider public profile. We will continue to pay close attention to supporting and working closely with our staff during these changes, and in managing the impacts of a stronger public voice for Involve; and
- **Medium and longer term pressures on public spending** - given the extraordinary and unprecedented levels of public spending occasioned by the COVID-19 pandemic, it is likely that there will be medium-term pressures on spending by public sector bodies. And given that a significant proportion of Involve's work is with the public sector, this is likely to affect us. We will be keeping a close watch on how public spending patterns change and, where appropriate, will look to diversify our funding streams further, including building on our strong track record of attracting funding from grant-making trusts and foundations.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

Future plans

There is a growing recognition that our current model of democracy is not fit for purpose, and people are increasingly looking for ways to make it better. Our work demonstrates how. Over the coming years we plan to accelerate the work we have started to demonstrate how a different type of democracy is possible. We want to seize the current malcontent and channel it into creating change in a positive direction.

We have long had a reputation for designing and delivering world class participatory and deliberative decision-making processes, but we are clear that this is not enough to achieve the scale of change that is required. Our 2017 strategy identified the need for us to significantly increase our advocacy and communications capacity, and to build external networks, in order to shift the narrative about democracy and embed the principles of openness, participation and deliberation within institutions. We have since broadened our strategy to cover capacity building and standard setting so that organisations and practitioners are helped to make that shift to a better democracy.

During 2020/21 we continued to work on refining our strategy and developing our plans and business models for reshaping the organisation. Our new organisational structure is now in place from 2021/22, and our Business Plan for 2021/22 sets out how we will achieve our strategic goals of: Making the case, Embedding change, and Pioneering practice.

In terms of Involve's confirmed programmes for 2021/22, these include the ongoing delivery of the Sciencewise programme for UK Research and Innovation, Devon County Council's Climate Assembly, further work on data ethics in Scotland in partnership with Carnegie UK and funded by the Scottish Government, building local authority capacity across the Northern Ireland / Republic of Ireland border (funded by the Irish Department of Foreign Affairs), the People's Panel on Health and Care in partnership with Engage Britain and The Democratic Society, and a citizens' assembly on democracy after Brexit in collaboration with the Constitution Unit at University College London. We will be building our work on advocacy & communications this year, as well as extending the work we do to build capacity and set standards around participatory and deliberative practice.

Structure, governance and management

Involve is a charitable company limited by guarantee. It was incorporated on 9 January 2006 and registered as a charity on 15 July 2009. We also registered as a charity with the Office of the Scottish Charity Regulator on 10 April 2017. Involve's Memorandum of Association establishes the objects and powers of the charitable company, which is governed under its Articles of Association.

Involve has a Board of Trustees who meet every two months and are responsible for the strategic direction, finances and policy of Involve. Our Articles of Association allows us to have up to 15 Trustees. At 31 March 2021 there were 8 Trustees, with a range of experience, skills and knowledge relevant to Involve's mission. Two new Trustees were appointed to the Board in May 2021. The company Secretary (who is Involve's Director) also sits on the Board, but has no voting rights. Other staff also attend the Board as required. The Board has one sub-committee, a Finance & Risk Subcommittee.

Responsibility for the day to day management of the organisation is delegated to the Director. The Director is supported by a management team, which in 2020/21 comprised:

- Tim Hughes, Director;
- Clive Mitchell, Head of Operations;
- Sarah Allan, Head of Engagement; and
- Kaela Scott, Head of Democratic Innovation.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

Tim Hughes stood down in September 2021, and the senior leadership has been reorganised. From 2021/22 the new management team will be:

- Sarah Castell, Chief Executive;
- Clive Mitchell, Director of Operations;
- Calum Green, Director of Advocacy & Communications;
- Sarah Allan, Director of Capacity Building & Standards; and
- Kaela Scott, Director of Innovation & Practice.

Recruitment and appointment of Trustees

The directors of the company are also charity Trustees for the purposes of charity law and under the company's articles are known as the Trustees. Trustees are appointed for an initial period of three years by resolution of the Trustees. This is renewable for a further term of three years. Trustees who have served six continuous years must leave and remain out of office for a period of one year unless the Trustees resolve that it is in the best interests of Involve for that person to continue to serve as a Trustee.

