



**Association  
of Chairs**

*Supporting charity and non-profit chairs*

Company number: 08287034

Charity number: 1154293

# Association of Chairs

Report and financial statements

For the year ended 31 March 2021

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## Reference and administrative details

**Company number** 8287034  
**Charity number** 1154293  
**Registered office** 10 Queens Street Place  
London, EC4R 1BE

**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:

Danny Curtin	Chair
John Williams	Vice Chair
Liz Pepler	Treasurer (Appointed June 2020)
Kate Sayer	Ex-treasurer (Resigned June 2020)
Christopher Cornforth	
Diane Reid	
Helen Baker	(Resigned March 2021)
Jane Hustwit	
Malcolm John	
Nalini Varma	
Peter Beverley	

**Honorary President** Ruth Lesirge

<b>Principal staff</b>	Rosalind Oakley	Chief Executive
	Victoria Mirfin	Deputy Chief Executive (Resigned September 2020)

**Bankers** CAF Bank Ltd.  
25 Kings Hill Avenue  
Kings Hill, West Malling  
ME19 4TA

**Solicitors** Bates Wells  
10 Queen Street Place  
London, EC4R 1BE

**Independent examiner** John Thacker FCA DChA  
Chariot House Limited  
Chartered Accountants  
44 Grand Parade  
Brighton, BN2 9QA

## Chair's foreword

The role of the Chair is often overlooked. If there is ever a time to notice them, thank them and celebrate them, it is now. The role they have played during the pandemic has simply been inspiring. As our *Chairing through Covid* study earlier this year showed, Chairs across the country have given ever-greater amounts of their time and made the necessary decisions to ensure their organisations not only survive this uncertain period – but are well positioned to thrive in the future.

The past 18 months have also highlighted how the chairing role can be difficult and lonely for many. At times, Chairs have required support and reassurance to help them through this period, which is where AoC has been able to make a crucial difference. Through our online training and events, we have provided expert support and insight, and, importantly, we have provided a space where Chairs can come together to discuss their experiences and talk through concerns.

Our membership figures clearly show this support has been much needed. In the past financial year, our number of members grew almost 45%, rising to 905 members from 634. A record number of people also booked to attend our online events. We have achieved this impressive growth despite a drop in overall income as we, like many small charities, saw a dip in some revenue streams as a result of Covid restrictions.

Over the past year, we have taken time to engage with the chairing community and beyond to help us better understand their needs. As a result, we are now able to tailor our events more closely and adapt the support we offer. Particularly pleasing has been the creation of our new pro-bono coaching pilot scheme that has given more than 20 Chairs access to one-to-one expert support they might otherwise not have been able to afford. We will learn from this and discover ways to extend the benefits of it to others.

Last year we also made a commitment to review our approach to equity, diversity and inclusion, acknowledging that charities and their trustee boards must genuinely reflect communities they serve. We have kept our commitment by holding a number of events on EDI and through publishing our statement on EDI in the summer of 2021. But we consider this merely the start of our EDI journey as we know there is far more work to be done.

As we turn to the future, we do so with ambition and optimism. We know that there are many more Chairs across the country who would benefit from AoC's support and we remain determined to reach out to ever-greater numbers of them. We remain optimistic that we will secure the necessary funding to turn our ambitions into reality.

Finally, I would like to thank everyone involved in AoC's work over the past year. AoC's dedicated staff team, led by Ros Oakley, has worked incredibly hard under difficult circumstances to deliver a high level of support to our members. And, once again, AoC's board has also gone above and beyond to fill in gaps, support the team and ensure the smooth running of the organisation. We look forward to the year ahead.

*Danny Curtin, Chair*

## Trustees' annual report

The trustees present their report and the independently examined financial statements for the year ended 31 March 2021. 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 (SORP 2015).

### Structure and governance

The organisation is a charitable company limited by guarantee, incorporated on 8 November 2012, and registered as a charity on 21 October 2013.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. The charity trustees are also directors of the charitable company and are referred to as trustees throughout this report. New trustees are selected and appointed by the board for a period of four years, renewable for a second four years.

In selecting trustees, the board pays due regard to the skills, experience and diversity of the board, the need for capacity to develop the Association, the need for continuity, and the Association's constituency – i.e. Chairs of non-profits.

We seek interest from potential new trustees by advertising in our own newsletters, social media and other listings. We aim to follow best practice in terms of an inclusive recruitment process.

### Trustee changes

In the year to March 2021, we appointed one new trustee, Liz Pepler, who became Treasurer in June 2020 after Kate Sayer stepped down due to other commitments.

In March 2021, Helen Baker stepped down from the board after five and half years to focus on her other chairing commitments.

We were delighted that the board confirmed Danny Curtin would remain as Chair until September 2022.

## Staff and consultants

Our hard-working staff team showed great versatility and commitment during the year. We are very grateful to them, including those who have now moved on. Victoria Mirfin, Deputy Chief Executive, stepped down in September 2020. Due to the financial uncertainty, we did not replace her but brought in some freelance support. We are now in the process of recruiting to a reshaped senior post.

We said goodbye to Isabel Locke, a Charityworks graduate who joined us on a one-year placement to manage our Beacon Programme. When Isabel left, we were pleased to welcome another Charityworks graduate, Laura Shafi, as our Events and Projects Manager.

Kim Deasy, Communications Manager, left in March 2021. We are delighted that we are now getting communications support from the highly experienced Andy Hillier, former editor of Third Sector. Sue Browning has also provided invaluable freelance senior support.

As of 31 March 2021, we employed three full-time staff members and have freelance communications and management accounting support.

## Our objects and our public benefit

The objects of the charity are, for the public benefit:

- to advance education; and
- the promotion of the voluntary sector, in particular, but without limitation, by developing the skills and capacity of Chairs of voluntary, community and social enterprise organisations which exist for public and community benefit.

The trustees give due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, exercising relevant powers and duties, and in planning its future activities.

In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. Our annual strategy awayday places a particular focus on our mission, objects, impact, public benefit and our theory of change.

