

THE NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

England & Wales · Charity number 225922

Details

Other names	THE NATIONAL COUNCIL OF SOCIAL SERVICES, NCVO
Status	Registered
Legal form	Charitable company
Company number	00198344
Registered	1964-01-01
Register	View on the Charity Commission register

Contact

Address	National Council For Voluntary Organisations Society Building 8 Regents Wharf All Saints Street N1 9RL
Phone	02075202538
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Website	www.ncvo.org.uk

Activities

Objects: 5.1 The Objects of the Charity are for the public benefit:(a) to advance or promote all or any purposes which are exclusively charitable and for the public benefit in accordance with the laws of England and Wales; and.(b) to promote and organise co-operation in the furtherance of such purposes.

Activities: NCVO champions the voluntary sector and volunteering. We connect, represent and support voluntary organisations.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£9,484,000	£8,837,000	£10,155,000	75
2024-03-31	£12,275,000	£8,063,000	£9,081,000	77
2023-03-31	£7,133,000	£6,880,000	£6,082,000	77
2022-03-31	£5,351,000	£6,317,000	£6,737,000	75
2021-03-31	£7,505,000	£7,421,000	£4,897,000	88

Trustees

Name	Role	Appointed
Priya Singh	Chair	2020-11-23
Angela Spence		2021-09-10
Christopher Geoffrey Sherwood		2022-12-14
Dr Sarabajaya Kumar		2020-11-23
Emily Agius		2020-11-23
Georgina Carr		2022-11-21
James Watson-O'Neill		2024-09-26
Jude William Thomas Sheeran		2024-11-07
Philippe Oliver Lintern		2025-05-22
Ruth Marvel		2024-10-24

Linked charities

- NATIONAL FEDERATION OF COMMUNITY ORGANISATIONS (225922-1)
- NATIONAL OLD PEOPLES' WELFARE COUNCIL (225922-2)
- NATIONAL ASSOCIATION OF WOMEN'S CLUBS (225922-4)

THE NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

England & Wales - Charity number 225922

Accounts

ANNUAL REPORT & FINANCIAL STATEMENTS



CHAMPIONING
VOLUNTARY
ACTION

FOR THE YEAR ENDED 31 MARCH 2025

Ncvo

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

PRESIDENT

Baroness Delyth Morgan

NCVO TRUSTEE BOARD HONORARY OFFICERS

Chair: **Dr Priya Singh**

Co vice chairs: **Emily Agius**

Chris Sherwood

Honorary treasurer: **Paul Breckell** Resigned 24 October 2024

Louise Posocco Appointed 24 October 2024 Resigned 20 December 2024

Philippe Lintern Appointed 22 May 2025

SENIOR INDEPENDENT TRUSTEE

Dr Sarabajaya Kumar

TRUSTEES

Georgina Carr

Red Godfrey-Sagoo Resigned 24 October 2024

Ruth Marvel Elected 24 October 2024

Brian Seaton Resigned 27 August 2024

Angela Spence

Dan Sutch Resigned 24 October 2024

Jude Sheeran Appointed 7 November 2024

Ayesha Tariq

James Watson O'Neill Appointed 26 September 2024

NCVO TRADING LIMITED DIRECTORS

Sarah Elliott (legally known as Vibert) Resigned 31 August 2025

Saskia Konynenburg

Kate Morris Appointed 13 January 2025

Andrew Walkey

Woosh Raza Resigned 27 September 2024

AUDIT AND RISK COMMITTEE TRUSTEES

Paul Breckell Resigned 24 October 2024

Dr Sarabajaya Kumar

Philippe Lintern Appointed 22 May 2025

INDEPENDENTS

Paul Breckell Appointed 24 October 2024

John Greenwood

Anne Heal

Kate Sayer (Chair) Appointed 21 March 2025

Francis Smith

Kafui Tay (resigned as chair 1 February 2025) Appointed 1 February 2025

FINANCE AND COMMERCIAL COMMITTEE TRUSTEES

Paul Breckell (chair) Resigned 24 October 2024

Philippe Lintern (chair) Appointed 22 May 2025

Jude Sheeran Appointed 30 April 2025

Chris Sherwood

Dan Sutch Resigned 24 October 2024

INDEPENDENTS

Dominic Fox Resigned 1 May 2025

Sajjad Khan Appointed 22 May 2025

Asheesh Malhotra Appointed 22 May 2025

Stella Neophytou

Dani Salvadori

GOVERNANCE AND NOMINATIONS COMMITTEE TRUSTEES

Emily Agius (chair)

Dr Priya Singh

INDEPENDENTS

Karmen Bennett

Tommy Hyun

Nicholas Linfoot Appointed 1 September 2024

Debbie Raven Resigned 1 July 2025

PEOPLE, CULTURE AND INCLUSION COMMITTEE TRUSTEES

Georgina Carr (chair) Appointed 1 April 2024

Red Godfrey-Sagoo Resigned 24 October 2024

James Watson O'Neill Appointed 1 April 2025

Ayesha Tariq

INDEPENDENTS

Amanda Arrowsmith

Fiona Evans Appointed 20 June 2024

Edith Galliers

Dee Jas Resigned 19 September 2024

Nike Akerele-De Souza Appointed 22 May 2025

CHIEF EXECUTIVE

Sarah Elliott (legally known as Vibert) Resigned 31 August 2025

EXECUTIVE TEAM

Nick Gibson (director of transformation) Appointed 6 May 2025

Saskia Konynenburg (director of voice and impact)

Kate Morris (director of finance and commercial) Appointed 13 January 2025

Arati Patel (interim finance director) Resigned 20 December 2024

Andrew Walkey (director of services and partnerships)

Woosh Raza (director of people culture and inclusion) Resigned 27 September 2024

COMPANY SECRETARY

Laura Crandley Resigned 8 July 2024

Arati Patel Appointed 24 July 2024 Resigned 20 December 2024

Kate Morris Appointed 13 January 2025

AUDITORS

PKF Littlejohn LLP

15 Westferry Circus, Canary Wharf, London E14 4HD

BANKERS

Barclays Bank Plc

1 Churchill Place, London, E14 5HP

INVESTMENT MANAGERS

UBS

5 Broadgate, London, EC2M 2QS

Registered office and operational address

Society Building, 8 All Saints Street, London N1 9RL

Registered charity number: 225922

Company registration number: 198344



INTRODUCTION



INTRODUCTION FROM OUR CHAIR, PRIYA SINGH

WELCOME TO NCVO'S ANNUAL REPORT 2024/25

Against the backdrop of a 'new normal' that demands resilience, adaptability and long-term sustainability from civil society organisations, NCVO's role – supporting, representing and championing our members and the wider voluntary sector, has never been more vital.

Over 168,000 charities and voluntary organisations are not only delivering vital services but also helping to hold communities together through turbulent times. Despite the ongoing challenges, including tight funding and increasing demand for services, this moment also presents real opportunities for innovation, collaboration, and transformation.

Now, more than ever, we are focused on helping organisations build the resilience they need to thrive. That means creating the conditions for sustainability - supporting innovation, fostering collaboration, and enabling long-term impact. NCVO is here to be a stable and consistent partner in that journey, offering practical tools, advocacy, and a platform for the sector's collective voice.

As charities and voluntary organisations are being asked to do more with less, we've made it our priority to listen deeply, to understand the realities on the

ground, and to ensure we are a trusted ally – helping organisations navigate today's challenges while preparing for tomorrow.

Conversations with members have shaped our understanding of our sector's needs and, consequently, our vision and approach. These discussions aren't just about services. They're about mission, identity, and the future. They've guided our prioritisation as we focus on the agility and digital capability to support what matters most.

We're excited to build on Small Charity Week's 2024 success and our partnership with Big Give and Global's Make Some Noise will provide small charities with match funding opportunities, empowering small charities to amplify their impact, and ensuring that every pound donated has twice the effect in supporting their invaluable work. >



As we look ahead, we know that building a resilient and sustainable voluntary sector means embracing change. That includes continuing to invest in digital transformation, ensuring organisations have the tools and confidence to adapt and thrive in a rapidly shifting environment. It also means supporting long-term financial sustainability - not just surviving, but securing the resources needed to plan, grow, and make lasting impact.

This period of change is also reflected in our own leadership. In August 2025, Sarah Elliott stepped down as NCVO's CEO to take up the role of Chief Executive at Shelter. We are delighted to be welcoming Kate Lee OBE as our incoming CEO in the Autumn.

At NCVO, we remain committed to walking alongside our members on this journey, championing the innovation, collaboration and courage that define our sector.

Together, we can shape a future where charities are not only equipped to meet today's challenges, but are empowered to lead lasting, positive change in communities across the UK.



FROM OUR INTERIM CHIEF EXECUTIVE, SASKIA KONYNENBURG

While the past year continued to put pressure on voluntary organisations, it was also a year of momentum and renewed opportunity.

Amidst challenges, from rising costs to reduced funding, the sector not only endured but made its voice heard louder and more clearly than ever before. This was a year defined by resilience, where we demonstrated the vital role of charities in meeting societal need as public services continued to buckle under the strain of demand.

At NCVO, we were proud to call these challenges out and continue to advocate for a fairer and more sustainable deal for the sector. Our campaign on employer National Insurance Contributions (eNICs) generated record-breaking media engagement and brought together over 7,300 charities in a unified call for action. Our evidence-based advocacy shaped public debate, informed parliamentary scrutiny and kept the financial pressures facing charities firmly on the political agenda.

The general election marked a turning point - not just politically, but for the voluntary sector's relationship with government. For the first time in two decades, we have a real opportunity to reset that relationship. We seized the moment, launching a Voluntary

Sector Manifesto in partnership with ACEVO and championing practical proposals to strengthen the crucial role of civil society. We continued to defend the right to campaign, while building engagement around how the Civil Society Covenant would work in practice, laying foundations for long-term collaboration with decision-makers.

We remained focused on representing the diversity of the sector, especially amongst small and local charities. As part of our continued commitment to small and local charities, we supported key member-led moments including Volunteers' Week and Small Charity Week. During Small Charity Week 2024, we released new research and secured regional media coverage in every part of England, raising awareness of the challenges small charities face to the public. Our Power of Small campaign demonstrated many are still underfunded and overlooked in national debates – a clear reminder that the sector must do more to centre their voices. ➤

Following a review in 2024, we strengthened the Small Charities Advisory Panel to be fully representative of those it serves, reinforcing our belief that lived experience must shape national support structures. The panel continues to provide insight, challenge and direction to collective efforts to strengthen small charity support. With around 90 per cent of our members with an income lower than £1million, we remain focused on championing their needs, including better infrastructure, fairer funding and stronger representation.

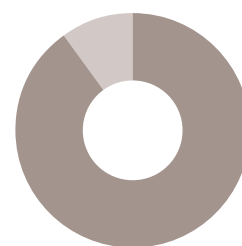
This year we supported over 17,000 member organisations, welcoming more than 1,400 new members, many seeking help with governance, income and workforce challenges. Our retention rate rose to over 92 per cent, and nearly 200 organisations rejoined after a break – clearly indicating that the support we offer is valued. This reflects not just demand, but deep trust in what we offer: timely guidance, peer connection, and practical help.

Alongside our membership growth, demand for training and consultancy reached new highs. More than 4,500 people took part in our open training programme, a 6 per cent rise from the previous year. Our in-house delivery also hit a record, with more than 200 tailored sessions for charities and funders. In the second half of the year, we launched a new leadership programme rooted in our Vision for Charity Leaders, supporting over 100 senior leaders to navigate complexity with greater confidence and clarity.

Throughout the year, our members have been central to all that we do, and we remain grateful for the faith they put in us to deliver for them. Their valued insight has helped shaped our work and given greater voice to our advocacy work. We have seen national organisations share expertise with local groups, infrastructure bodies bring others into membership, and thousands of people engage with our training, forums and events.

As we enter a new political era, NCVO will keep working to support, represent and connect the charities that change lives every day. Together, we have the ability to show that the voluntary sector is not just resilient – it is essential, effective and ready for the future. Thank you to our members, staff, volunteers and partners.

We are committed to being the charities' charity.

90% OF OUR MEMBERS HAVE AN INCOME LOWER THAN **£1MILLION**



OUR RETENTION RATE ROSE TO OVER **92%**

4,500+

MORE THAN 4,500 PEOPLE TOOK PART IN OUR OPEN TRAINING PROGRAMME

A photograph of two men in green shirts working together to move a large stack of green plastic crates. They are outdoors, with a blue storage container in the background. The man on the left is younger with dark hair, and the man on the right is older, bald, and wearing glasses. They are both smiling and looking at each other as they lift the crates. The crates are stacked high, and the man on the right is holding the top of the stack. The background shows a brick wall on the left and some greenery.

“CHARITIES ARE
EMPOWERED TO LEAD
LASTING, POSITIVE
CHANGE IN COMMUNITIES
ACROSS THE UK”

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustee board presents its annual report (incorporating the strategic report) and the audited financial statements for the year ended 31 March 2025.

The legal and administrative information set out on pages 4 to 6 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Charities' SORP (FRS 102).

NCVO is a charitable company limited by guarantee. It was founded in 1919 as the National Council of Social Services. It was incorporated on 30 May 1924 and registered as a charity on 1 January 1964.

NCVO was established under a memorandum of association. This defines our objects and powers. We're governed by our articles of association. There are also detailed regulations made under the articles.

Full NCVO membership is open to voluntary organisations that comply with the criteria for membership. There are affiliate categories of membership for public sector and corporate bodies.

TRUSTEE BOARD AND COMMITTEES

Our trustee board is responsible for managing the business of NCVO, as outlined in our articles of association.

NCVO is governed by a board of 11 trustees. This includes four honorary officers (chair, two co-vice-chairs and treasurer). The chair and six trustees are elected by our members.

Additional trustees are co-opted by the board to ensure the right mix of skills and experience. Two trustees are elected to fill the vice-chair honorary officer position by the board. Trustees serve for a term of three years. They can serve a maximum of two terms except in exceptional circumstances. >

The following committees report to the board.

AUDIT AND RISK COMMITTEE

- Provides independent advice and assurance on risk, control and compliance matters.
- Our audit and risk committee is chaired by an independent member of the committee.

FINANCE AND COMMERCIAL COMMITTEE

- Provides oversight of all commercial activity within NCVO.
- Reviews our business plans and budgets and monitors our performance against targets, both financial and non-financial.
- Has oversight of investments and our defined benefit pension scheme.
- Has oversight of data and insight.

GOVERNANCE AND NOMINATIONS COMMITTEE

- Facilitates diversity in the governance structure.
- Makes sure the board and its sub-committees have the right mix of skills and experience.
- Supervises the trustee election process to ensure this is open and democratic.
- Supports board development and evaluation.

PEOPLE, CULTURE AND INCLUSION COMMITTEE

- Sets the chief executive and the executive teams' remuneration.
- Considers all people policies and related matters, including pensions.
- Provides challenge and support to the board and executive team to help deliver our cultural change roadmap.
- Oversees our external work to support inclusion across the sector.
- Provides challenge and oversight through lived experience, expertise and knowledge in relation to practice, culture and approach at NCVO.

New trustees receive an induction pack when they're elected. This includes The Essential Trustee and key organisational policies and documents. All trustees attend an induction meeting, which includes the opportunity to meet key staff. Every trustee meets with the chair to review the year.

All trustees also take part in an annual planning event. This is an opportunity to discuss the operating environment and the organisation's plans and spend time with other board members and members of NCVO's executive team. ➤

MEMBERS' VOICE

Over the past year NCVO has actively championed member voice, ensuring voluntary organisations are heard at the highest levels of government. A key example is the campaign on employer National Insurance Contributions (eNICs), where proposed changes threatened to increase costs for charities. NCVO swiftly mobilised member input, gathering concerns from across the sector, and led a powerful open letter to the Chancellor co-signed by thousands of organisations.

In addition, we hosted engagement sessions and collected feedback from the diverse membership, to ensure the Civil Society Covenant reflected the needs and realities of voluntary organisations. The insights gathered were directly fed into policy discussions with the government, demonstrating NCVO's role as a bridge between civil society and policymakers.

These efforts exemplify NCVO's commitment to empowering its members, providing platforms for collective advocacy, and influencing decision-making that affects the sector. Through strategic campaigns and collaborative consultation processes, NCVO continues to elevate member voice, ensuring it remains at the heart of policy developments that impact civil society.

PRESIDENT

As NCVO President, Baroness Delyth Morgan is a hugely respected and trusted champion of the voluntary sector. Over the last year she has provided insight and thoughtful advice on political and parliamentary moments - from our Spending Review submission to sector-wide challenges. She plays a vital role in amplifying the voice of charities in Parliament, from tabling her own debate on "the contribution of the community and voluntary sector" to speaking powerfully on social cohesion and the impact of policy changes, such as employer National Insurance Contributions, on frontline services. She has also facilitated key meetings, including with the Treasury Minister Lord Livermore, and is an active and influential member of the All Party Parliamentary Group (APPG). We are grateful for her ongoing support and commitment. >

CHARITY GOVERNANCE CODE

NCVO is a committed supporter of the Charity Governance Code which sets out standards for high performance in governance. We continue to play a major role in its development and, over the past year, supported a comprehensive review of the Code.

Our trustees have adopted the Code as a tool to identify areas for improvement. We last completed a full external governance review in 2021/22. Following best practice, we conducted a further review in early 2024. As we plan to develop a new organisational strategy, the board decided that a full external governance review will take place once the new strategy is in place, ensuring our governance fully supports our strategic priorities.

To maintain alignment with the Code and implement best practice in the meantime, the trustees opted for a light-touch governance review led by our in-house expert team, which was completed in early 2024. The areas of focus identified in the review were: subcommittees and advisory group structures, succession planning, membership processes and board meetings.

Additionally, we have undertaken a significant review of our membership criteria, process and Code of Conduct to ensure clear processes and consistent application.

DIVERSITY WITHIN THE BOARD OF TRUSTEES

The board considers the diversity of trustees to be a key priority and recognises the limitations of elective governance processes. The governance and nominations committee review the board's skills and diversity annually. They work to understand barriers to engagement and develop targeted recruitment initiatives.

Our trustees continue to be committed to demonstrating leadership in this area. They aim to encourage candidates from different backgrounds and experiences to put themselves forward for trustee roles.

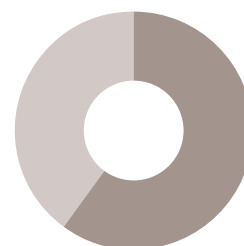
As of 31 March 2025, the demographics of our board are as follows:

- Seven females (70%) and three males.
- Six people (60%) identify as white and four people from the global majority.
- Two people (20%) identify as disabled.
- Four people (40%) identify as LGBTQ+.
- Three people (30%) are between 31 and 44 years old. The rest of the board are over 45.
- The board is made up of people from different religious backgrounds, including those with no religion.

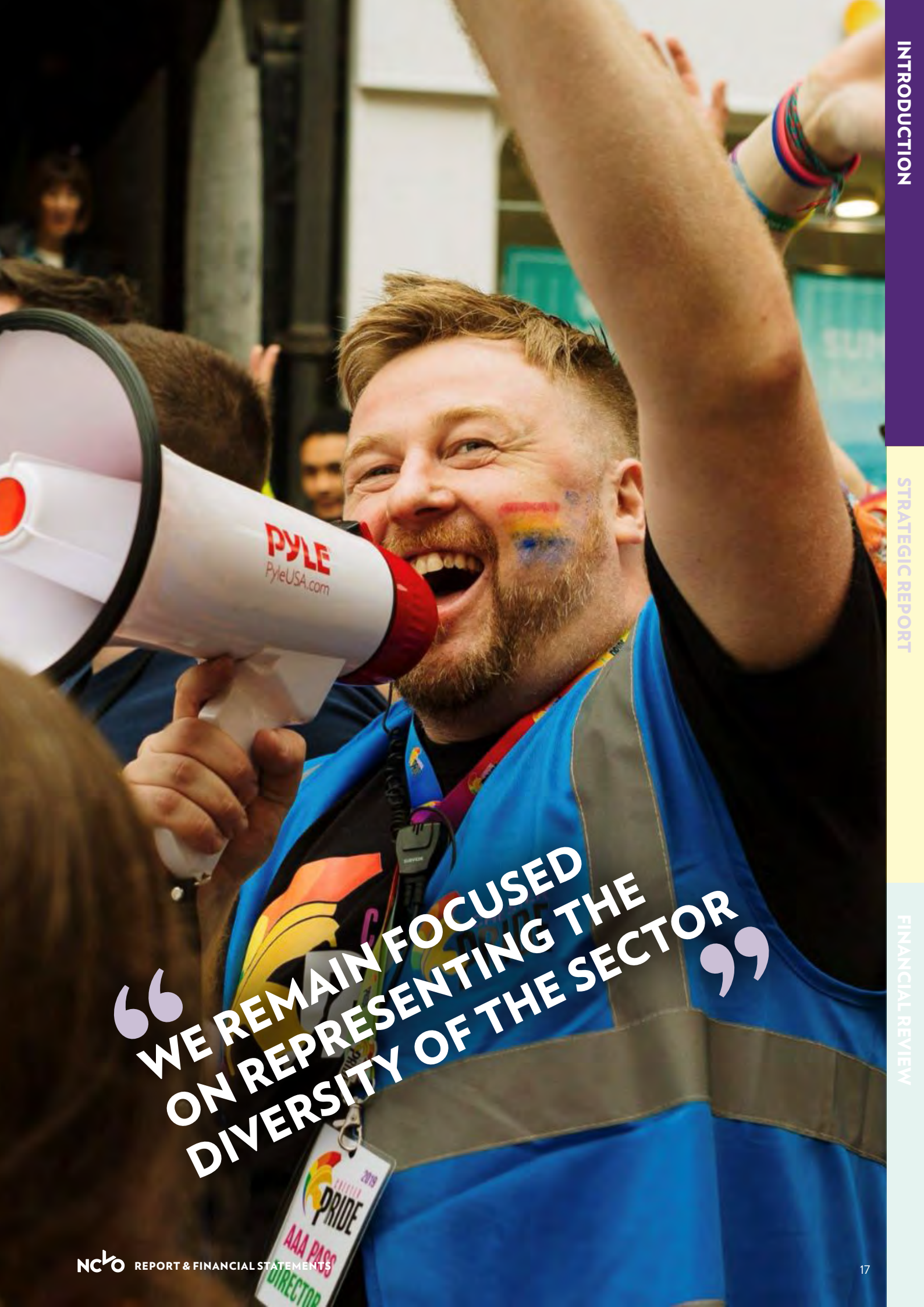
OUR TRUSTEES:



7 FEMALES
& 3 MALES



60% WHITE
40% GLOBAL
MAJORITY



“WE REMAIN FOCUSED
ON REPRESENTING THE
DIVERSITY OF THE SECTOR”

STRATEGIC REPORT

NCO REPORT & FINANCIAL STATEMENTS

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KEY ACHIEVEMENTS THIS YEAR

OUR STRATEGY

OBJECTIVES AND ACTIVITIES

NCVO champions and strengthens volunteering and civil society, with 17,025 members ranging from the smallest community organisations to the largest charities. There are tens of thousands of voluntary-sector organisations in the UK. There are millions of volunteers. Every day, people across the country give their time, energy and money to support communities.

For over 100 years, NCVO has stood shoulder to shoulder with communities, championing and celebrating voluntary action. We firmly believe that communities are strengthened by charities, so we help them thrive.

NCVO membership is made up of 17,025 voluntary organisations across England. From small, grassroots community groups and social enterprises, to large, national and global charities. We listen to members and provide knowledge, tools, and resources when it matters, so they can focus on delivering for people and communities.

PUBLIC BENEFIT STATEMENT

The trustees have paid due regard to the Charity Commission guidance on public benefit. The trustees are confident that NCVO's aims and activities – educating about, campaigning for and promoting the interests of civil society organisations – are in accordance with the regulations on public benefit.

We are in the last year of our 2021-2025 strategy that focuses on four goals and is underpinned by our four key values. >

GOALS:



SUPPORT



AMPLIFY



CONNECT



EVOLVE

VALUES:



OPEN



COLLABORATIVE



INCLUSIVE



AMBITIOUS

STRATEGIC PRIORITIES:

Our business plan for the year drew upon these goals and values and centred on six priorities to support members.

- 1 Shaping the future of the volunteering ecosystem
- 2 Investing in the power of small
- 3 Creating the best environment for voluntary organisations to flourish in the short and long-term
- 4 Strengthening our organisational culture
- 5 Enhancing our membership offer so it is regarded as essential to voluntary organisations
- 6 Ensuring NCVO is sustainable, efficient and effective ahead of our new strategy.

This summary highlights some of our key achievements against our six business plan priorities over the financial year.

SHAPING THE FUTURE OF THE VOLUNTEERING ECOSYSTEM

This year, we continued to play a central role in shaping the future of volunteering, building on the momentum of recent years and strengthening our influence within the sector.

A key component was the Vision for Volunteering work. This collaborative initiative has made significant progress since its launch, galvanising both government and voluntary organisations to take more ambitious and coordinated action to support and grow volunteering. 2024-2025 provided a moment to reflect on the impact so far and to identify the next steps to ensure the Vision continues to be a catalyst for long-term systemic change.

We were proud to support **The Big Help Out 2024**, which brought national attention to volunteering and encouraged widespread participation. We encouraged people to share their events on The Big Help Out platform and we were able to help smaller voluntary organisations get

involved, removing barriers and amplifying their contribution to this nationwide celebration of community action.

Volunteers' Week 2024 provided another opportunity to highlight the essential role volunteers play in society. Through campaigns and events, we celebrated their contributions, encouraged wider participation, and supported member organisations in recognising their volunteers.

Our involvement in the **Shaping the Future with Volunteering group** continued to ensure that NCVO remains at the forefront of thought leadership and collaboration within the sector. By working alongside partners, we contributed to a shared vision for the future that places volunteers and volunteering at the heart of community resilience and wellbeing.

In the lead-up to the general election, we championed a set of clear, evidence-based asks to ensure that volunteering remains a priority for policymakers in the next parliament. >

INVESTING IN THE POWER OF SMALL

The external environment is incredibly challenging for small voluntary organisations ('Smalls', which we define as having annual income under £1m).

While all voluntary organisations are experiencing growing pressure, the impact on Smalls is particularly acute.

Need is rising, costs are increasing and resources – such as income, staff and volunteers – are becoming scarcer. As inequalities deepen, demand on Smalls continues to grow, often without a corresponding increase in support or capacity.

Despite their significant contribution, they face structural barriers that limit their sustainability and effectiveness. The Power of Small project was launched to better understand these challenges, test practical solutions, and explore how funders, infrastructure bodies and policy makers can provide more effective support.

Over 11 months in 2024 and 2025, we engaged with over 600 small voluntary organisations, sector experts and funders. Using research, roundtables and pilot initiatives we aimed to develop practical recommendations for improving access to funding, advice and collaboration opportunities.

The Power of Small project was shaped by a joint vision for infrastructure developed by NCVO and the National Association for Voluntary and Community Action (NAVCA), ensuring that Smalls' voices and experiences informed every stage.

The project had two phases, a research phase and a testing phase from the research, the full report and key findings can be accessed [here](#).

To mark Small Charity Week 2024, NCVO ran a series of events offering practical advice to small charities. As well as this, we also created a wider public conversation about the vital role of small charities in strengthening their

communities across the country. The result was a mobilised voluntary sector that showed their support of small charities with #LoveYourSmallCharity reaching 1.1 million X (formerly Twitter) users.

CREATING THE BEST ENVIRONMENT FOR VOLUNTARY ORGANISATIONS TO FLOURISH IN THE SHORT AND LONG-TERM

In the run up to, and the period following, the 2024 General Election, NCVO made significant strides in developing key relationships with the new Government and provided significant leadership in resetting the relationship between Government and the voluntary sector through the development of the Civil Society Covenant.

Prior to the election, we published a manifesto, which we coproduced with our members and ACEVO, alongside practical campaigning guidance. We hosted the only national hustings dedicated to the voluntary sector (with 445 attendees) to interrogate the priorities of key political parties. Speakers included Conservative's Minister for Civil Society, Stuart Andrew, Green Party candidate for Easington, Stephen Ashfield, Labour's Shadow Minister for Civil Society, Lilian Greenwood, Lead of Clackmannanshire Council and SNP charities' spokesperson, Ellen Forson, Highland Liberal Democrat Westminster candidate for Lochaber, Skye and Wester Ross, Angus MacDonald.

In the first months after the General Election, we recruited new MPs to join the All-Party Parliamentary Group on Charities & Volunteering. We hope to build on these relationships to reflect into Parliament the concerns and challenges facing the charity sector.

After the election, we made key strides in engaging with the new ➤

Government, including meeting Secretary of State for Culture, Media & Sport, Lisa Nandy, and Minister for Sport, Media, Civil Society & Youth, Stephanie Peacock. These conversations led to us securing Government support for developing a new agreement between civil society and government to address a long period of declining trust and engagement, called the Civil Society Covenant.

Working closely with DCMS, we ran a significant engagement exercise to learn about the experiences and views of civil society, engaging with approximately 1000 organisations.

We also submitted a detailed written submission to the UK COVID-19 inquiry, reflecting on the lessons learned by the voluntary sector through the most challenging and turbulent periods of the COVID-19 pandemic. In our written evidence we set out our role in helping organisations respond to the pandemic and provided context about the state of the sector when the pandemic hit, for example, in terms of size and makeup of the sector and economic resilience. We highlighted that charities were key players during the crisis, both in supporting the national response directly, and by playing a valuable role in developing community resilience and social fabric to help people recover. We also explored the significant financial pressures that charities faced, including detailing falling income across all income categories; increased demand; and the fact that charities could not ‘mothball’ activity in the same way businesses could because communities needed them even more. Our response also reflected on the economic support for the VCSE sector provided by the then-Government and reflected on the key lessons that the sector has learned as a result of the pandemic.

STRENGTHENING OUR ORGANISATIONAL CULTURE

An audit of the NCVO brand was completed in early 2024, gathering feedback from members and staff to understand how the existing brand is perceived. The findings of this audit showed the need for a thorough review and refresh, to enhance our visibility, relevance and impact. Since September 2024, we have been working closely with a specialist design agency to explore and test different directions for this brand refresh work. As part of this, a ‘Creative Council’ – a group of experts from various sector organisations – has been established, as well as an internal steering group. These groups provide feedback at key points in the project as ideas and potential outcomes continue to be explored. As work progresses, in line with the development of our new organisational strategy, options will be thoroughly tested with members and other key stakeholders, to ensure our brand is fit for the future.

ENHANCING OUR MEMBERSHIP OFFER SO IT IS REGARDED AS ESSENTIAL TO VOLUNTARY ORGANISATIONS

We partnered with members and New Citizenship Project to review the benefits and opportunities of our membership programme. We engaged with hundreds of members to understand how we needed to develop our offer for a future-proofed, relevant membership offer. Recommendations included rooting membership in purpose; connecting and convening our members with each other, funders, government and others for greater support; supporting local charities and communities in our power as a national infrastructure; and tailoring our services for an easier customer journey through the support we offer. We led tests and piloted programmes that interrogated the impact of the recommendations ➤

and drew conclusions that will support NCVO's next long-term strategy for how NCVO will continue to support a growing, diverse and thriving membership for years to come.

Following the highly successful launch of the UK Civil Society Almanac, which remains one of NCVO's most recognised flagship products, we have continued to amplify its insights across the sector. The launch event drew over 250 attendees, generating 46 live questions, and sector-wide feedback confirms that it is being actively used to inform strategy, policy, and funding decisions. We have sustained momentum through tailored briefings, external presentations, and strategic discussions with sector partners and policymakers.

Our leadership of the NCVO Research Ethics Committee continues to ensure integrity and rigour in research practice. Between January and March, we reviewed 8-9 research studies, offering ethical oversight on participant welfare, data privacy, and methodological integrity. We also worked alongside the consultancy team, advising on client projects and aligning their work with NCVO's research ethics standards.

ENSURING NCVO IS SUSTAINABLE, EFFICIENT AND EFFECTIVE AHEAD OF OUR NEW STRATEGY

As we transition from one strategy to another our immediate focus this year has been operational resilience: reducing risk, building readiness and creating a strong springboard for our incoming CEO and strategic evolution.

Our primary goal was to create a stable foundation so we can be a continuously innovating future-ready organisation that empowers its people, inspires its members and leads the voluntary sector in transformation through the stories of our journey. We recruited a Strategic Review Lead to enable this work to happen.

Our newly formed Data and Insights Hub supported the transformation projects being planned for 2025/2026 and worked towards a CRM update. The team managing the Hub has expanded to include a Senior CRM and Data Governance Officer and Data and CRM Officer. Both roles will support the creation of a new centralised database with the capability to distribute held data to multiple systems within NCVO. They will also introduce new processes to clean and enhance the data we hold and an automation to remove data no longer required.

MEMBERSHIP

As government and civil society underwent yet more change in 2024/25, conditions for charities became increasingly challenging and our members felt the squeeze.

We welcomed over 1,400 voluntary organisations to membership, 89% of which were Small (under £1M) organisations joining for the member benefits that would build capacity and support their governance and daily operation. At welcome events across the year, new members told us they were struggling to recruit volunteers, diversify their income, win funding and support their workforce. 35% of new members told us that in the first year of their membership they planned to prioritise benefitting from our governance support and guidance.

20% of new members were referred to us by our local infrastructure members scattered across the country, and a further 17% joined on the recommendation of another NCVO member. However, membership growth has slowed due to the number of memberships lapsing (1,361). 225 member organisations closed and as pressure and demand increased for Small organisations, more than 600 members made the decision to reallocate the cost of membership.

Despite this, nearly 200 organisations came back to NCVO membership after a three year membership break. They returned, acknowledging the value of the shared network and opportunities for learning together. Furthermore, 16.6K organisations renewed their membership (92.4% retention), which was strongest amongst the largest organisations in our network. We expanded our member fees for high-income charities, whose financial contribution enables us to maintain such a generous offer of free membership to the smallest, most disadvantaged charities.

In member forums, community spaces and network meetings across the year, members worked to problem-solve together. We were proud to see experts from our largest member organisations volunteer their time to support the communications, fundraising and strategy work of our smallest organisations. As well as supporting members with information, help and guidance, training and consultancy, we connected them with each other, trusted suppliers, government, funders and more. We collaborated to make an impact as we responded to a new government and campaigned for greater support for the sector, together.

OUR YEAR IN NUMBERS



92.4% RETENTION RATE

UP FROM 90.4% IN 23/24

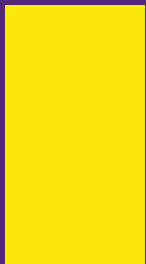


**COMMUNITY RETENTION
RATE 95.1%**

UP FROM 91.7% IN 23/24

**PAID RETENTION
RATE 86.9%**

DOWN FROM 87.9% IN 23/24



11,565
FREE



5,490
PAID

3,797 PARTICIPANTS
ENGAGED ACROSS 52
ENGAGEMENT OPPORTUNITIES –
IN-PERSON AND ONLINE (LOWER
THAN THE YEAR BEFORE)

**82% OF
PARTICIPANTS
SAID THEY LEARNT
SOMETHING THEY
CAN APPLY TO
THEIR ROLE OR
ORGANISATION**

**40% OF EVENTS
WERE MEMBER
ONLY (HIGHER
THAN THE
YEAR BEFORE)**



**75% OF
MEMBERS
OUTSIDE OF
LONDON**

17,025

MEMBERS AT YEAR END,
UP FROM 16,872 IN 23/24

WE HOSTED NINE COFFEE
BREAKS FOR COMMUNITY
MEMBERS ACROSS DIFFERENT
COMMUNITY TOPIC AREAS:
FUNDING AND FUNDRAISING,
STRATEGY AND
EVALUATION, HR,
PEOPLE MANAGEMENT
AND MARKETING AND
COMMUNICATIONS



TRAINING, CONSULTANCY AND MENTORING

Our training, consultancy and mentoring team has provided high quality, appropriate and cost-effective support on the issues which matter most to thousands of charities. We run our service as a social enterprise, enabling charities to make a bigger difference, whilst generating income and insight for NCVO.

TRAINING

Our training programme continues to grow, offering a wide range of courses on the most important topics facing charities. We are proud to be a trusted provider of high quality, expert led courses focused on the needs of the sector. Our training is delivered in four ways:

- **Open programme courses:** Live training online, attended by delegates from different organisations
- **In house:** Training delivered live online or in person specially for an organisation
- **Leading on Purpose:** Our leadership cohort, a programme of in person and online sessions
- **eLearning:** Self-guided digital learning

Our open training continues to grow, with over 4,500 attendees - a 6% increase from last year. We're proud that 88% of learners would recommend our training and reported improved knowledge.

We also delivered more in-house courses than ever before, running over 200 sessions, a 12% year-on-year increase. Repeat business from organisations like Groundwork and People's Health Trust has been particularly encouraging. Client feedback remains strong, with Inspire describing our service as a "flexible, responsive service that delivered quality training".

