

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

The Involve Foundation
Report and Audited Financial Statements
31 March 2023

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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:

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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.

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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.

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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.

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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;

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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.

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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.

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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	143,383	108,937
Cash flows from investing activities:		
Purchase of tangible fixed assets	(5,726)	(2,217)
Net cash provided by / (used in) investing activities	(5,726)	(2,217)
Increase / (decrease) in cash and cash equivalents in the year	137,657	106,720
Cash and cash equivalents at the beginning of the year	582,000	475,280
Cash and cash equivalents at the end of the year	719,657	582,000

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	80,059	57,748
	719,657	582,000

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.