We seek to provide a direct benefit to Chairs and Vice Chairs, so that they in turn enhance the public benefit of the organisations with which they are involved. We have developed formal governance and operational policies and procedures. These cover many areas including delegated authority, managing potential conflicts of interests, data protection, risk management, reserves, corporate donations, protecting people from harm, whistleblowing, dignity at work, complaints, concerns and feedback, health and safety and environmental policy.

We ask trustees to annually update their declaration of interests. At board meetings, we regularly reflect on our governance in practice. The board periodically reviews how it applies the Charity Governance Code for small charities and continues to make improvements in its governance. This report sets out how we seek to deliver our public benefit in practice.

The Charity Governance Code was updated in December 2020: the biggest changes were to Principle 6 on Equality, Diversity and Inclusion. We contributed to the discussions about changes to the principle. We're also ensuring that we're in compliance with the updated code and we have agreed an action plan.

## The year in summary

	2020/21	2019/20
Total income	£307,078	£387,420
Total expenditure	£242,077	£369,281
Membership	905	634
Events held	76	73
Bookings for events	2,783	1,502
E-newsletter reach	10,862	8,179

The past 18 months have been something of a rollercoaster ride for Chairs and Vice-Chairs because of the pandemic. Many have had to take on additional responsibilities on a voluntary basis to help keep their organisations going through this challenging period. (See our Survey results below.)

Our key focus has been supporting Chairs and Vice Chairs through this difficult time so they and their organisations can support people more in need than ever. In the



financial year to 31 March 2021, we have held 76 events on a wide variety of topics and had 2,783 bookings.

Due to ongoing Covid-related restrictions, all our events were hosted online in the financial year to March 2021. This brought both operational challenges and opportunities for AoC. It has allowed us to reach people who might ordinarily struggle to attend our events face to face because of existing time commitments or issues with travel. However, we are aware that some of our members gain a huge amount from meeting people face to face and we look forward to providing more in-person events when the Covid restrictions are further relaxed.

### Chairing through Covid: above and beyond

In November 2020, with support from investment managers CCLA, AoC undertook its largest survey of Chairs to date.

The survey primarily focused on the impact the pandemic had had on Chairs and the chairing role. More than 700 Chairs and Vice Chairs responded to the survey and we published the findings in April 2021 in the report *Chairing through Covid: above and beyond*.

Respondents reported they were dealing with a wide range of issues and the majority said they had significantly increased the amount of time spent on their chairing responsibilities during the pandemic. Nearly two-thirds (62%) reported spending four or more days a month on their chairing role and nearly a third said they spent more than seven days a month.

In some instances, the study found chairing had become a full-time job. 'I have always put in many hours,' said one respondent. 'But establishing a Covid-safety plan, staffing problems and recruitment have kept me working over 40 hours a week.'

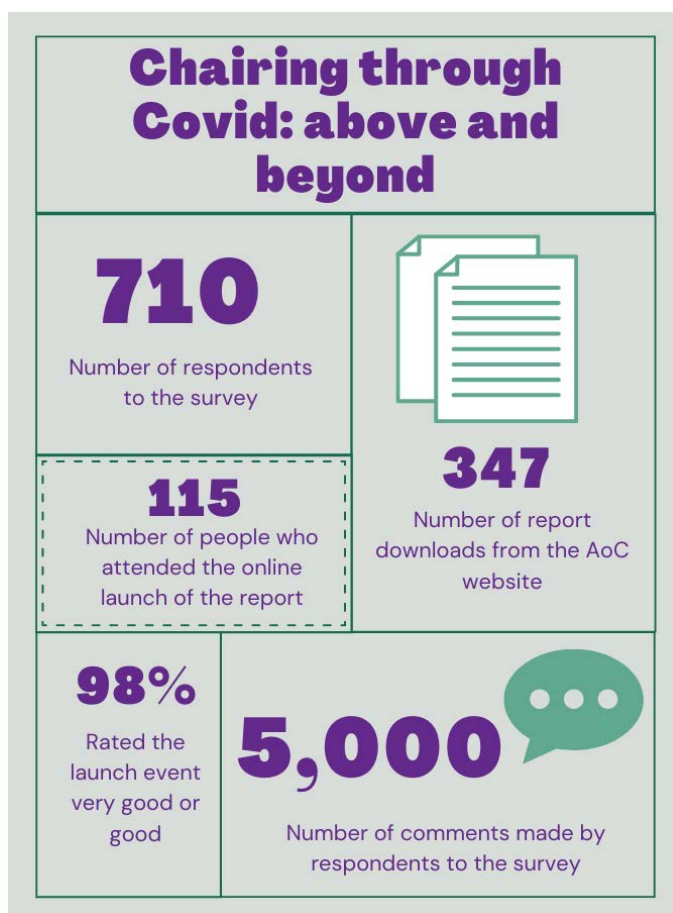


The findings highlighted the burden that has fallen on Chairs and trustees of charities, many of whom do not have any staff to call upon for support. The biggest concerns cited by Chairs were funding and finance, being there for people they serve, a heightened sense of care for staff and volunteers, diversity and inclusion and the quality of relationships.

On a more positive note, 44% of respondents said their motivation for the role had increased during the pandemic compared with 13% whose motivation decreased. A variety of factors were behind this rise, including the board and staff supporting each other and working more closely together. Forty-two percent of respondents said board relationships had improved since the pandemic and, among those chairing organisations that employ a senior leadership team, a similar percentage (41%) reported improved relationships with their Chief Executive. But a number of respondents said the pressure was becoming too much and some expressed fears about 'burnout'. 'Everyone is voluntary and, quite frankly, Covid has left us exhausted, especially the co-founders,' said one respondent.

The study also highlighted the lack of training and support offered to Chairs despite the demands of the role. Just over half (54%) said nothing had been spent on training and support for themselves in the past year, and 30% said less than £100 was spent on them.

We called on Chairs to seek out support and take care of their own well-being and identified simple steps for board members, Chief Executives and funders to take to support Chairs.



The findings of the study were reported widely in the charity sector media and shared extensively online. The report has been downloaded almost 350 times.

### Helping Chairs deal with the pandemic

Most of our activities over the past 12 months have been about helping Chairs deal with the pandemic.

We held our first peer surgery for Chairs on 20 March before the first national lockdown was announced. We increased our support to Chairs and Vice Chairs, with extra online events. In total, we held 76 events and had 2,783 bookings. The vast majority (72%) of respondents who attended an event in the past 12 months said they would do something differently as a result of attending.