Due to the nature of Involve's work, which is oriented towards participation, advocacy, democratic practice, and building capacity, the Trustees have agreed that suitably experienced individuals are required to exercise adequate governance. Trustees identify potential new Board members through relevant networks and contacts and by open recruitment, followed by interview. When appointing new members, Trustees look for a commitment to Involve's vision and mission and attempt to achieve a balance of skills and experience on the Board.

One of our Trustees came to the end of their six-year term in May 2021. We undertook a round of Trustee recruitment at the start of 2021 and appointed two new Trustees in May 2021.

Trustee induction and training

All new Trustees are provided with a pack of information about governance, management and the work of Involve. This pack includes key financial and governance documents. In addition, all new Trustees attend a short training session with the Chief Executive or Director of Operations. The purpose of this session is to familiarise them with the charity, its purpose, structure, financing and activities, as well as the role of a Board member.

Related parties and relationships with other organisations

Involve is a small organisation and, although we have a strong set of skills and experiences amongst our staff and Associates, we partner with other organisations and individuals on a significant proportion of our work. This partnering includes work where we are the lead organisation in a partnership as well as subcontracting by us or to us.

A full list of our funders in 2020/21, and details of our Associates and partner organisations, is available on our website: <https://www.involve.org.uk/>.

Involve has an established conflicts of interest policy for Trustees. Trustees, and senior management staff, are required to complete an annual declaration of interests. Declaring interests is a standing item at the start of all Board and subcommittee meeting agendas. The policy outlines how any interests are then handled at the meeting, guided by the overall principle that Trustees should not be able to unduly influence decision-making on issues where they have an interest. Note 17 in the attached notes to the financial statements provides details of related party transactions.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

Remuneration policy for key management personnel

Involve's pay policy and pay scales are approved by Trustees. We will be reviewing our pay policy and pay scales in 2021. We reviewed our staff development and appraisal process, and introduced a new process, in 2018/19.

Statement of responsibilities of the trustees

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

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 charity and of the income and expenditure of the charity 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 Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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.

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.

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 12 October 2021 and signed on their behalf by



Ed Cox, Chair



Golam Morshed, Treasurer

Independent auditors' report

To the members of

The Involve Foundation

Opinion

We have audited the financial statements of The Involve Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cashflows and the related 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 Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustees Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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.

Independent auditors' report

To the members of

The Involve Foundation

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 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.

Independent auditors' report

To the members of

The Involve Foundation

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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the members of

The Involve Foundation

Use of our report

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

Alison Godfrey

Date: 18 October 2021

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The Involve Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations		-	566	566	6,135
Charitable activities	3	135,199	1,526,945	1,662,144	1,856,531
Investments		-	-	-	248
Total income		<u>135,199</u>	<u>1,527,511</u>	<u>1,662,710</u>	<u>1,862,914</u>
Expenditure on:					
Raising funds		-	44,000	44,000	41,795
Charitable activities		<u>207,914</u>	<u>1,345,751</u>	<u>1,553,665</u>	<u>1,664,003</u>
Total expenditure	5	<u>207,914</u>	<u>1,389,751</u>	<u>1,597,665</u>	<u>1,705,798</u>
Net income / (expenditure)		(72,715)	137,760	65,045	157,116
Transfers between funds		<u>56,944</u>	<u>(56,944)</u>	-	-
Net movement in funds	7	(15,771)	80,816	65,045	157,116
Reconciliation of funds:					
Total funds brought forward		<u>86,534</u>	<u>311,598</u>	<u>398,132</u>	<u>241,016</u>
Total funds carried forward		<u><u>70,763</u></u>	<u><u>392,414</u></u>	<u><u>463,177</u></u>	<u><u>398,132</u></u>

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 15 to the accounts.