We have strengthened relationships with funders, networks, and organisations committed to sector development. Partners such as **Zurich Community Trust** and the **Premier League Charitable Fund** have renewed contracts, reflecting their confidence in our support for their organisations. We are delighted to have received funding from the **People's Postcode Lottery** to expand our eLearning offer. >



+12%

WE DELIVERED MORE IN-HOUSE COURSES THAN EVER BEFORE, RUNNING OVER 200 SESSIONS, A 12% INCREASE



In the second half of the year, we launched a leadership development programme based on our Vision for Charity Leaders, training over 100 leaders so far. The programme includes short online courses and our four-month Leading on Purpose cohort programme, helping leaders build the mindset and connections needed to lead effectively. Early feedback has been very positive:

“ **THE FACILITATOR HAD HIGH LEVELS OF KNOWLEDGE WHICH WAS SHARED WITH REAL CLARITY** ”

“ **I NOW FEEL LIKE I KNOW WHAT I NEED TO DO AND CAN BEGIN MY JOURNEY** ”

CASE STUDY ZURICH COMMUNITY TRUST

Zurich Community Trust (ZCT), the charitable arm of Zurich Insurance UK, supports over 48 charities through a range of services, including free training. While NCVO initially delivered in-house drop-in sessions for ZCT, it became clear that this format didn't work well for the diverse needs and busy schedules of the participating charities.

To address this, we developed a more flexible solution: ZCT-funded places on our open training programme. Charities could apply for any course that suited them, with ZCT covering the cost. This allowed us to offer a wider range of training options tailored to each organisation's needs.

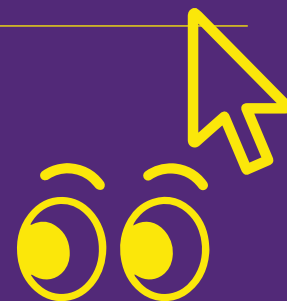
By the end of the initial contract in December 2024, we had delivered 65.5 days of training to 17 charities, with 80% saying they wouldn't have been able to attend without the funding. One charity shared:

**“ AS A SMALL CHARITY, WE
OFTEN CAN'T AFFORD TRAINING.
THE SUPPORT WE RECEIVED HAS
MADE A REAL DIFFERENCE, HELPING
US IMPROVE OUR SERVICES. ”**

Following this success, ZCT renewed and expanded the contract in January 2025, increasing training access for their charities. As of March 2025, 62 delegates have already booked onto our open programme.

WEBSITE, PRACTICAL SUPPORT AND RESOURCES

1 MILLION USERS

3.9 MILLION
VIEWS

26K

VIEWS OF
SMALL CHARITIES
SUPPORT PAGE**BEST PERFORMING
CAMPAIGN:**21K VIEWS OF THE
OPEN LETTER TO
THE CHANCELLOR
ON EMPLOYER
NATIONAL INSURANCE
CONTRIBUTIONS INCREASE**TOP THREE PUBLICLY
ACCESSIBLE PAGES
(EXCLUDING HOMEPAGE)
WERE:**

- 1 TRAINING AND EVENTS
- 2 FIND A VOLUNTEERING OPPORTUNITY
- 3 GENERAL ELECTION HUSTINGS

TOP INSIGHTS PAGES:

- 1 OPEN LETTER TO THE CHANCELLOR ABOUT EMPLOYER NATIONAL INSURANCE CONTRIBUTIONS
38,000 VIEWS
- 2 ROUNDUP OF THE BUDGET 2024 AND KEY IMPLICATIONS FOR CHARITIES
14,000 VIEWS
- 3 FUNDING CENTRAL HAS CLOSED
11,000 VIEWS

SUPPORTERS

Funders

We would like to thank;

City Bridge Trust. Their continued support has allowed us to deliver our annual webinar programme, produce and maintain our online tools and resources, keep our free helpdesk available and continue to build the small charities advisory panel's impact.

Our thanks extend to the **National Lottery Community Fund** for their support of the Power of Small Project. This project helped us better understand the support small charities need from infrastructure organisations.

We were delighted to receive an unrestricted grant from **Pears Foundation** which enables us to continue our support for the sector. We are continuously grateful to the **Players of People's Postcode Lottery** for their support in developing an e-learning platform which is an on-going and evolving project which we are excited to share with the sector.

Finally, thank you to **Lloyds Bank Foundation** for their continued support for Small Charity Week and other initiatives throughout the year.

CORPORATES

We'd like to thank all our Trusted Suppliers for their continued efforts to bring quality services and products to our members and the wider sector.

Special thanks to our partners **Zurich** and **Phoenix** for their contributions throughout the year across multiple channels. We'd like to highlight **Utility Aid** for their ongoing support of Small Charity Week. **Trustees Unlimited** and **Ibabs** for their contribution during Trustees' Week. **CharityJob** for supplying their workforce data for the UK Civil Society Almanac.

Thank you to **Withers** for their continued legal input and insight on our practical support webinars and **Stone King** for supporting our Governance Forums and **Zurich** for supporting the Road Ahead.

CONSULTANCY CLIENTS

We provided 833 days of in-depth consultancy support to over 100 organisations, helping to strengthen their governance, strategy, impact, leadership, and volunteer practices. We're deeply grateful to our clients for choosing to work with us, and to the funders who champion organisational development and entrust us with supporting their grantees.

833

WE PROVIDED
833 DAYS OF
IN-DEPTH
CONSULTANCY
SUPPORT TO
OVER 100
ORGANISATIONS

CASE STUDY INVICTUS GAMES FOUNDATION

In the last year we have focused our consultancy on four core areas:

STRATEGY AND IMPACT CONSULTANCY:

We guided organisations in defining their purpose, mission, values, business models, and supported them to evaluate their impact through tailored monitoring, evaluation and learning frameworks and data collection tools.

GOVERNANCE:

We worked with a diverse range of charities to deliver governance reviews and board evaluations, adapting our approach to provide tailored facilitation for smaller organisations. Additionally, we continued to support the ongoing development of the Charity Governance Code as it evolves toward its next iteration.

LEADERSHIP AND TRANSFORMATION CONSULTANCY:

We helped charities strengthen their leadership by developing decision-making frameworks, navigating organisational changes such as restructures and mergers, and enhancing service delivery.

VOLUNTEERING:

We supported a variety of charities in improving their volunteering strategies and practices to better engage and retain volunteers.

In addition to generating valuable income, the insights we gain from our consultancy work continually inform the development of member resources and shape our influencing priorities.

One of our largest consultancy projects this year was with the Invictus Games Foundation, where we collaborated to design a £1 million programme aimed at improving access to mental health support and treatment pathways for veterans and their families across the South West of England.

We engaged a wide range of stakeholders to reflect the diverse ecosystem supporting the armed forces community. Through this process, we helped the Foundation map the journey from their current position to their long-term goals, ultimately co-producing a comprehensive strategy document to guide the programme's delivery.

CLIENT TESTIMONIES

“

We've had the privilege of working with NCVO to develop our organisational Theory of Change and our Evaluation Framework to monitor progress across our strategy.

We've particularly appreciated their expertise in evaluation, their facilitation and listening skills and their flexibility in accommodating our needs.

This has been a true partnership built on trust, mutual understanding, and a shared vision of the social change we want to achieve by shifting power to young people and our funded organisations.

ASIMINA VERGOU
HEAD OF LEARNING AND IMPACT,
CO-OP FOUNDATION

“

We benefitted greatly from their expertise at both the longlisting and shortlisting stages. Our applicants also told us they appreciated the support to develop their proposals for their evaluation work – including those who didn't receive a grant.

Our grantees can now continue to benefit from NCVO's support through access to relevant training and one-to-one mentoring to support their work for the remainder of the grant and will gain skills and experience to support their work beyond our funding.

CLARE KILLEEN
GRANTS MANAGER,
PRUDENCE TRUST

“

The strategy development work we did with NCVO was central to how well our recent funding application went. To have such a clear vision and direction, and to be able to communicate it with such ease, passion and enthusiasm was key and we only got to this place with your help.

PRIYA SAHNI-NICHOLAS
CO-EXECUTIVE DIRECTOR,
THE EQUALITY TRUST

“

After listening very carefully to the dilemmas we were facing and what we hoped to get out of the process, the sessions were crafted in such a thoughtful and purposeful way - helping us to clarify our shared vision of change and bringing to light fresh insights about our organisation and our ways of working that we would be unlikely to have reached on our own. The consultant was also just a joy to work with!

**AMAL DE CHICKERA
& LAURA VAN WAAS**
CO-DIRECTORS OF THE INSTITUTE ON
STATELESSNESS AND INCLUSION

ENVIRONMENTAL IMPACT

Progress continues to be made in our efforts to become net zero within our own operations by 2030. Work has continued towards improving the efficiency of Society Building, externally the focus has been on the sector's relationship with Government and financial sustainability.

EXTERNAL SECTOR SUPPORT

NCVO's training team ran sessions on understanding environmental impact and creating a sustainable charity.

Our consultancy team have provided strategy and impact consultancy and training support for environmental charities, making them more effective and impactful in delivering their mission. For example, theory of change and MEL framework co-creation to Cheshire Wildlife Trust and training for the central Wildlife Trust team as well as RSPB campaigns team on strategy/theory of change. They are also currently working with the Co-op Foundation to mentor them to self-evaluate their £3.5m Carbon Innovation Fund (as well as their other two strategic funding programmes). Their role has been to sharpen their impact practice as a funder of environment-focused initiatives.

OTHER IMPROVEMENTS

As part of our routine operation, maintenance is regularly carried out, over the year of 2024/25 these included:

- Fitting timers to the megaflo hot water tanks, so they are operational in working hours only
- Cleaning and maintenance of the solar installation to ensure peak efficiency.

UPDATE ON PLANNED WORK 2024/2025

SUSTAINABILITY INITIATIVE PROGRESS REPORT

INITIATIVE	PROGRESS	NOTES
Further embedding environmental management system – with the aim of achieving the Green Mark level 2		In progress, working towards completion by end of Q3
Carrying out an organisational waste audit and encouraging staff to do so themselves at home via our Green Peas community		Not yet started
Carrying out follow-up travel surveys for staff and conference suite delegates		Not yet started
Investigating the feasibility of replacing existing HVAC with an air source heat pump system		Confirmed current system is air source, as part of the 10-year planned preventative maintenance plan the HVAC system lifespan would not require replacement until 2032.
Continuing to measure utilities usage to benchmark year on year		Ongoing, established process
Installing auto-stop taps in all toilets to aid with a decrease in water consumption		Completed
Making improvements to the external environment, bringing together Society Building users and enhancing the natural environment		With funding from The National Lottery Community Fund, NCVO and Wates Construction, along with volunteers from Lloyds Bank Foundation work to enhance the courtyard at Society Building was completed in June 24.
Review our digital carbon footprint and consider how we can reduce this further		Initial steps pending
Review building signage to ensure we are encouraging staff and customers to reduce waste and utilize heating and air conditioning efficiently		Waiting on branding review
Consider further how we measure our scope three up and downstream impact accurately and how we can take steps to reduce these areas		Initial steps pending
Investigating the possibility of reselling the backup generator as we move our data to the cloud		Under consideration, however IT still hosting onsite and need for alternative power supply for lifts to be investigated

OTHER MEASURES

Although outside the strict remit of environmental impact, looking at broader actions carried out within Society Building over the past year, with an aim to ensure that we are an inclusive and accessible venue for the sector we have:

- Upgraded the fire alarm to include visual beacons for those who are deaf or hard of hearing
- Commenced a programme of door widening to more meeting rooms, improving access to wheelchair users
- Modelled a period positive workplace with the installation of free period products
- Increased the percentage of lighting changed to LED from 80% to 85% as part of the relocation of NCVO staff from the 4th to 3rd floors, previously occupied by a tenant organisation.

PLANS FOR 2025/2026

The major project for this year will be the replacement of all external windows and doors at Society Building. It is a significant investment that will not only move us towards our Net Zero target due to the increased energy efficiency of modern windows but will improve our energy performance and contribute to Society Building becoming rated B in terms of our EPC, this would enable us to continue to rent office space post 2030.





**“TOGETHER WITH PARTNERS,
WE PUT VOLUNTEERING AT
THE HEART OF COMMUNITY
RESILIENCE AND WELLBEING.”**



FINANCIAL REVIEW

FINANCES

The year ending 31 March 2025 was another challenging year. We faced increasing demand, rising costs and pressures on raising income. This was the case for many charities. Income from our conferencing facilities has continued to recover. Our other income streams such as membership, training and consultancy have also grown.

INCOME

Our total income increased from £7.1m in 2023 to £9.5m in 2025. Income of £12.3m in 2024 included the receipt of funds of £5m from Charities Aid Foundation recognising an underpayment in the previous years of a contractual agreement. There are continuing discussions in relation to that contract moving forward so that we can support even more charities, in more ways.

We continue to generate income from a diverse range of sources:

- A significant source of income under **donations and legacies** is the £2m from Charities Aid Foundation (CAF). This represents a restoration of the value of annual contractual payments to pre-2020 levels.
- Income from **charitable activities** has reduced marginally to £4.2m in 2025 versus £4.5m in 2024. Within that membership income has increased by 18% but restricted grant income earned, for specific projects, is significantly less than in 2024 (by £741k).
- Income from **trading activities** has slightly increased year on year at £2.9m, with the team

managing Society Building working hard on renting space for conferences and longer-term tenants in an increasingly competitive market.

EXPENDITURE

Total expenditure increased from £8.1m in 2024 to £8.8m in 2025. Salaries and other staff related items represent 65% of those costs at £5.8m. Other costs include the costs of running Society Building, expenditure related to specific restricted projects, the delivery of training and consultancy, marketing, travel and legal fees.

FUNDS

Gains on investments in year of £339k increase **net income to just under £1m**, versus £4.4m in 2024 and £169k in 2023.

A small actuarial gain on the defined pension scheme of £88k (2024: actuarial loss of £1.4m) resulted in a net increase in funds of £1m (2024: net increase of £3m) and **total funds at the end of the year of £10.2m** (2024: £9.1m).

BALANCE SHEET

Fixed assets include Society Building at £3.6m under the historical cost convention, being the original cost plus the cost of subsequent building works less depreciation. In June 2013 the building was valued at £14.25m on a 15-year sale-and-leaseback basis. Anecdotal evidence suggests the value has increased since then.

At the end of the year there was an outstanding loan of £1m secured on the building. The loan was taken out in 2011 and has a 20-year maturity. There is a five-year break in April 2026. The loan can be renegotiated for a further renewable term of five years.

NCVO's defined benefit pension scheme was closed to future accrual on 31 March 2011. NCVO has been paying contributions under a deficit reduction plan agreed following the tri-annual valuation at 30 September 2022 which showed a deficit of £2.5m. The plan has an expected end date of 31 December 2029.

NCVO has agreed a revised deficit repayment plan with TPT Retirement Solutions (TPT);

TPT are the trustees of the scheme. The plan will see a rise in contribution by 3% per annum, plus annual scheme expenses.

Contributions in the year to 31 March 2025 were £0.4m (2024: £0.3m) plus scheme expenses.

The liability in respect of the defined pension scheme is recognised, as appropriate, on the balance sheet at the present value of the defined obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with Financial Reporting Standard 102 (FRS 102). This valuation at 31 March 2025 resulted in a balance of £1.6m (2024: £1.8m) due to the scheme ending the year in a deficit position.

FUTURE FINANCIAL PLANNING

The £5m received from Charities Aid Foundation in 2024, representing an underpayment from previous years, has enabled us to build back our reserves to above pre-pandemic levels. We also have designated funds for the development of the new strategy, an investment in digital/IT and the upkeep and necessary improvements to Society Building – which are being, and will be, used in the period 2024 – 2027.

We are continuing to work to grow our other income back to pre-pandemic levels so we can increase our support for our members and the sector.

We have a balanced budget in place for 2025/26.

POLICIES

INVESTMENTS

During the year to 31 March 2025, our investment portfolio was managed by UBS. Our investment policy aligns with our aim to be a sustainable and socially responsible organisation. Our investment objective is to provide long-term capital and income growth.

UBS do not exclude companies involved in fossil fuel production and distribution, they invest in the companies that score within the top 20% of the sector from an ESG perspective, these are seen as the best in class companies that are meaningfully investing in the energy transition required to meet the carbon neutrality goals that have been set for 2050.

UBS starts with a negative screen and then applies a positive screen. This allows them to actively select companies adopting best practice in areas such as:

- supply chain management
- waste and carbon management
- employee welfare
- corporate governance.

This approach aims to create a portfolio of companies actively focused on managing their businesses sustainably.

The portfolio performance is monitored quarterly by the Trustees and annually the finance and commercial committee reviews the performance of the portfolio, and assesses if the portfolio will meet future requirements.

RESERVES

The trustees have set a reserves policy that requires reserves to be maintained at a level which ensures that NCVO's core activity could continue during a period of unforeseen difficulty. A proportion of reserves must also be maintained in a readily realisable form.

The trustees assess the required level of reserves on an annual basis, alongside the operating budget. The assessment takes account of the market valuation of investments, income and expenditure risk within the budget, commitments to repay the loan secured on the building, and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

The reserves policy was reviewed by Trustees and updated in May 2025. It was agreed that Trustees' target is to keep this the balance of the general fund at four months of expenditure thus mitigating the risk of the charity not achieving its income target and being unable to operate.

Trustees agreed to transfer the surplus for 2025 £647k to increase the fund designated for 'Digital Investment' (Note 17). The balance of the general fund at £3.9m represents just under five months of expenditure (with reference to the next 12 months budget).

FUNDRAISING

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not raise funds from the general public, the legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. These amounts are presented in our accounts as 'donations and voluntary income'.

We confirm that all solicitations are managed internally and without involvement of commercial participators, professional fundraisers or third parties. The day-to-day management of all income generation is delegated to the executive team, which is accountable to the trustees. We are not required to be bound by any regulatory scheme and do not consider it necessary to comply with any voluntary code of practice.

We have not received any complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times. As we do not approach individuals for funds, we do not have particular policies on fundraising activities. We do not consider it necessary therefore to design specific procedures to monitor these activities.

STAFF PAY

REMUNERATION STATEMENT

NCVO's inquiry into charity senior executive pay provided guidance for trustees on setting remuneration for senior executives. It also recommended that all charities with independently audited accounts should:

- adopt a remuneration policy
- publish an annual statement explaining their charity's ethos and policy on remuneration
- explain how this impacts the delivery of their charitable purposes
- report the actual remuneration, roles and names of individual highest-paid staff, as defined by the charity.

The inquiry recommended that the charity's remuneration statement should be included within its trustee annual report, in addition to the remuneration disclosures that charities are required to include as a note to their accounts.

OUR APPROACH TO PAY NCVO

NCVO has around 85 staff. Salaries for the chief executive, chief operating officer and directors are set and reviewed annually by our People, Culture and Inclusion committee. This Committee includes specialists with significant pay expertise and knowledge, specifically of the charity sector.

All other staff salaries are set by the chief executive, chief operating officer and directors.

Salaries are arranged in organisation-wide pay grades. We use comparisons with charities of our size in London and take inflation, sector pay settlements and NCVO's financial position into account. Salaries are openly stated in job adverts.

We're ambitious for the voluntary sector. We believe in recruiting high-calibre people to represent its interests. We also believe in rewarding staff fairly for the jobs they do. We aim to foster a positive working environment and believe our salaries and terms and conditions reflect this.

NCVO is a London living-wage accredited employer. This means all our staff and contractors are paid at least the London Living Wage.

People are employed at NCVO on the basis of the specific skills and experiences that they bring to their particular role. For NCVO to run successfully, a large range of skills and disciplines are required. We need to pay people appropriately to ensure that we can recruit people with the right skills.

We also need to retain staff in a competitive market where their skills are readily transferable to other organisations, both in the voluntary sector and other sectors. This is particularly true given NCVO's crosscutting role. Our staff pay scales are set with these factors in mind.

CHIEF EXECUTIVE, CHIEF OPERATING OFFICER AND DIRECTOR'S PAY

NCVO has a unique position in representing the whole of the voluntary sector. Our chief executive, chief operating officer and directors require a breadth and depth of expertise. This requires drawing from the best senior level talent in a competitive market. They need to be able to command the respect of their peers among members through their experience and credibility. Members range from the smallest to the very largest charities. At the same time, we seek to keep salary costs within a reasonable range.

BENCHMARKING

Chief executive, chief operating officer, director and staff pay levels are reviewed annually.

We aim to benchmark our executive team salaries around the 25th centile: the lower end of larger national charities' pay levels, with a 7.5% tolerance. We believe this comparison with national charities reflects the nature of the skills that we need to recruit and retain.

Staff pay is reviewed by the chief executive, chief operating officer and directors. Pay is negotiated on behalf of staff by NCVO's recognised union, Unite. Our aim has been to pay at the 75th centile: the higher end compared with organisations of our size in terms of income and number of employees in the voluntary sector in London.

The same benefits apply to the chief executive, chief operating officer and directors as all other staff. This includes pensions and terms and conditions. We don't apply any form of performance related pay and we don't have a bonus scheme. We don't apply increments to staff salaries apart from one automatic increment after the first 12 months of service.

Each year the executive team participate in performance appraisals. These are part of the same feedback and appraisal scheme for all NCVO staff. We have complied with our published guidance for trustees on setting pay for senior staff in charities. In addition to the regulatory requirement to publish the number of employees in pay bands over £60,000 and to publish the total employee benefits received by key management personnel, we also publish the names, roles and remuneration of our executive team, along with an explanation of how we set salaries for these roles and other NCVO staff. These details are included in the trustees' report.

Total remuneration figures are salary plus pension contributions. The following information excludes employer's national insurance contributions (NIC) which are included in the information in note 7. The chief executive and the executive team are entitled to miscellaneous benefits, such as childcare vouchers, which have not been included here. These benefits are available to all NCVO staff.

PAY RATIO

The ratio of our highest salary (£137,384) to our median salary (£44,717) is 3:07. In 2024 the ratio was 2:8.

PAY AWARDS

In 2023/24, we agreed a pay rise of 6% for staff. This reflected cost of living indices at the time. We also compared salaries to market data and corrected salaries where they fell below our pay policy.

In 2024/25 we agreed a pay rise of 3% reflecting financial pressures felt across the sector and increase in employer National Insurance Contributions to 15%. We are actively recruiting to vacancies and investing in new roles. However, we remain cautious. The financial strain to our members will impact our income-generating streams.

For a detailed breakdown of this year's pay gap report – covering gender, ethnicity, sexual orientation and disability please visit our website.

The amounts paid to the executive team during 2024/25 were:

Name	Title	Annual Salary 2024/25 £	Pension contributions 2024/25 £	Total remuneration 2024/25 £	Total remuneration 2023/24 £
Sarah Elliott	Chief executive	130,000	7,384	137,384	129,255
Saskia Konynenburg	Director of voice and impact	81,798	4,646	86,444	83,684
Andrew Walkey	Director of services and partnerships	81,798	6,952	88,750	86,524
Kate Morris	Director of finance and commercial (from 13 January 2025)	22,132	1,264	23,396	0
Woosh Raza	Director of people and culture (until 27 September 2024)	64,490	2,442	66,932	86,432
Arati Patel	Director of finance (until 20 December 2024)	54,613	1,470	56,083	0
Laura Crandley	Chief operating officer (until 8 July 2024)	38,590	2,673	41,263	112,866

STRATEGIC PRIORITIES FOR THE YEAR AHEAD

We are about to embark on a new five-year strategy and at the time of writing that strategy is still being written. In place of the full strategic objectives these are the priorities that underpin our aims for the year ahead.

- 1) **Members and partners** – create a new stakeholder unit as part of the voice and impact team
- 2) **Business model** – ensure our services meet the needs of members and clients
- 3) **Sector and external** – members are more confident navigating the external environment and government sees NCVO as a strategic partner
- 4) **People and culture** – staff are ready and engaged to deliver the new strategy
- 5) **Tech and digital** – improve our data governance and systems so we can use data to inform decision making and automate processes
- 6) **Governance and corporate** – ensure we have governance which is the right size, quality and shape to deliver the new strategy.

RISKS AND UNCERTAINTIES

The risk register is a standing item on the agenda at each trustee board meeting. The Board have delegated risk management oversight to the Audit and Risk Committee (ARC) and it is reviewed quarterly by the executive team and the ARC.

Risks are considered in seven key areas:

1. Strategy, governance and management
2. Operational
3. Financial
4. Environmental and external
5. Legal and statutory
6. People
7. Reputation.

The first part considers risks for the sector. It uses a PESTLE analysis and assesses our role, alongside others, to support the sector to mitigate these risks. The main risks identified were:

- NCVO gets drawn into polarised dialogues and is seen as taking sides or not seen as relevant and/or campaigns may bring us into conflict with government
- the continued impact of increasing demand, rising

costs and falling funding together with challenges in the commissioning environment

- ensuring the sector is representative
- digital skills and expertise
- achieving net zero.

The second risk register considers the risks to NCVO as an organisation and how we mitigate these.

The main financial risks relate to sustaining and growing income streams and rebuilding our cash reserves. Key governance, operational, people and reputational risks include effective delivery of our new people and communications strategies. Breaches of data protection, cyber security or other legislation are other risks.

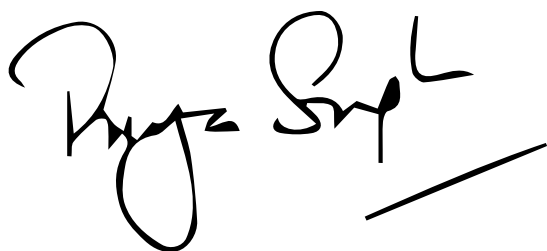
External and strategic risks include how we play our part in addressing climate change and harness the opportunities of AI while mitigating the risks.

The trustees are satisfied that all the risks in the register have been adequately assessed and that appropriate steps are taken to mitigate risk.

AUDITORS

So far as the trustees are aware, the company's auditors are aware of all relevant information. Each trustee has taken all appropriate steps to make themselves aware of any relevant audit information and to make sure the company's auditors are aware of that information.

Approved by the trustee board and signed on their behalf.

A handwritten signature in black ink, appearing to read 'Priya Singh', with a long horizontal stroke extending from the bottom right.

DR PRIYA SINGH
CHAIR

25 September 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

OPINION

We have audited the financial statements of National Council for Voluntary Organisations (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have

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

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

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' annual report. Our opinion on the financial statements does not cover the other information and companies audited under Companies Act 2006, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements the directors' report included within the trustees' annual 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the group and parent charitable company financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting

unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent charitable company and the sector in which they operate

to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research, application of cumulative audit knowledge and experience.

- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from Companies Act 2006, Charities Act 2011, Charities SORP and relevant employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes, review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a bias in the timing of recognition of income. We addressed this through review of all material incoming resources to ensure correct treatment under the Charities SORP, including consideration of the accounting period in which income should be recognised.
- We also identified potential for management bias in the allocation of support costs

against charitable activity categories. We addressed this through reviewing the method used for reasonableness, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.

- We also identified potential for management bias in the depreciation rate applied to tangible fixed assets, and we addressed this by considering the useful economic life applied for the types of asset held, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant 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. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud

involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

USE OF OUR REPORT

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



30 September 2025

ALASTAIR DUKE
(SENIOR STATUTORY
AUDITOR)

For and on behalf of PKF
Littlejohn LLP.
15 Westferry Circus,
Canary Wharf
Statutory Auditor
London E144HD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE GROUP

(INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025)

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total funds 2025 £'000	Total funds 2024 £'000
Income from:					
Donations and legacies	2	2,217	0	2,217	4,893
Charitable activities:	3				
Membership		1,885	0	1,885	1,594
Services and partnerships		1,997	284	2,281	2,922
Voice and Impact		12	61	73	17
Other trading activities	4	2,866	0	2,866	2,732
Investments	5	162	0	162	117
Total income		9,139	345	9,484	12,275
Expenditure on:					
Raising funds	6	1,829	0	1,829	1,610
Charitable expenditure:					
Services and partnerships		3,645	389	4,034	3,033
Voice and Impact		1,348	0	1,348	991
Membership		626	0	626	441
Transformation		850	150	1,000	0
Influencing & Engagement/ Digital & EDI		0	0	0	1,988
Total expenditure		8,298	539	8,837	8,063
Net income / (expenditure) before investment gains / (losses)		841	(194)	647	4,212
Net gains on investment	11	339	0	339	177
Net income/expenditure		1,180	(194)	986	4,389
Other recognised gains / (losses)					
Actuarial gain / (losses) on defined benefit scheme	19	88	0	88	(1,390)
Net movement in funds		1,268	(194)	1,074	2,999
Total funds at 1 April 2024		8,582	499	9,081	6,082
Total funds at 31 March 2025		9,850	305	10,155	9,081

The statement of financial activities (SOFA) includes all gains and losses recognised in the year. All activities are continuing. The accounting policies and pages 53 -76 form part of these financial statements.

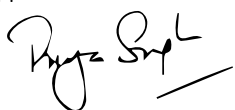
GROUP AND CHARITY BALANCE SHEET

AS AT 31ST MARCH 2025. COMPANY NUMBER: 198344

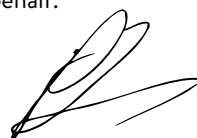
	Notes	Consolidated 2025 £'000	Consolidated 2024 £'000	NCVO 2025 £'000	NCVO 2024 £'000
Fixed assets					
Tangible fixed assets	9	4,536	4,601	4,536	4,601
Intangible fixed assets	10	9	12	9	12
Investments	11	3,403	3,171	3,403	3,171
		7,948	7,784	7,948	7,784
Current assets					
Debtors	12	931	5,507	819	6,184
Cash at bank and in hand		6,405	1,503	5,258	732
		7,336	7,010	6,077	6,916
Creditors: amounts falling due within one year	13	(2,523)	(2,718)	(2,423)	(2,624)
Net current assets		4,813	4,292	3,654	4,292
Total assets less current liabilities		12,761	12,076	11,602	12,076
Creditors: amounts falling due after one year	14	(1,016)	(1,164)	(1,016)	(1,164)
Net assets excluding pension liability		11,745	10,912	10,586	10,912
Defined benefit pension scheme liability	19	(1,590)	(1,831)	(1,590)	(1,831)
Net assets		10,155	9,081	8,996	9,081
Funds					
Restricted funds		305	499	305	499
Unrestricted funds					
Pension reserve		(1,590)	(1,831)	(1,590)	(1,831)
Designated funds		7,561	5,761	7,561	5,761
General funds		3,879	4,652	2,720	4,652
Total funds	16	10,155	9,081	8,996	9,081
NCVO net (expenditure)/income for the year				(85)	2,999

The accounting policies and notes on pages 53 - 76 form part of these financial statements.

Approved and authorised for issue by the trustee board and signed on their behalf:



Dr Priya Singh
Chair
25 September 2025



Philippe Lintern
Treasurer
25 September 2025

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			
Net cash provided by operating activities	18	5,110	239
Cash flows from investing activities			
Dividends and interest		162	117
Purchase of fixed assets		(248)	(190)
Proceeds from sale of investments		935	583
Purchase of investments		(793)	(575)
Net cash used by investing activities		56	(65)
Cash flows from financing activities			
Repayment of loan (capital and interest)		(230)	(259)
Net cash used by financing activities		(230)	(259)
Change in cash and cash equivalents in the year		4,936	(85)
Cash and cash equivalents at the beginning of the year		1,624	1,709
Cash and cash equivalents at the end of the year		6,560	1,624
Analysis of cash and cash equivalents			
Cash at bank and in hand		6,405	1,503
Cash held in investment portfolio	11	156	121
Total cash and cash equivalent		6,561	1,624

The accounting policies and notes on pages 53 - 76 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

Basis of preparation

NCVO, Regents Wharf, 8 All Saints St, London, N1 9RL

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments and in accordance with Financial Reporting Standard 102 (FRS 102) applicable in the United Kingdom and the Republic of Ireland, the Charities' Statement of Recommended Practice and the Companies Act 2006.

The financial statements are prepared on a going-concern basis. Having carefully considered the continued impact of the cost of living crisis on NCVO's future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the executive team, the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future, which is generally considered to be 12 months.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS102: no cash flow has been presented for the parent charity; disclosure in respect of the parent charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole.

a) Income

Legacies are recognised when the charity is advised by the personal representatives that payment will be made or property transferred

and the amount involved can be quantified unless there are specific conditions preventing receipt, such as life tenancy.

Income from donations and grants is credited to the SOFA when there is evidence of entitlement, receipt is probable and its amount can be measured reliably, unless it relates to a specific future period, in which case it is deferred.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the incoming resource is deferred.

Income from sales is included in the SOFA in the year in which the goods or service is supplied. Membership income is recognised in the year to which it relates.

b) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that reflect the charity's activities and aggregates all costs related to that activity. Costs are allocated across activities and projects based on judgements about the objectives and related outcomes of the activities and projects. Expenditure on which there is irrecoverable VAT is shown within each relevant cost category gross of VAT.

i) Raising funds

Costs of raising funds includes expenditure in relation to staff members who are directly

engaged in business development, the conference suite and the related costs.

ii) Charitable expenditure

- Charitable expenditure includes all expenditure directly related to the objects of the charity.
- Governance costs: These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are allocated to the categories of charitable expenditure on the basis of staff numbers.
- Support costs: Costs relating to support services are identified and a proportion allocated to the charitable activities and projects that NCVO undertakes. Support costs are allocated on the basis of staff numbers.
- Grant making: Costs of grant making are included within charitable expenditure in the year they are payable. Costs include grants made and support costs associated with the activity. Multi-year grant commitments are conditional on progress reviews to determine whether future funding is provided, and discretion is retained by the charity to terminate the grant. Where multi-year grant commitments exist, only expenditure relating to the current year's liability will be recognised.

iii) Other costs

Other costs directly relate to a specific activity or are support costs allocated on the basis of staff time, staff numbers or area,

as relevant.

c) Fund accounting

The charity maintains the following funds.

i) Restricted funds

Restricted funds represent grants, donations and legacies received, which the donor has provided for specified purposes.

ii) General unrestricted funds

These represent funds that are expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

iii) Designated funds

These represent unrestricted funds allocated by the trustees for particular purposes.

d) Tangible and intangible fixed assets

Tangible fixed assets are stated at cost less depreciation, which is provided in equal instalments over the estimated useful lives of the assets. No depreciation is charged on freehold land. We estimate that 55% of the original purchase price related to the land and 45% to the buildings. The rates of depreciation applied to other assets are as follows.

- Freehold building: 50 years
- CRM system: 5 years
- Other computer equipment: 3 years
- Fixtures and fittings: 10 years
- Plant and equipment: 20 years

Intangible fixed assets are stated at cost less amortisation, which is provided in equal instalments over the estimated useful life of the assets. The rate of amortisation is 5 years.

e) Investments

Quoted investments are valued at bid price and stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

f) Operating leases expenditure

Gross rentals paid are recognised as lease rental expenses. Rentals are charged to the SOFA, over the term of the lease.

g) Debtors

Debtors are recognised at the settlement amount due. Accrued income reflects amounts due but not received at the balance sheet date from funders and partners. Prepayments reflect costs paid at the balance sheet date that relate to future periods and are valued at the amount paid net of any discounts due.

h) Cash at bank and in hand

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

i) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any discounts due.

j) Employee benefits

i) Short-term benefits

Short-term benefits including holiday pay are recognised as an expense in the period in which the service was received.

ii) Post-retirement benefits

The charity operates two pension schemes.

- Defined contribution scheme: Staff are currently opted into a defined contribution scheme administered by Aviva. The assets in this scheme are held separately from the charity in an independent fund administered by Aviva. The pension cost charge represents the contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.
- Defined benefit scheme: NCVO's defined benefit scheme was closed to future accrual on 31 March 2011. The liability recognised on the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with FRS 102.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the SOFA each year.

The annual costs of the defined benefit plan are included in employee costs and allocated across the expenditure headings on the SOFA. These comprise the annual expenses of the scheme and the finance costs.

k) Consolidation

Consolidated financial statements have been prepared in respect of NCVO and its wholly owned subsidiary

NCVO Trading Limited. The results of the subsidiary have been consolidated on a line-by-line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. In accordance with section 408 of the Companies Act 2006, a separate SOFA for the charity has not been presented.