We mobilised our networks to secure people with expertise and experience to run sessions for us. Since the pandemic started, we have held 18 expert insight sessions with lawyers, accountants and others. Issues covered have included the furlough scheme; keeping people safe; financial sustainability; understanding and managing insolvency; restructuring and redundancy; and personal resilience.

We have also continued our existing sessions on topics such as relations with the CEO; managing board dynamics and working through difficult relationships, all of which are relevant to Chairs dealing with the knock-on effect of Covid.

### Peer surgeries

Since the pandemic began our own Chair has led 20 peer surgeries enabling Chairs to share the issues they are facing and explore solutions together. We have held online meetings for specific groups of Chairs



including a regular large charities network meeting, a criminal justice sector online meeting; and a session with Chairs in the Relate network.

### Coronavirus support information

At the start of the pandemic, we curated relevant advice and guidance for Chairs and published it on our Coronavirus support page, helping to provide Chairs with a simple way of accessing information in one place. The advice has been updated regularly to reflect changes in the rules. The support page has been hugely popular, receiving more than 3,700 page views since it went live.

### Our commitment to equity, diversity and inclusion

Like many organisations, 2020 was the year AoC realised we had to go further and faster in our journey towards equity, diversity and inclusion (EDI).

It wasn't that we hadn't done anything before, but in 2020 the extent of inequality and the size of the challenge became so obvious that we knew we needed to do more.

In response to calls for organisations to prioritise EDI, we quickly established a working group comprising trustees and staff of a range of ages and from different ethnic backgrounds. The group began formulating a plan of action for the year ahead, which included:

- Committing to making EDI a priority for 2021/22.
- Hosting a range of extra events for Chairs on this topic.
- Creating a policy commitment on EDI to be published in the summer of 2021.
- Forming relationships with organisations who can help us support Chairs from diverse backgrounds.

We have made swift progress on our commitments. In the financial year to March 2021, we held four dedicated EDI events, all offered free or at a discounted rate. We were also pleased to contribute to the revision of the Governance Code, which included updating the principle on Equality, Diversity and Inclusion.

The Chief Executive and trustees began working on our EDI policy commitment and we published the document on our website in the summer of 2021. The statement includes several action points, including the board and Chief Executive committing to

taking individual responsibility for learning about and championing inclusion work, and ensuring the principles of equity, diversity and inclusion are embedded in all that AoC does. We also call on the Charity Commission to routinely monitor the diversity of trustees and Chairs.

In the summer of 2021, we convened our first Black and Asian Focus Group. The group has been established in partnership with Action for Trustee Racial Diversity and will engage Black and Asian Chairs to explore the issues of most importance to them.

While we intend to prioritise race in 2021/22, it is important to note that we remain committed to tackling all forms of discrimination and widening opportunities and support for all.

## Beacon programme for smaller charities successfully completed

In November 2020, we concluded our highly successful Beacon programme for Chairs of charities with incomes of under £1m a year. Made possible by National Lottery funding, the programme reached more than 1,600 Chairs and Vice Chairs. An independent evaluation concluded that “The Beacon programme has achieved its outcomes”. It said:

- Chairs feel able to try new approaches and increase their effectiveness as a result of increased confidence, knowledge and skills
- Chairs are more aware of sources of support and of good practice
- Chairs are better equipped to think strategically and address the opportunities and challenges their organisations face
- Chairs have appreciated the opportunity to learn from one another
- Chairs are trying out new approaches.

We are incredibly proud of what the Beacon programme achieved and, as part of its legacy, we are now actively using the learning from this experimental programme in our development work, ensuring that the likely needs of Chairs of small charities are considered and met whenever appropriate.

## Increased reach

In the financial year to 31 March 2021, a record number of Chairs and Vice Chairs turned to us for support.

Our membership grew by 43% year on year, increasing to 905 members in 2020/21 compared with 634 the year before. This was partly because more Chairs turned us for support during the Covid period; and partly because of Beacon programme participants signing up as members following the closure of that programme.

The number of subscribers to our newsletters also increased sharply, rising almost 33% to 10,862 in 2020/21 from 8,179 the year before.

Our resources and downloadable guides continued to perform strongly throughout the year. *A Chair's Compass*, our essential guide to the chairing role, was downloaded more than 1,200 times. Our guide *A Question of Balance*, which helps Chairs explore their relationship with their Chief Executive, was downloaded more than 530 times.

### Our mission and theory of change

Our ultimate objective is to increase the positive impact of charities by ensuring they are well-governed and led. Our premise is that effective chairing and leadership of the board help the organisation to be the best it can and achieve the best outcomes for those who benefit from its support. We have developed a theory of change.

We know that it can be hard to evidence the impact of a good Chair but easy to assess the impact of poor chairing, which can wreak havoc in a charity and contribute to poor organisational performance.

Despite the complexity of the role, there is limited investment in the training, support and development of Chairs, by government, support bodies or charities themselves. Therefore, our members value having a dedicated organisation that they can turn to for support on a range of issues including funding, finding appropriate trustees, fundraising governance, relationships within the board and the relationship with the Chief Executive.

### Events

We are proud of the quality and the number of events we were able to host in the financial year to 31 March 2021, especially given our limited resources and the difficult operating environment for events. Our members showed great faith in our switch to online-only events, with bookings significantly higher than before the pandemic.

Across the year, we had 2,783 people book our events, all of which took place online. This compares with 1,502 online and face-to-face bookings we had in the financial year to 31 March 2020.

Thanks to the efforts of the team and our many guest speakers, we were able to put on a total of 76 events in the financial year to 31 March 2021 compared with 73 in the previous financial year. Particularly pleasing were the high ratings our events received, with 78% of attendees saying they were "very good or excellent" and 72% saying they would change behaviour as a result of attending.

#### NEW CHAIRS' BRIEFING

"The quality of the presenters was excellent - and the participation from the attendees was also terrific. There was such a lot of useful experience being shared."