The Involve Foundation

Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Fixed assets				
Tangible assets	10		6,314	10,532
Current assets				
Debtors	11	398,503		202,449
Cash at bank and in hand		<u>475,280</u>		<u>414,493</u>
		873,783		616,942
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>(416,920)</u>		<u>(229,342)</u>
Net current assets			<u>456,863</u>	<u>387,600</u>
Net assets	14		<u><u>463,177</u></u>	<u><u>398,132</u></u>
Funds	15			
Restricted funds			70,763	86,534
Unrestricted funds				
Designated funds			125,748	40,748
General funds			<u>266,666</u>	<u>270,850</u>
Total charity funds			<u><u>463,177</u></u>	<u><u>398,132</u></u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 12 October 2021 and signed on their behalf by

Edmund R Cox

Ed Cox, Chair

Golam Morshed

Golam Morshed, Treasurer

The Involve Foundation

Statement of cash flows

For the year ended 31 March 2021

	2021	2020
	£	£
Cash used in operating activities:		
Net movement in funds	65,045	157,116
<i>Adjustments for:</i>		
Depreciation charges	5,608	4,492
Dividends, interest and rents from investments	-	(248)
Decrease / (increase) in debtors	(196,054)	2,845
Increase / (decrease) in creditors	187,578	76,298
Net cash provided by / (used in) operating activities	62,177	240,503
Cash flows from investing activities:		
Dividends, interest and rents from investments	-	248
Purchase of tangible fixed assets	(1,390)	(6,007)
Net cash provided by / (used in) investing activities	(1,390)	(5,759)
Increase / (decrease) in cash and cash equivalents in the year	60,787	234,744
Cash and cash equivalents at the beginning of the year	414,493	179,749
Cash and cash equivalents at the end of the year	475,280	414,493

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Involve Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. Despite the impact of the ongoing Covid-19 pandemic, the charity holds unrestricted reserves of £392k and a cash balance of £475k at 31 March 2021. The charity also has significant confirmed funding for 21/22 and a positive cash flow forecast for the next 12 months. On this basis the trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

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

Income from the 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.

Income received in advance of provision of consultancy services is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated 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.

e) 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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) 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.

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time spent on activities:

	2021	2020
Raising funds	7.1%	7.0%
Charitable activities	92.9%	93.0%

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Website	3 years straight line basis
Computer and office equipment	3 years straight line basis

j) 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.

k) 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.

l) Creditors

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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

m) 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 recognised at amortised cost using the effective interest method.

n) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

o) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1(i).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

2. Prior period comparatives

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations	-	6,135	6,135
Charitable activities	642,994	1,213,537	1,856,531
Investments	-	248	248
Total income	642,994	1,219,920	1,862,914
Expenditure on:			
Raising funds	-	41,795	41,795
Charitable activities	657,400	1,006,603	1,664,003
Total expenditure	657,400	1,048,398	1,705,798
Net income / (expenditure)	(14,406)	171,522	157,116
Transfers between funds	4,925	(4,925)	-
Net movement in funds	(9,481)	166,597	157,116

3. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £
Grant income*	135,199	57,500	192,699
Consulting income	-	1,467,705	1,467,705
Training	-	1,740	1,740
Total income from charitable activities	135,199	1,526,945	1,662,144

Prior period comparative:

	Restricted £	Unrestricted £	2020 Total £
Grant income*	642,994	62,500	705,494
Consulting income	-	1,148,937	1,148,937
Training	-	2,100	2,100
Total income from charitable activities	642,994	1,213,537	1,856,531

* Included within unrestricted grants is £37,500 (2020: £62,500) of funding received from the Joseph Rowntree Charitable Trust and £20,000 (2020: £nil) from the Esmée Fairbairn Foundation as contributions to core costs.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

4. Government grants

The charitable company receives government grants, defined as grant funding from NHS trusts, local authorities and government departments to fund charitable activities. The total value of such grants in the period ending 31 March 2021 was £nil (2020: £230,000). There are no unfulfilled conditions or contingencies attaching to these grants.