2. DONATIONS AND LEGACIES

	Unrestricted 2025 £'000	Restricted 2025 £'000	Total 2025 £'000	Total 2024 £'000
Donations through Charities Aid Foundation	1,974	0	1,974	4,866
Gifts in kind	0	0	0	21
Other donations and voluntary income	243	0	243	6
Total	2,217	0	2,217	4,893

3. CHARITABLE ACTIVITIES

2025	Membership subscriptions, conference delegate fees and charitable purpose contracts £'000	Unrestricted grants and sponsorships £'000	Restricted grants £'000	Total £'000
Membership subscriptions	1,885	0	0	1,885
Services and partnerships	1,906	91	284	2,281
Voice and impact	12	0	61	73
Networks and influencing	0	0	0	0
Total	3,803	91	345	4,239
2024	Membership subscriptions, conference delegate fees and charitable purpose contracts £'000	Unrestricted grants and sponsorships £'000	Restricted grants £'000	Total £'000
Membership subscriptions	1,594	0	0	1,594
Support and services	1,739	59	566	2,364
Marketing and communications	0	17	0	17
Networks and influencing	32	6	520	558
Total	3,365	82	1,086	4,533

3. CHARITABLE ACTIVITIES (CONTINUED) - GRANTS AND PROJECT INCOME

	Total funds 2025 £'000	Total funds 2024 £'000
Unrestricted		
Zurich Insurance – various	57	40
Phoenix - website	-	17
Microsoft Small Charities	17	0
Other unrestricted income under £15,000	17	25
Total unrestricted	91	82
Restricted		
Department for Culture, Media and Sport - Vision for Volunteering	0	370
National Lottery Community Fund – RC England Wide (Power of Small)	0	262
The People's Postcode Lottery- eLearning	100	200
Department for Culture, Media and Sport – Big Help Out	0	59
Department for Culture, Media and Sport - Time Well Spent	0	51
City Bridge Trust – Small charities	66	33
Lloyds Bank Foundation - Supporting small charities	0	25
National Lottery Community Fund – Awards for All	0	20
Sport England – Vision for Volunteering	0	20
Small Charities Coalition - Small Charities	0	13
Lloyds Bank Foundation - Policy	40	5
The People's Postcode Lottery - Small charities	40	0
Invictus Games - Small charities	39	0
Pears - Small charities	20	0
Fair Collective - Power of small	20	0
Various: Governance Code	20	0
Other	0	28
Total restricted	345	1,086
Total grants and project income	436	1,168

4. OTHER TRADING ACTIVITIES (ALL UNRESTRICTED)

	2025 £'000	2024 £'000
Conference suite hire	1,704	1,580
Rental Income	609	784
Quality Standards	18	27
Corporate Income	535	341
Total	2,866	2,732

5. INVESTMENTS (ALL UNRESTRICTED)

	2025 £'000	2024 £'000
Dividends and interest	162	117

6. EXPENDITURE

2025	Staff costs £'000	Premises costs £'000	Grant making £'000	Support costs £'000	Other expenses £'000	Governance costs £'000	Total £'000
Raising Funds	1,181	63	0	282	254	49	1,829
Charitable expenditure:							
Membership	473	21	0	94	22	16	626
Services and partnerships	2,754	115	45	517	502	101	4,034
Voice and Impact	897	42	0	188	189	32	1,348
Transformation	515	77	3	70	335	0	1,000
Total	5,820	318	48	1,151	1,302	198	8,837
2024	Staff costs £'000	Premises costs £'000	Grant making £'000	Support costs £'000	Other expenses £'000	Governance costs £'000	Total £'000
Raising Funds	890	46	0	139	514	21	1,610
Charitable expenditure:							
Membership	361	15	0	53	4	8	441
Services and partnerships	2,027	92	5	327	534	48	3,033
Voice and Impact	612	31	0	110	222	16	991
Influencing and engagement	1,319	126	65	224	221	33	1,988
Total	5,209	310	70	853	1,495	126	8,063

'Other expenses' include commissioning £0.3m (2024: £1m), equipment/IT £0.2m (2024: £0.2m) and office costs £0.1m (2024: £0.1m). Commissioning includes fees paid to associates and freelancers.

Support costs are made up of the following expenditure:

	2025 £'000	2024 £'000
Accommodation costs	384	329
Travel costs	15	21
Telephone, printing, postage and stationery	40	63
Equipment and IT costs	351	212
Professional fees and consultancy	250	226
Other overheads	111	2
Total	1,151	853

NOTE 6 EXPENDITURE (CONTINUED) - GRANTS AND PARTNERSHIP PAYMENTS

Grants and partnership payments were made to the following organisations during the year.

	Total funds 2025 £'000	Total funds 2024 £'000
Power of Small		
Steering group members	0	4
Local Trust	0	1
Fair Collective	20	0
	20	5
Big Help Out		
NAVCA	5	5
	5	5
Volunteers' Week		
Volunteer Development Scotland	0	2
	0	2
Vision for Volunteering		
Association for Volunteer Managers	1	8
Muslim Charities Forum	3	15
National Association of Voluntary Community Action NAVCA	2	12
Volunteering Matters	17	23
	23	58
Total grants and partnership fees paid	48	70

7. EMPLOYEES

	2025 £'000	2024 £'000
Wages and salaries	4,234	3,991
Social security	450	394
Pension costs	412	387
Redundancy and termination costs	0	55
Recruitment	196	72
Other including temporary staff and staff training	440	387
Total	5,732	5,286
The average number of employees (FTEs) during the year was:		
	2025 Number	2024 Number
Generating funds	11	13
Services and partnerships	29	30
Strategic communications and insight	11	10
Membership	5	5
Influencing and engagement	19	20
Total	75	78

The number of employees whose benefits were over £60,000 during the year (excluding employer pension contributions but including redundancy, termination and payments in lieu of notice) was:

	2025 Number	2024 Number
£60,000-£70,000	7	4
£70,000-£80,000	4	2
£80,000-£90,000	1	2
£90,000-£100,000	1	0
£100,000-£110,000	1	1
£110,000-£120,000	0	0
£120,000-£130,000	0	1
£130,000 - £140,000	1	0

Twelve of the above staff are members of the defined contribution pension scheme (2024: nine). None are currently paying contributions into the defined benefit scheme. The pension costs for these employees are £61,847 (2024: £51,640).

Overall, there were 9 termination payments totalling £104,000 (2023/24: £54,566 to four people).

8. NET INCOME FOR THE YEAR

This is stated after charging:	2025 £'000	2024 £'000
Auditor's remuneration		
audit fees	31	30
other services	0	2
Depreciation	313	306
Amortisation	3	3
Loss on disposal of fixed assets	0	0
Bank charges	15	13
Bank interest - on building loan	61	90
Trustees' expenses	3	1

No member of the trustee board received any remuneration during the year (2024: £nil). Expenses do not form part of remuneration and are separately disclosed below. Trustees believe that there are adequate systems in place to manage expenses and that all expenses were incurred in proper pursuit of NCVO's charitable objectives.

In response to the report of the Independent Group on Expenses set up by NCVO and Charity Finance Group to gather information and evidence on the disclosure of expenses by registered charities of England and Wales, published in February 2010, NCVO decided to adopt enhanced voluntary disclosure of trustees' and executives team expenses. Executive team expenses, together with total trustee expenses summarised in the following table. These were incurred in accordance with budget and reflect changed ways of working.

Travel and subsistence expenses reimbursed to 4 trustees in the period amounted to £635 (2024: £365 to trustees), with a further £2,553 (2024: £105) paid directly by NCVO for trustee costs.

Role	Subsistence £	UK Travel £	Entertaining & Networking £	Overseas Travel £	Other £	Total for 2025 £	Total for 2024 £
CEO	1,188	4,402	663	0	58	6,311	8,745
Finance & Commercial Director	0	0	0	0	5	5	0
Head of People Culture and Inclusion	225	494	69	0	53	841	2,062
Director of Transformation	0	265	0	0	0	265	0
Director of Services and Partnership	1,795	6,673	0	0	0	8,468	6,644
Director of Voice and Impact	2,161	9,929	0	0	97	12,187	8,194
Director of Influencing and Engagement	0	306	0	0	0	306	4,678
Total Executive Team Expenses	5,369	22,069	732	0	213	28,383	30,323
Trustee Expenses	0	635	2,334	0	220	3,189	470
Grand total	5,369	22,704	3,066	0	433	31,572	30,793

9. TANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Freehold land and buildings £'000	Plant and equipment £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
Cost					
At 1 April 2024	4,919	1,186	924	1,177	8,206
Additions	129	-	72	47	248
Disposals	-				-
At 31 March 2025	5,048	1,186	996	1,224	8,454
Depreciation					
At 1 April 2024	1,359	539	682	1,025	3,605
Charge for the year	67	59	158	29	313
Disposals					-
At 31 March 2025	1,426	598	840	1,054	3,918
Net book value					
At 31 March 2024	3,560	647	242	152	4,601
At 31 March 2025	3,622	588	156	170	4,536

Freehold and property are presented under the historical cost convention and are shown at original cost with an annual depreciation charge. We estimate that 55% of the cost of land and building related to land. In June 2013 the building was valued at £14.25m on a 15-year sale and leaseback basis.

10. INTANGIBLE FIXED ASSETS (GROUP AND CHARITY)

		Goodwill and total £'000
Cost		
At 1 April 2024		15
Additions		0
At 31 March 2025		15
Amortisation		
At 1 April 2024		3
Charge for the year		3
At 31 March 2025		6
Net book value		
At 31 March 2024		12
At 31 March 2025		9

The goodwill relates to the purchase of assets from the Foundation for Social Improvement in May 2023. The cost of £15k was mostly for purchase of learning management and training material relating to Small Charity Week.

11. INVESTMENTS (GROUP AND CHARITY)

	Listed £'000	Cash £'000	Total £'000
Market value			
At 1 April 2024	3,050	121	3,171
Purchase of Investments	793	(793)	0
Sale of Investments	(935)	935	0
Realised gains/losses	64	0	64
Unrealised investment gains/losses	275	0	275
Dividend income received	0	64	64
Dividend income transferred to Barclays	0	(149)	(149)
Investment management fees	0	(22)	(22)
At 31 March 2025	3,247	156	3,403

12. DEBTORS

	Consolidated 2025 £'000	Consolidated 2024 £'000	NCVO 2025 £'000	NCVO 2024 £'000
Debtors	699	755	514	532
Accrued income	154	4,625	76	4,573
Amount due from subsidiary	0	0	162	962
Prepayments	78	127	67	117
Total	931	5,507	819	6,184

Accrued income includes £64k of CAF income (2024: £4,126k), and £nil grant income (2024: £243k).

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated 2025 £'000	Consolidated 2024 £'000	NCVO 2025 £'000	NCVO 2024 £'000
Bank Loan (secured - see note 14)	169	169	169	169
Taxation and social security	151	168	109	125
Other creditors	358	514	344	491
Accrued expenditure	351	414	307	400
Deferred income	1,494	1,453	1,494	1,439
Total	2,523	2,718	2,423	2,624

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated 2025 £'000	Consolidated 2024 £'000	NCVO 2025 £'000	NCVO 2024 £'000
Membership deferred over one year	126	105	126	105
Bank loan (secured)	890	1,059	890	1,059
Total	1,016	1,164	1,016	1,164
Analysis of loan repayments:				
Within one year	169	169	169	169
Between one and two years	169	169	169	169
Between two and five years	721	890	721	890
Balance at 31 March	1,059	1,228	1,059	1,228

NCVO owns the freehold of the building it occupies at Society Building, All Saints Street, London N1 9RL. A loan was taken out with Barclays Bank to fund a building construction project on the same property, which was completed during 2012/13. The loan is secured by legal mortgage over the property. The loan is fully drawn for a total of £1.6m at a rate of 1.95% over the Bank of England base rate for a 20-year period with a five-year renewable term in April 2026.

RECONCILIATION OF DEFERRED INCOME 2024/25

	Brought forward £'000	Released into 2024/25 £'000	New deferred income £'000	Carry forward £'000
Deferred income	1,558	(173)	235	1,620
Being deferred income included in:				
Creditors: amounts falling due within one year	1,453	(173)	214	1,494
Creditors: amount falling due after more than one year	105	0	21	126
Total	1,558	(173)	235	1,620
Reconciliation of deferred income 2023/24				
	Brought forward £'000	Released into 2023/24 £'000	New deferred income £'000	Carry forward £'000
Deferred income	1,519	(536)	575	1,558
Being deferred income included in:				
Creditors: amounts falling due within one year	1,434	(536)	555	1,453
Creditors: amount falling due after more than one year	85	0	20	105
Total	1,519	(536)	575	1,558

15. CAPITAL AND LEASE COMMITMENTS

NCVO entered into an operating lease with Siemens in August 2022 for multi-functional devices, which provide photocopying, printing and document scanning facilities. Total minimum lease commitments as at 31 March were:

	2025 £'000	2024 £'000
Within one year	1	1
Two to five years	2	3
Total	3	4

As at 31st March 2025, NCVO has a capital commitment of £394,477 for the installation of windows for the Society Building at a total cost of £525,969. £131,492 has been expensed to date. The installation of the windows is due to be completed by October 2025.

16. ANALYSIS OF NET GROUP ASSETS

	Unrestricted general 2025 £'000	Unrestricted designated 2025 £'000	Restricted 2025 £'000	Total funds excluding pension fund 2025 £'000	Pension fund 2025 £'000	Total 2025 £'000
Tangible fixed assets	0	4,545	0	4,545	0	4,545
Investments	3,403	0	0	3,403	0	3,403
Net current assets (excluding loan)	603	3,905	305	4,813	0	4,813
Deferred membership due after more than one year	(126)	0	0	(126)	0	(126)
Pension fund	0	0	0	0	(1,590)	(1,590)
Loan	0	(890)	0	(890)	0	(890)
Total	3,880	7,560	305	11,745	(1,590)	10,155

NCVO's general reserves of £3.9m (2024: £4.7m) are made up of investments and net current assets.

	Unrestricted general 2024	Unrestricted designated 2024	Restricted 2024	Total funds excluding pension fund 2024	Pension fund 2024	Total 2024
Tangible fixed assets	0	4,613	0	4,613	0	4,613
Investments	3,171	0	0	3,171	0	3,171
Net current assets (excluding loan)	1,584	2,378	499	4,461	0	4,461
Deferred membership due after more than one year	(105)	0	0	(105)	0	(105)
Pension fund	0	0	0	0	(1,831)	(1,831)
Loan	0	(1,228)	0	(1,228)	0	(1,228)
Total	4,650	5,763	499	10,912	(1,831)	9,081

17. MOVEMENT IN GROUP FUNDS

Unrestricted and designated funds

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance 1 April 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Net losses / gains £'000	Balance 31 March 2025 £'000
Fixed Assets	3,383	0	0	1,153	0	4,536
Property maintenance	1,341	0	0	0	0	1,341
Strategy development and implementation	1,000	0	0	0	0	1,000
Digital investment	37	0	0	647	0	684
Designated funds	5,761	0	0	1,800	0	7,561
General funds	4,652	9,139	(8,298)	(1,954)	339	3,879
Pension reserves	(1,831)	0	(234)	387	88	(1,590)
Total	8,582	9,139	(8,532)	233	427	9,850
	Balance 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Net losses / gains £'000	Balance 31 March 2024 £'000
Fixed Assets	3,332	0	0	51	0	3,383
Property maintenance	28	0	0	1,313	0	1,341
Strategy development and implementation	0	0	0	1,000	0	1,000
Digital investment	37	0	(62)	62	0	37
Designated funds	3,397	0	(62)	2,426	0	5,761
General funds	3,053	11,189	(7,027)	(2,740)	177	4,652
Pension reserves	(627)	0	(128)	314	(1,390)	(1,831)
Total	5,823	11,189	(7,217)	0	(1,213)	8,582

Trustees have designated funds for specific pieces of work, including:

- Fixed assets: this fund represents the level of NCVO's reserves invested in fixed assets and is the net tangible fixed assets less loans outstanding (as the loans are used to part finance these acquisitions).
- Property maintenance: this fund is to support the maintenance of Society Building
- Strategy development and implementation: this fund is to support the development and implementation of a new strategy for NCVO from 2025/26.
- Digital investment: trustees have allocated funds from reserves for a number of digital projects, including the development of a new website and an online payment platform.

Restricted funds 2024/25

	1 April 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2025 £'000
Various: Governance Code	8	179	(172)	2	17
Betty Messenger Foundation: Helpdesk and practical support	42	0	0	0	42
The Climate Change Collaboration - Fuelling positive change campaign	2	0	0	0	2
Sheila McKechnie Foundation - Power and integrity	1	0	0	(1)	0
National Lottery Community Fund - Power of Small	217	0	(216)	(1)	0
The People's Postcode Lottery - eLearning	193	100	(60)	0	233
City Bridge Trust - Small Charities	10	66	(76)	0	0
Power and Integrity	7	0	(7)	0	0
Volunteer Now Enterprises Ltd/Volunteer Scotland/ Wales Council for Voluntary Action - Volunteers ' Week	8	0	(8)	0	0
Various: Public Trust	7	0	0	0	7
Leadership	3	0	0	0	3
CSIS Charity Fund: Working for a Charity bursaries	1	0	0	0	1
Total	499	345	(539)	0	305

Restricted funds 2023/24

	1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2024 £'000
Centre for Ageing Well: Age-friendly and inclusive volunteering	2	(2)	0	0	0
Various: Governance Code	8	0	0	0	8
Betty Messenger Foundation: Helpdesk and practical support	192	0	(150)	0	42
Garfield Weston: Small charities	12	0	(12)	0	0
The Climate Change Collaboration - Fuelling positive change campaign	26	0	(24)	0	2
Sheila McKechnie Foundation - Power and integrity	8	0	(7)	0	1
Department for Culture, Media and Sport - Vision for Volunteering	0	370	(370)	0	0
National Lottery Community Fund - Power of Small	0	262	(45)	0	217
The People's Postcode Lottery - eLearning	0	200	(7)	0	193
Department for Culture, Media and Sport - The Big Help Out	0	59	(59)	0	0
Department for Culture, Media and Sport - Time Well Spent	0	51	(51)	0	0
City Bridge Trust - Small Charities	0	33	(23)	0	10
Lloyds Bank Foundation - Small Charities Week	0	25	(25)	0	0
National Lottery Community Fund - Awards for All	0	20	(20)	0	0
Sports England - Vision for Volunteering	0	20	(20)	0	0
Power and Integrity	0	15	(8)	0	7
Volunteer Now Enterprises Ltd/ Volunteer Scotland/Wales Council for Voluntary Action - Volunteers ' Week	0	15	(7)	0	8
Small Charities Coalition	0	13	(13)	0	0
Lloyds Bank Foundation - Policy	0	5	(5)	0	0
Various: Public Trust	7	0	0	0	7
Leadership	3	0	0	0	3
CSIS Charity Fund: Working for a Charity bursaries	1	0	0	0	1
Total	259	1,086	(846)	0	499

Other funds – agency

NCVO also manages other charitable funds on behalf of the trusts listed below through its investment managers, UBS.

- **The Leach Trust:** To pay the income and/or capital of the trust to such charities or for such charitable purposes as the settlor may from time to time direct.
- **The Montefiore Institute:** The Permanent Trustee shall hold the trust premises upon trust to permit the same to be used for the purposes of physical and mental recreation and social moral and intellectual development through the medium of reading and recreation room library lectures classes recreations entertainments or otherwise as may be found expedient for the benefit of the inhabitants of the Worth Ward of the Parish of Worth in the County of Sussex and its immediate vicinity without distinction of sex or of political or other opinions subject to the provisions of these premises.

18. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £'000	2024 £'000
Net income for the year	985	4,389
Adjustments for:		
Depreciation	313	306
Amortisation	3	3
Loss on disposal of fixed assets	0	0
(Gain) / loss on investments	(339)	(177)
Dividends and interest from investments	(162)	(117)
Interest on bank loan	61	90
Non-cash difference between defined benefit pension contributions paid and amount charged to SOFA	16	(186)
(Increase) / (Decrease) in debtors	4,576	(4,378)
(Increase) / (Decrease) in creditors	(343)	309
Net cash provided by operating activities	5,110	239

19. POST-EMPLOYMENT BENEFITS

The charity operates two pension schemes, a defined contribution pension scheme for employees and a defined benefits pension scheme (the assets of which are held separately from the charity), which was closed on 31 March 2011.

a) Pension costs charge in the year

The amount of pensions costs charged within employee costs on the SOFA is as follows:

	Note	2025 £'000	2024 £'000
Defined contribution scheme costs		178	259
Defined benefit scheme expenses		150	103
Defined benefit scheme interest cost		84	25
Total cost	7	412	387

b) Defined benefit scheme

The employer operates a defined benefit scheme in the UK which is closed to new entrants and future accrual. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was completed as at 30 September 2022 and the results of this have been updated to 31 March 2024 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The actuarial valuation as at 30 September 2022 showed a deficit of £2,494,000. The employer has agreed with the trustees that it will aim to eliminate the deficit by 31 December 2029 by the payment of annual contributions of £216,300 per annum (payable monthly) increasing by 3% at every subsequent 1 April. In addition the employer has agreed with the Trustee that it will pay contributions in respect of the expenses of running the Scheme of £90,850 per annum up to 31 March 2024 and £82,000 per annum thereafter.

Assumptions

	2025 %	2024 %
Rate of increase in salaries	3.00	3.00
Rate of increase in pensions in payment	2.83	2.83
Discount rate	5.80	4.89
Inflation assumption (CPI)	2.91	2.91

The mortality assumptions adopted at 31 March 2025 imply the following life expectations:

	2025 Years
Male retiring in 2024	22.0
Female retiring in 2024	24.4
Male retiring in 2044	23.6
Female retiring in 2044	25.8

Present values of defined benefit obligation, fair value of assets and defined benefit liability.

	2025 £'000	2024 £'000
Fair value of plan assets	19,004	20,752
Present value of defined benefit obligation	(20,594)	(22,583)
Deficit in scheme and liability recognised	(1,590)	(1,831)

Reconciliation of opening and closing balances of the defined benefit obligation.

	2025 £'000	2024 £'000
Defined benefit obligation at start of period	22,583	22,518
Interest expenses	1,082	1,075
Benefits paid and expenses	(918)	(900)
Actuarial loss on changes in financial and demographic assumptions	(2,174)	(236)
Experience gain on liabilities	21	126
Total	20,594	22,583

Reconciliation of opening and closing balances of the fair value of scheme assets.

	2025 £'000	2024 £'000
Fair value of scheme assets at start of period	20,752	21,891
Interest income	998	1,050
Expenses	(150)	(103)
Return on assets excluding interest income	(2,065)	(1,500)
Contributions by the employer	387	314
Benefits paid and expenses	(918)	(900)
Total	19,004	20,752

Actuarial loss recognised in the SOFA	2025 £'000	2024 £'000
Loss on scheme assets	(2,065)	(1,500)
Experience loss arising on the scheme liabilities	(21)	(126)
Gain as a result of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities	2,174	236
Gain from the change in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	0	0
Total actuarial gain / (loss) recognised in SOFA	88	(1,390)

Scheme assets	2025 £'000	2024 £'000
Equity type assets	1,223	1,358
Bonds	9,972	11,743
Property	1,547	1,615
Other	6,262	6,036
Total assets	19,004	20,752

20. CONTINGENT LIABILITIES

The charity was notified by the trustee of the charity's defined benefit pension scheme of a possible liability that existed at 31 March 2025. This relates to potential further benefits payable to members of the scheme derived from the way benefits have been changed and how the scheme's rules are interpreted. As is normal practice in these circumstances, the pension scheme trustee is seeking clarification through the courts to confirm if and when the impact of changes would have created additional benefits payable. An estimation of the liability, should it be payable, is in the region of £4.2million. It is expected that we should have greater clarity on anticipated/estimated liabilities by the end of the calendar year.

21. TAXATION

NCVO is a registered charity and as such is not liable to tax on its income and gains that meet the tax exemptions. The charity's trading subsidiary, NCVO Trading Limited, is liable to tax on any profits not paid to the charity under deed of covenant.

22. RELATED PARTIES

The charity owns 100% of the issued share capital in NCVO Trading Limited. The results of the trading company are shown in note 23 to the accounts.

As stated in the CAF Trust Deed, the chair of NCVO occupies one trustee position on the board of the CAF. This position is currently filled by Dr Priya Singh.

Some trustees work for organisations which are members of NCVO or use their services. These transactions all take place at arm's length.

23. SUBSIDIARY AND PARENT COMPANY RESULTS

The charity owns 100% of the issued share capital in NCVO Trading Limited. The company made a profit of £1,182,000 for the year ended 31 March 2025 (2024: £1,129,000). The investment at cost is £1.

Summary profit and loss account	2025 £'000	2024 £'000
Turnover	2,169	2,032
(Cost of sales)	(937)	(850)
Gross profit	1,232	1,182
(Expenditure)	(50)	(52)
(Net profit from operations)	1,182	1,130
Payable to NCVO under deed of covenant	(1,182)	(1,130)
Summary balance sheet		
Debtors	275	285
Cash at bank and in-hand	1,146	771
	1,421	1,056
Creditors: amounts falling due within one year	(1,421)	(1,056)
Creditors: amounts falling due after one year	0	0
Net assets	0	0

24. CONTINGENT ASSETS

There is a disagreement between NCVO and another organisation in respect of a long-standing contract between them. NCVO believes that the resolution of that dispute is likely to result in payments of sums that are material to NCVO, however NCVO is not in a position yet to estimate reliably the amount of such sums or the timing of their payment to NCVO.



CHAMPIONING
VOLUNTARY
ACTION

Society Building
8 All Saints Street
London N1 9RL

020 7713 6161

ncvo@ncvo.org.uk

ncvo.org.uk

Company number: 198344
Charity number: 225922

THE NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

England & Wales - Charity number 225922

Accounts

FOR THE YEAR ENDED 31 MARCH 2024

FOR THE YEAR ENDED 31 MARCH 2024

CHAMPIONING
VOLUNTARY
ACTION

NCVO

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PRESIDENT

Baroness Delyth Morgan

NCVO TRUSTEE BOARD HONORARY OFFICERS

Chair: **Dr Priya Singh**

Vice chair: **Emily Agius**

Honorary treasurer: **Paul Breckell**

SENIOR INDEPENDENT TRUSTEE

Dr Sarabajaya Kumar

TRUSTEES

Paul Buchanan. Resigned 16 October 2023

Georgina Carr

Red Godfrey-Sagoo

Brian Seaton. Appointed 16 October 2023

Chris Sherwood

Angela Spence

Dan Sutch

Ayesha Tariq. Appointed 16 October 2023

Sheila Taylor. Resigned 16 October 2023

Ingrid Tennessee. Resigned 15 October 2023

NCVO TRADING LIMITED DIRECTORS

Laura Crandley. Resigned 8 July 2024

Saskia Konynenburg

Sarah Vibert

Andrew Walkey

AUDIT AND RISK COMMITTEE TRUSTEES

Paul Breckell

Dr Sarabajaya Kumar

INDEPENDENTS

John Greenwood. Appointed 13 June 2024

Kalwant Grewal. Resigned 6 February 2024

Anne Heal

Frankie Smith

Kafui Tay (chair)

FINANCE AND COMMERCIAL COMMITTEE TRUSTEES

Paul Breckell (chair)

Paul Buchanan. Resigned 16 October 2023

Chris Sherwood. Appointed 16 October 2023

Dan Sutch

INDEPENDENTS

Dominic Fox

Stella Neophytou

Dani Salvadori

GOVERNANCE AND NOMINATIONS COMMITTEE TRUSTEES

Emily Agius (chair)

Dr Priya Singh

INDEPENDENTS

Karmen Bennett

Crewenna Dymond. Resigned 17 July 2024

Tommy Hyun

Nick Linfoot. Appointed 18 July 2024

Debbie Raven

PEOPLE, CULTURE AND INCLUSION COMMITTEE TRUSTEES

Georgina Carr (chair from 1 April 2024). Appointed 1 April 2024

Red Godfrey-Sagoo

Angela Spence (chair until 31 March 2024). Resigned 31 March 2024

Ingrid Tennessee. Resigned 15 October 2023

INDEPENDENTS

Amanda Arrowsmith

Fiona Evans. Appointed 20 June 2024

Edith Galliers

Dee Jas. Appointed 20 June 2024

Chris Wade. Resigned 8 May 2024

CHIEF EXECUTIVE

Sarah Vibert

EXECUTIVE TEAM

Laura Crandley (chief operating officer). Resigned 8 July 2024

Alex Farrow (director of influencing and engagement). Resigned 28 May 2024

Saskia Konynenburg (director of strategic communications and insight)

Woosh Raza (director of people, culture and inclusion)

Andrew Walkey (director of services and partnerships)

Arati Patel (interim finance director). Appointed 25 July 2024

COMPANY SECRETARY

Laura Crandley. Resigned 8 July 2024

Arati Patel. Appointed 25 July 2024

AUDITORS

PKF Littlejohn LLP, 15 Westferry Circus, Canary Wharf, London E14 4HD

BANKERS

Barclays Bank Plc

INVESTMENT MANAGERS

UBS

Registered office and operational address: Society Building, 8 All Saints Street, London N1 9RL

Registered charity number: 225922

Company registration number: 198344

INTRODUCTION



INTRODUCTION FROM OUR CHAIR, PRIYA SINGH

WELCOME TO NCVO'S ANNUAL REPORT FOR 2023/24

It's fair to say the impact and pace of change in the last few years cannot be understated.

From the devastating impact of the COVID pandemic to soaring inflation and the cost of living crisis, from war in both Europe and the middle east to the divisive nature of political culture wars. As a sector we've had to be quick to respond to the emerging needs of our communities, at a time when organisations have themselves been recovering from depleted reserves, facing rising costs and tackling challenging operating environments.

Resources are finite, and the challenges we face continue to evolve, but this has been another year where the charity and voluntary sector has stepped up and stepped in to support those who need it most. And while some days doing so felt almost impossible, charity leaders, staff and volunteers have shown resilience, dedication and unwavering commitment to the people and communities they serve.

In the past year, charities across the country continued to feel financially squeezed, and as a sector we've felt a

continuous bounce from one crisis to another. When we spoke to members, they described a battle between steadying the ship and preparing for the future. Our data reflected the sector's challenges – with many members not renewing as they simply don't exist anymore. Despite this, our efforts to understand and support charities proved impactful and saw us record our largest month of membership acquisition in three years.

We have had significant cut through on the issues that matter most to our members this year. Whether it was mobilising over 1,400 charities to sign an open letter to the chancellor calling for urgent support with underfunded contracts and grants to advocating for high street banks to improve their services for voluntary organisations, NCVO ensured that the collective voice of its members was heard, and I'm proud of the work everyone delivered. >



HELPING CHARITIES THROUGH ANOTHER DIFFICULT WINTER

The impact of the cost of living crisis continues to place immense pressure on people and organisations. Charities have reported higher and more complex demand against a back drop of ever-increasing financial pressures.

In September 2023, we took action and surveyed charities to better understand the challenge. The data revealed the true scale of their financial and operational difficulties. A staggering 85% of charities predicted winter 2023 would be as tough, or even tougher, than in 2022. As many as 27% believed they wouldn't be able to meet the increasing demand for their services.

While public understanding of the challenges the cost of living crisis posed for families was high, recognition of how this affected charities was lower. Our Cost of Giving Crisis campaign helped change this. We raised the voice of charities, shared the scale of the challenge and the risk to communities if

action wasn't taken. At the same time, we offered reassurance and support to voluntary organisations on the frontline as well as practical support and guidance on how to stay operating.

CELEBRATING THE CONTINUED IMPACT OF SMALL CHARITIES

We know small charities are the backbone of our country, and this year they needed help more than ever.

The Small Charities Coalition and Foundation for Social Improvement, the two main infrastructure bodies specifically for small charities, both closed in 2022. This reaffirmed the need for NCVO to provide greater small charity support which make up 90% of NCVO's membership.

Our helpdesk dealt with more than 4,000 enquiries, hosted more than 1,100 attendees of our practical >

support webinars, and every day many accessed our wide range of regularly updated online resources and guidance. Small Charity Week 2023 was also a huge success. Over 1,000 charities joined our call in a letter to the Prime Minister for greater recognition of small charities and co-created a diverse range of events and webinars to support small charities to build and grow their skills. We will continue to work hard so that small charities have what they need to thrive.

PREPARING THE SECTOR FOR AN ELECTION

As a general election, and local elections drew nearer, advocating for members in the political sphere was another major priority this year.

In January, it was positive to hear Sir Keir Starmer, then Leader of the Opposition and now Prime Minister, commit to resetting the relationship between charities and the government at the Civil Society Summit. Our efforts of building collaboration and partnership with the opposition party have proved successful, with the new Secretary of State for the Department for Media Culture and Sport (DCMS), the Rt Hon Lisa Nandy MP, arranging a meeting with NCVO just three weeks after the general election, reiterating that charities will be vital partners in achieving the new government's missions.

We also helped support charities by helping defend their right to campaign, when pressures from increasing culture

wars threatened to silence them. We know that real change can only happen when the voices of charities are heard, people are held accountable, and injustices and inequalities can be called out. It was vital to reiterate the Charity Commission position; that, within the rules, campaigning is a fundamental part of the sector's work.

On behalf of the board, I would like to thank the whole NCVO team for their work supporting members and amplifying their voice through uncertain times.

I am immensely proud of the work our staff do every day to live our values, connect and amplify our members, and demonstrate the behaviours needed to build a stronger tomorrow.

It is members that make NCVO what we are. Their tireless efforts, collaboration and dedication to their communities is why the voluntary sector is so important and inspiring.





FROM OUR CHIEF EXECUTIVE, SARAH ELLIOTT

The last few years have been tough for charities and voluntary organisations.

We've spoken to charities across the country, and heard countless stories of burnout, lack of funding, complex operating environments and rising costs of delivering services. The recent economic, social, political and technological landscapes have felt both fast paced, and unstable.

This year has been no different – and if anything, the hardest of them all. We lost a number of important charities to closure, many merged, and some feel like they are just holding on. But, after a period of unprecedented change and challenge, there are signs that we can now look forward to new and exciting opportunities on the horizon. I know that, together, our sector has the strength, resilience and boundless energy to seize the opportunities ahead.

Despite the twists and turns of the last year, our members, and organisations from across the sector, have managed to maintain their steely resilience. Where they have experienced difficulty, they have continued to innovate. Where they see obstacles, they have continued to be creative. The passion and dedication of leaders, staff and volunteers has meant, sometimes against the odds, that charities have continued to deliver incredible services, over and above expectations, for the people and communities they support.

In this next year, our responsibility at NCVO is to make sure that our almost 17,000 strong community gets the tools, support and champion they need to build back for the future.

Our members have been making use of our resources, attending training, calling our helpdesk, and have come together to share knowledge and experience at our events. This year, we will continue to build our community, and continue to provide them with the very best support we can.



SMALL CHARITIES
MAKE UP OVER
90% OF THE NCVO
MEMBERSHIP
COMMUNITY

THE YEAR AHEAD FORGING NEW RELATIONSHIPS

The next year will be a pivotal year of change for our sector. It is a crucial moment to ensure the voices of charities, and the people and communities they serve, continue to be heard. With a new government comes new ideas and new ways of working, and there is a real opportunity for all of us to have greater impact in how the policies they create will support those who need it most.

This year, and beyond, NCVO will continue to support members of all sizes, from all sectors, as we seek to redefine and shape the relationship government has with our sector. We will not only influence on the issues that matter >

most, but our work to develop a new covenant will redefine the principles of collaboration and partnership between charities and government.

Since the election, we have already made good progress to reset the relationship with the government, and we thank them for their ongoing commitment to working in partnership with the sector.

RESHAPING OUR FUTURE

It's an exciting time for NCVO. This year marks the last of our current strategy. The development of our new strategy will be an opportunity to consolidate and take stock of how far we've come over the last few years in becoming more member focussed and relational in our approach, more collaborative and inclusive in how we work with others.

I am proud of what we have achieved under the set of goals laid out in 2021. As we consider what the next five years look like I want us to increase our ambition, and experiment with fresh and innovative ideas to ensure the sector is strong and sustainable for years to come.

We need to make sure that our organisation is also strong for the future. Part of this includes reviewing and refreshing who we are as an organisation. Our teams have been working hard to understand how our brand is perceived, and what value membership of NCVO brings to them. The outcomes of this listening and learning exercise will see us take steps to evolve and elevate our offer to the sector.

The coming year is also chance to be bold about the ways we tackle ongoing issues such as inequality, fundraising and the climate crisis. Meeting the challenges of the modern age is no small task but we are more determined than ever to ensure that we meet these challenges head on and support the sector to do the same.

WORKING TOGETHER FOR BETTER

In the years ahead, it's going to be more important than ever that our sector comes together as one. While each organisation has its own goals, missions and objectives, what connects us all is an unwavering passion to create a better society – one that is more open, inclusive, accessible and equal for all.

In the coming year it is important that we create opportunities to bring our sector together.

To learn from each other, share, collaborate and find new ways to partner and collaborate with each other. In our role as a membership organisation for the sector, we have the chance to listen and learn from the sector to identify the systems which need to be changed, and begin to provide clarity and leadership to ensure those collective needs are addressed. This could be anything from volunteering platforms to government procurement.

In addition, ensuring our sector comes together to share its collective experience, and by bringing the outside in to our thinking, will give us the chance to look ahead to challenges our sector will face in the future. This includes developing a workforce strategy, designed in partnership with the sector, to ensure that our organisations are able to prepare for the workforce of the future.

As a sector, it's important we continue to work together to build that brighter future we're all determined to create. As the old saying goes, if you want to go fast, go alone. If you want to go far, go together.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustee board presents its annual report (incorporating the strategic report) and the audited financial statements for the year ended 31 March 2024.

The legal and administrative information set out on pages 4 to 5 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Charities' SORP (FRS 102).

NCVO is a charitable company limited by guarantee. It was founded in 1919 as the National Council of Social Services. It was incorporated on 30 May 1924 and registered as a charity on 1 January 1964.