*Anne Mannion,  
Association of Photographers*

During the year, we focused our efforts on providing topical and practical events that would help Chairs respond to the unfolding challenges presented by the Covid pandemic. We also honoured the commitments made by our Chief Executive and board to run more events related to equity, diversity and inclusion. Our sessions included:

#### Covid-related events

Supporting your CEO in the current Coronavirus crisis  
Staff restructuring and redundancies – what Chairs need to know  
Transition of staff returning to work – what Chairs need to know  
Second lockdown and its implications for charity staff – what Chairs need to know  
Financial management for Chairs: what does good look like?  
The risk of insolvency – what Chairs need to know



### EDI-related events

Achieving racial diversity on the board – a peer session  
Achieving and developing board diversity – an online panel discussion  
Why and how to recruit young trustees  
Helping Chairs talk about race

Two event highlights were webinars held in conjunction with charity lawyers Bates Wells.

The first webinar, *Coronavirus and your charity: what Chairs need to know*, took place within weeks of the first national lockdown in early April 2020. The event covered pressing issues such as the legality of holding board and annual general meetings online, and information on the government's job retention scheme and insolvency. The event was exceptionally well attended with 383 people booking a place, making it our largest event to date.

The second webinar on the Kids Company legal case was also a highly popular event in March 2021. The Official Receiver had sought to disqualify the trustees as company directors following the high-profile collapse of the children's charity in

2015. However, the High Court ruled in February 2021 that the trustees had acted appropriately and therefore should not be disqualified. The Bates Wells legal team who represented most of the trustees in the case discussed at length the ruling and the potential implications for charity Chairs and the wider sector. Again, the event was very well attended, with 142 people booking places.

### KIDS COMPANY - A LEGAL PERSPECTIVE

"It was good to hear the facts, rather than the initial newspaper reports. The most useful were pointers to things like having a detailed risk register, legal liability insurance, and formalising chair/CEO relationship."

*Jennie Marshall, The Avenues Youth Project*



## Pro-bono coaching

During the pandemic we started a pro-bono coaching scheme, and thanks to the generosity of the coaches, most of whom were AoC members, we offered three coaching sessions each to 20 Chairs from diverse backgrounds. The feedback from an independent pro bono evaluation was excellent. Themes tackled in the coaching included: relations with the CEO; handling tough and complex situations; maintaining morale; help with strategy and change; handling transitions; making cultural changes, communicating well; personal resilience; and confidence and support with thinking through *'how to keep going'* through Covid.

### PRO-BONO COACHING

"It was exceptionally useful in having someone to talk to who would help me test my ideas, beliefs, courage, and ambition"

At the start of the programme, everyone was asked to set initial goals and, by the end, 94% felt that they had either mostly or completely met their aims. Eighty-one percent of participants said the coaching resulted in them taking or intending to take an action following the scheme.

Benefits reported by coachees included not shying away from difficult challenges; colleagues reporting improvement in the chairing of meetings; a better relationship with the Chief Executive; and improved engagement by the rest of the board.

A first-time Chair who received pro-bono coaching told us:

*"I learned how to manage tasks and issues that seem daunting . . . The programme has had an enormous impact on my organisation. We are about to embark on perhaps our most ambitious project in decades . . . I would not have had the courage to introduce the conversations to instigate this project if I hadn't been through the programme."*

The coaches noticed changes. For example, one coach said that the Chair had talked of a "clear shift in the behaviour of the Chief Executive as soon as she started feeling that the Chair is supporting her and not judging her".

The coaches gave us useful feedback about how we can build on the pilot. One coach observed: "Chairs need to be able to see themselves as important resources entitled to ask for help. The idea that you are a Chair with all the experience and all the answers means they have no support to learn and reflect more deeply. If we are going to recruit more diverse and younger chairs, we will have to see the Chair's role as someone still building their expertise."

## Voice

We continue to raise the profile of chairing and its importance to charities being well-run and effective in delivering their mission. We supplement the impact of our own events and publications with an active programme of speaking, blogging, PR and social media that takes what we know and champions it to a wider and more diverse audience.

During the year, we produced 19 blogs. Some were written by members of the AoC team and trustees, and others by guest bloggers. Highlights include a blog authored by Danny Curtin, facilitator and Chair of AoC, on how Chairs can make online meetings work. The blog was viewed more than 5,000 times, making it one of our most successful articles to date. Other popular blogs include an article by AoC's Vice Chair John Williams on why charities should consider appointing a Vice Chair. The article was viewed more than 4,200 times.

We have spoken at a number of external conferences and seminars. These include events held by NCVO, Directory of Social Change, the Cultural Governance Alliance and some local councils for voluntary services.

We also work with decision makers, speaking up on issues of concern to Chairs and raising the Chair's perspective. For example, since the pandemic started, we have been meeting more regularly with the regulator the Charity Commission, initially on a weekly basis to share information and explore where additional guidance would be helpful. We also put on a session for our members to comment on the Commission's new five-minute guides.

We are committed to maintaining and developing effective relationships with the key organisations that support the charity sector and to learn from them, collaborate with them and to enable them to hear Chairs' perspectives and priorities. We have good

working relationships with the NCVO, ACEVO, NAVCA, Small Charities Coalition, the Directory of Social Change, WCVA, and with more specialist organisations such as Cultural Governance Alliance, Young Trustees Movement, Action for Trustee Racial Diversity, Muslim Council of Britain, Reach Volunteering, Cranfield Trust and Getting on Board. Many of these organisations tend to view issues from the perspective of the executive team, so it is important that trustees and Chairs are also included in policy, planning and decisions about resource allocation.

During the pandemic, our Chief Executive has joined a weekly meeting of CEOs of other infrastructure bodies. The group identified areas of common concern and where our organisations could work together. For example, we supported the #NeverMoreNeeded campaign, which came from this group. We are also active members of the Charity Governance Code steering group and played a part in updating the Charity Governance Code.

## Review of risks

The board is aware of its responsibility for managing risk and has set up systems for identifying, managing and monitoring the key risks that the charity faces. These systems include a strategic risk register and regular review of risks and how to manage them at board meetings. Areas of risk that we monitor and regularly review include: ensuring we have impact; ensuring compliance; managing growth/capacity; fostering a positive culture and reputation; delivery of high-quality services; achieving financial sustainability; and safeguarding and protecting people. These last two are discussed in more detail below.