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Direct costs	-	1,030,123	-	1,030,123
Staff costs (note 8)	20,311	267,186	167,047	454,544
Other staff costs	-	-	9,080	9,080
Premises costs	-	-	17,373	17,373
Office and IT costs	-	-	19,410	19,410
Other costs	4,201	-	57,784	61,985
Trustee meeting costs	-	-	150	150
Audit fees	-	-	5,000	5,000
Sub-total	24,512	1,297,309	275,844	1,597,665
Allocation of support and governance costs	<u>19,488</u>	<u>256,356</u>	<u>(275,844)</u>	<u>-</u>
Total expenditure	<u>44,000</u>	<u>1,553,665</u>	<u>-</u>	<u>1,597,665</u>

Total governance costs were £14,997 (2020: £14,003).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

5. Total expenditure (continued)

Prior period comparative	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Direct costs	-	1,052,963	-	1,052,963
Grants payable (note 6)	-	123,488	-	123,488
Staff costs (note 8)	18,257	244,489	170,578	433,324
Other staff costs	-	-	5,979	5,979
Premises costs	-	-	20,086	20,086
Office and IT costs	-	-	17,936	17,936
Other costs	5,388	-	40,396	45,784
Trustee meeting costs	-	-	1,438	1,438
Audit fees	-	-	4,800	4,800
Sub-total	23,645	1,420,940	261,213	1,705,798
Allocation of support and governance costs	18,150	243,063	(261,213)	-
Total expenditure	<u>41,795</u>	<u>1,664,003</u>	<u>-</u>	<u>1,705,798</u>

6. Grants payable

	2021 £	2020 £
<i>Grants paid to institutions:</i>		
RSA	-	53,900
The Democratic Society	-	12,900
SocietyWorks Ltd	-	21,450
Cambridge County Council	-	6,493
Dudley Metropolitan Borough Council	-	15,358
Test Valley Borough Council	-	13,386
	<u>-</u>	<u>123,488</u>

All grants paid in 2020 were for the Innovation in Democracy project. No support costs have been allocated to grants payable.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

7. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	5,608	4,492
Operating lease payments	16,254	17,807
Trustees' remuneration	-	3,000
Trustees' reimbursed expenses	-	666
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	5,000	4,800
▪ Other services	8,011	6,165

Trustees' remuneration in the prior year relates to Julie Mellor's facilitation services at the Climate Assembly UK. No trustee was paid for their role as trustee. Trustees' reimbursed expenses in the prior year relate to payments made to 3 trustees for reimbursed meeting, accommodation and travel expenses.

8. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	395,813	377,757
Social security costs	36,765	36,469
Pension costs	21,966	19,098
	<u>454,544</u>	<u>433,324</u>

No employee earned more than £60,000 during the year.

The key management personnel of the charitable company comprise the Director and the Director of Operations. The total employee benefits of the key management personnel were £92,478 (2020: £91,326).

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

	2021 No.	2020 No.
Average head count	<u>11.3</u>	<u>11.1</u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

10. Tangible fixed assets

	Website £	Computer and office equipment £	Total £
Cost			
At 1 April 2020	10,471	6,007	16,478
Additions in year	-	1,390	1,390
At 31 March 2021	<u>10,471</u>	<u>7,397</u>	<u>17,868</u>
Depreciation			
At 1 April 2020	4,945	1,001	5,946
Charge for the year	<u>3,490</u>	<u>2,118</u>	<u>5,608</u>
At 31 March 2021	<u>8,435</u>	<u>3,119</u>	<u>11,554</u>
Net book value At 31 March 2021	<u>2,036</u>	<u>4,278</u>	<u>6,314</u>
At 31 March 2020	<u>5,526</u>	<u>5,006</u>	<u>10,532</u>

11. Debtors

	2021 £	2020 £
Trade debtors	290,224	176,373
Prepayments	3,602	1,786
Accrued income	104,677	23,100
Other debtors	-	1,190
	<u>398,503</u>	<u>202,449</u>

12. Creditors : amounts due within 1 year

	2021 £	2020 £
Trade creditors	192,141	141,234
Accruals	92,666	21,275
Other taxation and social security	97,679	39,847
Deferred income (see note 13)	27,500	21,667
Other creditors	<u>6,934</u>	<u>5,319</u>
	<u>416,920</u>	<u>229,342</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

13. Deferred income

	2021	2020
	£	£
At 1 April 2020	21,667	1,000
Released during the year	(21,667)	(1,000)
Deferred during the year	27,500	21,667
At 31 March 2021	27,500	21,667

Deferred income comprises consultancy income received in advance of work being delivered.

14. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	6,314	6,314
Current assets	70,763	125,748	677,272	873,783
Current liabilities	-	-	(416,920)	(416,920)
Net assets at 31 March 2021	70,763	125,748	266,666	463,177

Prior period comparatives

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	10,532	10,532
Current assets	86,534	40,748	489,660	616,942
Current liabilities	-	-	(229,342)	(229,342)
Net assets at 31 March 2020	86,534	40,748	270,850	398,132

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

15. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
MH:2K Mental Health Project					
- Round 2	5,812	-	(7,200)	1,388	-
Coalition for Deliberative Democracy	35,177	-	(12,956)	-	22,221
Climate Assembly UK	6,863	56,000	(117,288)	50,425	(4,000)
Distributed Dialogue on data sharing	36,209	-	(18,419)	-	17,790
Practitioners' Network on Citizens' Assemblies	2,473	-	(6,311)	3,838	-
Climate Change and Deliberative Democracy - Calouste Gulbenkian Foundation	-	20,000	(17,778)	-	2,222
University of Westminster					
- Democratic response to Covid	-	8,928	(10,221)	1,293	-
Forum for the Future Just Transitions	-	8,123	(6,924)	-	1,199
UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	-	-	(268)	-	(268)
Public Participation Capacity Building (Cross-border)	-	21,168	(1,090)	-	20,078
Climate Assembly UK Legacy					
- European Climate Foundation	-	6,667	(7,333)	-	(666)
Climate Assembly Evaluation					
- European Climate Foundation	-	14,313	(2,126)	-	12,187
Total restricted funds	86,534	135,199	(207,914)	56,944	70,763
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	40,748	-	-	5,000	45,748
Advocacy and communications	-	-	-	80,000	80,000
<i>Total designated funds</i>	40,748	-	-	85,000	125,748
General funds	270,850	1,527,511	(1,389,751)	(141,944)	266,666
Total unrestricted funds	311,598	1,527,511	(1,389,751)	(56,944)	392,414
Total funds	398,132	1,662,710	(1,597,665)	-	463,177

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

15. Movements in funds (continued)

Purposes of restricted funds

MH:2K Mental Health Project - Round 2

An innovative, youth-led approach to influencing decision-making around youth mental health prevention, support and services, in four areas in England. The project was funded by Wellcome and the four local authority areas.

Coalition for Deliberative Democracy

Building a coalition of supporters of participatory and deliberative democracy to advocate for its adoption. Funded by the Esmée Fairbairn Foundation.

Climate Assembly UK

The first UK-wide citizens' assembly on climate change took place in early 2020, bringing together 110 citizens from across the UK, randomly selected to be representative of the national population. The Assembly was commissioned by six select committees of the House of Commons, and looked at how the UK can meet its target of net zero greenhouse gas emissions by 2050. The work was funded by the UK parliament, the Esmée Fairbairn Foundation and the European Climate Foundation.

Distributed Dialogue on data sharing

Funded by Wellcome and the London Borough of Camden (and initially by the Scottish Government), this project will pilot models of distributed, community-based dialogue, which will explore how the data sharing debate can be widened and sustained.

Practitioners' Network on Citizens' Assemblies

This grant from the Network for Social Change helped to establish a growing network of engagement practitioners to share learning and build capacity for deliberative democracy, including learning from recent citizens' assemblies.

Climate Change and Deliberative Democracy - Calouste Gulbenkian Foundation

This grant from the Calouste Gulbenkian Foundation has enabled Involve to maximise the impact of Climate Assembly UK, including retaining external advocacy and media expertise and capacity.

University of Westminster
- Democratic response to Covid

This grant from the University of Westminster enabled Involve to develop a 'Build Back With' guide for local government, in collaboration with our wider practitioners' network, and also to curate a blog series on our website on participation, democracy and Covid-19.