NCVO was established under a memorandum of association. This defines our objects and powers. We're governed by our [articles of association](#). There are also detailed regulations made under the articles.

Full NCVO membership is open to voluntary organisations that comply with the criteria for membership. There are affiliate categories of membership for public sector and corporate bodies.

TRUSTEE BOARD AND COMMITTEES

Our trustee board is responsible for managing the business of NCVO, as outlined in our articles of association.

NCVO is governed by a board of 12 trustees. This includes three honorary officers (chair, vice-chair and treasurer). The chair, treasurer and seven trustees are elected by our members.

Additional trustees are co-opted by the board to ensure the right mix of skills and experience. One of the trustees is elected to fill the vice-chair honorary officer position by the board. Trustees serve for a term of three years. They can serve a maximum of two terms except in exceptional circumstances. >

“THE OVERARCHING
PRINCIPLE OF OUR
STRATEGY IS BEING
MEMBER FOCUSED.”



The following committees report to the board.

AUDIT AND RISK COMMITTEE

- Provides independent advice and assurance on risk, control and compliance matters.
- Our audit and risk committee is chaired by an independent member of the committee.

FINANCE AND COMMERCIAL COMMITTEE

- Provides oversight of all commercial activity within NCVO.
- Reviews our business plans and budgets and monitors our performance against targets, both financial and non-financial.
- Has oversight of investments and our defined benefit pension scheme.
- Has oversight of data and insight.

GOVERNANCE AND NOMINATIONS COMMITTEE

- Facilitates diversity in the governance structure.
- Makes sure the board and its sub-committees have the right mix of skills and experience.
- Supervises the trustee election process to ensure this is open and democratic.
- Supports board development and evaluation.

PEOPLE, CULTURE AND INCLUSION COMMITTEE

- Sets the chief executive and the executive teams' remuneration.
- Considers all people policies and related matters, including pensions.
- Provides challenge and support to the board and executive team to help deliver our cultural change roadmap.
- Oversees our external work to support inclusion across the sector.
- Provides challenge and oversight through lived experience, expertise and knowledge in relation to practice, culture and approach at NCVO.

New trustees receive an induction pack when they're elected. This includes The **Essential Trustee** and key organisational policies and documents. All trustees attend an induction meeting, which includes the opportunity to meet key staff. Every trustee meets with the chair to review the year.

All trustees also take part in an annual planning event. This is an opportunity to discuss the operating environment and the organisation's plans, and spend time with other board members and members of NCVO's executive team. >

MEMBERS' VOICE

We surveyed our members on the underfunding of public service contracts and the impact on the financial sustainability of charities. We published a report highlighting the event of charities subsidising contracts with other income.

In addition to briefings for government departments, we wrote an open letter to the Chancellor ahead of the autumn budget.

We hosted several in-person and online engagement events to gather feedback from our members and the wider sector to develop The Voluntary Sector Manifesto. This manifesto sets out a broad vision for the society we want to live in, and the support charities and volunteers need to achieve that vision.

We developed guidance and practical support to give members the confidence and knowledge they need to raise their voice, particularly during an election period.

PRESIDENT

The president acts as an ambassador for NCVO and is elected by the members for a non-renewable term of five years.

Baroness Jill Pitkeathley was elected president of NCVO at the AGM in November 2017. She stepped down in November 2022 at the end of her five-year term.

We are delighted to be able to recommend Baroness Delyth Morgan to our members at our upcoming AGM for election as our new president.

Delyth Morgan has dedicated 30 years to supporting the breast cancer community, combining her scientific background with a passion for advocacy.

Her journey began in activism during her university days. She led campaigns at Shelter before becoming Breakthrough Breast Cancer's inaugural chief executive in 1995. In that role, she oversaw the establishment of key research initiatives and campaigned for improved screening and diagnosis processes.

In 2005, Delyth entered the House of Lords and served as a government minister for four years. Returning to the charity sector in 2011, she orchestrated the merger of three leading breast cancer charities, forming the organisation we know today.

Delyth is driven by personal connections and inspired by the stories of those affected by breast cancer. She remains a dedicated campaigner and leader, motivated by the impact she can make alongside her expert colleagues. >

BARONESS
DELYTH MORGAN
NCVO PRESIDENT



AMBASSADOR

We're also excited to welcome Lord Simon Woolley as an ambassador for NCVO.

Lord Woolley is a well-known advocate for social justice and equality. He founded Operation Black Vote (OBV) in 1996 and led initiatives to empower ethnic minorities in the UK.

He served as an equality and human rights commissioner from 2009 to 2012. In 2018, he was appointed by prime minister Theresa May to lead the Race Disparity Unit, focusing on ethnicity's impact on society.

Throughout his career Lord Woolley has addressed representation issues and developed leaders, notably increasing the number of MPs from minority backgrounds from 4 to 65.

He was knighted in 2019 in recognition of his work and sits in the House of Lords. He advocates for equality and diversity nationally and internationally, emphasising the importance of inclusion and opportunity for all.

CHARITY GOVERNANCE CODE AND CHARITY ETHICAL PRINCIPLES

NCVO is a committed supporter of the **Charity Governance Code** and the **charity ethical principles**. The Code and principles are a set of standards for high performance in governance. We played a major role in their development.

Our trustees have adopted the Code and ethical principles as a tool to identify areas of focus. In 2021/22 we did a full external governance review in line with best practice. We introduced our own ethical policy in March 2022.

In 2023/24 we carried out a further review. We looked at the workings and remits of our committees and continued to improve our approach to board meetings. This helped ensure we're addressing the critical strategic issues for the organisation and the sector.



LORD SIMON
WOOLLEY
NCVO
AMBASSADOR

STRATEGIC ADVISOR

We have appointed Jude Sheeran as our first strategic advisor to the board. Jude is managing director (EMEA) at DataStax.

Before joining DataStax Jude held a variety of international leadership positions at Amazon Web Services, Eduserv, Shaw Trust, New York University, and France Telecom.

Most of Jude's career has focused on digital technology and innovation, higher education and research. Jude has held a range of non-executive positions in the voluntary sector and serves as a magistrate in Bristol, UK.

In his role as strategic advisor, Jude works with our board to help them consider the opportunities and risks of using AI across the sector and within NCVO. >

OPENNESS AND ACCOUNTABILITY

The overarching principle of our strategy is being member focused. We take a collaborative approach and recognise that members are the experts in charities and volunteering. We reflect this through our decision making.

For policy work this means a far greater focus on really understanding the challenges members face, their goals and continually developing our offer in response. In 2023/24, this included continuing to raise the concerns of small charities struggling to access banking services and setting up the next round of a survey, as well as member engagement to develop a voluntary sector manifesto.

In a challenging year, our priority has been to support members and the wider sector grapple with multiple crises. To live our values, the board fosters a culture of achieving our goals through collaboration, drawing our legitimacy to act from the NCVO membership.

During the last year the trustees have:

- embedded our approach to small voluntary organisations through the small charities advisory panel and the development phase of the Lottery-funded Power of Small project with our partners to design infrastructure support for small voluntary organisations for the future;
- commissioned the development of an anti-racism strategy for the organisation;
- continued to emphasise the importance of collaboration, particularly with the Civil Society Group, Vision for Volunteering, and working with ACEVO on a sector manifesto in preparation for the general election to strengthen our legitimacy and increase our impact for members.

DIVERSITY WITHIN THE BOARD OF TRUSTEES

The board considers the diversity of trustees to be a key priority and recognises the limitations of elective governance processes. The governance and nominations committee review the board's skills and diversity annually. They work to understand barriers to engagement and develop targeted recruitment initiatives.

Our trustees continue to be committed to demonstrating leadership in this area. They aim to encourage candidates from different backgrounds and experiences to put themselves forward for trustee roles.

As of 31 March 2024, the demographics of our board are as follows:

- Seven females (64%) and four males.
- Six people (55%) identify as white and five people from **the global majority**.
- One person (9%) identifies as disabled.
- Three people (27%) identify as LGBTQ+.
- Four people (36%) are between 31 and 44 years old. The rest of the board are over 45.
- The board is made up of people from different religious backgrounds, including those with no religion.

OUR TRUSTEES:



7 FEMALES
& 4 MALES



55% WHITE
45% GLOBAL
MAJORITY

ORGANISATIONAL PURPOSE AND LEADERSHIP

The trustees implemented all of the recommendations from our external governance review in 2021. They carry out regular reviews during their board meetings. This ensures they continue to adapt and improve how they work together.

A further governance review will take place over 2024/25 to ensure that we continue to improve. We are also proud to support the review of the Charity Governance Code which is now underway. We look forward to supporting the implementation of the findings.

“EVERY DAY, PEOPLE ACROSS
THE COUNTRY GIVE THEIR
TIME, ENERGY AND MONEY
TO SUPPORT COMMUNITIES.”

KEY ACHIEVEMENTS THIS YEAR

There are tens of thousands of voluntary-sector organisations in the UK. There are millions of volunteers. Every day, people across the country give their time, energy and money to support communities.

For over 100 years, NCVO has stood shoulder to shoulder with communities, championing and celebrating voluntary action. We firmly believe that communities are strengthened by charities, so we help them thrive.

NCVO membership is made up of 16,872 voluntary organisations across England. From small, grass roots community groups and social enterprises, to large, national and global charities. We listen to members and provide the right knowledge, tools, and resources when it matters, so they can focus on delivering for people and communities.

NCVO CHAMPIONS AND STRENGTHENS VOLUNTEERING AND CIVIL SOCIETY, WITH 16,872 MEMBERS RANGING FROM THE SMALLEST COMMUNITY ORGANISATIONS TO THE LARGEST CHARITIES.

PUBLIC BENEFIT STATEMENT

The trustees have paid due regard to the Charity Commission guidance on public benefit. The trustees are confident that NCVO's aims and activities – educating about, campaigning for and promoting the interests of civil society organisations – are in accordance with the regulations on public benefit.

We have continued to implement our 2021-2025 strategy that focuses on four goals and is underpinned by our four key values.

GOALS:

-  SUPPORT
-  AMPLIFY
-  CONNECT
-  EVOLVE

VALUES:

-  OPEN
-  COLLABORATIVE
-  INCLUSIVE
-  AMBITIOUS

STRATEGIC PRIORITIES:

Our business plan for the year drew upon these goals and values and centred on six priorities to support members.

- 1 Community building and belonging
- 2 Environmental sustainability and governance
- 3 Small and local
- 4 Economic, political and regulatory environment
- 5 Collaboration, learning, systems and processes
- 6 Income generation

DELIVERING OUR STRATEGY

This summary highlights some of our key achievements against our six business plan priorities over the financial year.

COMMUNITY BUILDING AND BELONGING

We want everyone in the voluntary sector – staff and volunteers – to feel like they belong. We delivered the DCMS-funded project to implement Vision for Volunteering, a ten-year strategy designed to create a better future for the volunteering ecosystem. The strategy adapts in order to fit our changing world and improves volunteering for the benefit of volunteers, organisations and communities.

As part of building our ongoing understanding of volunteering, we published the Time Well Spent 2023 research that focussed on volunteers and their experience. The survey was conducted by YouGov with 7,000 members of the public exploring volunteer participation, motivations and barriers to volunteering, the quality of volunteers' experiences and the impact of volunteering.

In a continuation of this work, we used this data, as well as commissioning boost research, to build our understanding of the experience and perspective of people from the global majority. The research was the first of its kind and was a vital piece of work to advance our sector's work to ensure a more diverse and reflective volunteer community.

In keeping with last year, a lot of our work has been focused on supporting small charities. Following its closure in 2022, we agreed to take on the key

services provided by the Small Charity Coalition, including the helpdesk and charity set up tool. The team continue to provide vital support and guidance to small charities.

ENVIRONMENTAL SUSTAINABILITY AND GOVERNANCE

Over the years we have worked to reduce our environmental impact via a number of key commitments, such as signing up to the Mayor of London's Green Procurement, and the Global Action Plans audit scheme. In May 2023 we were proud to achieve the Green Mark level one accreditation for our conferencing facilities, achieving 100% across all four sections: environmental management, local environment, utilities and waste. We also began to implement our internal plan to reach net zero, starting with building a complete picture of our carbon footprint.

We are producing a new 10-year maintenance plan for Society Building. The final plan will include ways to improve our environmental impact and consider measures like water saving equipment and heat pump technology, alongside carbon literacy training for all employees. We have already replaced the remaining lights in the conference suite and shared areas with LED lighting and offered tenants the opportunity >



to also replace their lights as part of the same programme of work. We are also reviewing our in-house catering menu for the conference suite to ensure that our carbon impact is minimised there too.

In July 2023 we launched a sector-wide campaign encouraging charities to consider divesting from fossil fuels. 'Fuelling Positive Change' calls on charities to consider moving investments away from businesses involved in the extraction, production, transportation, refining and marketing of fossil fuels. In 2024, we will be broadening out our work on sustainable action to support the sector in defining, setting and reaching their environmental goals.

We also continued to support the sector to deliver good governance through our work on the governance code, through our training and consultancy offer and via our work as part of Trustees' Week in November 2023.

SMALL AND LOCAL

NCVO recognises that small charities need distinct, easy to access support that enables them to thrive. After launching at the end of March 2023, the Small Charities Advisory Panel (SCAP), has continued to take shape as an integral component in amplifying small charity voices across the sector and in decision-making forums.

Together, the panel has created a vision for the future for small charity and voluntary organisations. This includes ensuring they are resourced and supported to play their vital role in our communities; understood and valued by government, funders, and other sectors; connected to each other and the wider voluntary ecosystem with improved collaboration; represented in their diversity both locally and nationally with key decision makers; and serviced by the infrastructure bodies with improved partnership working and initiatives.

Following the closure of the Foundation for Social Improvement (FSI), the panel remained dedicated to our shared >

vision of a sector in which small charities can thrive.

We secured funding from the People's Postcode Lottery to build and develop a new eLearning platform, built specifically for small organisations. Our in-house training offer, which allows us to deliver our courses in a dedicated way for a single charity or group of charities, continues to grow. We delivered 183 sessions and saw a lot of returning customers, making it a key to growth for the future.

Additionally, our help and guidance pages on the NCVO website received 979,063 views over the year, showing the important value that our practical resources have in supporting charities, specifically smalls, in doing their work.

Finally, we have secured development funding from the National Lottery for a nine-month project to explore how infrastructure bodies best support small charities on a sustainable basis in the future. We are working with Association of Chairs, Charity Digital, Charity Finance Group (CFG), Chartered Institute of Fundraising, NAVCA and VCSEP on this project.

ECONOMIC, POLITICAL AND REGULATORY ENVIRONMENT

We continued to prioritise political engagement this year with a programme of influencing work on procurement, energy, cost of living and banking.

A major theme for this year was supporting voluntary organisations to campaign effectively, safely and with confidence in the run up to the local and national elections.

As part of our work, NCVO took part in a Civil Society Summit with the then Leader of the Opposition, Sir Keir Starmer, and a number of the then Shadow front bench. As part of the Summit, Sarah Elliott chaired a private lunch with Sir Keir Starmer and senior

sector leaders, and Priya Singh chaired a panel with Thangam Debonaire, then Shadow Secretary of State for DCMS.

In response to what we had been hearing from our members about the impact of climbing costs, falling income and demand increasing, we surveyed charities across the country to find out more about their concerns. Worryingly, we found that one in five charities thought they would be forced to close, merge or pause operations. To address this, we launched our #CostOfGivingCrisis campaign calling on the government to address the urgent need for increased funding.

We also published our report on underfunded grants and contracts. Our research highlighted a significant number of charities are using fundraising and donations to plug gaps in underfunded public service contracts, with many organisations saying they are having to hand back or decline contracts for service delivery. We achieved national media coverage and high levels of social media engagement from the sector, and the campaign was also raised in Parliament.

To further support the sector, we launched the Road Ahead 2024 - our annual publication that analyses the external environment for charities. This year we included more practical support and tips to help charities navigate the challenging year ahead.

Finally, ahead of the election, we completed engagement with members on The Voluntary Sector Manifesto, which was developed in partnership with ACEVO. The manifesto was later launched when the general election was called. The manifesto set out a collective vision for how a future government could support, and work in better partnership with, the charity and voluntary sector. >

COLLABORATION, LEARNING, SYSTEMS AND PROCESSES

In 2023/24 we continued to develop a culture of collaboration across NCVO, making advancements in line with our people strategy to support us in living our values. The people team has been restructured to provide a people partnering provision to all our teams across NCVO and drive employee engagement.

We have launched our new learning and development strategy focused on collaboration, skills sharing, coaching and mentoring. Accompanying this, we have launched our first internal learning management system, the learning hub, with over 30 courses developed and made available to all staff. We continue to embed a learning culture through the development of key learning programmes covering conflict resolution, inclusive recruitment and anti-racism.

We have updated many of our internal people and payroll processes, particularly around recruitment and induction to support the organisation in developing a culture of continuous design and agile working.

This year we have brought colleagues together in a more targeted way – both on and offline – and have provided more accessible resources through the launch of a new intranet, designed to keep staff in the loop on organisational updates. We also launched and embedded several internal communications products to keep staff abreast of news, sector developments and NCVO successes.

INCOME GENERATION

Our open training programme continued to perform well and be highly regarded as a trusted provider, with over 4,700 individuals attending one of our expert-led courses. We completed a full review of our pricing structure, balancing the needs of NCVO and that of our members and client charities.

We undertook a thorough review of our consultancy services in the summer and autumn of 2023 to ensure our offer best reflected the needs of our members and the wider sector. Drawing on performance and insight, our decision was to refocus our expertise and services on four core disciplines:

- Strategy and impact
- Governance and trusteeship
- Leadership and organisational development
- Volunteering strategy and management.

In parallel we continued to deliver on existing services, completing over 850 consultancy days, and additionally developed and launched a mentoring offer for those who would benefit from tailored expert support. We have also started planning for the launch of our new leadership and organisational development discipline in the summer of 2024.

Despite these changes to our services, we are pleased to have still delivered a similar surplus to the previous year. Ending the year with a surplus of £612,000 across both training and consultancy. Income was up £190,000 on last year.

We ended the year with 16,872 members – 35% of which are paying members, with a 13% market penetration (against general registered charities).

At the beginning of the financial year, we completed a data cleaning exercise that targeted dormant member records and long-term debtors. Although >

IMARA

we welcomed 1,507 members (+158 compared with 22/23), we lapsed 1,689 (+263 compared with 22/23), and therefore membership decreased by 182 members overall. This includes 847 member closures, the majority of which were community members (non-paying members). In addition, 15 members lapsed due to mergers, typically with other members.

Our conference income has continued to grow, with room hire income increasing by 46%, catering revenue by 37% and equipment hire by 32% compared to the previous year. We hosted over 30,000 delegates, a rise of 37% from the previous year, and secured 285 new clients.

During the year, tenanted space in Society Building remained fully occupied, with a rental income of £650,000.

We have benefited as a member of NCVO due to their national reach, and their role in amplifying our voice as one local charity working in the sector, helping to advocate for us and add our experience to the wider picture. We have found this to be incredibly affirming, helping us to understand how our experience matches with other charities, and how best we can respond in our unique situation with a greater understanding of the wider context within which it is taking place.

NCVO's support has been invaluable for us in making sense of the conflict between statutory and voluntary sector, and the contrast between our salaries and specialist skills and performance monitoring, with pressure on charities to deliver more for less. It has also allowed us to navigate the ethical challenges we face, such as expectations from funders and statutory contracts to deliver work which is not in line with what we know to be best practice.

**ALICE HIBBERT, BUSINESS SUPPORT LEAD
AT IMARA**

MEMBERSHIP

In 2023/24 we carried out a membership data review. We wanted to understand the impact of the pandemic and costs crisis. The review focused on the smallest organisations whose membership had fallen dormant.

We lapsed 800+ memberships since the pandemic began due to organisations closing. We experienced a drop in member numbers and spent the rest of the financial year recovering.

Our membership growth levelled off in quarter two. We welcomed many new members but lapsed an equally significant number as members grappled with demand and balancing

their budgets. 15% of lapsing members said they couldn't justify paying for membership as their costs had drastically increased.

In quarters three and four we saw high numbers of membership applications. We exceeded our goals for income generation month-to-month. We welcomed nearly 150 highest-income charities as members. 170 of our new >



37% OF NEW MEMBERS HEARD ABOUT US THROUGH AN ONLINE AD

CUMULATIVE GROWTH COMPARED WITH PREVIOUS YEARS



AGE CONCERN

members were returning to NCVO after an average 3.4 years. This was the quickest average return-time we've ever seen.

- 37% of new members heard about us through an online ad. This is a significant increase compared to previous years.
- 20% of new members were referred to us by existing NCVO members.
- 20% learned about us from their local infrastructure organisation.

Most new members need our help with governance in their first year of membership. We drip-feed our governance support to these members across their first year of membership. We cross-sell other relevant services and support in phases.

We heard from many new and renewing members at 35 member-only networking events across the year. New members recognised our efforts to shine a light on the **Cost of Giving Crisis**.

Our membership team had an average of 1,800 one-to-one interactions with members each month.

We promoted membership at another 48 online events across the year.

We saw the impact of data cleaning in our retention rate. In 2023/24, 90.4% of members renewed their membership, down 1.5% from 2022/23. Retention was lowest for small organisations with an income under £1m. We retained 85.3% of small organisations, down 7.7% from 2022/23. >

We have been greatly supported by NCVO, particularly in training and volunteer recruitment. NCVO provided essential information and packages for our new manager, helping her get acquainted with packages of information. Their volunteer recruitment training helped to reaffirm our practices and gave us confidence in our instincts and approach. This support has been invaluable in helping us understand the principles of volunteer recruitment and targeting diverse communities. NCVO's guidance has allowed us to navigate the challenges of operating as a small charity, managing our slim staff, and maintaining our services.

**SARAH HOLMES, VOLUNTEER COORDINATOR
FOR AGE CONCERN SOUTHEND**



SUPPORTERS

FUNDERS

We would like to thank City Bridge Trust. Their support has allowed us to deliver our annual webinar programme, produce and maintain our online tools and resources, keep our free helpdesk available and continue to build the small charities advisory panel's impact. Thank you to National Lottery Awards for All who also support our webinar programme.

Our thanks extend to the National Lottery Community Fund for their support of the Power of Small Project. This project will help us better understand the support small charities need from infrastructure organisations.

We're also excited to be launching an eLearning platform in 2024 aimed at small charities. This is funded by the People's Postcode Lottery. It will focus on immediate need and be offered at an affordable price.

Further thanks to the Department for Culture and Sport in their support for the **Vision for Volunteering** project.

Finally, thank you to Lloyds Bank Foundation for their continued support for **Small Charity Week**.

CORPORATES

We'd like to thank all our **trusted suppliers** for their continued efforts to bring quality services and products to our members and the wider sector.

Thank you to Atkinson HR, Trustees Unlimited and Utility Aid for their contributions to our programme of activity during **Trustees' Week**.

Thank you to Utility Aid for hosting our volunteer forum in Manchester, to Sarasins for hosting our CEO networking evening, Stone King for sponsoring our Governance Forum and Sage Intact for being our Road Ahead sponsor.

Special thanks to our partners Zurich and Phoenix for their contributions throughout the year across multiple channels. And thank you to Withers for their continued input and insight on our webinars.

Further thanks to Royal Society of Statisticians and CharityJob for their contributions to this year's **UK Civil Society Almanac**. >

CONSULTANCY CLIENTS

Our team of consultants work with a range of clients from across the sector. They support projects on strategy, organisational development, governance, evaluation and impact, and volunteering.

We worked with Diversity Role Models on their **Embracing Difference, Ending Bullying programme**. We supported in years one and two with research, evaluation, their theory of change, data collection, analysis and reporting.

LIBRARIES CONNECTED

As part of a project that Libraries Connected are running, we set up a Training and Support programme for participating libraries and this included a suite of online training delivered by NCVO. The training that NCVO delivered was received brilliantly by the attendees. It was insightful, useful and interactive, and feedback from delegates was that it was a really positive experience. The trainers themselves were really engaging and experienced, ensuring that the modules were bespoke to our needs. Communication with NCVO has been great and resources received as part of the training have proved really useful.

EMMA DANIEL, PROJECTS AND FINANCE ADMINISTRATOR AT LIBRARIES CONNECTED

We have found the level of support we received from NCVO to be outstanding and the team have gained so much from our partnership. Working with NCVO will certainly have a lasting impact on the charity and has been a huge benefit to our team through the coaching and development they provide.

JAC BASTIAN
CHIEF EDUCATION OFFICER
AT DIVERSITY ROLE MODELS

We also worked with Safer Warwickshire Partnership.

Safer Warwickshire Partnership were pleased to commission NCVO to support the development of our Theory of Change; a key element of the refresh of our Serious Violence Prevention strategy. NCVO worked closely with us to understand the context of the strategy and stakeholders involved. It was this approach and understanding of the sector which is why we chose NCVO.

NICK COLEMAN STRATEGY
MANAGER COMMUNITY SAFETY
AT SAFER WARWICKSHIRE

OUR YEAR IN NUMBERS



5,831



PARTICIPANTS ENGAGED ACROSS
83 ONLINE ENGAGEMENT OPPORTUNITIES.



THIS IS 811 MORE PARTICIPANTS THAN
2022/23 ACROSS 18 MORE EVENTS



27% OF EVENTS
WERE MEMBER ONLY

82% OF
PARTICIPANTS
SAID THEY LEARNT
SOMETHING THEY
CAN APPLY TO
THEIR ROLE OR
ORGANISATION

WE RAN NINE VOLUNTARY SECTOR
MANIFESTO WORKSHOPS WITH
ACEVO. THESE WERE AIMED AT
COLLABORATING WITH MEMBERS
TO ADVOCATE FOR THE NEEDS
OF CHARITIES WITH THE FUTURE
GOVERNMENT

acevo
imagine, inspire, improve

74% OF MEMBERS
OPERATE OUTSIDE LONDON
AND WE HAVE MEMBERS IN
EVERY COUNTY OF ENGLAND



16,872 MEMBERS

AT YEAR END (DOWN 168 FROM 2022/23)

5,830 (35%)
PAYING MEMBERS



11,049 (65%)
SMALL ORGANISATIONS
WITH FREE MEMBERSHIP

TRAINING AND CONSULTANCY

THROUGH OUR OPEN PROGRAMME WE TRAINED 4,736 PEOPLE ACROSS 196 ONLINE TRAINING COURSES

OUR FIVE MOST POPULAR COURSES WERE:

- 1 CHARITY TRUSTEE INDUCTION REFRESHER (477 ATTENDEES)
- 2 MANAGING PEOPLE IN THE CHARITY SECTOR (394 ATTENDEES)
- 3 GOOD PRACTICE IN VOLUNTEER MANAGEMENT (370 ATTENDEES)
- 4 PROJECT MANAGEMENT (354 ATTENDEES)
- 5 CHARITY FINANCE (268 ATTENDEES)

THESE LEARNERS CAME FROM 2,120 ORGANISATIONS.

OVER HALF WERE ACTIVE NCVO MEMBERS.

2,896 DELEGATES WERE ACTIVE MEMBERS, 280 DELEGATES CAME FROM ORGANISATIONS THAT RENEWED.

WE ALSO RAN **183** IN-HOUSE COURSES WITH **141 ORGANISATIONS**

WE RAN 15 BRIEFING SESSIONS WITH OUR CORPORATE PARTNERS THROUGH THE STEP ON BOARD TRUSTEE PLACEMENT PROGRAMME

Step on
»Board



WE RAN OUR ANNUAL TRUSTEES' WEEK EVENT SERIES

WEBSITE, PRACTICAL SUPPORT AND RESOURCES

587,725 USERS



26,266

VIEWS OF SMALL CHARITY
SUPPORT PAGE

8,225

VIEWS OF THE COST
OF LIVING CONTENT

2,575,228 PAGE VIEWS



**TOP 3 PUBLICLY
ACCESSIBLE PAGES
(EXCLUDING HOMEPAGE)
WERE:**

- 1** TRAINING
AND EVENTS
- 2** HELP
AND GUIDANCE
- 3** I WANT TO
VOLUNTEER

**TOP 3 INSIGHTS
PIECES WERE:**

- 1** KEY FINDINGS FROM
TIME WELL SPENT 2024
11,595 VIEWS
- 2** THE BIG HELP OUT:
HOW TO GET INVOLVED
7,389 VIEWS
- 3** THE ROAD AHEAD 2024
7,305 VIEWS



FINANCIAL REVIEW

FINANCES

The year ending 31 March 2024 was another challenging year. We faced increasing demand, rising costs and pressures on raising income. This was the case for many charities.

Income from our conferencing facilities has continued to recover. Our other income streams such as membership, training and consultancy have also grown.

INCOME

Our total income increased from £7.1m to £12.3m compared to the previous year. The main reason for this increase is the receipt of funds of £5m from Charities Aid Foundation recognising an underpayment in the previous years of a contractual agreement. We are continuing to negotiate this contract moving forward so we can support even more charities, in more ways.

Our trading activities also continue to grow. We've received new restricted funding for projects including Power of Small, building an eLearning offer and for our practical support.

We continue to generate income from a diverse range of sources.

- The main source of income from **donations and legacies** is £4.9m from Charities Aid Foundation (CAF). This is up by £4.2m from £0.7m in 2023.
- Income from **charitable activities** continued to increase thanks to increased income from training and consultancy services and grants. This year it was £4.5m, up from £3.8m in 2023.
- Income from **trading activities** has increased from £2.2m in 2023 to £2.7m in 2024. This is partly thanks to income from our conference facilities continuing to recover.

EXPENDITURE

Total expenditure increased from £6.9m in 2023 to £8.1m in 2024.

This was mainly due to an increase in demand for services such as our conferencing suite and consultancy. There were also costs associated with Vision for Volunteering which is funded by the Department for Culture, Media and Sport (DCMS).

FUNDS

Net income rose £4.2m in 2024 to £4.4m. This included a £0.2m gain on investments following a £0.1m loss in 2023.

The actuarial loss on the defined pension scheme of £1.4m (2023: actuarial loss of £0.8m) resulted in a net increase in funds of £3m (2023: net decrease of £0.7m) and total funds at the end of the year of £9.1m (2023: £6.1m).

BALANCE SHEET

Fixed assets include Society Building at £3.4m under the historical cost convention, being the original cost plus the cost of subsequent building works less depreciation. In June 2013 the building was valued at £14.25m on a 15-year sale-and-leaseback basis. Anecdotal evidence suggests the value has increased since then.

At the end of the year there was an outstanding loan of £1.2m secured on the building. The loan was taken out in 2011 and has a 20-year maturity. There is a five-year break in April 2026. The loan can be renegotiated for a further renewable term of five years.

NCVO's defined benefit pension scheme was closed to future accrual on 31 March 2011. NCVO has been paying contributions under a deficit reduction plan agreed following the tri-annual valuation at 30 September 2022 which showed a deficit of £2.5m. The plan has an expected end date of 31 December 2029.

NCVO has agreed a revised deficit repayment plan with TPT Retirement Solutions (TPT). TPT are the trustees of the scheme. The plan will see a contribution of £0.3m per annum from 1 April 2024. This will rise by 3% per annum each subsequent year, plus annual scheme expenses. Contributions in the year to 31 March 2024 were £0.3m (2023: £0.3million) plus scheme expenses.

The liability in respect of the defined pension scheme is recognised, as appropriate, on the balance sheet at the present value of the defined obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with Financial Reporting Standard 102 (FRS 102). This valuation at 31 March 2024 resulted in a balance of £1.8million (2023: £0.6million) due to the scheme ending the year in a deficit position.

FUTURE FINANCIAL PLANNING

We are continuing to work to grow our other income back to pre-pandemic levels so we can increase our support for our members and the sector.

We have a balanced budget in place for 2024/25 and will also be focusing on rebuilding our cash reserves.

POLICIES

INVESTMENTS

During the year to 31 March 2024, our investment portfolio was managed by UBS. Our investment policy aligns with our aim to be a sustainable and socially responsible organisation. Our investment objective is to provide long-term capital and income growth.

During 2022/23, the board decided to divest from businesses who are involved in the extraction and production of fossil fuels.

UBS starts with a negative screen and then applies a positive screen. This allows them to actively select companies adopting best practice in areas such as:

- supply chain management
- waste and carbon management
- employee welfare
- corporate governance.

This approach aims to create a portfolio of companies actively focused on managing their businesses sustainably.

The portfolio performance is monitored quarterly by the trustees. The finance and commercial committee reviews annually the performance of the portfolio, and assess if the portfolio will meet future requirements.

RESERVES

The trustees have set a reserves policy that requires reserves to be maintained at a level which ensures that NCVO's core activity could continue during a period of unforeseen difficulty. A proportion of reserves must also be maintained in a readily realisable form.

The trustees assess the required level of reserves on an annual basis, alongside the operating budget. The assessment takes account of the market valuation of investments, income and expenditure risk within the budget, commitments to repay the loan secured on the building, and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

The reserves policy was reviewed in November 2023. It was agreed that we will continue to use a risk-based approach to calculate the level of reserves we should hold based on:

- the review of risks as part of the business planning process
- three months average staff expenditure from the budget
- one or two months average non staff expenditure depending on the level of discretion.

We calculate readily realisable reserves as the average point of budgeted cash during the year. The current level of readily realisable reserves is £2.5m above this level. This is due to the back payment of Charities Aid Foundation income after year-end.

At 31 March 2024, NCVO's reserves calculations were as follows.

	31 March 2024 £'000	31 March 2023 £'000
Net risk identified in planning process for the following year	464	0 to 233
Working capital	1,830	2,007
Required level of reserves	2,294	2,007 to 2,240
Average point of cash for the following year	4,800	999
Overdraft facility (no longer included)	0	1,000
Readily realisable reserves	4,800	1,999

Designated funds (note 17) include a fixed asset fund, which represents funds that can only be realised on disposal of the fixed assets, and a range of allocations which will be spent over the next year.

FUNDRAISING

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we don't do widespread fundraising from the general public, the legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. These amounts are presented in our accounts as 'donations and voluntary income'.

We confirm that all solicitations are managed internally and without involvement of commercial participators, professional fundraisers or third parties. The day-to-day management of all income generation is delegated to the executive team, which is accountable to the trustees. We're not required to be bound by any regulatory scheme and don't consider it necessary to comply with any voluntary code of practice.

We haven't received any complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times. As we do not approach individuals for funds, we do not have particular policies on fundraising activities. We don't consider it necessary therefore to design specific procedures to monitor these activities.

STAFF PAY

REMUNERATION STATEMENT

NCVO's inquiry into charity senior executive pay provided guidance for trustees on setting remuneration for senior executives. It also recommended that all charities with independently audited accounts should:

- adopt a remuneration policy
- publish an annual statement explaining their charity's ethos and policy on remuneration
- explain how this impacts the delivery of their charitable purposes
- report the actual remuneration, roles and names of individual highest-paid staff, as defined by the charity.

The inquiry recommended that the charity's remuneration statement should be included within its trustee annual report, in addition to the remuneration disclosures that charities are required to include as a note to their accounts.

OUR APPROACH TO PAY

NCVO has around 86 staff. Salaries for the chief executive, chief operating officer and directors are set and reviewed annually by our people, culture and inclusion committee. The people, culture and inclusion committee includes specialists with significant pay expertise and knowledge, especially of the charity sector.

All other staff salaries are set by the chief executive, chief operating officer and directors. Salaries are arranged in organisation-wide pay grades. We use comparisons with charities of our size in London and take inflation, sector pay settlements and NCVO's financial position into account. Salaries are openly stated in job adverts.

We're ambitious for the voluntary sector. We believe in recruiting high-calibre

people to represent its interests. We also believe in rewarding staff fairly for the jobs they do. We aim to foster a positive working environment, and believe our salaries and terms and conditions reflect this.

NCVO is a London living-wage-accredited employer. This means all our staff and contractors are paid at least the London Living Wage.

We also believe in creating routes into charities for people who can't afford to do unpaid internships. Over the last three years, we have run an apprenticeship in partnership with Queen Mary University of London. This apprenticeship ended during the year and the course has ceased so we are looking into new options.

People are employed at NCVO on the basis of the specific skills and experiences that they bring to their particular role. For NCVO to run successfully, a large range of skills and disciplines are required. We need to pay people appropriately to ensure that we can recruit people with the right skills.

We also need to retain staff in a competitive market where their skills are readily transferable to other organisations, both in the voluntary sector and other sectors. This is particularly true given NCVO's cross-cutting role. Our staff pay scales are set with these factors in mind.

CHIEF EXECUTIVE, CHIEF OPERATING OFFICER AND DIRECTOR'S PAY

NCVO has a unique position in representing the whole of the voluntary sector. Our chief executive, chief operating officer and directors require a breadth and depth of expertise. This requires drawing from the best senior-

level talent in a competitive market. They need to be able to command the respect of their peers among members through their experience and credibility. Members range from the smallest to the very largest charities. At the same time, we seek to keep salary costs within a reasonable range.

BENCHMARKING

Chief executive, chief operating officer, director and staff pay levels are reviewed annually.