## Safeguarding and protecting people

It has been a stretching year, particularly for our staff and significant challenges still lie ahead as we come out of the pandemic. With a small staff team, we are particularly dependent on a few individuals. Last year we enrolled in an employee assistance programme, which we are continuing. We are clear about priorities – taking care not to spread ourselves so thinly that quality of staff and volunteer well-being suffers. As a small organisation we still rely on voluntary effort to deliver a number of our activities. We have been working remotely since March 2020 and, ahead of a return to a physical office, we will carefully assess the risk. We will also risk assess our future face-to-face events to ensure our members and attendees stay safe.

## Financial sustainability

Our short-term financial position is secure, in large part due to our reserves and some key grants. However, our longer-term finances are more challenging. We do not yet earn enough from earned income to cover our core operations. The percentage of earned income is growing and our plans to significantly increase our reach will increase not only our impact but our financial sustainability. In the interim, we need to secure some major new grants to fund our core costs and to achieve the growth we need for long-term sustainability. The pandemic has resulted in increased need in many areas and many more charities needing additional support, meaning there is increased pressure on funders for their limited funds. If we fail to secure sufficient grant income, it will undermine our ability to deliver key services and to reach financial sustainability. We are focusing on both earned and grant income and we are building flexibility into our plans to cope with a range of different scenarios. This includes widening our reserves range to cope with the increased uncertainty.

## Financial performance in 2020/21

	2020/21	2019/20
Total income	£307,078	£387,420
Total expenditure	£242,077	£369,281
Operating surplus	£65,001	£18,139

Before the pandemic struck, we had planned a year of significant development and increased expenditure, funded from our reserves. The Covid pandemic caused us to rethink those plans and divert our focus to responding to the immediate and rapidly changing need.

During the financial year, several key grants came to an end and the pandemic had an impact on our earned income. As a result, earned income was significantly less than budgeted. With so much uncertainty over key sources of funding, we reluctantly decided to delay our growth plans – and related expenditure – and froze a post when it fell vacant in September 2020.

In order to maintain our financial resilience, we focused our efforts on securing new grants and careful cost control. Our approach proved successful, with AoC making an operating surplus of £65,001 at the end of an extremely challenging financial year.

However, meeting the increased demand on services with a reduced staff team put a lot of pressure on AoC. We are therefore pleased to now be in a position to move forward once again with investing some of our reserves in a new senior level post to help meet the need ahead. If our full – and ambitious – fundraising target is met, we will invest in further expansion to the team.

### Income and expenditure profile

The Association has a modest income and expenditure given its national voice and reach. Our income is a mix of grant income, both restricted and unrestricted, coupled with self-generated unrestricted income from member-related services and sponsorship from third-party providers. We are aiming to create a high-volume, low-cost business model so building our membership is critical to our long-term sustainability and resilience. However, some Chairs find even our modest fees difficult, so income from grants enables us to keep the fees low as we build up our membership.

### Unrestricted funds

Despite the volatility and great uncertainty caused by the pandemic, unrestricted income increased to £224,998 in 2020/21 from £151,728 in 2019/20. This was due to an increase in grants and fees from membership and member-related services.

Unrestricted expenditure increased to £117,218 in 2020/21 from £89,122 in 2019/20, mainly as a result of providing more support to members as outlined in our review of the year.

We are grateful to our funders for these unrestricted grants and for the flexibility they showed at this uncertain time. We'd particularly like to thank Garfield Weston, Pears, Esmée Fairbairn Foundation and CCLA. Their support has been invaluable.

At the end of the year, we had an operating surplus of £107,780. The funds will be invested in maintaining services in 2021/22. Having forecast ahead to March 2024, with little secure funding beyond the end of 2021, this is a much needed and timely increase which will underpin our financial sustainability.

Nonetheless, we will still need to secure additional new multi-year grants if we are to continue to provide support to Chairs at the level which is required across the sector in 2022 and beyond.

### Restricted funds

We received restricted income from The Clothworkers' Company and from the National Lottery Community Fund.

The latter funded our multi-year Beacon project, which supported Chairs of small charities. This income decreased from £235,692 to £82,080. Expenditure also decreased from £280,159 to £124,859. Both reductions are as a result of the multi-year grant coming to an end and are in agreement with the funders.

We are grateful to the National Lottery Community Fund for granting an extension of this funding which meant that we were able to extend our support to Chairs of small charities beyond the initial completion of June 2020 to November 2020. This allowed us to provide much-needed support to Chairs as they led their own Covid response. We are grateful to The Clothworkers' Company for its grant towards our core costs.

The £42,779 operating deficit in restricted funds is due to timing with funds being received in the prior year and spent in this year. Over the life of each grant, expenditure was covered in full by the grant. We carry forward c£15,000 in restricted funding from The Clothworkers' Company, which will be spent on delivering services in 2021/22, in line with our grant agreement.

### Next financial year

Like much of the charity sector, we face significant financial challenges over the next financial year and beyond. It is clear from our financial modelling that we will need to invest our reserves and secure new multi-year funding to continue to support Chairs as their organisations recover from the pandemic period.

Our trustees have set an ambitious budget for the year to support our ambitious plans. The short- and longer-term impact on our reserves is considered in greater detail below.

### Reserves policy

The Association adopts a risk-based approach to its reserves and the policy is based on a forward assessment of income and expenditure and the wider economic environment in which we operate.

The Association receives a mix of funding. Some is for specific purposes. These are restricted funds and are not available for expenditure on other purposes. The remaining funds are unrestricted and can be used across our activities.

The reserves are the unspent unrestricted funds of the charity, referred to as the general funds in the financial statements. The Association currently owns no fixed assets, so the reserves are held in cash or short-term assets such as debtors (amounts due from members or funders).

The purpose of the reserves is:

- to invest in expanding and enhancing our services to members in line with growing demand
- to fund working capital and time lags in the receipt of promised funds
- to fund unexpected expenditure, for example when projects overrun, or unplanned events occur
- to manage economic or regulatory changes which may have unforeseen financial consequences
- to help manage through a possible downturn in income

As outlined above, in this coming year, our plan is to meet increasing demand for our services with an increase in our committed expenditure. At the same time, there is increasing uncertainty in the wider economic environment because of the Covid pandemic. As a result, we have set a target reserve range of £150,000–£200,000. As of 31 March 2021, the actual level of reserves was £315,988.