Forum for the Future Just Transitions

This grant from Friends Provident Charitable Foundation, sub-granted to Involve from Forum for the Future, will enable us to work with Forum for the Future to support local economies by demonstrating community-led fair transitions to net zero in two pilot locations

UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute

This grant from the Wellcome Sanger Institute will enable Involve to run a citizens' jury in the UK, as part of a global series of deliberations on genome editing.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

15. Movements in funds (continued)

Public Participation Capacity Building (Cross-border)	This grant from the Republic of Ireland's Department of Foreign Affairs will enable Involve to help build capacity in public participation amongst local authorities on both sides of the Ireland / Northern Ireland border.
Climate Assembly UK Legacy - European Climate Foundation	This grant from the European Climate Foundation has enabled Involve to maximise the impact of Climate Assembly UK, including retaining external advocacy and media expertise and capacity.
Climate Assembly Evaluation - European Climate Foundation	This grant from the European Climate Foundation will enable Involve to commission some additional evaluation of Climate Assembly UK, to complement the evaluation commissioned separately by the UK Parliament.

Purposes of designated funds

Stability fund	This fund enables Involve, if necessary, to close down the organisation in an orderly and honourable manner.
Advocacy and communications	This fund will be used to invest in Involve's Advocacy & Communications work, as part of Involve's new strategic focus.

Transfers between funds

Transfers made from general funds serve the purpose of covering overspend from restricted funds.

Funds in deficit

All funds in deficit comprise restricted funds which have been spent in advance of the receipt of further income. All deficits are expected to be recovered in 2021-22.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

15. Movements in funds (continued)

Prior period comparatives

	At 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2020 £
Restricted funds					
Ministry of Justice					
- Teeside Reform Prisons	1,523	-	(2,343)	820	-
MH:2K Mental Health Project					
- Round 2	6,555	-	(743)	-	5,812
Coalition for Deliberative Democracy	35,683	-	(506)	-	35,177
Citizens Convention on UK Democracy	2,254	-	(5,380)	3,126	-
Innovation in Democracy	50,000	230,000	(280,979)	979	-
Climate Assembly UK	-	360,000	(353,137)	-	6,863
Distributed Dialogue on data sharing	-	45,270	(9,061)	-	36,209
Practitioners' Network on Citizens' Assemblies	-	7,724	(5,251)	-	2,473
Total restricted funds	<u>96,015</u>	<u>642,994</u>	<u>(657,400)</u>	<u>4,925</u>	<u>86,534</u>
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	<u>40,500</u>	<u>248</u>	<u>-</u>	<u>-</u>	<u>40,748</u>
<i>Total designated funds</i>	<u>40,500</u>	<u>248</u>	<u>-</u>	<u>-</u>	<u>40,748</u>
General funds	<u>104,501</u>	<u>1,219,672</u>	<u>(1,048,398)</u>	<u>(4,925)</u>	<u>270,850</u>
Total unrestricted funds	<u>145,001</u>	<u>1,219,920</u>	<u>(1,048,398)</u>	<u>(4,925)</u>	<u>311,598</u>
Total funds	<u>241,016</u>	<u>1,862,914</u>	<u>(1,705,798)</u>	<u>-</u>	<u>398,132</u>

16. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2021 £	2020 £
Amount falling due:		
Within 1 year	14,176	4,548
Within 1 - 5 years	5,907	-
	<u>20,083</u>	<u>4,548</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

17. Related party transactions

Claire Ainsley, a trustee, was also a Director of the Joseph Rowntree Foundation until April 2020, from whom Involve received £26,000 of income in the year (2020: £67,489).

Julie Mellor, a trustee, is also a trustee of The Young Foundation. Involve had a lease agreement with The Young Foundation for rental of office space until 15 January 2021. During the year, Involve paid rent of £8,591 to The Young Foundation (2020: £15,347) and £10 in sundry expenses (2020: £nil).

Paul Braithwaite, a trustee, is a senior employee of Community Foundation for Northern Ireland, from whom Involve received £5,000 of income during the year. Paul became a trustee in May 2021, some time after the funding was agreed.