Chief executive, chief operating officer and director pay is determined by the people, culture and inclusion committee. Its aim is to benchmark our executive team salaries around the 25th centile: the lower end of larger national charities' pay levels, with a 7.5% tolerance. We believe this comparison with national charities reflects the nature of the skills that we need to recruit and retain.

Staff pay is reviewed by the chief executive, chief operating officer and directors. Pay is negotiated on behalf of staff by NCVO's recognised union, Unite. Our aim has been to pay at the 75th centile: the higher end compared with organisations of our size in terms of income and number of employees in the voluntary sector in London.

The same benefits apply to the chief executive, chief operating officer and directors as all other staff. This includes pensions and terms and conditions. We don't apply any form of performance-related pay and we don't have a bonus scheme. We don't apply increments to staff salaries apart from one automatic increment after the first 12 months of service.

Each year the executive team participate in performance appraisals. These are part of the same feedback and appraisal scheme for all NCVO staff.

Total remuneration figures are salary plus pension contributions. The following information excludes employer's national insurance contributions (NIC) which are included in the information in note 7.

The chief executive and the executive team are entitled to miscellaneous benefits, such as childcare vouchers, which have not been included here. These benefits are available to all NCVO staff. Details of expenses for the chief executive and the executive team are given in note 8.

Name	Title	Annual salary 2023/24 £	Pension contributions 2023/24 £	Total remuneration 2023/24 £	Total remuneration 2022/23 £
Sarah Vibert	Chief executive	122,308	6,947	129,255	126,816
Laura Crandley	Chief operating officer (from 1 June 2022)	103,530	9,336	112,866	85,107
Laura Crandley	Director of finance and services (to 31 May 2022)	0	0	0	15,548
Hollie Banu	Interim head of membership and engagement (from 1 January to 6 May 2024)	17,937	1,525	19,462	0
Alex Farrow	Director of influencing and engagement (from 1 June 2022. On sabbatical from 1 January to 28 May 2024)	67,098	5,845	72,943	70,994
Alex Farrow	Head of networks and influencing (to 31 May 2022)	0	0	0	12,585
Charmaine Goddard	Interim head of people and culture (from 1 October 2022 to 31 January 2023)	0	0	0	22,267
Tracy Kiernan	Head of central services (to 30 April 2022)	0	0	0	8,963
Saskia Konynenburg	Director of strategic communications and insight (from 31 October 2022)	79,228	4,456	83,684	34,543
Rupa Kotecha- Smith	Interim head of strategic communications (to 20 October 2022) (0.9 FTE)	0	0	0	33,189
Janu Miah	Interim head of people and culture (to 30 September 2022)	0	0	0	35,570
Sophie Raeburn	Head of digital, data and technology (to 27 May 2022)	0	0	0	12,763
Woosh Raza	Director of people, culture and inclusion (from 30 January 2023)	81,787	4,645	86,432	16,041
Andrew Walkey	Director of services and partnerships (from 1 June 2022)	79,432	7,092	86,524	68,073
Andrew Walkey	Head of support and services (to 31 May 2022)	0	0	0	11,431
Rebecca Young	Interim head of policy and research (from 1 January to 6 May 2024)	17,937	1,735	19,672	0

PAY RATIO

The ratio of our highest salary (£122,308) to our median salary (£42,996) is 2.8. In 2023 the ratio was 3:1.

PAY AWARDS

The annual pay awards for the executive team and staff have always been at the same percentage level until 2021/22.

Between 2011 and 2019 both the senior management team and staff received an annual 2% pay award, followed by a 2.7% pay award for 2019/20. There was no pay award in 2020/21. In 2021/22 there was a pay award of 2% and a pro rata one off payment of £500 for all staff other than the chief executive, chief operating officer and directors.

We agreed a 4.25% pay award for all staff other than the executive team for 2022/23. This reflected cost of living indices at the time. The executive team were awarded a 3% pay award plus a pro rata one off payment of £500, apart from the chief executive and chief operating officer.

In 2023/24, we agreed a pay rise of 6% for staff for similar reasons. We also compared salaries to market data and corrected salaries where they fell below our pay policy.

PAY GAP REPORT

NCVO is committed to addressing our pay gaps and understands the need to review our approaches equitably and fairly. Although NCVO employs fewer than 250 staff and is therefore not required to publish gender pay gap information, we have chosen to do so, along with our ethnicity, disability, sexual orientation and religion pay gap information.

We are doing this to demonstrate our commitment to being an employer that recognises the importance of equity and inclusion and the benefits that having a diverse workforce brings. We are also committed to adopting an intersectional approach when developing our data in regard to protected groups. This helps to paint a fuller picture and identify areas we can improve.

Summary

- Our pay gaps are reducing year on year with the exception of the ethnicity characteristic. We have demonstrated our impact and success across the majority of characteristics.
- Women make up 74% of our total population compared to 55% in the sector as a whole. 50% of our executive team are women and 81% of grades A to C are women.
- Pay gaps for 2024 are less than 2% across four characteristics.
- Our ethnicity pay gap is 13% (based on the mean) which is an increase year on year.
- This year we have started to review intersectional data which is providing us with more detailed and specific insights.
- The quality and completeness of our equity, diversity and inclusion (EDI) data continues to improve year on year. We are one of the only employers to publish our pay gaps across five protected characteristics.

GENDER PAY GAP

MEDIAN AND MEAN HOURLY EARNINGS

At 27 March 2024 and 1 March 2023, the median and mean male and female hourly earnings were as follows.

	Male hourly earnings 2024 £	Female hourly earnings 2024 £	Non-binary hourly earnings 2024 £	Difference 2024 £	Pay gap 2024 %	Difference 2023 £	Pay gap 2023 %
Median	26.76	27.04	*	(0.28)	(1)	0.00	0
Mean	28.52	29.09	*	(0.57)	(2)	0.33	1

The gender pay gap is minimal for both the median and mean pay. The differences are £0.28 at median and £0.57 at mean. Both indicators show females to be earning more per hour as an average.

HOURLY EARNINGS BY PAY QUANTILES

At 27 March 2024 and 1 March 2023, the mean male and female hourly earnings by quartile were as follows.

	Male hourly earnings 2024 £	Female hourly earnings 2024 £	Non-binary hourly earnings 2024 £	Difference 2024 £	Pay gap 2024 %	Difference 2023 £	Pay gap 2023 %
Quartile 1	20.31	21.41	*	(1.10)	(5)	(0.96)	(5)
Quartile 2	23.62	24.13	*	(0.51)	(2)	(2.09)	(10)
Quartile 3	27.30	29.00	*	(1.70)	(6)	0.00	0
Quartile 4	43.22	39.25	*	3.97	9	5.65	16

When reviewing the earnings by quartiles, quartiles one to three show females have a greater hourly rate than their male colleagues. The greatest gap is 6% (£1.70).

Although the fourth quartile shows a 9% hourly variance in favour of male colleagues, this can be explained by the fact there are six males and 16 females in this group.

It's important to note the positive progress made on the evening out of hourly pay rates across quartiles compared to 2023. Quartile two has reduced 8% to narrow the hourly pay earnings in 2024.

MEAN HOURLY EARNINGS BY GRADE

NCVO pays men and women on the same grades the same salary for the work they do. Small differences are due to new staff starting at an entry point on recruitment and moving to the grade point after their first year of employment. There will also be some additional responsibility payments for a small number of individuals.

	Male hourly f/t earnings (mean) 2024 £	Female hourly f/t earnings (mean) 2024 £	Difference 2024 £	Pay gap 2024 £	Difference 2023 %	Pay gap 2023 £
CEO / COO / directors	44.69	55.34	(10.65)	(24)	(10.31)	(24)
Grade A**	37.21	39.42	(2.21)	(6)	N/a	N/a
Grade B	34.50	32.63	1.87	5	0.66	2
Grade C	25.85	29.01	(3.16)	(12)	0.22	1
Grade D	24.80	25.32	(0.52)	(2)	(0.06)	0
Grade E	20.98	23.90	(2.92)	(14)	(0.76)	(4)
Grade F***	17.59	18.06	(0.47)	(3)	N/a	N/a
Apprentice***	N/a	N/a	N/a	N/a	N/a	N/a

* We have not included information on staff who identify as non-binary in these tables as we want to ensure individuals are not identifiable.

** No female staff at this grade in March 2023.

*** No male staff at this grade in March 2023.

NCVO pay scales reflect the ethos we believe in: 'equal pay for equal work'. Our pay policy guides us to recruit at the entry point of the scales for all new hires, where possible. This may sometimes cause minimal anomalies between pay gaps, especially if there have been a higher number of new starters than previous year.

All colleagues have the opportunity for pay progression within the scales on successful completion of a year's service.

ETHNICITY PAY GAP

At 27 March 2024 and 1 March 2023, the ethnicity pay gap shows the following.

PROPORTION OF GLOBAL MAJORITY ACROSS NCVO

	Global majority pay gap 2024 %	Global majority pay gap 2023 %
Median	13	5
Mean	14	10

PROPORTION OF GLOBAL MAJORITY STAFF AT EACH GRADE

	Global majority 2024 %	White 2024 %	Global majority 2023 %	White 2023 %
CEO / COO / directors	17	83	17	83
Grade A	0	100	0	100
Grade B	13	88	20	80
Grade C	22	78	29	71
Grade D	19	81	32	68
Grade E	43	57	38	62
Grade F	67	33	100	0
Apprentice	0	0	100	0

	Mean	Median
Asian or Asian British	28.89	26.21
Black, African, Caribbean or Black British	22.53	20.31
Mixed or multiple ethnic groups	25.86	25.69
White	29.73	27.04
Other	26.76	26.76

Our ethnicity pay gap has increased the most of any protected characteristics this year. Overall, the mean pay gap is 13% and the median is 14%. Both gaps increased year on year and require further exploration. We also exceed the ONS benchmark in England of 9.7% median and 11% mean.

The data indicates our **global majority** colleagues make up 27% of our population, with 10% in grades E and F. This has remained the same as last year.

Both mean and median hourly rates for colleagues who identify as black, African, Caribbean or black British are the lowest of the ethnic groups. The pay gap between colleagues who identify as Asian and Asian British compared to the highest pay group (white) has reduced to under £1.00 for both mean and median.

DISABILITY PAY GAP

DISABILITY MEAN AND MEDIAN HOURLY EARNINGS AND PAY GAP

	2024	2023
Non-disabled hourly earnings mean	£28.86	£24.44
Disabled hourly earnings mean	£28.99	£25.85
Difference	-£0.13	-£1.41
Mean pay gap	0%	-6%
Non-disabled staff hourly earnings median	£26.90	£22.29
Disabled staff hourly earnings median	£27.04	£25.51
Difference	-£0.14	-£3.22
Median pay gap	0%	-14%

PROPORTION OF KNOWN DISABLED AT EACH GRADE

	Known disabled 2024 %	No known disability 2024 %	Known disabled 2023 %	No known disability 2023 %
CEO / COO / directors	0	100	0	100
Grade A	67	33	*	*
Grade B	13	87	27	73
Grade C	11	89	14	86
Grade D	19	81	7	93
Grade E	0	100	10	90
Grade F	33	67	*	*
Apprentice	0	0	*	*

* We have not included information on staff in these grades as we want to ensure individuals are not identifiable.

	Known disabled hourly f/t earnings (mean) 2024 £	No known disability hourly f/t earnings (mean) 2024 £	Difference 2024 £	Pay gap 2024 £	Difference 2023 %	Pay gap 2023 £
CEO / COO / directors	0.00	50.02	N/a	N/a	N/a	N/a
Grade A*	38.32	39.42	1.10	3	*	*
Grade B	35.12	32.67	(2.45)	(7)	0.22	1
Grade C	27.04	28.66	1.62	6	(0.19)	(1)
Grade D	25.86	24.93	(0.93)	(4)	(0.71)	(3)
Grade E	0.00	22.86	N/a	N/a	(0.09)	0
Grade F*	17.59	18.06	0.47	3	*	*
Apprentice*	0.00	0.00	N/a	N/a	*	*

* We have not included information on staff in these grades as we want to ensure individuals are not identifiable.

NVCO has 14% representation of colleagues with known disabilities. There is no pay gap for this protected characteristic across the organisation.

This is the largest improvement on last year which showed our colleagues with known disabilities were earning higher hourly rates of 6% median and 14% mean in 2023. The gap this year has been removed with variance of 0.13pph and 14pph mean, remaining positive for colleagues with known disabilities.

The Office of National statistics (ONS) predict the disability pay gap in England will continue to increase in line with current trends. It was last reported to be at 13.8% nationally (ONS 2022).

SEXUAL ORIENTATION PAY GAP

This is the second year we've published the sexual orientation pay gap. We recognise that staff may not actively be sharing their sexual orientation with NCVO. We remain committed to ensuring our disclosure rates increase by creating a psychologically safe organisation.

SEXUAL ORIENTATION MEAN AND MEDIAN HOURLY EARNINGS AND PAY GAP

	Mean 2024 %	Mean 2023 %	Median 2024 %	Median 2023 %
Bisexual hourly earnings	25.13	22.61	25.19	22.29
Gay man hourly earnings	38.28	29.92	40.33	25.51
Heterosexual hourly earnings	28.83	24.86	25.69	22.29
Lesbian hourly earnings	28.26	22.27	31.21	19.16
Other hourly earnings	24.76	24.88	23.62	23.90
Not known hourly earnings	30.71	22.82	27.04	22.29

The highest proportion of colleagues at NCVO identify as heterosexual (66%). The pay scales and hourly earnings within the identification categories are fairly balanced.

It's important to note that the colleagues who identify as gay men earn £38.28 mean and £40.33 median against the mean of £28.83 and median of £25.69 for heterosexual. This is an hourly rate difference of approximately £10.00 per hour variance (less) than their colleagues who identify as heterosexual, gay woman/lesbian, or other.

On looking into this further it was clear the hourly earnings for gay men were being disproportionately impacted by a small number of high earning colleagues. When these are removed from the figures the pay gap between gay men and the other categories reduces to between £9.00 and £7.00 per hour variance, and reduces £31.14 for both mean and median.

RELIGION PAY GAP

This is the second time that we have reported on the religion pay gap. Overall, we do not have a significant pay disparity in terms of religion.

RELIGION MEAN AND MEDIAN HOURLY EARNINGS AND PAY GAP

	Mean 2024 £	Mean 2023 £	Median 2024 £	Median 2023 £
Agnostic hourly earnings	37.23	23.55	34.21	22.29
Atheist hourly earnings	25.43	23.78	25.19	23.90
Catholic hourly earnings	*N/A	27.38	*N/A	22.29
Christian hourly earnings	26.06	23.39	23.77	22.29
Hindu hourly earnings	23.69	18.20	23.69	18.20
Muslim hourly earnings	32.25	27.90	33.07	22.29
Sikh hourly earnings	32.97	*N/A	32.97	*N/A
Other hourly earnings	22.48	18.63	22.48	18.63
No religion hourly earnings	29.52	26.32	27.04	22.29
Prefer not to say hourly earnings	29.85	22.14	27.04	22.29

* No employees identified as the stated religion

The hourly rates for colleagues across all religions, where there is no religion, or the preference is not to say have increased year on year. The average mean increase is approximately £5.00 per hour. The largest year on year increase in hourly rate is for the colleagues identifying as agnostic at £14.32. The median has also increased across the board, averaging a £5.00 to £7.00 increase per hour.

It is important to note all the insights above are based on a small pool of colleagues who have recorded their religion and may not be a true reflection. Further analysis using a combination of data sets is required along with a full pay audit.

PRIORITIES AND NEXT STEPS

- Provide improved recruitment and selection guidance. This includes job evaluations across the recruitment cycle with particular focus on global majority and disability perspectives.
- Embed our values within HR policies and in the redesign of the performance review framework, where clear expectations and behaviours are set and measured with guidance for line managers.
- Implement regular equal pay audits to identify and address unintended salary anomalies across NCVO. This includes undertaking environmental impact assessments for annual pay reviews.
- Complete greater in-depth analysis of data sets across characteristics to identify more nuanced ways of addressing the causes of our pay gaps.
- Deliver more awareness campaigns and upskill our leaders on disability and neurodiversity in the modern-day workplace.
- Review our policies and flexible working adjustments to introduce our approach to accessibility for all. This will help to better reflect wider society where 18% of the UK population identify as having a disability or neurodivergent.
- Start local action planning with directorates and teams using insights from our staff survey and subsequent pulse surveys to help teams to address underrepresentation.
- Continue to improve inclusivity, transparency and equity through our Diverse, Authentic, Revolutionary and Empathetic (DARE), and Race Equality Achieving Cultural Harmony (REACH) staff networks and our LGBTQIA+ network, the Rainbow

Network. We will continue creating safe and brave spaces for all NCVO staff who identify as underrepresented communities and their allies.

- Undertake a project with our Belonging Board network to further explore and reduce pay gaps.
- Develop a balanced annual calendar of events with hosted guest speakers, similar to our recent all staff events celebrating International Women's Day.
- Continue to develop our anti-racism strategy as part of our overall equity, diversity and inclusion (EDI) strategy and our inclusion and belonging strategic project.

A key strategic aim in our people strategy is to move from inclusion to belonging whilst we continue to build trust and confidence. This is something we focussed on last year and helped us to achieve an overall engagement score of 70% on our staff survey. This increased to 72% in the June pulse survey.

One of the key principles from our people strategy is to take an evidence-based and insights-led approach to our work. We continue to listen to our colleagues and are strengthening our approach to data analysis relating to pay and reward.

We are also committed to adopting an intersectional approach when developing our data in regard to protected characteristics. This will help us develop deeper analysis to consider more nuanced initiatives and promote a more inclusive environment and a richer culture for all.

ENVIRONMENTAL IMPACT

Building on the report from our external independent environmental auditors, we continue to work towards our target of becoming net zero within our own operations by 2030.

This will be a longer-term project. It will be aided by the country's infrastructure decarbonising as the government's own targets are met.

FUELLING POSITIVE CHANGE CAMPAIGN

Since launching our Fuelling Positive Change campaign in July 2023, we've tripled our number of pledges. We now have 33 charities signed up.

We ran three events and hosted a panel at Civil Society's ESG Conference. We've received very positive feedback. 100% of attendees at one event said they will share the learning with others. One attendee at our Civil Society panel said it 'cut through the noise; delivered some key messages.'

Over the autumn we worked with NCVO's evaluation team to produce an internal learning report. Three quarters of external supporters agreed their organisation has made changes to its divestment policy or practices because of their connection to NCVO.

A wider narrative is now being created to discuss the importance of sustainability for the sector. This will weave together our Fuelling Positive Change campaign with the services and support that NCVO are already offering. These include our net zero training and conference suite.

IMPROVING THE EFFICIENCY OF OUR BUILDING

We've compiled a 10-year planned preventative maintenance plan. This will help us consider energy efficient alternatives to existing systems.

In February 2024 we changed all lighting in communal areas to LED and installed sensors in toilets and on stairwells. LED lighting is up to 80% more efficient than fluorescent lighting and this work was completed. Two of our tenants have also moved to LED lighting. This means approximately 80% of Society Building is now using LED lighting.

OTHER SUSTAINABILITY MEASURES

We surveyed our customers and staff to measure the footprint of their travel to the Society Building. We also reduced our menu selections to cut down on food waste and deliveries.

Using 2022 as our baseline year, we have completed a carbon calculator from Clean Growth. This calculated our total carbon emissions at 388 tCO₂e.

GREEN PEAS STAFF COMMUNITY

In October 2022 we established our Green PEAs staff community. Green PEAs is a space for staff at NCVO to share their own experience of positive environmental action (PEA). As a community of practice, the space is open to all staff.

Green PEAs holds drop-in sessions to discuss various aspects of sustainability and environmentalism. The community is non-judgemental. It's focussed on amplifying the positive impact of individuals, while also recognising systemic issues and inequality. Suggestions for improving NCVO's environmental impact are fed back to the executive team.

PLANS FOR 2024/25

This year we will:

- further embed environmental management systems with the aim of achieving the Green Mark Level 2
- carry out an organisational waste audit. We will also encourage staff to do the same at home via our Green PEAs staff community
- do a follow up travel survey for staff and conference suite delegates
- investigate the feasibility of replacing existing HVAC with air source heat pump system to further reduce our footprint

- continue measuring utilities usage to benchmark year on year
- install auto-stop taps in all toilets to aid with a decrease in water consumption.
- make improvements to the external environment. We will bring together Society Building users to enhance the natural environment around the building
- review our digital carbon footprint and consider how we can reduce this
- review building signage to ensure we are encouraging staff and customers to reduce waste and use heating and air conditioning efficiently
- consider how we measure our Scope 3 up and downstream impact accurately. We'll take steps to reduce these areas, but accept they are often outside of our control and will require action from external organisations. This will likely include setting our expectations from suppliers
- investigate the possibility of reselling our backup generator as we move our data to the cloud.

STRATEGIC PRIORITIES FOR THE YEAR AHEAD

We have four long-term goals to focus our activity.



SUPPORT

Enabling charities to make a bigger difference.



AMPLIFY

Speaking up with charities and volunteers.



CONNECT

Uniting people who want charities to thrive.



EVOLVE

Embedding and sharing new ways of working.

All of the goals are underpinned by our values.

SHAPE THE FUTURE OF THE VOLUNTEERING ECOSYSTEM

The Vision for Volunteering strategy provides a future direction for volunteering. As it moves into its third year, there is a clear need to coordinate across different volunteering initiatives to ensure maximum collective impact.

This supports our 'connect' strategic goal — bringing organisations together. Through Vision for Volunteering, we're also supporting organisations to develop their volunteering practice and amplifying the voices of volunteer-involving organisations.

INVEST IN THE POWER OF SMALL

The closure of the Small Charities Coalition and Foundation for Social Improvement has impacted many small charities. This coupled with the covid-19 and the cost of living crises has left many small charities vulnerable.

Small charities are the main beneficiaries of our support. They want easy to find, easy to digest information which meets their immediate and specific needs. They also want the ability to network with and learn from their peers. We will continue to provide this support in the coming year.

We will also amplify the voices of small charities through the Small Charities Advisory Panel and our wider advocacy work.

CREATE THE BEST ENVIRONMENT FOR VOLUNTARY ORGANISATIONS

The coming year will continue to be hard for charities. Cost of living pressures continue to squeeze finances and increase need in communities. Government policies impact the way charities of all sizes operate and the communities they support.

We have put lots of focus into the future of the volunteer workforce. But there are also challenges with the sector's one million-strong paid workforce. Low pay, skills gaps, a lack of diversity and a lack of clear entry points into the sector are all issues.

We will support, amplify and connect our members to address the short and long term challenges facing the sector.

STRENGTHEN OUR ORGANISATIONAL CULTURE

As the membership body for the voluntary sector, our external connections are diverse and extensive. They rely on our people and the relationships they build.

We will continue to invest in our people and evolve our culture. This will ensure we can authentically serve the voluntary sector and deliver high quality work for our members. This is an important part of our 'evolve' strategic goal.

ENHANCE OUR MEMBERSHIP INSIGHT

Developing our member insight is a key pillar of our strategy. We have many different touchpoints for capturing data about members. These include our website, customer relationship management (CRM) system, our helpdesk and engagement work.

We will improve how we collect, store and interrogate data, and consider how AI could add value. This will enable us to better understand our members' needs so we can be responsive and generate more income. It will also provide real time information about the state of the voluntary sector to use in our policy and campaigning work.

This is a fundamental part of our 'evolve' strategic goal — enabling us to better support, connect and amplify our members.

ENSURE NCVO IS SUSTAINABLE, EFFICIENT AND EFFECTIVE AHEAD OF OUR NEW STRATEGY

It's essential that we continue to increase and diversify our income. This will allow us to:

- better meet the needs of our members and invest in improving how we work
- protect us from any future challenges to our business model, especially given the financial challenges facing the voluntary sector
- build back our cash reserves following the shocks of 2020/21.

We're finalising a tech and digital audit which will provide a roadmap for ongoing development of our digital architecture. We'll use the audit to enhance our services and automate manual processes so staff can work more efficiently.

This will provide strong foundations for the start of our new strategy, which we will develop during 2024/25.

RISKS AND UNCERTAINTIES

The risk register is a standing item on the agenda at each trustee board meeting. It is reviewed quarterly by the executive team and the audit and risk committee.

Risks are considered in seven key areas.

1. Strategy, governance and management.
2. Operational.
3. Financial.
4. Environmental and external.
5. Legal and statutory.
6. People.
7. Reputation.

All identified risks are assessed on how likely they are to occur and the potential financial and reputational impact. This is used to give a gross risk. Mitigating controls are then considered to give a net remaining risk.

The board approved a change in our risk approach in May 2023. We have separated our risk register into two.

The first part considers risks for the sector. It uses a PESTLE analysis and assesses our role, alongside others, to support the sector to mitigate these risks. The main risks identified were:

- the continued impact of increasing demand, rising costs and falling funding together with challenges in the commissioning environment
- ensuring the sector is representative
- digital skills and expertise
- achieving net zero.

The second risk register considers the risks to NCVO as an organisation and how we mitigate these.

External and strategic risks include how we play our part in addressing climate change, and harness the opportunities of AI while mitigating the risks. The main financial risks relate to sustaining and growing income streams and rebuilding our cash reserves. Key governance, operational, people and reputational risks include effective delivery of our new people and communications strategies. Breaches of data protection, cyber security or other legislation are other risks.

The trustees are satisfied that all the risks in the register have been adequately assessed and that appropriate steps are taken to mitigate risk.

The trustees have carefully considered the continued impact of the cost of living crisis on NCVO's financial projections. They have considered the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the executive team. The trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future.

TRUSTEE BOARD MEMBERS

The members of the trustee board, who are also directors under the terms of the Companies Act 2006, are set out on pages 4 and 5. The members of the trustee board have no beneficial interest in the group or charity.

LIABILITY OF MEMBERS

NCVO, the charitable company, is limited by guarantee and has no share capital. Clause 31 of the memorandum of association provides that every member, as defined by Clause 1 of the articles of association, is liable to contribute a sum not exceeding £1 in the event of the company being wound up while they are a member or within one year of ceasing to be a member.

At year end there were 16,872 members.

STATEMENT OF TRUSTEE BOARD'S RESPONSIBILITIES

The trustees are responsible for preparing the trustees' annual report and the financial statements. This is in accordance with applicable law and UK accounting standards (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent
- state whether applicable accounting standards 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 business.

The trustees are responsible for keeping adequate accounting records. The records must be able to show and explain the charity's transactions. They must also

be able to disclose the financial position of the group and the parent charity with reasonable accuracy. This ensures financial statements comply with the requirements of the Companies Act 2006.

The trustees are responsible for safeguarding the assets of the group and parent charity. They must also take reasonable steps to prevent and detect fraud and other irregularities. The trustees are responsible for maintaining the corporate and financial information included on the charity's website.

UK legislation governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

AUDITORS

So far as the trustees are aware, the company's auditors are aware of all relevant information. Each trustee has taken all appropriate steps to make themselves aware of any relevant audit information and to make sure the company's auditors are aware of that information.

Approved by the trustee board and signed on their behalf.



DR PRIYA SINGH
CHAIR

26 September 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

OPINION

We have audited the financial statements of National Council for Voluntary Organisations (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the Report of the Trustee Board, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustee Board.

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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Report of the Trustee Board, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' annual 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the

information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level

of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from the Companies Act 2006, Charities Act 2011, Financial Reporting Standard 102, the Charities SORP and relevant employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal

and regulatory correspondence.

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the timing of recognition of income. We addressed this through review of all material incoming resources to ensure correct treatment under the Charities SORP, including consideration of the accounting period in which income should be recognised.
- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- We also identified potential for management bias in the depreciation rate applied to tangible fixed assets, and we addressed this by considering the useful economic life applied for the types of asset held, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant 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. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

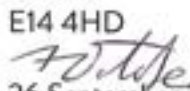
USE OF OUR REPORT

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


ALASTAIR DUKE
SENIOR STATUTORY AUDITOR

For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London
E14 4HD


26 September 2024

STATEMENT OF FINANCIAL ACTIVITIES FOR THE GROUP
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024.

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total funds 2024 £'000	Total funds 2023 £'000
Income					
Donations and legacies	2	4,893	0	4,893	1,028
Charitable activities:	3				
Membership		1,594	0	1,594	1,354
Services and partnerships		1,798	566	2,364	2,061
Strategic communications and insight		17	0	17	20
Influencing and engagement		38	520	558	346
Other trading activities	4	2,732	0	2,732	2,225
Investments	5	117	0	117	99
Total income		11,189	1,086	12,275	7,133
Expenditure					
Raising funds		1,610	0	1,610	1,048
Charitable expenditure:					
Services and partnerships		2,723	310	3,033	2,947
Strategic communications and insight		991	0	991	875
Membership		441	0	441	408
Influencing and engagement		1,389	536	1,925	1,510
Other: digital and EDI		63	0	63	92
Total expenditure		7,217	846	8,063	6,880
Net income before investment gain / (loss)		3,972	240	4,212	253
Net gain / (loss) on investment	11	177	0	177	(84)
Net income		4,149	240	4,389	169
Other recognised losses					
Actuarial loss on defined benefit scheme	19	(1,390)	0	(1,390)	(824)
Net movement in funds		2,759	240	2,999	(655)
Total funds at 1 April 2023		5,823	259	6,082	6,737
Total funds at 31 March 2024	17	8,582	499	9,081	6,082

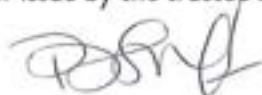
The statement of financial activities (SOFA) includes all gains and losses recognised in the year. All activities are continuing. The accounting policies and notes on pages 65 - 89 form part of these financial statements.

GROUP AND CHARITY BALANCE SHEET
AS AT 31 MARCH 2024. COMPANY NUMBER: 198344.

	Notes	Consolidated 2024 £'000	Consolidated 2023 £'000	NCVO 2024 £'000	NCVO 2023 £'000
Fixed assets					
Tangible fixed assets	9	4,601	4,732	4,601	4,732
Intangible fixed assets	10	12	0	12	0
Investments	11	3,171	3,000	3,171	3,000
		7,784	7,732	7,784	7,732
Current assets					
Debtors	12	5,507	1,129	6,184	1,339
Cash at bank and in hand		1,503	1,590	732	1,270
		7,010	2,719	6,916	2,609
Creditors: amounts falling due within one year	13	(2,718)	(2,429)	(2,624)	(2,319)
Net current assets		4,292	290	4,292	290
Total assets less current liabilities		12,076	8,022	12,076	8,022
Creditors: amounts falling due after one year	14	(1,164)	(1,313)	(1,164)	(1,313)
Net assets excluding pension liability		10,912	6,709	10,912	6,709
Defined benefit pension scheme liability	19	(1,831)	(627)	(1,831)	(627)
Net assets		9,081	6,082	9,081	6,082
Funds					
Restricted funds		499	259	499	259
Unrestricted funds					
Pension reserve		(1,831)	(627)	(1,831)	(627)
Designated funds		5,761	3,397	5,761	3,397
General funds		4,652	3,053	4,652	3,053
Total funds	16	9,081	6,082	9,081	6,082
NCVO net movement in funds for the year				2,999	(655)

The accounting policies and notes on pages 65 - 89 form part of these financial statements.
 Approved and authorised for issue by the trustee board and signed on their behalf:

Dr Priya Singh
 Chair
 26 September 2024



Paul Breckell
 Honorary Treasurer
 26 September 2024



STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2024.

	Notes	2024 £'000	2024 £'000
Cash flows from operating activities			
Net cash provided by operating activities	18	239	256
Cash flows from investing activities			
Dividends and interest		117	98
Purchase of fixed assets		(190)	(322)
Proceeds from sale of investments		583	1,092
Purchase of investments		(575)	(1,231)
Net cash used by investing activities		(65)	(363)
Cash flows from financing activities			
Repayment of loan (capital and interest)		(259)	(231)
Net cash used by financing activities		(259)	(231)
Change in cash and cash equivalents in the year		(85)	(338)
Cash and cash equivalents at the beginning of the year		1,709	2,047
Cash and cash equivalents at the end of the year		1,624	1,709
Analysis of cash and cash equivalents			
Cash at bank and in hand		1,503	1,590
Cash held in investment portfolio	11	121	119
Total cash and cash equivalents		1,624	1,709

The accounting policies and notes on pages 65 - 89 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

Basis of preparation

NCVO, Regents Wharf, 8 All Saints St, London N1 9RL

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments and in accordance with Financial Reporting Standard 102 (FRS 102) applicable in the United Kingdom and the Republic of Ireland, the Charities' Statement of Recommended Practice and the Companies Act 2006.

The financial statements are prepared on a going-concern basis. Having carefully considered the continued impact of the cost of living crisis on NCVO's future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the executive team, the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future, which is generally considered to be 12 months.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS102: no cash flow has been presented for the parent charity; disclosure in respect of the parent charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole.

a) Income

Legacies are recognised when the charity is advised by the personal representatives that payment will be made or property transferred and the amount involved can be quantified unless there are specific

conditions preventing receipt, such as life tenancy.

Income from donations and grants is credited to the SOFA when there is evidence of entitlement, receipt is probable and its amount can be measured reliably, unless it relates to a specific future period, in which case it is deferred.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the incoming resource is deferred.

Income from sales is included in the SOFA in the year in which the goods or service is supplied.

Membership income is recognised in the year to which it relates.

b) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that reflect the charity's activities and aggregates all costs related to that activity. Costs are allocated across activities and projects based on judgements about the objectives and related outcomes of the activities and projects. Expenditure on which there is irrecoverable VAT is shown within each relevant cost category gross of VAT.

i) Raising funds

Costs of raising funds includes expenditure in relation to staff members who are directly engaged in business development, the conference suite and the related costs.

ii) Charitable expenditure

Charitable expenditure includes all

expenditure directly related to the objects of the charity.

- **Governance costs:** These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Governance costs are allocated to the categories of charitable expenditure on the basis of staff numbers.

- **Support costs:** Costs relating to support services are identified and a proportion allocated to the charitable activities and projects that NCVO undertakes. Support costs are allocated on the basis of staff numbers.

- **Grant making:** Costs of grant making are included within charitable expenditure in the year they are payable. Costs include grants made and support costs associated with the activity. Multi-year grant commitments are conditional on progress reviews to determine whether future funding is provided and discretion is retained by the charity to terminate the grant. Where multi-year grant commitments exist, only expenditure relating to the current year's liability will be recognised.

iii) Other costs

Other costs directly relate to a specific activity or support costs that are allocated on the basis of staff time, staff numbers or area, as relevant.

c) Fund accounting

The charity maintains the following funds:

i) Restricted funds

Restricted funds represent grants, donations and legacies received,

which the donor has provided for specified purposes.

ii) General unrestricted funds

These represent funds that are expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

iii) Designated funds

These represent unrestricted funds allocated by the trustees for particular purposes.

d) Tangible and intangible fixed assets

Tangible fixed assets are stated at cost less depreciation, which is provided in equal instalments over the estimated useful lives of the assets. No depreciation is charged on freehold land. We estimate that 55% of the original purchase price related to the land and 45% to the buildings. The rates of depreciation applied to other assets are:

- Freehold building 50 years
- CRM system 5 years
- Other computer equipment 3 years
- Fixtures and fittings 10 years
- Plant and equipment 20 years

Intangible fixed assets are stated at cost less amortisation, which is provided in equal instalments over the estimated useful life of the assets. The rate of amortisation is 5 years.

e) Investments

Quoted investments are valued at bid price and stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

f) Operating leases expenditure

Gross rentals paid are recognised as lease rental expenses. Rentals

are charged to the SOFA, over the term of the lease.

g) Debtors

Debtors are recognised at the settlement amount due. Accrued income reflects amounts due but not received at the balance sheet date from funders and partners. Prepayments reflect costs paid at the balance sheet date that relate to future periods and are valued at the amount paid net of any discounts due.

h) Cash at bank and in hand

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

i) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any discounts due.

j) Employee benefits

i) Short-term benefits

Short-term benefits including holiday pay are recognised as an expense in the period in which the service was received.

ii) Post-retirement benefits

The charity operates two pension schemes.

- Defined contribution scheme: Staff are currently opted into a defined contribution scheme administered by Aviva. The assets in this scheme are held

separately from the charity in an independent fund administered by Aviva. The pension cost charge represents the contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

- Defined benefit scheme: NCVO's defined benefit scheme was closed to future accrual on 31 March 2011. The liability recognised on the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with FRS 102.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the SOFA each year.

The annual costs of the defined benefit plan are included in employee costs and allocated across the expenditure headings on the SOFA. These comprise the annual expenses of the scheme and the finance costs.

k) Consolidation

Consolidated financial statements have been prepared in respect of NCVO and its wholly owned subsidiary NCVO Trading Limited. The results of the subsidiary have been consolidated on a line-by-line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. In accordance with section 408 of the Companies Act 2006, a separate SOFA for the charity has not been presented.