While the Association holds reserves in excess of the target as of 31 March 2021, our future modelling has highlighted very clearly that in order to deliver our services we

need to spend a significant portion of these reserves and secure new grants from trusts and foundations.

Before the pandemic, we had plans to develop our earned income streams through the provision of additional services to members and non-members. The early response to these efforts was very positive but, sadly, the pandemic set this back. We are not the only charity experiencing such unprecedented levels of uncertainty and pressure on services and the lack of investment in Chairs by charities experienced pre-Covid makes growing these income sources at this present time very challenging.

Therefore, over the coming year we will be investing our 'surplus' reserves – between c£100,000 and c£190,000 (depending on the timing of the realisation of the funding pipeline and other variables) – in our future growth.

This is not an insignificant investment and one which we feel strongly is needed at this time. We will continue to model our possible financial futures closely to ensure our future sustainability and resilience. We anticipate our reserves being c£126,000–c£216,000 at the close of 2021/22 depending chiefly on the outcome of the grant applications in our pipeline. But we will continue to monitor this closely during the year ahead.

## Our future plans

As charities continue to deal with the direct and indirect consequences of the pandemic, a great deal of responsibility is falling on Chairs, especially in the vast majority of charities that have few or no paid staff.

The danger in this next difficult phase is that boards become overwhelmed or timid. There is a real prospect of trustees being paralysed by the challenges they face. The alternative is a new focus on their mission, responding innovatively, more inclusively and with bold thinking – whether they are reinventing their business model, merging or creating new partnerships or even closing. To realise this, we need to support Chairs with their confidence, competence and aspirations. We propose to do this by increasing our reach and the depth of the support we offer.

**Reach:** our evaluation and feedback indicate that people appreciate what we do. We want more people and a more diverse group of Chairs to benefit. We plan to scale up



our existing offer and work on our marketing and communications to reach substantially more people.

**Depth:** we are also keen to deepen the support we can offer. We want to provide sustained and in-depth support to Chairs to develop them even further. In our recent survey, 69% said informal learning from peers was very valuable, 44% would welcome structured learning such as peer mentoring or group learning. A further 27% of Chairs are willing to mentor or coach other Chairs. We are exploring how we can develop this and we are seeking further funding to do so.

## Thank you to our supporters...

Our achievements would not be possible without our supporters. We would like to thank the following funders:

- CCLA
- Charities Aid Foundation
- The Clothworkers' Company
- Esmée Fairbairn Foundation
- Garfield Weston Foundation
- National Lottery Community Fund
- Pears Foundation

## ... and volunteers

Over the past year, the Association has benefitted significantly from the contribution of volunteers.

We would particularly like to thank Ruth Lesirge, AoC's Honorary President, for the ongoing advice and support she provides to our members and staff. We are also immensely grateful to Stephen Warren, who provides IT support.

Once again, the contribution of trustees beyond their trustee role was significant and we are extremely grateful. Many of the Association's operational activities are carried out by its trustees and by a group of dedicated supporters. We would also like to thank:

- Our speakers at events who give their time for free
- Volunteers who formed the Beacon Advisory Group
- Those who peer-reviewed our publications
- Chairs who have led our peer surgeries
- Experts who have led our Expert Insight sessions. In particular, we would like to thank Nick Hobden, Ian Oakley-Smith and Judith Miller for their ongoing support
- Our pro-bono coaches: Sue Browning, Nicki Deeson, Maggie Smith, Julia Tybura and the coaching team at Time Critical Conversations
- Members of our volunteer and associate pool who generously share their professional expertise at low or no cost
- All the Chairs, professional advisers and professional coaches who have stepped forward to offer their time and expertise to AoC by speaking at events, writing blogs and offering free coaching support.

## Statement of responsibilities of trustees

The trustees (who are also directors of Association of Chairs for the purposes of company law) are responsible for preparing the directors/trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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 total number of such guarantees at 31 March 2021 was nine (2020 – 10).

**Association of Chairs**  
**Trustees' annual report**  
**For the year ended 31 March 2021**

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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 trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 14 September 2021 and signed on their behalf by

Danny Curtin

Chair of Trustee Board

## Independent examiner's report

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

### Respective responsibilities and basis of report

As the charity's trustees (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered part of an independent examination
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

John Thacker FCA DChA

Chariot House Limited

Chartered Accountants

44 Grand Parade

Brighton, East Sussex, BN2 9QA

Date: 26 October 2021

# Association of Chairs

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

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>							
Donations	2	140,140	82,080	222,220	96,376	235,692	332,068
Charitable activities	3						
Member services		74,290	–	74,290	54,451	–	54,451
Investment income		568	–	568	901	–	901
Other income	4	10,000	–	10,000	–	–	–
<b>Total income</b>		<u>224,998</u>	<u>82,080</u>	<u>307,078</u>	<u>151,728</u>	<u>235,692</u>	<u>387,420</u>
<b>Expenditure on:</b>							
Charitable activities							
Member services		117,218	124,859	242,077	89,122	280,159	369,281
<b>Total expenditure</b>	5	<u>117,218</u>	<u>124,859</u>	<u>242,077</u>	<u>89,122</u>	<u>280,159</u>	<u>369,281</u>
<b>Net income / (expenditure) for the year</b>	6	107,780	(42,779)	65,001	62,606	(44,467)	18,139
Transfers between funds		–	–	–	2,242	(2,242)	–
<b>Net movement in funds</b>		107,780	(42,779)	65,001	64,848	(46,709)	18,139
<b>Reconciliation of funds</b>							
Total funds brought forward		208,208	57,505	265,713	143,360	104,214	247,574
<b>Total funds carried forward</b>	14	<u>315,988</u>	<u>14,726</u>	<u>330,714</u>	<u>208,208</u>	<u>57,505</u>	<u>265,713</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 financial statements.

## Association of Chairs

### Balance sheet

Company no. 08287034

As at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	10	<u>1</u>	<u>1</u>
<b>Current assets</b>			
Debtors	11	6,746	12,800
Cash at bank and in hand		<u>343,558</u>	<u>260,893</u>
		350,304	273,693
<b>Liabilities</b>			
Creditors: amounts falling due within one year	12	<u>(19,591)</u>	<u>(7,981)</u>
<b>Net current assets</b>		<u>330,713</u>	<u>265,712</u>
<b>Net assets</b>		<u><u>330,714</u></u>	<u><u>265,713</u></u>
 <b>The funds of the charity</b>	 14		
Restricted funds		14,726	57,505
Unrestricted revenue funds		<u>315,988</u>	<u>208,208</u>
<b>Total charity funds</b>		<u><u>330,714</u></u>	<u><u>265,713</u></u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Approved by the trustees on 14 September 2021 and signed on their behalf by

Danny Curtin  
Chair of Trustee Board



## Association of Chairs

### Notes to the financial statements

**For the year ended 31 March 2021**

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#### **1 Accounting policies**

##### **a) Statutory information**

The Association of Chairs is a charitable company limited by guarantee and is incorporated in England. The registered office address is 10 Queen Street Place, London, EC4R 1BE.

##### **b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

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

##### **c) Public benefit entity**

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

##### **d) Going concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. In reaching that conclusion, the trustees have considered the impact of the COVID –19 pandemic on future activities and cash flows and the current and forecast reserve base. They believe that if future income is negatively affected, the risk of which has been recognised, AoC's demonstrably flexible delivery model and cost base offer the possibility of expenditure savings that taken together with its balance of free reserves will ensure AOC continues to operate. Adaptions to the service model have and will continue to be made to ensure the expectations of its members are met effectively and efficiently. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

##### **e) Income**

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

Income from 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 the provision of a specified service is deferred until the criteria for income recognition are met.

## Association of Chairs

### Notes to the financial statements

**For the year ended 31 March 2021**

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#### **1 Accounting policies (continued)**

##### **f) Donations of gifts, services and facilities**

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

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

##### **g) Interest receivable**

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

##### **h) Fund accounting**

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

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

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

##### **i) Expenditure and irrecoverable VAT**

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

Expenditure on charitable activities includes the costs of providing services to members, running events and distributing publications to further the purposes of the charity and their associated support costs.

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

##### **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.

**1 Accounting policies (continued)**

**k) Short term deposits**

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

**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 and provisions**

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

**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 measured at amortised cost using the effective interest method.

**o) Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the company to the fund. The company has no liability under the scheme other than for the payment of those contributions.

## Association of Chairs

### Notes to the financial statements

For the year ended 31 March 2021

#### 2 Donations

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Big Lottery Fund – Beacon	–	56,080	<b>56,080</b>	–	161,312	161,312
CCLA	10,000	–	<b>10,000</b>	10,000	–	10,000
Charities Aid Foundation	–	–	–	10,000	–	10,000
Esmee Fairbairn Foundation	75,000	–	<b>75,000</b>	50,000	–	50,000
Garfield Weston Foundation	30,000	–	<b>30,000</b>	–	–	–
Odgers Berndtson	–	–	–	3,000	–	3,000
Paul Hamlyn Foundation	–	–	–	–	18,000	18,000
Pears Foundation	25,000	–	<b>25,000</b>	20,000	–	20,000
The Clothworkers' Company	–	26,000	<b>26,000</b>	–	26,000	26,000
Donations from individuals	140	–	<b>140</b>	3,376	–	3,376
Donated services	–	–	–	–	30,380	30,380
<b>Total</b>	<b>140,140</b>	<b>82,080</b>	<b>222,220</b>	<b>96,376</b>	<b>235,692</b>	<b>332,068</b>

#### 3 Income from charitable activities

##### Member services

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Events	19,363	–	<b>19,363</b>	12,070	–	12,070
Membership	52,455	–	<b>52,455</b>	36,439	–	36,439
Publications and consultancy	2,472	–	<b>2,472</b>	5,942	–	5,942
<b>Total from member services</b>	<b>74,290</b>	<b>–</b>	<b>74,290</b>	<b>54,451</b>	<b>–</b>	<b>54,451</b>

#### 4 Other income

The Charity received £10,000 from the London Borough of Camden's Discretionary Grant Fund having suffered a significant loss of income early in the pandemic due to the disruption caused by coronavirus (2020: £nil).

## Association of Chairs

### Notes to the financial statements

For the year ended 31 March 2021

#### 5a Analysis of expenditure – current year

	Member services £	Support costs £	Governance costs £	2021 Total £
Staff costs (note 7)	167,169	5,058	–	172,227
Freelance and interim management	13,939	–	–	13,939
Publication costs	–	–	–	–
Event costs	10,036	–	–	10,036
Marketing and partnerships	365	5	–	370
Subscriptions, conferences & training	1,208	57	–	1,265
IT costs	10,951	397	–	11,348
HR and recruitment	9,429	33	–	9,462
Office costs	9,481	462	–	9,943
Governance, legal and bank charges	1,471	10,875	1,141	13,487
	224,049	16,887	1,141	242,077
Support and Governance	18,028	(16,887)	(1,141)	–
<b>Total expenditure</b>	<b>242,077</b>	<b>–</b>	<b>–</b>	<b>242,077</b>

Of the total expenditure, £117,218 was unrestricted and £124,859 was restricted.

#### 5b Analysis of expenditure – prior year

	Member services £	Support costs £	Governance costs £	2020 Total £
Staff costs (note 7)	176,061	6,103	–	182,164
Freelance and interim management	10,400	–	–	10,400
Publication costs	9,446	–	–	9,446
Event costs	70,229	–	–	70,229
Marketing and partnerships	10,497	–	–	10,497
Subscriptions, conferences & training	847	51	–	898
IT costs	32,755	447	–	33,202
HR and recruitment	10,928	58	–	10,986
Office costs	23,932	1,381	–	25,313
Governance, legal and bank charges	1,863	10,469	3,814	16,146
	346,958	18,509	3,814	369,281
Support and Governance	22,323	(18,509)	(3,814)	–
<b>Total</b>	<b>369,281</b>	<b>–</b>	<b>–</b>	<b>369,281</b>

Of the total expenditure, £89,122 was unrestricted and £280,159 was restricted.