2 DONATIONS AND LEGACIES

	Unrestricted 2024	Restricted 2024	Total 2024	Total 2023
	£'000	£'000	£'000	£'000
Donations through Charities Aid Foundation	4,866	0	4,866	741
Gifts in kind	21	0	21	86
Closure of trusts administered by NCVO	0	0	0	187
Other donations and voluntary income	6	0	6	14
Total	4,893	0	4,893	1,028

3 CHARITABLE ACTIVITIES

2024	Membership subscriptions and purpose contracts £'000	Unrestricted grants and sponsorships £'000	Restricted grants £'000	Total £'000
Membership subscriptions	1,594	0	0	1,594
Services and partnerships	1,739	59	566	2,364
Strategic communications and insight	0	17	0	17
Influencing and engagement	32	6	520	558
Total	3,365	82	1,086	4,533
2023	Membership subscriptions and purpose contracts £'000	Unrestricted grants and sponsorships £'000	Restricted grants £'000	Total £'000
Membership subscriptions	1,354	0	0	1,354
Services and partnerships	1,549	140	372	2,061
Strategic communications and insight	0	20	0	20
Influencing and engagement	33	3	310	346
Total	2,936	163	682	3,781

3 CHARITABLE ACTIVITIES (CONTINUED) – GRANT AND PROJECT INCOME

	Total funds 2024	Total funds 2023
Unrestricted	£'000	£'000
Garfield Weston	-	50
Pears Foundation	-	15
Zurich Insurance – various	40	40
Phoenix Software – website	17	19
Other unrestricted income under £15,000	25	39
Total unrestricted	82	163
Restricted		
Betty Messenger Foundation – Practical support and Helpdesk	0	250
Department for Culture, Media and Sport - Vision for Volunteering	370	155
National Lottery Community Fund – RC England Wide (Power of Small)	262	0
The People's Postcode Lottery- eLearning	200	0
Department for Culture, Media and Sport – Big Help Out	59	0
Department for Culture, Media and Sport - Time Well Spent	51	95
City Bridge Trust – Small Charities	33	0
Lloyds Bank Foundation - Supporting small charities	25	27
National Lottery Community Fund – Awards for All	20	0
Sport England – Vision for Volunteering	20	0
The Climate Change Collaboration - Fuelling positive change campaign	0	60
Sheila McKechnie Foundation - Power and integrity	0	25
Small Charities Coalition – Small charities	13	0
Lloyds Bank Foundation – policy	5	0
Garfield Weston - Supporting small charities	0	25
Tudor Trust - Supporting small charities	0	20
Pilgrim Trust - Supporting small charities	0	15
National Lottery Community Fund - Supporting charities through the cost of living crisis	0	10
Centre for Ageing Better – Age-friendly and inclusive volunteering	(2)	0
Other	30	0
Total restricted	1,086	682
Total grants and project income	1,168	845

4 OTHER TRADING ACTIVITIES (ALL UNRESTRICTED)

	2024 £'000	2023 £'000
Conference suite hire	1,580	1,101
Fees for services	784	762
Quality standards	27	8
Brokered services	341	354
Total	2,732	2,225

5 INVESTMENTS (ALL UNRESTRICTED)

	2024 £'000	2023 £'000
Dividends and interest	117	99

6 EXPENDITURE

2024	Staff costs £'000	Premises costs £'000	Grant making £'000	Support costs £'000	Other expenses £'000	Governance costs £'000	Total £'000
Raising funds	890	46	0	139	514	21	1,610
Charitable expenditure:							
Services and partnerships	2,027	92	5	327	534	48	3,033
Strategic communications and insight	612	31	0	110	222	16	991
Membership	361	15	0	53	4	8	441
Influencing and engagement	1,319	63	65	224	221	33	1,925
Other	0	63	0	0	0	0	63
Total	5,209	310	70	853	1,495	126	8,063

6 EXPENDITURE (CONTINUED)

2023	Staff costs £'000	Premises costs £'000	Grant making £'000	Support costs £'000	Other expenses £'000	Governance costs £'000	Total £'000
Raising funds	714	35	0	115	166	18	1,048
Charitable expenditure:							
Services and partnerships	1,818	89	20	305	666	49	2,947
Strategic communications and insight	569	29	0	103	159	15	875
Membership	332	15	0	50	3	8	408
Influencing and engagement	1,049	52	92	177	112	28	1,510
Other	0	92	0	0	0	0	92
Total	4,482	312	112	750	1,106	118	6,880

'Other expenses' include commissioning £1million (2023: £0.7million), equipment / IT £0.2million (2023: £0.3million) and office costs £0.1million (2023: £0.1million). Commissioning includes fees paid to associates and freelancers.

Support costs are made up of the following expenditure:

	2024 £'000	2023 £'000
Accommodation costs	329	316
Travel costs	21	11
Telephone, printing, postage and stationery	63	58
Equipment and IT costs	212	174
Professional fees and consultancy	226	189
Other overheads	2	2
Total	853	750

6 EXPENDITURE (CONTINUED) - GRANTS AND PARTNERSHIP PAYMENTS

Grants and partnership payments were made to the following organisations during the year:

	Total funds 2024 £'000	Total funds 2023 £'000
Power of Small		
Steering group members	4	0
Local Trust	1	0
	5	0
Big Help Out		
NAVCA	5	0
	5	0
Small Charities		
Foundation for Social Improvement	0	20
	0	20
Volunteers' Week		
Volunteer Development Scotland	2	0
	2	0
Vision for Volunteering		
Association of Volunteer Managers	8	14
Muslim Charities Forum	15	0
National Association of Voluntary Community Action (NAVCA)	12	46
Volunteering Matters	23	32
	58	92
Total grants and partnership fees paid	70	112

7 EMPLOYEES

	2024 £'000	2023 £'000
Wages and salaries	3,991	3,520
Social security	394	379
Pension costs	387	337
Redundancy and termination costs	55	17
Recruitment	72	73
Other including temporary staff and staff training	387	235
Total	5,286	4,561

The average number of employees (FTEs) during the year was:

	2024 Number	2023 Number
Generating funds	13	12
Services and partnerships	30	32
Strategic communications and insight	10	10
Membership	5	5
Influencing and engagement	20	18
Total	78	77

The number of employees whose benefits were over £60,000 during the year (excluding employer pension contributions but including redundancy, termination and payments in lieu of notice) was:

	2024 Number	2023 Number
£60,001–£70,000	4	1
£70,001–£80,000	2	2
£80,001–£90,000	2	0
£90,001–£100,000	0	1
£100,001–£110,000	1	0
£110,001–£120,000	0	1
£120,001–£130,000	1	0

Nine of the above staff are members of the defined contribution pension scheme (2023: four). None are currently paying contributions into the defined benefit scheme. The pension costs for these employees are £51,640 (2023: £28,670).

Of the employees included above in the bands over £60,000 in 2023/24, one (2022/23: none) is included due to termination payments. Overall, there were four termination payments totalling £54,566 (2022/23: £16,437 to one person).

We have complied with our published guidance for trustees on setting pay for senior staff in charities. In addition to the regulatory requirement to publish the number of employees in pay bands over £60,000 and to publish the total employee benefits received by key management personnel, we also publish the names, roles and remuneration of our executive team, along with an explanation of how we set salaries for these roles and other NCVO staff. These details are included in the trustees' report. The amounts paid to the executive team during 2023/24 were:

Name	Title	Annual salary 2023/24 £	Pension contributions 2023/24 £	Total remuneration 2023/24 £	Total remuneration 2022/23 £
Sarah Vibert	Chief executive	122,308	6,947	129,255	126,816
Laura Crandley	Chief operating officer (from 1 June 2022)	103,530	9,336	112,866	85,107
Laura Crandley	Director of finance and services (to 31 May 2022)	0	0	0	15,548
Hollie Banu	Interim head of membership and engagement (from 1 January to 6 May 2024)	17,937	1,525	19,462	0
Alex Farrow	Director of influencing and engagement (from 1 June 2022. On sabbatical from 1 January to 28 May 2024)	67,098	5,845	72,943	70,994
Alex Farrow	Head of networks and influencing (to 31 May 2022)	0	0	0	12,585
Charmaine Goddard	Interim head of people and culture (from 1 October 2022 to 31 January 2023)	0	0	0	22,267
Tracy Kiernan	Head of central services (to 30 April 2022)	0	0	0	8,963
Saskia Konynenburg	Director of strategic communications and insight (from 31 October 2022)	79,228	4,456	83,684	34,543
Rupa Kotecha- Smith	Interim head of strategic communications (to 20 October 2022) (0.9 FTE)	0	0	0	33,189
Janu Miah	Interim head of people and culture (to 30 September 2022)	0	0	0	35,570
Sophie Raeburn	Head of digital, data and technology (to 27 May 2022)	0	0	0	12,763
Woosh Raza	Director of people, culture and inclusion (from 30 January 2023)	81,787	4,645	86,432	16,041
Andrew Walkey	Director of services and partnerships (from 1 June 2022)	79,432	7,092	86,524	68,073
Andrew Walkey	Head of support and services (to 31 May 2022)	0	0	0	11,431
Rebecca Young	Interim head of policy and research (from 1 January to 6 May 2024)	17,937	1,735	19,672	0

8 NET INCOME FOR THE YEAR

This is stated after charging:	2024 £'000	2023 £'000
Auditor's remuneration		
– audit fees	30	28
– other services	2	17
Depreciation	306	304
Amortisation	3	0
Loss on disposal of fixed assets	0	7
Bank charges	13	17
Bank interest – on building loan	90	63
Trustees' expenses	1	2

No members of the trustee board received any remuneration during the year (2023: £nil). Expenses do not form part of remuneration and are separately disclosed below. Trustees believe that there are adequate systems in place to manage expenses and that all expenses were incurred in proper pursuit of NCVO's charitable objectives.

In response to the report of the Independent Group on Expenses set up by NCVO and Charity Finance Group to gather information and evidence on the disclosure of expenses by registered charities in England and Wales, published in February 2010, NCVO decided to adopt enhanced voluntary disclosure of trustees' and executive team expenses. Executive team expenses, together with total trustee expenses are summarised in the following table. These were incurred in accordance with budget and reflect changed ways of working.

Travel and subsistence expenses reimbursed to three trustees in the period amounted to £365 (2023: £408 to three trustees), with a further £105 (2023: £1,715) paid directly by NCVO for trustee costs.

	Subsistence 2024 £	UK travel 2024 £	Entertaining /networking 2024 £	Other 2024 £	Total claimed 2024 £	Total claimed 2023 £
Executive team						
Chief executive	2,859	3,876	1,885	125	8,745	4,224
Chief operating officer	0	0	0	0	0	189
Director of influencing and engagement	2,443	1,987	211	37	4,678	1,993
Director of people, culture and inclusion	845	915	303	0	2,063	77
Director of services and partnerships (home- based)	2,787	3,791	0	66	6,644	3,908
Director of strategic communications and insight (home-based)	3,630	4,564	0	0	8,194	1,837
Interim head of people and culture	0	0	0	0	0	133
Total	12,564	15,133	2,399	228	30,324	12,361
Trustees	0	365	0	105	470	2,123

9 TANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Freehold land and buildings £'000	Plant and equipment £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
Cost					
At 1 April 2023	4,919	1,163	945	1,137	8,164
Additions	0	23	112	40	175
Disposals	0	0	(133)	0	(133)
At 31 March 2024	4,919	1,186	924	1,177	8,206
Depreciation					
At 1 April 2023	1,292	480	658	1,002	3,432
Charge for the year	67	59	157	23	306
Disposals	0	0	(133)	0	(133)
At 31 March 2024	1,359	539	682	1,025	3,605
Net book value					
At 31 March 2023	3,627	683	287	135	4,732
At 31 March 2024	3,560	647	242	152	4,601

Freehold land and property are presented under the historical cost convention and are shown at original cost with an annual depreciation charge. We estimate that 55% of the cost of land and buildings related to land. In June 2013 the building was valued at £14.25million on a 15-year sale-and-leaseback basis.

10 INTANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Goodwill and total £'000
Cost	
At 1 April 2023	0
Additions	15
At 31 March 2024	15
Amortisation	
At 1 April 2023	0
Charge for the year	3
At 31 March 2024	3
Net book value	
At 31 March 2023	0
At 31 March 2024	12

The good will relates to the purchase of assets from the Foundation for Social Improvement in May 2023. The cost of £15k was mostly for purchase of learning management material and training material relating to small charities week.

11 INVESTMENTS (GROUP AND CHARITY)

	Listed £'000	Cash £'000	Total £'000
Market value			
At 1 April 2023	2,881	119	3,000
Purchase of investments	575	(575)	0
Sale of investments	(583)	583	0
Realised losses	(44)	0	(44)
Unrealised investment gains	221	0	221
Dividend income received	0	91	91
Dividend income transferred to Barclays	0	(76)	(76)
Investment management fees	0	(21)	(21)
At 31 March 2024	3,050	121	3,171

12 DEBTORS

	Consolidated 2024 £'000	Consolidated 2023 £'000	NCVO 2024 £'000	NCVO 2023 £'000
Debtors	755	799	532	599
Accrued income	4,625	195	4,573	142
Amount due from subsidiary	-	0	962	477
Prepayments	127	135	117	121
Total	5,507	1,129	6,184	1,339

Accrued income includes £4,126k of CAF income (2023: £0) and £243k grant income (2023: £43k).

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated 2024 £'000	Consolidated 2023 £'000	NCVO 2024 £'000	NCVO 2023 £'000
Bank loan (secured – see note 14)	169	169	169	169
Taxation and social security	168	184	125	140
Other creditors	514	242	491	226
Accrued expenditure	414	400	400	364
Deferred income	1,453	1,434	1,439	1,420
Total	2,718	2,429	2,624	2,319

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated 2024 £'000	Consolidated 2023 £'000	NCVO 2024 £'000	NCVO 2023 £'000
Membership deferred over one year	105	85	105	85
Bank loan (secured)	1,059	1,228	1,059	1,228
Total	1,164	1,313	1,164	1,313
Analysis of loan repayments:				
Within one year	169	169	169	169
Between one and two years	169	169	169	169
Between two and five years	890	1,059	890	1,059
Balance at 31 March	1,228	1,397	1,228	1,397

NCVO owns the freehold of the building it occupies at Society Building, All Saints Street, London N1 9RL. A loan was taken out with Barclays Bank to fund a building construction project on the same property, which was completed during 2012/13. The loan is secured by legal mortgage over the property. The loan is fully drawn, for a total of £1.6million at a rate of 1.95% over the floating rate for a 20-year period with a five-year renewable term in April 2026.

RECONCILIATION OF DEFERRED INCOME 2023/24

	Brought forward £'000	Released into 2023/24 £'000	New deferred income £'000	Carry forward £'000
Deferred income	1,519	(536)	575	1,558
Being deferred income included in:				
Creditors: amounts falling due within one year				1,453
Creditors: amount falling due after more than one year				105
Total	1,519	(536)	575	1,558

RECONCILIATION OF DEFERRED INCOME 2022/23

	Brought forward £'000	Released into 2022/23 £'000	New deferred income £'000	Carry forward £'000
Deferred income	1,225	(432)	726	1,519
Being deferred income included in:				
Creditors: amounts falling due within one year				1,434
Creditors: amount falling due after more than one year				85
Total	1,225	(432)	726	1,519

15 CAPITAL AND LEASE COMMITMENTS

NCVO entered into an operating lease with Siemens in August 2022 for multi-functional devices, which provide photocopying, printing and document scanning facilities. Total minimum lease commitments as at 31 March were:

	2024 £'000	2023 £'000
Within one year	1	1
Two to five years	3	4
Total	4	5

At 31 March 2024, NCVO had a capital commitment for automatic doors totalling £35k.

16 ANALYSIS OF NET GROUP ASSETS

	Unrestricted general 2024 £'000	Unrestricted designated 2024 £'000	Restricted 2024 £'000	Total funds excluding pension fund 2024 £'000	Pension fund 2024 £'000	Total 2024 £'000
Tangible fixed assets	0	4,613	0	4,613	0	4,613
Investments	3,171	0	0	3,171	0	3,171
Net current assets (excluding loan)	1,584	2,378	499	4,461	0	4,461
Deferred membership due after more than one year	(105)	0	0	(105)	0	(105)
Pension fund	0	0	0	0	(1,831)	(1,831)
Loan	0	(1,228)	0	(1,228)	0	(1,228)
Total	4,650	5,763	499	10,912	(1,831)	9,081

NCVO's general reserves of £4.6million (2023: £3.1million) are made up of investments and net current assets.

	Unrestricted general 2023	Unrestricted designated 2023	Restricted 2023	Total funds excluding pension fund 2023	Pension fund 2023	Total 2023
Tangible fixed assets	0	4,732	0	4,732	0	4,732
Investments	3,000	0	0	3,000	0	3,000
Net current assets (excluding loan)	138	62	259	459	0	459
Deferred membership due after more than one year	(85)	0	0	(85)	0	(85)
Pension fund	0	0	0	0	(627)	(627)
Loan	0	(1,397)	0	(1,397)	0	(1,397)
Total	3,053	3,397	259	6,709	(627)	6,082

17 MOVEMENT IN GROUP FUNDS UNRESTRICTED AND DESIGNATED FUNDS

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Net losses £'000	Balance 31 March 2024 £'000
Fixed assets	3,332	0	0	51	0	3,383
Property maintenance	28	0	0	1,313	0	1,341
Strategy development and implementation	0	0	0	1,000	0	1,000
Digital investment	37	0	(62)	62	0	37
Designated funds	3,397	0	(62)	2,426	0	5,761
General funds	3,053	11,189	(7,027)	(2,740)	177	4,652
Pension reserves	(627)	0	(128)	314	(1,390)	(1,831)
Total	5,823	11,189	(7,217)	0	(1,213)	8,582

	Balance 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Net losses £'000	Balance 31 March 2023 £'000
Fixed assets	3,153	0	0	179	0	3,332
Property maintenance	28	0	0	0	0	28
Digital investment	37	0	(92)	92	0	37
Equipment	4	0	(4)	0	0	0
Equity, diversity and inclusion	18	0	(18)	0	0	0
Designated funds	3,240	0	(114)	271	0	3,397
General funds	3,407	6,449	(6,141)	(578)	(84)	3,053
Pension reserves	0	0	(110)	307	(824)	(627)
Total	6,647	6,449	(6,365)	0	(908)	5,823

Trustees have designated funds for specific pieces of work, including:

Fixed assets

This fund represents the level of NCVO's reserves invested in fixed assets and is the net tangible fixed assets less loans outstanding (as the loans are used to part finance these acquisitions).

Property maintenance

This fund is to support the maintenance of Society Building.

Strategy development and implementation

This fund is support the development and implementation of a new strategy for NCVO from 2025/26,

Digital investment

Trustees have allocated funds from reserves for a number of digital projects, including the development of a new website and an online payments platform.

RESTRICTED FUNDS 2023/24

	1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2024 £'000
Centre for Ageing Well: Age-friendly and inclusive volunteering	2	(2)	0	0	0
Various: Governance Code	8	0	0	0	8
Betty Messenger Foundation: Helpdesk and practical support	192	0	(150)	0	42
Garfield Weston: Small charities	12	0	(12)	0	0
The Climate Change Collaboration - Fuelling positive change campaign	26	0	(24)	0	2
Sheila McKechnie Foundation - Power and integrity	8	0	(7)	0	1
Department for Culture, Media and Sport - Vision for Volunteering	0	370	(370)	0	0
National Lottery Community Fund - Power of Small	0	262	(45)	0	217
The People's Postcode Lottery - eLearning	0	200	(7)	0	193
Department for Culture, Media and Sport - The Big Help Out	0	59	(59)	0	0
Department for Culture, Media and Sport - Time Well Spent	0	51	(51)	0	0
City Bridge Trust - Small Charities	0	33	(23)	0	10
Lloyds Bank Foundation - Small Charities Week	0	25	(25)	0	0
National Lottery Community Fund - Awards for All	0	20	(20)	0	0
Sport England - Vision for Volunteering	0	20	(20)	0	0
Power and Integrity	0	15	(8)	0	7
Volunteer Now Enterprises Ltd / Volunteer Scotland / Wales Council for Voluntary Action - Volunteers' Week	0	15	(7)	0	8
Small Charities Coalition	0	13	(13)	0	0
Lloyds Bank Foundation - Policy	0	5	(5)	0	0
Various: Public Trust	7	0	0	0	7
Leadership	3	0	0	0	3
CSIS Charity Fund: Working for a Charity bursaries	1	0	0	0	1
Total	259	1,086	(846)	-	499

Those areas with restricted funds to be carried forward into 2024/25 are briefly described below:

- **Governance Code:** For the provision of ongoing stewardship of the Code.
- **Helpdesk and practical support:** Betty Messenger Foundation Ongoing support for small charities and voluntary organisations, including continuing the legacy of the Small Charities Coalition.
- **Fuelling positive change campaign: The Climate Change Collaboration:** A campaign for divestment from fossil fuels.
- **Power and integrity: Sheila McKechnie Foundation:** An incubation project to support adopting holistic approaches for organisations to work with integrity.
- **eLearning: The People's Postcode Lottery:** For the development of an eLearning platform to support small voluntary organisations.
- **Power of Small: National Lottery Community Fund:** Development phase to research and test how infrastructure bodies can best support small voluntary organisations in a long term, sustainable way.
- **Small Charities: City Bridge Trust:** Practical support for small voluntary organisations and the Small Charities Advisory Panel.
- **Volunteers' Week: Volunteer Now Enterprises, Volunteer Scotland, Wales Council for Voluntary Action:** Refreshed branding for Volunteers Week to thank volunteers across the sector.
- **Public Trust:** Work to preserve public trust and confidence in the sector.
- **Leadership (legacy):** Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).
- **CSIS Charity Fund: Working for a Charity bursaries:** Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.

RESTRICTED FUNDS 2022/23

	1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2023 £'000
The National Lottery Community Fund: Digital Fund	43	0	(43)	0	0
Centre for Ageing Well: AgeOfriendly and inclusive volunteering	28	0	(26)	0	2
Various: Governance Code	8	0	0	0	8
Betty Messenger Foundation: Helpdesk and practical support	0	250	(58)	0	192
Lloyds Bank Foundation: Small charities	0	27	(27)	0	0
Garfield Weston: Small charities	0	25	(13)	0	12
Tudor Trust: Small charities	0	20	(20)	0	0
Pilgrim Trust: Small charities	0	15	(15)	0	0
Department for Culture, Media and Sport - Vision for Volunteering	0	155	(155)	0	0
Department for Culture, Media and Sport - Time Well Spent	0	95	(95)	0	0
The Climate Change Collaboration - Fuelling positive change campaign	0	60	(34)	0	26
Sheila McKechnie Foundation - Power and integrity	0	25	(17)	0	8
National Lottery Community Fund - Supporting charities through the cost of living crisis	0	10	(10)	0	0
Various: Public Trust	7	0	0	0	7
Leadership (legacy)	3	0	0	0	3
CSIS Charity Fund: Working for a Charity bursaries	1	0	0	0	1
Other	0	2	(2)	0	0
Total	90	684	(515)	0	259

Those areas with restricted funds to be carried forward into 2023/24 are briefly described below:

- **Age-friendly and inclusive volunteering: Centre for Ageing Better:** A project to embed and spread the concept and practice of age friendly inclusive volunteering.
- **Governance Code:** For the provision of ongoing stewardship of the Code.
- **Helpdesk and practical support: Betty Messenger Foundation and Garfield Weston:** Ongoing support for small charities and voluntary organisations, including continuing the legacy of the Small Charities Coalition.
- **Fuelling positive change campaign: The Climate Change Collaboration:** A campaign for divestment from fossil fuels.
- **Power and integrity: Sheila McKechnie Foundation:** An incubation project to support adopting holistic approaches for organisations to work with integrity.
- **Public Trust:** Work to preserve public trust and confidence in the sector.
- **Leadership (legacy):** Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).
- **CSIS Charity Fund: Working for a Charity bursaries:** Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.

OTHER FUNDS - AGENCY

NCVO also manages other charitable funds on behalf of the trusts listed below through its investment managers, UBS.

- **The Leach Trust:** To pay the income and/or capital of the trust to such charities or for such charitable purposes as the settlor may from time to time direct.
- **The Montefiore Institute:** The Permanent Trustee shall hold the trust premises upon trust to permit the same to be used for the purposes of physical and mental recreation and social moral and intellectual development through the medium of reading and recreation room library lectures classes recreations entertainments or otherwise as may be found expedient for the benefit of the inhabitants of the Worth Ward of the Parish of Worth in the County of Sussex and its immediate vicinity without distinction of sex or of political or other opinions subject to the provisions of these premises.
- **A M G and G Wyburd Trust:** To pay or apply the income and/or capital to such charities or for such charitable purposes as the settlors may from time to time direct.

NCVO acts as Trustee of and makes donations from these funds as directed by their settlors. The total value of the investments, which are held in a separate portfolio, stands at £179,000 (2023: £170,000). In addition, £223,000 (2023: £229,000) is held in a separate bank account. These funds are excluded from NCVO's accounts.

Most of the final distributions from The Magnus Trust were made in early April 2024 (we held £149,203 at 31 March 2024; 2023 £149,203) and then this will also be wound up.

18 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £'000	2023 £'000
Net income for the year	4,389	169
Adjustments for:		
Depreciation	306	304
Amortisation	3	0
Loss on disposal of fixed assets	0	7
(Gain) / loss on investments	(177)	84
Dividends and interest from investments	(117)	(99)
Interest on bank loan	90	63
Non-cash difference between defined benefit pension contributions paid and amount charged to SOFA	(186)	(197)
Increase in debtors	(4,378)	(302)
Increase in creditors	309	227
Net cash provided by operating activities	239	256

19 POST-EMPLOYMENT BENEFITS

The charity operates two pension schemes, a defined contribution pension scheme for employees and a defined benefits pension scheme (the assets of which are held separately from the charity), which was closed on 31 March 2011.

PENSION COSTS CHARGE IN THE YEAR

The amount of pensions costs charged within employee costs on the SOFA is as follows:

	Note	2024 £'000	2023 £'000
Defined contribution scheme costs		259	227
Defined benefit scheme expenses		103	110
Defined benefit scheme interest cost		25	0
Total cost	7	387	337

DEFINED BENEFIT SCHEME

The employer operates a defined benefit scheme in the UK which is closed to new entrants and future accrual. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was completed as at 30 September 2022 and the results of this have been updated to 31 March 2024 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The actuarial valuation as at 30 September 2022 showed a deficit of £2,494,000. The employer has agreed with the trustees that it will aim to eliminate the deficit by 31 December 2029 by the payment of annual contributions of £216,300 per annum (payable monthly) increasing by 3% at every subsequent 1 April. In addition the employer has agreed with the Trustee that it will pay contributions in respect of the expenses of running the Scheme of £90,850 per annum up to 31 March 2024 and £82,000 per annum thereafter.

Assumptions

	2024 %	2023 %
Rate of increase in salaries	3.00	2.93
Rate of increase in pensions in payment	2.83	2.85
Discount rate	4.89	4.87
Inflation assumption (CPI)	2.91	2.93

The mortality assumptions adopted at 31 March 2024 imply the following life expectations:

	2024 Years
Male retiring in 2024	22.0
Female retiring in 2024	24.3
Male retiring in 2044	23.6
Female retiring in 2044	25.7

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	2024 £'000	2023 £'000
Fair value of plan assets	20,752	21,891
Present value of defined benefit obligation	(22,583)	(22,518)
Deficit in scheme and liability recognised	(1,831)	(627)

Reconciliation of opening and closing balances of the defined benefit obligation

	2024 £'000	2023 £'000
Defined benefit obligation at start of period	22,518	29,730
Interest expenses	1,075	815
Benefits paid and expenses	(900)	(811)
Actuarial loss on changes in financial and demographic assumptions	(236)	(7,216)
Experience gain on liabilities	126	0
Total	22,583	22,518

Reconciliation of opening and closing balances of the fair value of scheme assets

	2024 £'000	2023 £'000
Fair value of scheme assets at start of period	21,891	30,344
Interest income	1,050	835
Expenses	(103)	(110)
Return on assets excluding interest income	(1,500)	(8,674)
Contributions by the employer	314	307
Benefits paid and expenses	(900)	(811)
Total	20,752	21,891

	2024 £'000	2023 £'000
Actuarial loss recognised in the SOFA		
Loss on scheme assets	(1,500)	(8,674)
Experience loss arising on the scheme liabilities	(126)	(1,410)
Gain as a result of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities	236	8,626
Gain from the change in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	0	634
Total actuarial loss recognised in SOFA	(1,390)	(824)

	2024 £'000	2023 £'000
Scheme assets		
Equity type assets	1,358	738
Bonds	11,743	10,849
Property	1,615	1,882
Other	6,036	8,422
Total assets	20,752	21,891

TPT Retirement Solutions has informed NCVO of a review of historic scheme benefit changes that it is undertaking. The content of these accounts makes no allowance for, or reference to, the potential outcome of that review.

20 CONTINGENT LIABILITIES

The charity was notified by the trustee of the charity's defined benefit pension scheme of a possible liability that existed at 31 March 2024. This relates to potential further benefits payable to members of the scheme derived from the way benefits have been changed and how the scheme's rules are interpreted. As is normal practice in these circumstances, the pension scheme trustee is seeking clarification through the courts to confirm if and when the impact of changes would have created additional benefits payable. An estimation of the liability, should it be payable, is in the region of £4.2million.

21 TAXATION

NCVO is a registered charity and as such is not liable to tax on its income and gains that meet the tax exemptions. The charity's trading subsidiary, NCVO Trading Limited, is liable to tax on any profits not paid to the charity under deed of covenant.

22 RELATED PARTIES

The charity owns 100% of the issued share capital in NCVO Trading Limited. The results of the trading company are shown in note 23 to the accounts.

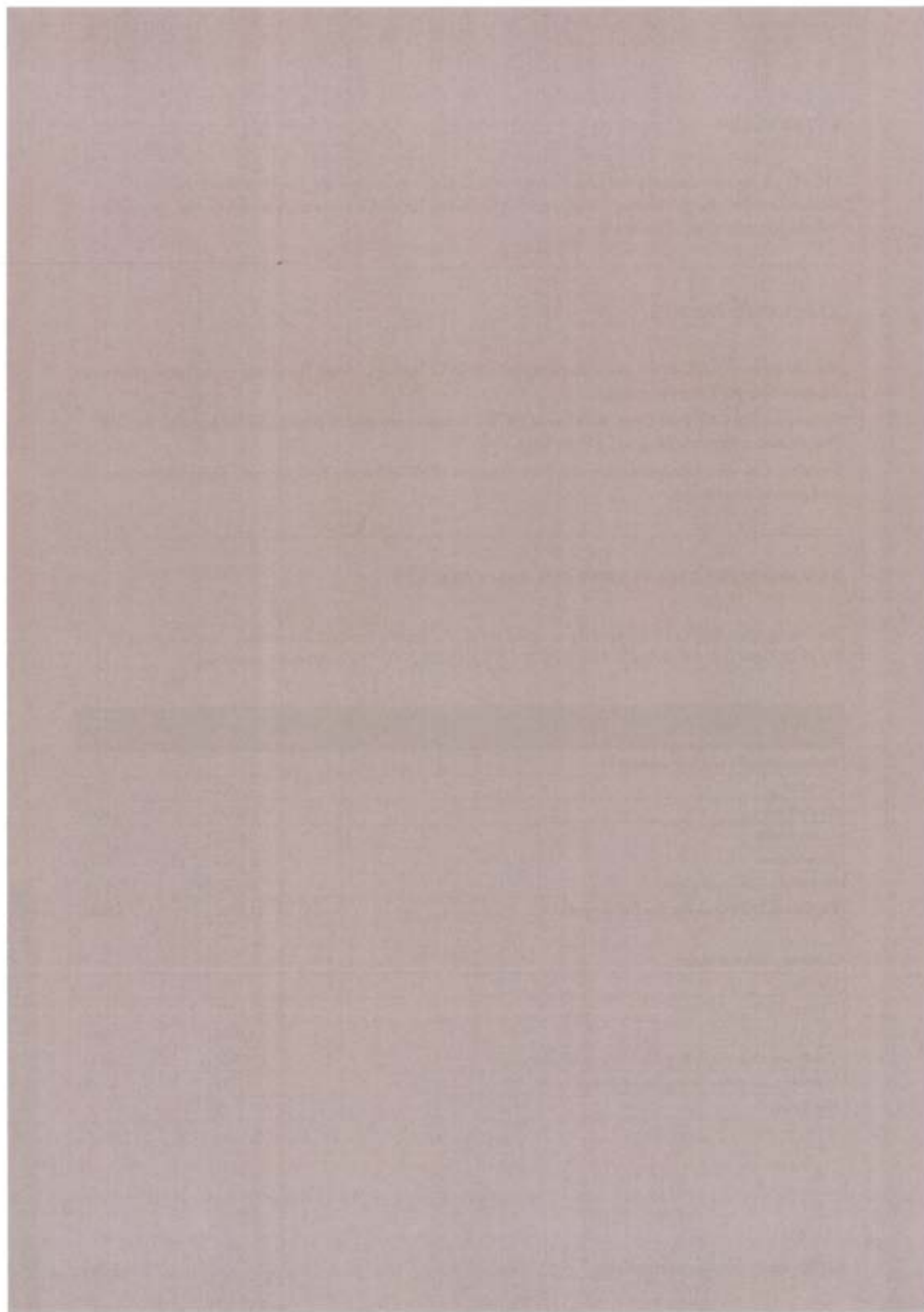
As stated in the CAF Trust Deed, the chair of NCVO occupies one trustee position on the board of the CAF. This position is currently filled by Dr Priya Singh.

Some trustees work for organisations which are members of NCVO or use their services. These transactions all take place at arms length.

23 SUBSIDIARY AND PARENT COMPANY RESULTS

The charity owns 100% of the issued share capital in NCVO Trading Limited. The company made a profit of £1,129,000 for the year ended 31 March 2024 (2023: £923,000). The investment at cost is £1.

	2024 £'000	2023 £'000
Summary profit and loss account		
Turnover	2,032	1,561
Cost of sales	(850)	(601)
Gross profit	1,182	960
Expenditure	(52)	(37)
Net profit from operations	1,130	923
Payable to NCVO under deed of covenant	(1,130)	(923)
Summary balance sheet		
Debtors	285	264
Cash at bank and in-hand	771	320
	1,056	584
Creditors: amounts falling due within one year	(1,056)	(584)
Creditors: amounts falling due after one year	0	0
Net assets	0	0



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CHAMPIONING
VOLUNTARY
ACTION

NCVo

Registered charity number 225922

THE NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

England & Wales - Charity number 225922

Accounts

REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Company number: 198344
Charity number: 225922



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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2023

Patron previously Her Majesty The Queen	NCVO trustee board honorary officers			NCVO trading limited directors	
	Chair Dr Priya Singh	Senior Independent Trustee Dr Sarabajaya Kumar	Trustees Paul Buchanan	Laura Crandley	
	Vice chair Emily Agius		Georgina Carr Appointed 21 November 2022	Saskia Konynenburg Apointed 21 November 2022	
	Co-vice chair Julie Bentley Resigned 21 November 2022		Red Godfrey-Sagoo	Sarah Vibert	
	Honorary treasurer Paul Breckell		Chris Sherwood Appointed 14 December 2022	Andrew Walkey	
			Angela Spence		
			Dan Sutch		
			Sheila Taylor		
			Ingrid Tennessee		

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,
ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2023

Continued

Audit and Risk Committee	
Trustees	Independents
Paul Breckell	Kalwant Grewal
Dr Sarabajaya Kumar	Anne Heal
	Frankie Smith
	Kafui Tay (chair)
Finance and Commercial Committee	
Trustees	Independents
Paul Breckell (chair)	Dominic Fox
Paul Buchanan	Stella Neophytou
Dan Sutch	Dani Salvadori

Governance and Nominations Committee	
Trustees	Independents
Emily Agius	Karmen Bennett
Chair from 19 July 2023	Crewenna Dymond
Dr Priya Singh	Tommy Hyun
Chair until 18 July 2023	Debbie Raven
People, Culture and Inclusion Committee	
Trustees	Independents
Angela Spence (chair)	Amanda Arrowsmith
Red Godfrey-Sagoo	Edith Galliers
Ingrid Tennessee	Chris Wade



REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,
ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2023

Continued

Chief Executive Sarah Vibert	Chief Operating Officer and Directors Laura Crandley Chief Operating Officer (Director of Finance and Services to 31 May 2022) Appointed 1 June 2022 Alex Farrow Director of Influencing and Engagement. Appointed 1 June 2022 Saskia Konynenburg Director of Strategic Communications and Insight. Appointed 31 October 2022	Woosh Raza Director of People, Culture and Inclusion. Appointed 1 February 2023 Andrew Walkey Director of Services and Partnerships. Appointed 1 June 2022	Company Secretary Laura Crandley	Auditors PKF Littlejohn LLP 15 Westferry Circus, Canary Wharf, London E14 4HD Bankers Barclays Bank Plc Investment managers UBS	Registered office and operational address Society Building, 8 All Saints Street, London N1 9RL Registered charity number: 225922 Company registration number: 198344

FROM THE CHAIR



Dr Priya Singh
Chair, NCVO

WELCOME TO NCVO'S ANNUAL REPORT FOR 2022/23

We started 2022 facing a rapidly evolving cost of living crisis, placing substantial demands on the voluntary sector. People and organisations have continued to adapt, step up and innovate to meet new needs. We can all take inspiration from the continuing strength, resilience and courage of those working and volunteering in the sector.