## Association of Chairs

### Notes to the financial statements

#### For the year ended 31 March 2021

#### 6 Net incoming resources for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Independent examiner's remuneration (excluding VAT):		
Current year	900	875
(Over) under accrued prior year	-	(350)
Trustees' remuneration	-	-
Trustees' reimbursed expenses	-	1,221

No expenses were reimbursed to trustees in the year (2020: four trustees were reimbursed £1,221 for travel).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity.

#### 7 Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	155,635	163,934
Social security costs	12,163	14,265
Pension contributions	4,429	3,965
	<u>172,227</u>	<u>182,164</u>

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

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £64,536 (2020: £61,116).

	2021 No.	2020 No.
The average number of total staff employed in the year was	<u>4</u>	<u>5</u>

#### 8 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. Trustees donated £50 (2020: £50) as well as paying membership subscriptions. Additionally, Trustees provide a considerable amount of pro bono services such as training and editing newsletters as explained in the Trustees' Annual Report.

Trustees were reimbursed expenses as disclosed above.

## Association of Chairs

### Notes to the financial statements

#### For the year ended 31 March 2021

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#### 9 Taxation

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

#### 10 Investment in subsidiary company

The Association of Chairs owns a subsidiary, AOC Trading Ltd, registered in England & Wales with company number 09247655. One share of £1 is in issue, representing 100% of the issued share capital of the company. The subsidiary was incorporated on 3 October 2014. The subsidiary's activities related to activities to raise funds for the Association of Chairs but it is currently dormant.

A summary of the unaudited financial statements of the subsidiary for the year ended 31 March 2021 follows:

	2021 £	2020 £
<b>Assets and funds</b>		
Current assets	1	1
Amounts owed to parent	-	-
Aggregate amount of funds	<u>1</u>	<u>1</u>
<b>Profit and loss account</b>		
Turnover	-	-
Expenses	-	-
Gift Aid donations to parent charity	<u>-</u>	<u>-</u>
Net profit for the year after tax and Gift Aid	<u>-</u>	<u>-</u>

#### 11 Debtors

	2021 £	2020 £
Trade debtors	3,495	2,412
Other debtors	-	-
Prepayments and accrued income	<u>3,251</u>	<u>10,388</u>
	<u>6,746</u>	<u>12,800</u>

# Association of Chairs

## Notes to the financial statements

For the year ended 31 March 2021

### 12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	915	1,299
Taxation and social security	–	–
Other creditors	1,525	1,095
Accruals	4,586	5,587
Deferred income	12,565	–
	<u>19,591</u>	<u>7,981</u>

### 13 Deferred income

	Opening balance £	Released £	Received in year £	Balance at year end £
Membership and event fees received in advance	–	–	2,565	2,565
Publication sponsorship received prior to publication	–	–	10,000	10,000
Total	<u>–</u>	<u>–</u>	<u>12,565</u>	<u>12,565</u>

### 14a Movements in funds – current year

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Big Lottery Fund Beacon Programme	27,134	56,080	(83,214)	–	–
Garfield Weston Foundation	21,963	–	(21,963)	–	–
The Clothworkers' Company	8,408	26,000	(19,682)	–	14,726
<b>Total restricted funds</b>	<u>57,505</u>	<u>82,080</u>	<u>(124,859)</u>	<u>–</u>	<u>14,726</u>
<b>Unrestricted funds:</b>					
<b>General funds</b>	<u>208,208</u>	<u>224,998</u>	<u>(117,218)</u>	<u>–</u>	<u>315,988</u>
<b>Total funds</b>	<u>265,713</u>	<u>307,078</u>	<u>(242,077)</u>	<u>–</u>	<u>330,714</u>



## Association of Chairs

### Notes to the financial statements

For the year ended 31 March 2021

#### 14b Movements in funds – prior year

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Big Lottery Fund Beacon Programme	42,426	161,312	(176,604)	–	27,134
Garfield Weston Foundation	57,340	–	(35,377)	–	21,963
Paul Hamlyn Foundation	–	18,000	(15,758)	(2,242)	–
The Clothworkers' Company	4,448	26,000	(22,040)	–	8,408
Donated services	–	30,380	(30,380)	–	–
<b>Total restricted funds</b>	<b>104,214</b>	<b>235,692</b>	<b>(280,159)</b>	<b>(2,242)</b>	<b>57,505</b>
<b>Unrestricted funds:</b>					
<b>General funds</b>	<b>143,360</b>	<b>151,728</b>	<b>(89,122)</b>	<b>2,242</b>	<b>208,208</b>
<b>Total funds</b>	<b>247,574</b>	<b>387,420</b>	<b>(369,281)</b>	<b>–</b>	<b>265,713</b>

#### 14c Purposes of funds

##### Restricted funds

The Big Lottery Fund Beacon Programme fund is a three-year programme of support for the Chairs and Vice Chairs of small charities.

The Garfield Weston Foundation donated £90,000 towards the development of marketing and service development to increase our reach to Chairs across the UK over three years.

The Paul Hamlyn Foundation provided support towards the development of our training including new webinars.

The Clothworkers' Company donated £26,000 towards administrative costs in both 2019–2020 and 2020–21.

Donated services are various companies and charities who have kindly provided venues and refreshments for events.

##### General funds

These funds are held for meeting the objectives of the charity, and to provide reserves for future activities, and, subject to charity legislation, are free from all restrictions on their use.

##### Transfers

In 2019–20 the unspent balance of the Paul Hamlyn fund was taken to general funds with the agreement of the funder.

## Association of Chairs

### Notes to the financial statements

For the year ended 31 March 2021

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#### 15a Analysis of net assets between funds – current year

	Restricted £	Unrestricted £	Total funds £
Investments	–	1	1
Net current assets	14,726	315,987	330,713
<b>Net assets at the end of year</b>	<b>14,726</b>	<b>315,988</b>	<b>330,714</b>

#### 15b Analysis of net assets between funds – prior year

	Restricted £	Unrestricted £	Total funds £
Investments	–	1	1
Net current assets	57,505	208,207	265,712
<b>Net assets at the end of year</b>	<b>57,505</b>	<b>208,208</b>	<b>265,713</b>