The importance of community

When we welcomed Sarah as our CEO, she was focused on building relationships and developing a collaborative, accessible NCVO. Given all that society and the voluntary sector are navigating, NCVO's community-building role has never been more important. I have been so pleased to

hear of member experience and feedback about contacting the Helpdesk, of the quality and value of the resources available and, together with partners and wider stakeholders, the benefit of coming together at engagement events.

Growing a community has been integral in our influencing and advocacy for members and our sector. Our teams worked relentlessly with members to ensure decision-makers recognised the value of the voluntary sector. Alongside our partners, we secured £100million+ for voluntary organisations in the spring budget to support the cost of living pressures. NCVO also influenced the government to extend energy support to charities, saving many members hundreds of thousands of pounds

collectively and supporting members to find the best energy deals through free webinars with our trusted supplier Utility Aid.

During the year, we were very sorry to see the closure of the two main infrastructure bodies for small charities (the Small Charities Coalition and the Foundation for Social Improvement). Small charities make up over 90% of the NCVO membership community and have been particularly vulnerable to the cost of living crisis. As a result, we have stepped up our work directly supporting the small charity community. We are working hard to utilise our connections and reach in the best ways, by listening and responding to the needs of smaller organisations to enable a way forward.

A learning organisation

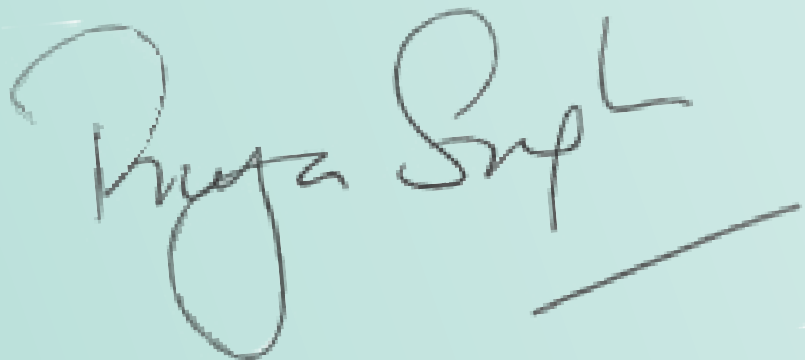
Throughout NCVO’s history, we have incubated projects to respond to emerging needs, many of which went on to become household name charities. How we support innovation is a crucial part of NCVO’s role in the sector. During this year we began new incubation projects - Power & Integrity and Charity Interns - both of which are testing and sharing new approaches to boosting equity, diversity and inclusion in the voluntary sector.

The majority of members of NCVO’s board are elected by the NCVO membership community, and we have welcomed two new members this year together with nine independent committee members, which has further strengthened and diversified our board and committees. We undertook an independent review of board effectiveness, with good results.

We were delighted to be awarded Race Equality Matters’ Bronze Trailblazer status in recognition of our culture change work.

Thank you

On behalf of the board, I would like to record my thanks to the NCVO team for their hard work and dedication when members, sectors and communities needed it most; to trustees and independent members for their vital and impactful time and commitment to NCVO; to members and partners for their visionary leadership, collaborative working and steadfast support for our voluntary community, ensuring that we are stronger together.



Dr Priya Singh
Chair, NCVO

FROM THE CEO



Sarah Vibert
CEO, NCVO

I can hardly believe this annual report marks my first full year as chief executive of NCVO. I've travelled all over the country this year meeting thousands of NCVO members, as well as hosting many online forums and meetings. It is this part of the role that inspires me most and challenges me to lead NCVO with members at the centre of all we do. One theme that runs through all the conversations I have with charity staff and volunteers is the challenge of keeping organisations running successfully in the short term, especially through times of crisis, while keeping focused on the long-term vision. NCVO certainly shares this challenge in responding to immediate needs of members while staying focused on the long-term sustainability of the voluntary sector and volunteering.

A long-term vision

This year with partners including the Department for Culture, Media and Sport (DCMS), we launched Vision for Volunteering, a ten-year collaborative project designed to reimagine the future of volunteering. More than 350 people from over 300 organisations were consulted to create this landmark project, which sets out a vision for what volunteering needs to look like by 2032. The Vision for Volunteering partners, alongside the growing movement we are building, believe the future of volunteering needs more diversity, more collaboration, more experimentation, and more devolution of power. It's an ambitious plan, but one that we and our partners are committed to delivering.

We've also continued to work collaboratively with our Civil Society Group partners, and in particular, ACEVO, to focus on the longer-term future of the voluntary sector. Recently we began a joint project to develop a vision for the society the sector wants to create and the role of the

voluntary sector in achieving this. This will form our collective voluntary sector manifesto ahead of the next General Election.

Responding to immediate need

But even though this year was partly spent planning for the future, we also needed to work quickly and reactively to help members through some of the most tumultuous times in living memory. As a community, we were faced with a series of crises and challenges, from the outbreak of war in Ukraine to our patron, Her Majesty Queen Elizabeth’s death, as well as the ongoing cost of living and energy crisis squeezing much-needed funds. From practical guidance on what organisations needed to consider following the death of the Queen to webinars about how to manage rising energy costs, the NCVO team responded time and time again to provide much-needed support to members.

To further support members with the cost of living crisis, we worked tirelessly with partners in the Civil Society Group, campaigning for help with energy costs, increases to the mileage rate, and achieved over a £ 100 million

boost for the sector. This is a significant amount of money that will be a lifeline to many organisations, particularly small charities as they face a further year of economic challenge.

While 1,352 members joined NCVO this year, our membership data is a stark reflection of the reality in the voluntary sector right now, where organisations are struggling with falling income, increasing costs and rising needs. We have seen an uptick in enquiries to our small charities helpdesk about closure and more charities leaving NCVO membership because they are sadly closing.

The year has been bookended by the closure of two important organisations – the Small Charities Coalition and the Foundation for Social Improvement (FSI).

NCVO has worked with partners to fill the gap left by these organisations. This has included setting up a Small Charities Advisory Panel to elevate the voice of small and working to shape the wider ecosystem for small charities. Our aim is to build resilience into the smaller charity sector, including developing sustainable models for small charity infrastructure support.

NCVO set for the year ahead

In the second half of last year, I appointed the final two directors to the NCVO leadership team. Woosh Raza and Saskia Konynenburg bring a wealth of experience to complement that of existing team members. NCVO ended the year with an operational surplus, despite a very challenging operating environment. Our culture change work has progressed well, and our values continued to embed. I am particularly proud of the staff-led networks, which have run a wide-ranging programme of activity this year to celebrate diversity and foster belonging. The passion and dedication of our staff towards supporting members and the sector is stronger than ever. We have continued to develop existing and new partnerships across all areas of our work.

These factors, combined with the strength of the NCVO membership community and the depth of our relationships across the sector, give NCVO a strong basis on which to progress and support the sector as we weather the storms of the year ahead.



Sarah Vibert
CEO, NCVO

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustee board presents its annual report (incorporating the strategic report) and the audited financial statements for the year ended 31 March 2023.

The legal and administrative information set out on pages 3 to 5 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Charities' SORP (FRS 102).

NCVO is a charitable company limited by guarantee, founded in 1919 as the National Council of Social Services, incorporated on 30 May 1924 and registered as a charity on 1 January 1964. It was established under a memorandum of association, which defines its objects and powers, and is governed by its articles of association. In addition, there are detailed regulations made under the articles.

Full membership of NCVO is open to voluntary organisations that comply with the criteria for membership. In addition, there are affiliate categories of membership for public sector and corporate bodies. NCVO's trustee board is responsible for managing the business of NCVO as outlined in the articles of association.

NCVO is governed by a board of 12 trustees, including three honorary officers (chair, vice-chair and treasurer). The chair, treasurer and seven trustees are elected by the members. Additional trustees are co-opted by the board to ensure the right mix of skills and experience.

One of the trustees is elected to fill the vice-chair honorary officer position by the board. Trustees serve for a term of three years, with a maximum of two terms except in exceptional circumstances. Trustees serve for a term of three years, with a maximum of two terms except in exceptional circumstances. The following committees report to the board:

- **Audit and Risk Committee.** Provides independent advice and assurance on risk, control and compliance matters. Our audit and risk committee is chaired by an independent member of the committee.
- **Finance and Commercial Committee.** Provides oversight of all commercial activity within NCVO. Reviews our business plans and budgets as well as monitoring our performance against targets, both financial and non-financial. Oversight of investments and our defined benefit pension scheme.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Continued

- **Governance and Nominations Committee.** Facilitates diversity in the governance structure and ensures the right mix of skills and experience on the board and its sub-committees. Supervises the trustee election process to ensure this is open and democratic. Supports board development and evaluation.
- **People, Culture and Inclusion Committee.** Sets the chief executive and the leadership teams’ remuneration and considers all people policies and related matters, including pensions. To provide challenge and support to the board and leadership team in relation to the delivery of our cultural change roadmap. Oversight of our external work to support inclusion across the sector. Provides challenge and oversight through lived experience, expertise and knowledge in relation to practice, culture and approach at NCVO.

On election, each new trustee receives an induction pack including The Essential Trustee and key organisational policies and documents. All trustees attend an induction meeting, which includes the opportunity to meet key staff. Each year, every trustee meets with the chair to review the year.

All trustees also take part in an annual planning event. This provides an opportunity for them to spend time with other board members and members of NCVO’s leadership team discussing the environment in which the organisation operates and the organisation’s future plans.

The trustee board was supported during the year by a leadership team and staff of around 85 employees, organised into five areas, as follows:

- **COO** – responsible for our conference facilities; data protection; finance; governance; IT; legal; property; and oversight of services and partnerships.
- **Director of Influencing and Engagement** – this includes membership, networks, policy, campaigns, volunteering and research.
- **Director of People, Culture and Inclusion** –this comprises our cultural change work; HR; learning and development and our external work to support the sector in the area of equity, diversity and inclusion.
- **Director of Services and Partnerships** – this comprises corporate relationships; practical support; and our training and consultancy offer.

- **Director of Strategic Communications and Insight** – this includes marketing and communications; our digital content and development; and a new insight function.

Members voice

The cost-of-living crisis presented a profound threat to NCVO members and the wider voluntary sector. As part of our campaign for government support, we amplified the stories of members to ensure that their experiences – increased need in communities, falling income, and rising bills – were heard by the general public and decision-makers.

We brought members together in collective action writing to their local MP and used insights gathered from member events and calls to our helpdesk to strengthen our case to the government.

In addition, we co-hosted a roundtable on the Charity Commission’s proposed social media guidance and changes to the annual return. Our survey on charity banking had over 1,200 responses, giving us a rich understanding of the challenges and solutions required.

Some of our original plans to formulise the involvement of members in our influencing work were delayed due to the

STRUCTURE, GOVERNANCE AND MANAGEMENT

Continued

energy and cost of living crisis. In the year ahead, we want to establish a quarterly policy forum for members and regularly convene a panel of 100 senior leaders from across the NCVO membership to inform our policy priorities.

President

The president acts as an ambassador for NCVO and is elected by the members for a non-renewable term of five years.

Baroness Jill Pitkeathley was elected president of NCVO at the AGM in November 2017 and stepped down in November 2022 at the end of her five-year term.

We anticipate appointing a new president in the near future.

Charity Governance Code and Charity Ethical Principles

NCVO is a committed supporter of the Charity Governance Code (the Code) and the Charity Ethical Principles (the Principles) as a set of standards for high performance in governance, having played a major role in their development. We introduced our own ethical policy

in March 2022. As such, the trustees have resolved to adopt the Code and the Principles as a tool to identify areas to focus on. In 2021/22, we undertook a full external governance review in line with best practice and updates to the Code. This resulted in the re-shaping of the remit and meeting cycles of the committees which support the board, the appointment of a senior independent trustee and improving our approach to board meetings to ensure these address the critical strategic issues for the organisation and the sector. In early 2023, all committees reviewed their progress and recommendations were approved by the board in May 2023 as part of a cycle of continuous improvement.

Openness and accountability

NCVO’s strategy is guided by an overarching principle of being member-focused. We take a collaborative approach and recognise that members are the experts in charities and volunteering, and NCVO reflects this through its decision-making. For policy work, this means a far greater focus on really understanding the challenges members face and their goals and continually developing our offer in response.

In 2022/23, this included undertaking a survey around banking, support during the cost of living crisis as well as starting to prepare for a general election in 2024 through working with ACEVO to develop a joint manifesto for the sector.

In a challenging year, our priority has been to support members and the wider sector grappling with multiple crises. To live our values, the board fosters a culture of achieving our goals through collaboration, drawing our legitimacy to act from the NCVO membership.

During the last year, the trustees have:

- encouraged an active leadership approach to the loss of vital small charity infrastructure, particularly the closure of the Small Charities Coalition (SCC) and the Foundation for Social Improvement (FSI);
- established the Small Charity Advisory Panel to have oversight of and hold NCVO and the wider sector accountable for collective work to support small charities;
- supported a culture of openness, particularly in relation to female leadership and inclusion-prioritised relationships with members, including the recruitment of new, elected

STRUCTURE, GOVERNANCE AND MANAGEMENT

Continued

trustees, ensuring strong member voice in our formal governance structures;

- emphasised the importance of collaboration, particularly with the Civil Society Group and Vision for Volunteering, to strengthen our legitimacy and increase our impact on members.

Diversity within the board of trustees

The board considers the diversity of trustees to be a key priority and recognises the limitations associated with the elective governance process. The governance and nominations committee review the board’s skills and diversity annually, understand barriers to engagement

and develop targeted recruitment initiatives for both elected and appointed vacancies which reach a wide audience. Trustees continue to be committed to demonstrating leadership in this area with a view to encouraging candidates from different backgrounds and experiences to put themselves forward for trustee roles.

On 31 March 2023, our board of trustees consisted of eight females (67%) and four males. Six people (50%) identify as white, and six people are from the global

majority. One person (8%) identifies as disabled. Two people (17%) identify as LGBTQ+. Four people (33%) are between 31 and 44 years old, with the remainder of the board being over 45. The board is made up of people from different religious backgrounds, including those with no religion. Our governance and nominations committee review the diversity of the board regularly.

Organisational purpose and leadership

Following our external governance review in 2021, the trustees commissioned support to work with them to review their effectiveness as a board and have implemented the recommendations from this exercise. The board continue to undertake reviews regularly during their board meetings to ensure that they continue to adapt and improve how they work together.

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

NCVO champions and strengthens volunteering and civil society, with 17,000 members ranging from the smallest community organisations to the largest charities. There are tens of thousands of voluntary-sector organisations in the UK. There are millions of volunteers. Every day, people across the country give their time, energy and money.

For over 100 years, NCVO has stood shoulder-to-shoulder with communities, championing and celebrating voluntary action. We firmly believe that communities are strengthened by charities, so we help them thrive. The NCVO membership is made up of 17,000 voluntary organisations across England, from small, grassroots community groups and social enterprises, to large, national and global charities. We listen to members and provide the right knowledge, tools, and resources when it matters, so they can focus on delivering

for people and communities. We are ambitious about creating systemic societal change, but we don't assume to have all the answers. So, with our partners and members, we advocate for greater value and equity for the voluntary sector so that charities can grow their impact.

17,000
MEMBERS



Public benefit statement

The trustees have paid due regard to the Charity Commission's guidance on public benefit. The trustees are confident that NCVO's aims and activities – educating about, campaigning for and promoting the interests of civil society organisations – are in accordance with the regulations on public benefit.

DELIVERING OUR STRATEGY

OVERVIEW We have continued to implement our 2021-2025 strategy that focuses on four goals and is underpinned by our new values.

GOALS

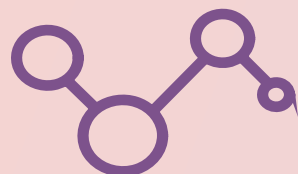
SUPPORT



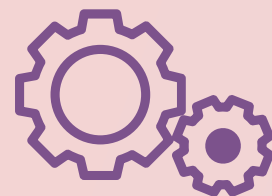
AMPLIFY



CONNECT



EVOLVE



VALUES

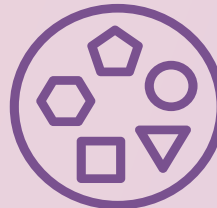
OPEN



COLLABORATIVE



INCLUSIVE



AMBITIOUS



Our business plan for the year drew upon these goals and values and centred on six priorities.

- 1. Developing a more collaborative, personalised and accessible NCVO
- 2. Supporting a green and equitable recovery with and through members and partners
- 3. Breaking down barriers to volunteering
- 4. Transitioning NCVO to new ways of working for the long-term
- 5. Adapting our business model and growing back income
- 6. Developing the foundations of a learning organisation

SUMMARY OF KEY
ACHIEVEMENTS
THIS YEAR

**Developing a more
collaborative, personalised
and accessible NCVO**

We firmly believe in the power of strong relationships between our 17,000 strong membership organisations and have worked throughout the year to facilitate members coming together to learn from each other for the benefit of their communities. We ran a total of 65 online engagement events with members and held seven face-to-face events, including regional member assemblies, CEO roundtables and our AGM.

We worked with a range of corporate partners to support the Charity Commission campaign for Trustees Week, focussing on celebrating and raising the profile of the 700,000+ volunteer trustees in England and

encouraging them to come together to develop their skills. The collaboration continued when over 100 attendees shared their experiences at the launch of our annual Civil Society Almanac. Covering the first months of the pandemic, the Almanac showed that for the first time in 20 years, income from the public contributes only half (51%) of all voluntary sector income. We also worked with UK Volunteering Forum partners on Volunteers Week to celebrate the value that volunteers bring to the sector.

To increase accessibility for members and the sector, we launched our new website in August 2022, which was developed based on extensive user research. This new website combines our portfolio of sites, including a review of all our online content, to ensure this was meeting best practices in terms of ease of access and use. In March 2023, we launched our new training and events platform, which will improve the efficiency of our training and events and allow members to get the information they need more easily.

This year, a lot of our work has been focused on supporting small charities. Following its closure in 2022, we agreed to take on the key services provided by the Small Charity Coalition (SSC), including the helpdesk and charity set-up tool. A vital lifeline, we are incredibly proud of our team, whose efforts made sure the small charity helpdesk service was up and running in a short space of time.

In March, we launched the Small Charities Advisory Panel, which will support NCVO and the wider infrastructure sector to ensure small charities can easily access the tailored help, support and advocacy they so desperately need. We also sought to reassure the community when the FSI closed its doors, communicating through email, social, news and insights.

It is important to help NCVO members plan for the future, as well as deal with the day-to-day. To this end, we wanted as many members as possible to access our 2023 Road Ahead report. Alongside the release,

which details the issues facing members in the year ahead, we held a number of events and published a series of blogs and articles providing members with advice and resources.

**Supporting a green and equitable
recovery with and through
members and partners**

As society continues to recover and readjust following the pandemic, NCVO is committed to supporting members to ensure it returns a greener, fairer and more equitable place to be.

In May, our Power and Integrity project officially launched with high-profile sector press coverage.. This is an exciting new initiative that aims to address issues relating to power and integrity in the voluntary sector. We are incubating the project so that we can share learnings from our own EDI and culture change journey and learn from the project’s findings.

DELIVERING OUR STRATEGY
SUMMARY OF OUR KEY ACHIEVEMENTS THIS YEAR
Continued

In June, we highlighted charity banking challenges via a major survey of over 1,200 organisations. The results showed that banking services are increasingly unavailable to and inappropriate for the voluntary sector, creating significant risk to good financial governance. We continue to work with partners and banking trade body UK Finance to address the challenges. This financial pressure, along with the energy crisis, continues to be a real roadblock to a green and equitable recovery.

Collectively the voluntary sector also scored a major financial victory as the DCMS announced the use of dormant assets for social or environmental causes. This included establishing a Community Wealth Fund, something NCVO has long campaigned as part of the Community Wealth Fund Alliance.

The highlight of the year was securing, with our partners, £100million+ for charities and voluntary organisations in the

spring budget to support them with energy bills. In addition, £63million will support community leisure organisations, many of which are charities. This built on our early success of ensuring that voluntary organisations had access to the Energy Bill Relief Scheme, which protected charities from the full cost of electricity and gas throughout the winter.

Given the challenges facing charities, we stepped up our political engagement this year. We attended regular Ministerial meetings including with the Culture Secretary, the Exchequer Secretary to the Treasury, and Civil Society Minister to highlight the vital role charities were playing in supporting communities and the challenges they are experiencing. Among our main calls to government was the uplifting of contracts in line with inflation and deferral of VAT payments. We also lobbied on the Procurement Bill. In partnership with Bright Blue and the Lloyds Bank Foundation for England and Wales, we hosted a series of

roundtables to strengthen the relationships between ministers and charity leaders.

In addition to high level political engagement, we highlighted the problems facing the charitable sector in a range of high-profile press coverage across the year, including a feature in The Guardian showing a range of cost of living crisis charity stories, as well as coverage surrounding our call for Jeremy Hunt to meet with charities to discuss future energy bills support, and regular broadcast media interviews about the impact of the cost of living crisis on charities.

As part of our work to make our sector a greener place to be, NCVO worked with a sustainability consultant to develop a plan to enable us to move towards net zero. That plan is currently being implemented, alongside an environmental management system (EMS). We also achieved the Green Mark for our conference facilities. We undertook development work on a sector-facing net-zero initiative which we launched in July 2023.

We welcomed Orlando Fraser as chair of the Charity Commission and look forward to working with him to build an even stronger sector that can respond to the challenges facing communities. NCVO’s practical support team forged a new relationship with the Charity Commission’s customer service team, building on the closer ways of working between our two organisations begun during the pandemic.

Breaking down barriers to volunteering

NCVO recognises that volunteering opportunities are not currently equally accessible, and the experience of volunteers can differ greatly across the country. We want a future where volunteers can give their time to the causes and organisations that matter to them in the ways they want and on a level playing field.

In May, NCVO and partners launched Vision for Volunteering, a ten-year collaborative project designed to reimagine

DELIVERING OUR STRATEGY
SUMMARY OF OUR KEY ACHIEVEMENTS THIS YEAR
Continued

the future of volunteering. Centred on awareness and appreciation, power, equity and inclusion, collaboration, and experimentation, the Vision for Volunteering partnership received a grant of £600,000 from the UK government for the second phase of the project and recruited three newly funded roles. We also partnered with the Centre for Ageing Better to support its efforts to increase age-friendly inclusive volunteering via training and creating a group of advocates.

Our research showed that financial hardships are still a barrier to volunteering. We joined Community Transport Association’s campaign in lobbying HMRC to increase the mileage rate for volunteers. We also invested in further understanding the barriers to volunteering. Our Time Well Spent research project saw its latest release in July, and the findings demonstrated that the covid-19 pandemic has had a profound impact on volunteer management, organisation and experience.

People’s willingness to stand up and help those in need was once again demonstrated when Russia invaded Ukraine. With over 13 million people displaced, NCVO worked with the government to establish the Homes For Ukraine scheme, which saw hundreds of thousands of people open their homes to those fleeing the conflict. In addition, we provided advice, guidance, and support to the sector as individuals and organisations mobilised to support those impacted by the war.

At NCVO, we were deeply saddened by Her Majesty Queen Elizabeth’s death and reflected on her lifetime of service. The Queen was our Royal Patron and was a strong supporter of charities and volunteering – as both a patron and advocate. In 2023, we welcomed His Majesty The King, and NCVO supported a new volunteering campaign linked to the Coronation. The Big Help Out was a national call to people to volunteer,

especially focusing on those who had never considered it before. It was a huge success, with some 6.5 million people helping out across the country - with many volunteering for the first time.

Transitioning NCVO to new ways of working for the long-term

We extend a warm welcome to our two new trustees, Georgina Carr and Chris Sherwood. Georgina has been the Neurological Alliance chief executive since January 2020. Chris has nearly 20 years of experience in the voluntary sector and has been the Chief Executive of the RSPCA since 2018.

We invested in moving our own office space to the fourth floor of the Society Building, specifically designing the space to reflect our hybrid working model. We concluded a significant consultation with colleagues on future ways of working at NCVO, with all staff who do not need to

be in the office for operational reasons moving to contracts where they can work from anywhere in the UK and, in parallel, putting in place additional benefits for the teams who run our conference suite and building, and therefore have less flexibility in terms of place of work. The NCVO team now comes together four times a year for ‘anchor days’, which we use to focus on cultural development and living our values.

Given the challenges presented by the cost of living crisis, we chose to award an additional one-off payment at Christmas to all staff below the leadership team level. Grants have become an increasingly important part of our business model.

Adapting our business model and growing back income

Cost of living pressures on voluntary organisations means that we saw NCVO membership numbers fall for the first time

DELIVERING OUR STRATEGY
SUMMARY OF OUR KEY ACHIEVEMENTS THIS YEAR
Continued

in 2022/23 (more detail below), although membership income grew. Although many of NCVO's income streams rely on paying voluntary sector customers, we were delighted that many areas of our business model held up or grew during the year, demonstrating the need for NCVO's work and the value members get from discounted services. We grew income from £5.4 million to £7.1 million over the 12-month period to March 2023 compared to the previous 12 months.

Our consultancy work is highly valued, and we delivered almost 850 consultancy days to 95 clients, covering a hugely varied range of sectors and organisations. These include delivering a youth volunteering programme for St John's Ambulance, developing an evaluation strategy for Jo's Cervical Cancer Trust and performing a governance health check for the Design Council.

Our conference suites continue to experience a strong booking pipeline, and

we served over 10,000 meals to delegates in 2022/23. We are developing the income stream further by hiring two conference suite coordinators and have extended the facilities to the third floor.

We continue to work with CAF to understand the decline in income to NCVO based on a long-standing agreement between CAF and NCVO as founders.

Developing the foundations of a learning organisation

In 2022/23, we have made good strides with our ongoing culture change work, building on the foundations we laid in previous years. One particular achievement has been expanding and strengthening our staff networks. These groups have played an important role in supporting the organisation to celebrate identity, recognise intersectionality and learn during this year.

In February, we celebrated Race Equality Week, and our REACH (Race Equality

Achieving Cultural Harmony) Network led a series of thought-provoking events and activities, including a Twitter takeover by black-led NCVO members. This year, NCVO was honoured to be chosen as one of two spotlight organisations by Race Equality Matters for our commitment to becoming an anti-racist organisation.

We celebrated International Women's Day by championing inspirational women in the sector, holding a staff event led by our DARE (women and non-binary) network, and our CEO Sarah wrote about her own experience as a CEO and what the sector needs to change to attract more female CEOs.

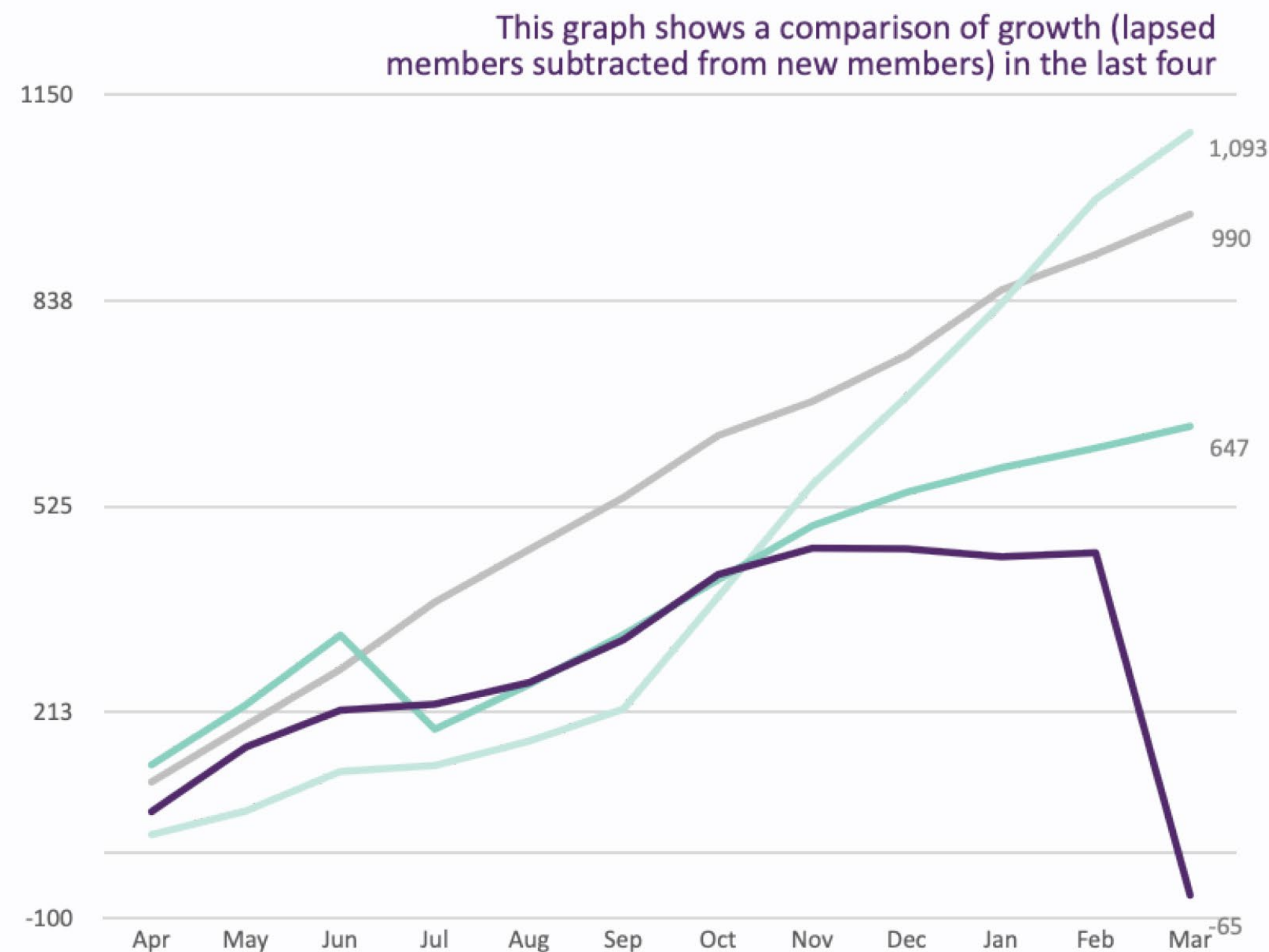
Our Rainbow Network marked LGBT+ History Month with impactful events for our staff and daily posts spotlighting LGBT+ icons and allies.

As part of raising awareness of our culture change work, Sarah and Priya continued to

speak publicly about our experiences, including Sarah speaking alongside one of the REACH network convenors at the Institute for Governance and Public Policy's conference and Priya being interviewed by the Third Sector podcast. We were delighted to be awarded Race Equality Matters' Bronze Trailblazer status in recognition of our work towards becoming a more diverse, inclusive, and equal organisation.

We continued our work to make the sector more inclusive via our Charity Interns pilot, which aims to provide charity experience and address the skills shortage in the voluntary sector. Aimed at the over-50s, it will launch in October 2023 and place people in paid six-month internships. Our EDI governance training, delivered in partnership with the Social Justice Collective, goes from strength to strength.

MEMBERSHIP PROFILE



2022/23 was the third year of membership trends that reflected the impact of the covid-19 pandemic. In 2020/21, we saw the voluntary sector plunged into crisis mode. As demand piled onto voluntary organisations, members prioritised their membership, and we saw a huge uptake of our free membership offer.

In 2021/22, the future seemed more uncertain; members' incomes fluctuated as they fought to become sustainable; we added a layer of leniency in how we managed subscriptions, and member acquisition slowed.

MEMBERSHIP PROFILE

Continued

In 2022/23, the cost of living crisis further exposed the strain that voluntary organisations were under. More memberships than usual lapsed, with mostly smaller organisations closing. Other memberships lapsed as organisations struggled to budget the cost of running their organisation with depleted resources. Additionally, we had a longstanding theory that since the pandemic began, many of our smallest membership records became dormant. In 2022/23, we prioritised investigating these records and discovered 481 dormant membership accounts. For the first time, NCVO membership did not grow. Though we welcomed a considerable number (1,352) of new members, 1,417 memberships lapsed, and membership ultimately decreased by 62 members. We ended the financial year with 17,040 members.

We welcomed fewer members month-to-month than the last financial year. The escalating energy crisis has impacted how organisations budget but also contributed to slowing member acquisition in 2022/23 as we navigated the challenging timing of (a) the closure of the Small Charities Coalition, (b) the launch of our small charity helpdesk and (c) the migration to our new website. Despite these challenges, we saw some uplift in quarter three as our relationships with infrastructure partners grew, and organisations came to us through group membership arrangements. We also saw a 3% increase in paying members compared with the previous financial year.

Despite challenges, 91.9% of members renewed their membership in 2022/23. The membership team engaged with members in over 25k interactions; nearly 2k members were helped by the Helpdesk; nearly 20k member resources were downloaded and thousands of members had the opportunity to come together at 72 engagement opportunities.

“t’s a pleasure joining an active community of like-minded organisations to share knowledge.”

New medium-sized member 2022

OUR YEAR IN NUMBERS

MEMBERSHIP

17,040

MEMBERS AT
YEAR END



11,177

(66%)
COMMUNITY
(FREE) MEMBERS



5,863

(34%)
PAYING
MEMBERS

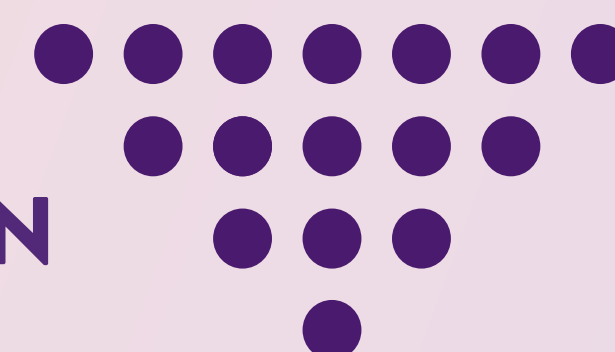


91.9%

OVERALL
RETENTION
RATE

89%

PAYING
MEMBERS



93%

SMALL (UNDER
1 MILLION)
MEMBERS



EVENTS, WEBINARS AND NETWORKING

ENGAGED WITH

5,020

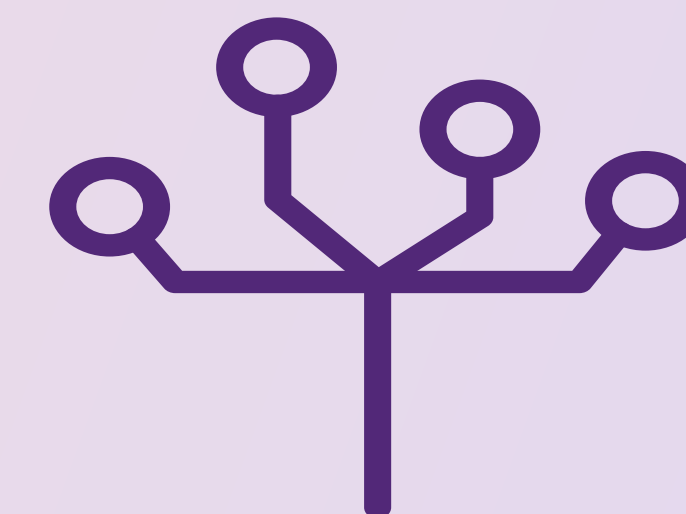
PARTICIPANTS
ACROSS 65
ONLINE EVENTS



75%

OF MEMBERS
OPERATE OUTSIDE
LONDON AND WE
HAVE MEMBERS IN
EVERY COUNTY OF
ENGLAND.

WE RAN
OUR ANNUAL
TRUSTEES WEEK
EVENT SERIES



WE RAN 9 VOLUNTEER
INFRASTRUCTURE
BRIEFINGS, AIMED AT
STRENGTHENING OUR
RELATIONSHIP AND
COLLABORATIVE SPIRIT
WITH OTHER
INFRASTRUCTURE
ORGANISATIONS

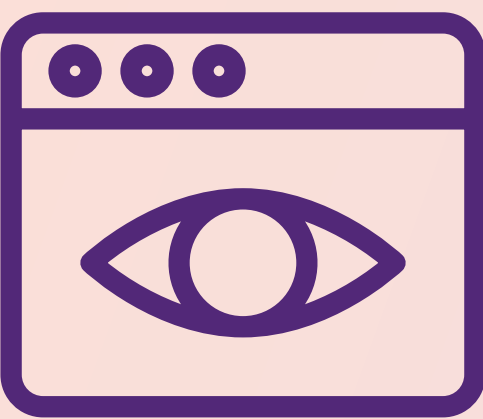
OUR YEAR IN NUMBERS

Continued

WEBSITE, PRACTICAL SUPPORT AND RESOURCES

551k

USERS



TOP 3 PUBLICLY ACCESSIBLE PAGES WERE

- 1. NCVO homepage
- 2. Help & guidance
- 3. I want to be a volunteer

5,521

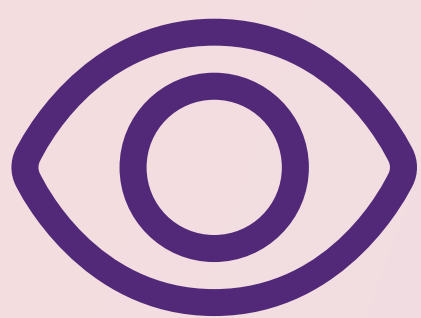
VIEWS, ON COST OF LIVING GUIDANCE PAGE

18,910

VIEWS, ON ALL COST OF LIVING CONTENT

1.8M

PAGE VIEWS



TOP 3 INSIGHT PIECES WERE

- 1. Death of Queen Elizabeth II - 13,322 views
- 2. The Big Help Out - 6,992 views
- 3. UK Civil Society Almanac - 6,880 views



TRAINING AND CONSULTANCY

4,146

PEOPLE TRAINED ACROSS 160 ONLINE TRAINING COURSES



50%

MEMBER-LEARNERS



850

CONSULTANCY DAYS DELIVERED TO 95 CLIENTS



OUR 5 MOST POPULAR COURSES

- 1. CHARITY TRUSTEE INDUCTION 425 delegates
- 2. GOOD PRACTICE IN VOLUNTEER MANAGEMENT 424 delegates
- 3. MANAGING PEOPLE IN THE VOLUNTARY SECTOR 407 delegates
- 4. PROJECT MANAGEMENT IN THE VOLUNTARY SECTOR 321 delegates
- 5. DATA PROTECTION ESSENTIALS 313 delegates

MEMBERS CASE STUDIES

Link Visiting Scheme

The Link Visiting Scheme is an award-winning befriending charity for older people in Wokingham dedicated to reducing loneliness through 1:1 and group befriending activities and community projects.

How has your work - and the communities you support - been impacted by the challenges of the past year?

Since covid, we've grown massively as a charity, as that was when the issue of loneliness was brought to people's attention. The number of people we've supported in the past year has increased by 16% to 550 people, and our volunteers have gone up accordingly – to 414, an increase of 4%. But we've also seen our costs rise significantly across a multitude of areas, and our individual giving is down. We joined a hardship alliance in Wokingham as we wanted to make sure the voice of older people continues to be heard.

What support have you sought from NCVO during the past year? And what was the impact/outcome of the support you received? We receive the member's

newsletter, which gets circulated to staff and trustees. Our trustees utilise the governance and finance areas on the website, and I regularly use the help and guidance pages: which are incredibly useful, clear to understand and easy to navigate.

After attending the webinar jointly held with ACF in January, 'Working with funders during the cost of living crisis', I applied for, and we received an uplift from the National Lottery on our grant. I have been a charity fundraiser for a long time, but I hadn't thought of that before going on the course and asking for an uplift on our grants. That was really useful advice and helped us massively with our costs.

What would you like the public or decision makers in government and elsewhere to know about your organisation's work and the support you require to deliver that work? The key for our organisation is flexible funding. During covid, funders improved their practices – offering unrestricted and multiyear funding, but we've already seen them going back to only wanting new

projects. More broadly, we'd like decision-makers to keep in mind the importance of early intervention. We actually save a lot of money keeping our older people fit and active and less lonely. We need more collaboration and partnership – rather than forcing charities to jump through hoops.

The closure of organisations like FSI and SCC was a big blow to charities like us – the government needs to start realising the importance that small charities have – if others like them close, it will impact charities everywhere, but especially small and local charities

like us. Charities create money; they save money – they're not a nice to have, but they're an essential part of the well-being and livelihood of our communities.

Haemochromatosis UK

Haemochromatosis UK is the UK's only charity that supports people affected by genetic haemochromatosis. Haemochromatosis is a medical condition which causes people to have a predisposition to loading iron. Having

too much iron in your body for a long period of time can lead to more serious conditions, like liver disease, liver cancer, heart disease, mental health issues – a whole range of things.

The charity, founded by Janet Fernau in 1990, works to provide support and information to people who are affected by the condition. We provide a lot of education to healthcare practitioners and clinicians – as the condition is not well known or understood. And we stimulate research into the condition to help improve people's lives for those that are living with Haemochromatosis.

How has your work - and the communities you support - been impacted by the challenges of the past year? One of our main challenges has been in relation to our community accessing NHS care and significantly increased waiting times. A lot of people are struggling to access primary care services like their GP because of funding and workforce issues. Consequently, we are seeing increased demand for our services as people turn to us to provide them with day-to-day support and help in relation to their condition, which typically they would have received from their GP.

Long waiting lists mean that some are waiting two or three years to get treatment. The impact of the cost of living crisis means that, like a number of organisations, we've had lots more pressure on donations.

What support have you sought from NCVO during the past year? And what was the impact/outcome of the support you received? The best part of our being an NCVO member is leveraging the resources on the help and guidance pages on the website. The knowledge base that NCVO has is fantastic and we regularly utilise the information on the help and guidance pages. For an organisation like ours, we have similar requirements to larger ones – for example, we need a safeguarding policy, but it's not easy knowing where to start with that without a safeguarding expert. What NCVO does is it collates the best practice, policies, and procedures together in a format that's easy for us to tailor to our situation.

When you're a small voluntary sector organisation, NCVO's advice and guidance, as well as the support you receive as a member, are not easy to find – as well as being really affordable for what we receive as a member. Like a number of smaller organisations, we would really struggle without NCVO's support.

What would you like the public or decision makers in government and elsewhere to know about your organisation's work and the support you require to deliver that work? We deliver a huge amount of support and care to a community that would otherwise be overlooked by the public sector, and we don't get any financial support for that. If we were supported financially and the public sector worked collaboratively with us, we would be able to do more to deliver services to our community, and it would allow us to scale our work.

We're a really small organisation with only four full-time staff, but last year we supported almost a quarter of a million people through our website alone and 2,500 families face to face.

We also need a fundamental change in mindset towards a preventative healthcare agenda. A healthcare model that is focused on prevention rather than treatment of disease would improve everyone's quality of life, but it would also save money. We know from our own research that we could save over £300 million a year with a preventative model, as with most people with the condition, there are no adverse long-term effects with early diagnosis and prompt treatment.

SUPPORTERS

Funders

We would like to thank four funders, particularly for stepping in to support financially when we took some of the services of the Small Charities Coalition over in April 2022 – namely, Garfield Weston Foundation, Lloyds Bank Foundation, Pilgrim Trust and Tudor Trust. We are also grateful to the Betty Messenger Foundation for providing a grant of £250,000 to support our practical support for the sector.

We would also like to thank the Department of Culture, Media and Sport for their financial and partnership support for the Vision for Volunteering project, together with their support for our Time Well Spent research.

Thank you also to the Oak Foundation, who provided funding as part of a grant to the Sheila McKechnie Foundation for our Power and Integrity incubation project, to the Climate Change Collaboration for supporting our fuelling positive change campaign, which

launched in July and also to the National Lottery Community Fund via their Awards for All funding and their contribution towards our digital development.

Consultancy clients

Our team of consultants work with a range of clients from across the sector, supporting projects on strategy, organisational development, governance, evaluation and impact and volunteering specifically.

We worked with the Design Council on their governance health check and made recommendations to further improve their governance structure with their new trustee board. Our review particularly considered developing effective working relationships between new trustees, and how to get the most from governance as a smaller organisation.

"We really struggled to find someone to help us with our brief and budget. You were the most helpful, the best value and the process

and result were high quality...Trustees were very engaged in the conversation, and we look forward to moving forward with the recommendations."

Kim Davids, Head of Chief Executive's Office

We worked in collaboration with the Co-op Foundation colleagues and trustees, funded partners and young people to co-create a **Theory of Change**. This included a consultation phase, involving trustees and young people to gather perspectives about the long-term impact Co-op Foundation would like to have and to learn about the different contexts and factors influencing the work.

Corporates

We'd also like to thank our partners Phoenix Zurich, Worknest and Utility Aid who have paid an integral role in supporting the sector throughout the year with their expertise and knowledge with our practical support webinars, online content and guidance

We would like to thank Withers for their invaluable support over the last year. Not only have they been our legal partner in 2022/23, conducting over £75,000 worth of pro bono work, but they have also provided invaluable support to the sector, too including taking part in webinars on setting up a charity and revising and updating our legal and regulatory compliance checklist for members. They have also provided legal advice and guidance through our small charity helpdesk.

"It's been a privilege working with NCVO throughout the year and a unique opportunity for Withers to be able to collaborate with a partner that has a great and lasting impact across the voluntary sector. We have particularly enjoyed engaging with NCVO's members through the multiple webinars we've done together and providing essential advice for the body's highly informative website. The commitment and energy of NCVO's team fill us with confidence for a continued partnership in the years ahead."

Chris Priestley, Partner and Head of Charities and Philanthropy at Withers

FINANCIAL REVIEW

The year ending 31 March 2023 was another challenging year due to the cost of living crisis, as it was for many charities. We have seen the recovery of some income streams, such as from our conferencing facilities, as the restrictions during the pandemic have been removed. The growth of this income stream has, however, been impacted to some extent by transport and other strikes.

Income

Total income of £7.1 million was an increase on the preceding year (2022: £5.4 million). NCVO continues to generate income from a diverse range of sources. The main source of income from donations and legacies is £0.7 million from the Charities Aid Foundation (CAF), which has reduced again from the previous year (2022: £1 million). We are continuing to explore with CAF the

reasons for the decline in this historic income stream. Income from charitable activities of £3.8 million (2022: £2.7 million) continued to increase as our income from training and consultancy services and income from grants grew. Income from trading activities has increased from £1.4 million (2022) to £2.2 million (2023) as the income from our conference facilities continued to recover from the impact of pandemic restrictions.

Expenditure

Total expenditure increased to £6.9 million (2022: £6.3 million). The main areas of rising costs related to the increase in services, such as our conferencing suite and consultancy, together with costs associated with Vision for Volunteering which is funded by the Department for Culture, Media and Sport (DCMS).

Funds

Net income of £0.2million (2022: net expenditure of £0.7million) for the year included a loss on investments of £0.1million (2022: gain of £0.2million). The actuarial loss on the defined pension scheme of £0.8million (2022: actuarial gain of £2.6million) resulted in a net decrease in funds of £0.7million (2022: a net increase of £1.8million) and total funds at the end of the year of £6.1million (2022: £6.7million).

Balance sheet

Fixed assets include Society Building at £ 3.7 million under the historical cost convention, being the original cost plus the cost of subsequent building works less depreciation.

In June 2013, the building was valued at £ 14.25 million on a 15-year sale-and-leaseback basis. Anecdotal evidence suggests that this value has increased since then. At the end of the year, there was an outstanding loan of £ 1.4

million secured on the building. The loan was taken out in 2011 and has a 20-year maturity with a five-year break in April 2026 and can be renegotiated for a further renewable term of five years.

NCVO’s defined benefit pension scheme was closed to future accrual on 31 March 2011. NCVO has been paying contributions under a deficit reduction plan agreed upon following the tri-annual valuation on 30 September 2019, which showed a deficit of £3.4 million. The plan has an expected end date of 31 December 2026. NCVO has agreed a revised deficit repayment plan with TPT Retirement Solutions (TPT), the trustees of the scheme, that sees a reduced contribution of £0.2 million per annum from 1 April 2021, rising by 3% per annum each subsequent year, plus annual scheme expenses. Contributions in the year to 31 March 2023 were £0.3 million (2022: £0.3 million) plus scheme expenses. We are currently reviewing the position in respect of the triannual valuation for September 2022 with TPT. The overall deficit is in line with expectations from the valuation in 2019. This is likely to result in an increase in contributions from April 2024.

The liability in respect of the defined pension scheme is recognised, as appropriate, on the balance sheet at the present value of the defined obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with Financial Reporting Standard 102 (FRS 102). This valuation on 31 March 2023 resulted in a balance of £ 0.6 million (2022: £nil) due to the scheme ending the year in a deficit position.

Future financial planning

Like many other charities, we are continuing to recover from the effects of the pandemic and have also felt the effects of the cost of living crisis.

We have a balanced budget in place for 2023/24 and continue to work to grow our income so we can do more to support the sector as well as focus on rebuilding our cash reserves over future years.



POLICIES

Investments

During the year to 31 March 2023, NCVO’s investment portfolio was managed by UBS. Our investment policy aligns with our aim to be a sustainable and socially responsible organisation and our investment objective is to provide long-term capital and income growth. During 2022/23, the board decided to divest from businesses who are involved in the extraction and production of fossil fuels. This decision has been implemented.

The UBS approach starts with a negative screen then applies a positive screen that actively selects companies adopting best practice in areas such as supply chain management, waste and carbon management, employee welfare and corporate governance. The aim of this approach is to create a portfolio of companies actively focused on managing their businesses sustainably.

UBS provides real-time, online information on performance of the portfolio and quarterly reports. In addition, UBS attends a finance and commercial committee meeting at least annually to discuss the performance of the portfolio, economic conditions and future requirements.

Reserves

The trustees have set a reserves policy that requires reserves to be maintained at a level which ensures that NCVO's core activity could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form. The trustees assess the required level of reserves on an annual basis alongside the operating budget. The assessment takes account of the market valuation of investments, income and expenditure risk within the budget, commitments to repay the loan secured on the building and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

In November 2022, the reserves policy was reviewed, and it was agreed that we would continue to use a risk-based approach to calculate the level of reserves we should hold based on the following:

- The review of risks as part of the business planning process;
- Three months' average expenditure from the budget.

We calculate readily realisable reserves as follows:

- The low point of budgeted cash during the year;
- The overdraft facility we can draw down against.

The current level of readily realisable reserves is between £8k and £241k below this level as a result of lower income.

At 31 March 2023, NCVO’s reserves calculations were as follows:

	31 March 2023	31 March 2022
	£ '000	£ '000
Net risk identified in planning process for the following year	0 to 223	92 to 225
Three months average expenditure	2,007	1,735
Required level of reserves	2,007 to 2,240	1,827 to 1,960
Low point of cash for the following year	999	810
Overdraft facility	1,000	1,000
Readily realisable reserves	1,999	1,810

Designated funds (note 16) include a fixed asset fund, which represents funds that can only be realised on disposal of the fixed assets, and a range of allocations which will be spent over the next year.

Fundraising policy

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as ‘soliciting or otherwise procuring money or other property for charitable purposes’. Such amounts receivable are presented in our accounts as ‘donations and voluntary income’.

In relation to the above, we confirm that all solicitations are managed internally, without the involvement of commercial participators or professional fundraisers or third parties. The day-to-day management of all income generation is delegated to the executive team, which is accountable to the trustees. The charity is not required by any undertaking to be bound by any regulatory scheme, and the charity does not consider it necessary to comply with any voluntary code of practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds, we do not have particular policies in relation to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

REMUNERATION STATEMENT

NCVO's inquiry into charity senior executive pay provided guidance for trustees on setting remuneration for senior executives. It also recommended that all charities with independently audited accounts should:

- adopt a remuneration policy;
- publish an annual statement explaining their charity's ethos and policy on remuneration;
- explain how this impacts the delivery of their charitable purposes; and
- report the actual remuneration, roles and names of individual highest-paid staff, as defined by the charity.

The inquiry recommended that the charity's remuneration statement should be included within its trustee annual report, in addition to the remuneration disclosures that charities are required to include as a note to their accounts.

Our approach to pay

NCVO has around 85 staff. Salaries for the chief executive, chief operating officer and directors are set and reviewed annually by NCVO's people, culture and inclusion committee, a sub-committee of our board of trustees. The people, culture and inclusion committee includes specialists with significant pay expertise and knowledge, especially of the charity sector.

All other staff salaries are set by the chief executive, chief operating officer and directors. Salaries are arranged in organisation-wide pay grades, using comparisons with charities of our size in London and taking into account inflation, sector pay settlements and NCVO's financial position. Salaries are openly stated in job adverts.

NCVO is ambitious for the voluntary sector, and we believe in recruiting high-calibre people to represent its interests. We also believe in rewarding staff fairly for the jobs that they do and fostering a positive working

environment, and we believe our salaries and our terms and conditions reflect this.

NCVO is a London living wage-accredited employer, meaning all our staff and contractors are paid at least the London living wage. Additionally, we believe in creating routes into charities for people who cannot afford to undertake unpaid 'internships', so over the last three years, we have run an apprenticeship in partnership with the Queen Mary University of London, leading to a BSc Business Management degree – social change.

People are employed at NCVO on the basis of the specific skills and experiences that they bring to their particular roles. For NCVO to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market where, not least as a result of NCVO's cross-cutting role, their skills are readily transferable to

REMUNERATION STATEMENT

Continued

other organisations, both in the voluntary sector and in other sectors. Our staff pay scales are set with these factors in mind.

(i) Chief executive, chief operating officer and directors pay

NCVO's unique position in representing the whole of the voluntary sector means that the chief executive, chief operating officer and directors require a breadth and depth of expertise that requires drawing from the best senior-level talent in a competitive market. They need to be able to command the respect of their peers among members, from the smallest to the very largest charities, through their experience and their credibility. At the same time, we seek to keep salary costs within a reasonable range.

(ii) Benchmarking

Chief executive, chief operating officer, director and staff pay levels are reviewed annually.

Chief executive, chief operating officer and director pay is determined by the people, culture and inclusion committee. Its aim is to benchmark our leadership team

salaries around the 25th centile, i.e. the lower end of larger national charities' pay levels, with a 7.5% tolerance. We believe this comparison with national charities reflects the nature of the skills that we need to recruit and retain.

Staff pay is reviewed by the chief executive, chief operating officer and directors and negotiated on behalf of staff by NCVO's recognised union, Unite. Our aim has been to pay at the 75th centile, i.e. the higher end compared with organisations of our size in terms of income and number of employees in the voluntary sector in London.

The same benefits, including pensions and terms and conditions, apply to the chief executive, chief operating officer and directors as all other staff. We do not apply any form of performance-related pay, nor do we have a bonus scheme. We don't apply increments to staff salaries beyond one automatic increment after the first 12 months of service.

Each year the leadership team participate in performance appraisals as part of the same feedback and appraisal scheme operated for all NCVO staff.

In the table below, total remuneration figures are salary plus pension contributions. The information below excludes the employer's national insurance contributions (NIC), which are included in the information in note 7.

The chief executive and the leadership team, like all NCVO staff, are also entitled to miscellaneous benefits, such as childcare vouchers, which have not been included here. Details of expenses for the chief executive and the leadership team are given in note 8.

REMUNERATION STATEMENT

Continued

(iii) 2021/22 leadership team pay levels

Name	Title	Annual salary 2022/23	Pension contributions 2022/23	Total remuneration 2022/23	Annual salary 2022/23
		£	£	£	£
Sarah Vibert	Chief executive	120,000	6,816	126,816	126,816
Laura Crandley	Chief operating officer (from 1 June 2022)	77,499	7,608	85,107	-
Laura Crandley	Director of finance and services (to 31 May 2022)	14,807	741	15,548	98,244
Alex Farrow	Director of influencing and engagement (from 1 June 2022)	65,000	5,994	70,994	-
Alex Farrow	Head of networks and influencing (to 31 May 2022)	11,562	1,023	12,585	70,032
Charmaine Goddard	Interim head of people and culture (from 1 October 2022 to 31 January 2023)	21,070	1,197	22,267	-
Tracy Kiernan	Head of central services (to 30 April 2022)	8,320	643	8,963	66,921

Please note – table continues on the following page

(iv) Pay ratio

The ratio of our highest salary (£120,000) to our median salary (£40,562) is 3:1 (2022: 3.1:1).

(v) Pay awards

While they are separately determined, annual pay awards for the leadership team and staff have always been at the same percentage level until 2021/22. Between 2011 and 2019, both the senior management team and staff received an annual 2% pay award, followed by a 2.7% pay award for 2019/20. There was no pay award in 2020/21, a pay award of 2% and a pro-rata one-off payment of £500 in 2021/22 for all staff other than the chief executive, chief operating officer and directors. To reflect the current cost of living indices, we agreed on a 4.25% pay award for all staff other than the leadership team for 2022/23 and an award of 3% plus a pro-rata one-off payment of £500 for the leadership team other than the chief executive and chief operating officer.

REMUNERATION STATEMENT

Continued

(iii) 2022/23 leadership team pay levels (continued)

Name	Title	Annual salary 2022/23	Pension contributions 2022/23	Total remuneration 2022/23	Annual salary 2022/23
		£	£	£	£
Saskia Konynenburg	Director of strategic communications and insight (from 31 October 2022)	32,723	1,820	34,543	-
Rupa Kotecha-Smith	Interim head of strategic communications (to 20 October 2022) (0.9 FTE)	31,469	1,720	33,189	47,018
Janu Miah	Interim head of people and culture (to 30 September 2022)	33,685	1,885	35,570	64,117
Sophie Raeburn	Head of digital, data and technology (to 27 May 2022)	11,267	1,496	12,763	64,854
Woosh Raza	Director of people, culture and inclusion (from 30 January 2023)	15,179	862	16,041	-
Andrew Walkey	Director of services and partnerships (from 1 June 2022)	62,483	5,590	68,073	-
Andrew Walkey	Head of support and services (to 31 May 2022)	10,533	898	11,431	71,207

PAY GAP REPORT

NCVO is committed to addressing our pay gaps and understands the need to review our approaches equitably and fairly. Although NCVO employs fewer than 250 staff and is therefore not required to publish gender pay gap information, we have chosen to do so, along with our ethnicity, disability, sexual orientation and religion pay gap information. We are doing this to demonstrate our commitment to being an employer that recognises the importance of equity and inclusion, and the benefits that having a diverse workforce brings to the organisation. We are also committed to adopting an intersectional approach when developing our data in regard to protected groups to paint a fuller picture and identify areas we can improve.

Gender pay gap

Median and mean hourly earnings

At 1 March 2023 the median and mean male and female hourly earnings were:

	Male hourly earnings 2023	Female hourly earnings 2023	Non-binary hourly earnings 2023	Difference 2023	Pay gap 2023	Difference 2022	Pay gap 2022
	£	£	£	£	%	£	%
Median	22.29	22.29	*	0.00	0	(0.54)	(3)
Mean	24.78	24.55	*	0.23	1	(0.05)	0

At 1 March 2023 the mean male and female hourly earnings by quartile were:

	Male hourly earnings 2023	Female hourly earnings 2023	Non-binary hourly earnings 2023	Difference 2023	Pay gap 2023	Difference 2022	Pay gap 2022
	£	£	£	£	%	£	%
Quartile 1	18.04	18.30	*	(0.26)	(1)	1.24	7
Quartile 2	20.83	21.34	*	(0.51)	(2)	(0.66)	(3)
Quartile 3	24.43	24.29	*	0.15	1	(1.12)	(5)
Quartile 4	37.85	33.30	*	4.55	14	(1.77)	(6)

PAY GAP REPORT

Continued

There is no gender pay gap between males and females on 1 March 2023 on the basis of the median and a very small difference on the basis of the mean of 1%, so men are paid more than women on this basis. In three quartiles, the gaps between male and female mean hourly earnings are within 2% of each other, which is closer than last year. The fourth quartile is skewed by the fact there are six males and 16 females in this group, with the males in the category mainly being at the top of the quartile. The leadership team on 1 March 2023 were evenly split with three female and three male.

Mean hourly earnings by grade

NCVO pays men and women in the same grades the same salary for the work they do. Small differences are due to new staff starting at an entry point on recruitment and moving to the grade point only after their first year of employment. There will also be some additional responsibility payments for a small number of individuals.

Like many employers in the voluntary sector, NCVO employs more women than men, but there are proportionately more women than men in lower grades and in part-time roles. We have a range of family-friendly

	Male hourly f/t earnings 2023	Female hourly f/t earnings 2023	Difference 2023	Pay gap 2023	Difference 2022	Pay gap 2022
	£	£	£	%	£	%
CEO / COO / Directors	42.53	52.84	(10.31)	(19)	-	-
Grade A**	35.10	-	-	-	0.07	1
Grade B	29.45	28.79	0.66	2	1.63	6
Grade C	25.51	25.29	0.22	1	0.31	3
Grade D	21.59	21.65	(0.06)	-	(0.33)	(2)
Grade E	18.16	18.92	(0.76)	(4)	0.13	1
Grade F***	-	17.47	-	-	0.21	1
Apprentice***	-	13.63	-	-	-	-

* We have not included information on staff who identify as non-binary in these tables as we want to ensure individuals are not identifiable.
** No female staff at this grade at 1 March 2023.
*** No male staff at this grade at 1 March 2023.

PAY GAP REPORT

Continued

and flexible working policies to support all parents and carers, and we have updated our family leave policy during 2022/23. This includes supporting parents to take time off to have or raise children and to assist with their return to work. We offer enhanced maternity pay and shared parental pay. We have flexible working hours and encourage and support remote working.

On 1 March 2023, NCVO employed 61 people that identified as female and 25 people that identified as male. We have an employee network called DARE (Diverse, Authentic, Revolutionary and Empathetic). This network meets regularly and exists for all NCVO staff who identify

as women and non-binary. We're dedicated to improving inclusivity, transparency, and equity for all and creating safe spaces. Our recent activities include hosting all-staff events to celebrate International Women's Day and a mini-series of talks on topics such as menopause and fertility.

Ethnicity pay gap

31% of employees identify themselves as members of the global majority; this is a 6% decrease from the previous reporting period (2022: 37%). When looking across grades, there is a higher proportion of employees from the global majority group in the lower grades in the organisation. Overall, employees who

identify from the global majority earn on the basis of a mean 10% (2022: 14%) less than other employees – this is a decrease of 4% on the previous reporting period. Based on the median, employees from the global majority earn on a level with other employees.

This report shows that there is still a pay gap disadvantage for our employees that identify as from the global majority. The trustees and leadership team are committed to addressing these and are developing an anti-racism strategy during the new financial year.

Our REACH (Race Equality Achieving Cultural Harmony) network changed its name from the BAME network due to growing feelings that the word BAME felt outdated, othering and generalising the life experience of people of colour. The change to REACH is felt to be more open and aspirational for a network that exists to provide a safe space for all NCVO staff who identify as being from global majority communities.

Our network enables us to come together, share our experiences, opportunities, and knowledge, offer mutual support, and discuss issues that are important to us. We are dedicated to improving inclusivity, transparency, and equity for all and creating safe spaces.

	Global majority pay gap 2023	Global majority pay gap 2022
	%	%
Median	-	14
Mean	10	14

Proportion of global majority staff at each grade

	Global majority 2023	White 2023	Global majority 2022	White 2022
	%	%	%	%
CEO / COO / Directors	17	83	-	100
Grade A	-	100	43	57
Grade B	21	79	12	88
Grade C	29	71	29	71
Grade D	30	70	32	68
Grade E	28	62	47	53
Grade F	100	-	40	60
Apprentice	100	-	100	-

Disability pay gap

This is the third year that NCVO is reporting on its disability pay gap. 9% (2022: 13%) of employees identify themselves as disabled. During 2023/24, we are launching a disability and neurodiversity employee network,

Disability mean and median hourly earnings and pay gap

	2023	2022
Non-disabled hourly earnings mean	£24.54	£22.56
Disabled hourly earnings mean	£25.85	£23.84
Difference	£1.31	£1.28
Mean pay gap	5%	5%
Non-disabled staff hourly earnings median	£22.29	£21.38
Disabled staff hourly earnings median	£25.51	£22.90
Difference	£3.22	£1.52
Median pay gap	14%	7%

introducing a disability and adjustments policy and reviewing our approach to accessibility as we would like our staff group to reflect a wider society where 18% of people identify as being disabled. The average pay gap between

Proportion of disabled and non-disabled at each grade

	Disabled 2023	Non- disabled 2023	Disabled 2022	Non- disabled 2022
	%	%	%	%
CEO / COO / Directors	-	100	-	100
Grade A	*	*	14	86
Grade B	29	71	38	63
Grade C	14	86	7	93
Grade D	7	93	15	85
Grade E	10	90	11	89
Grade F	*	*	*	*
Apprentice	*	*	*	*

* We have not included information on staff in these grades as we want to ensure individuals are not identifiable.

disabled and non-disabled employees is positive at 5% (2022: 5%), and the median pay gap is positive at 13% (2022: 7%).

	Disabled hourly f/t earnings 2023	Non- disabled hourly f/t earnings 2023	Difference 2023	Pay gap 2023
	%	%	%	%
CEO / COO / Directors	-	47.68	-	-
Grade A	*	*	*	*
Grade B	29.08	28.73	(0.35)	(1)
Grade C	25.51	25.32	(0.19)	(1)
Grade D	22.29	21.61	(0.68)	(3)
Grade E	18.68	18.59	(0.09)	-
Grade F	*	*	*	*
Apprentice	*	*	*	*

PAY GAP REPORT

Continued

Sexual orientation pay gap

We are proud at NCVO to publish our sexual orientation pay gap for the first time and recognise that we do not have a significant pay disparity that disproportionately impacts people who do not identify as heterosexual.

Over the past year, we have successfully established our LGBTQIA+ Network, the Rainbow Network (see below), as a safe space for members of the LGBTQIA+ community and allies and have delivered some thought-provoking and educational workshops to celebrate the community. We do recognise, however, that we do have a portion of our workforce who have chosen not to share their sexual orientation. We know there is more work we can do to address this so our staff feel safe to share this information, and we strive to continue our efforts in nurturing an inclusive environment for our LGBTQIA+ staff. We are also committed to adopting an intersectional approach when developing our data in regard to protected groups to paint a fuller picture and identify areas we can improve.

In June 2022, the Rainbow Network was formed. This Network supports all NCVO staff who identify as LGBTQIA+ and their allies. It hosts a series of events ranging from well-being drop-in sessions, film viewings and all-staff lunch and learns sessions. The Network promotes a safe, inclusive space for staff to listen and offer mutual support, and the Network leads to feed into wider NCVO projects and culture initiatives to ensure that they are viewed through an LGBTQIA+ inclusive lens.

	2023	2022
	£	£
Bisexual hourly earnings mean	22.61	22.29
Gay man hourly earnings mean	29.92	29.51
Heterosexual hourly earnings mean	24.86	24.29
Lesbian hourly earnings mean	22.27	19.16
Other hourly earnings mean	24.88	23.90
Not known hourly earnings mean	22.82	22.29

Religion pay gap

This is the first time that we have reported on the religious pay gap. Overall, we do not have a significant pay disparity in terms of religion. We do note that there is a slight pay gap for those who have identified as Hindu. We are very committed to understanding this further and will endeavour to explore how we can address this gap where possible. A key strategic aim in our people strategy is to move from inclusion to belonging.

We recognise that in order for us to do so, we aspire to create an environment where people feel they can bring their best selves to work. Religion is a key part of our staff's identity, and we will be exploring how best we can achieve this over the coming year. We are also committed to adopting an intersectional approach when developing our data in regard to protected groups to paint a fuller picture and identify areas we can improve.

By publishing our pay gap data for the first time for both religion and sexual orientation, we are demonstrating our commitment to developing our workplace culture to champion a more inclusive environment for all. This is also part of our ongoing work to be more transparent about our approach to pay.

	2023	2022
	£	£
Agnostic hourly earnings mean	23.55	22.29
Atheist hourly earnings mean	23.78	23.90
Catholic hourly earnings mean	27.38	22.29
Christian hourly earnings mean	23.39	22.29
Hindu hourly earnings mean	18.20	18.20
Muslim hourly earnings mean	27.90	22.29
Other hourly earnings mean	18.63	18.63
No religion hourly earnings mean	26.32	22.29
Prefer not to say hourly earnings mean	22.12	22.29

ENVIRONMENTAL JOURNEY

NCVO's environmental journey started almost 20 years ago with an audit by the Bridge House Trust. Since then, we have worked tirelessly to reduce our environmental impact via long-term commitments like signing up to the Mayor of London's Green Procurement, as well as the Global Action Plans audit scheme. But although we have come far, we still have a long way to go.

We see NCVO's role as twofold. We are not only interested in our own impact as an organisation but also in what we can do to support the sector more widely in reducing its environmental impact.

In 2022/23, we carried out an external audit by Acclaro. We are implementing all of their conclusions, which include:

- considering an environmental management system
- considering how we reduce water consumption
- measurement of travel

- develop targets for net zero
- reducing greenhouse gas emissions using a robust methodology.

In May 2023, we were proud of achieving the Green Mark for our conferencing facilities. This sustainability certification assesses, audits and certifies your business' impact on the environment. We have also commissioned a new 10-year maintenance plan for the building, which will include work to improve our environmental impact.

In relation to staff, we are gathering data about both employee travel, including commuting and client data. We are also considering carbon literacy training for employees. Finally, we launched a divestment campaign in July 2023.

Green PEAs

In October 2022, we established our Green PEAs staff community of practice – a space for staff at NCVO to share their own experience of positive environmental action. As a community of practice, the space is open to all staff to contribute at any time and to learn from one another. Green PEAs also hold monthly drop-in sessions and have discussed areas such as diet, gardening, clothing, and some of the political and campaigning aspects of sustainability and environmentalism.

The community is non-judgemental and is focused on amplifying the positive impact of individuals while also recognising where we can be held back by systemic issues and inequality. Where a suggestion arises for improvement at an organisation level, this is fed back to the Leadership Team.

STRATEGIC PRIORITIES FOR THE YEAR AHEAD

Community building and belonging

In 2023/24, we are focusing on ensuring there are a range of ways for people to engage with and get involved in the voluntary sector and volunteering. We want to create an environment where grassroots community building and social action can thrive. NCVO itself will aim to become accessible and inclusive for all who want to get involved in our work and will continue to build partnerships that increase our reach in the sector. Through the delivery of our new people strategy, we want to make sure that everyone feels like they belong at NCVO.

Environmental sustainability and governance

Our work towards making the voluntary sector more environmentally sustainable is a vital priority for 2023/24. The core of our work will be supporting the voluntary sector to contribute towards net zero. Alongside this, we will ensure the sector is underpinned by strong governance

practices. NCVO itself will be an exemplar of environmental sustainability, organisational practice and best-in-class governance.

Small and local

We will focus on ensuring collective support across the sector for small charities is distinct, easy to access and enables small charities to thrive. An important part of this is working collaboratively with NAVCA to ensure local infrastructure organisations have the support they need to enable thriving local communities.

Economic, political, and regulatory environment

In the coming year, we will ensure the voluntary sector is supported to shape and respond to the current economic, political and regulatory environment. We will achieve this by working with Civil Society Group partners to influence

the government to strengthen the operating environment for charities and volunteering, as well as working with ACEVO to support voluntary organisations to campaign effectively during the general election.

Collaboration, learning, systems and processes

We believe that cross-organisational working at NCVO delivers the best outcomes for members. In 2023/24, we will focus on ensuring NCVO’s core systems and processes are efficient and effective. NCVO will continue to be a learning organisation where staff are supported to perform their roles to a high standard and to develop in their chosen career path. Through the delivery of our new communications strategy, we will further strengthen our advocacy work for the voluntary sector and ensure we elevate the voices of smaller organisations and not often heard groups. Through harnessing member insight, we can ensure we are responsive to their needs.

STRATEGIC PRIORITIES FOR THE YEAR AHEAD

Continued

Income generation

Our focus this year is to ensure NCVO’s business model is sustainable for the long term. We will do this by retaining (and growing) NCVO membership numbers and increasing our conferencing and consultancy income. We will also look to generate income from corporates by offering support to the sector. We will also explore new business development activities.



PRINCIPAL RISKS AND UNCERTAINTIES

The risk register is a standing item on the agenda at each trustee board meeting. It is reviewed quarterly by the leadership team, and the audit and risk committee.

Risks are considered in seven key areas: strategy, governance and management; operational; financial; environmental and external; legal and statutory; people; reputational. All identified risks are assessed for both likelihood of occurrence and potential financial and reputational impact to give a gross risk. Mitigating controls are then considered, giving a net remaining risk.

The board approved a change in our approach to risk in May 2023. We have separated our risk register into two. The first part considered risks for the sector on the basis of a PESTLE (political, economic, social, technological, legal and environmental) analysis and our role, alongside others, to support the sector to mitigate these risks.

The main risks identified related to the continued impact of the cost of living and energy crises, together with challenges to the commissioning environment and the balance between services provided by the state and by the voluntary sector; ensuring the sector is representative; digital skills and expertise; and the achievement of net zero. The second risk register considers the risks to NCVO as an organisation and how we have and continue to mitigate these. External and strategic risks include how we play our part in addressing climate change through reaching net zero and the impact of closures on member numbers. The main financial risks relate to our ability to sustain and grow income streams and rebuild our cash

reserves, as well as risks around our conversations with CAF on this income stream. Key governance, operational, people and reputational risks include effective delivery of our new people and communications strategies and breaches of data protection, cyber security, or other legislation. The trustees are satisfied that these and all other risks in the register have been adequately assessed and that appropriate steps are taken to mitigate risk.

In respect of financial risk, the trustees have carefully considered the continued impact of the cost of living crisis as well as the continued recovery from the pandemic restrictions on NCVO's future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the leadership team; the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

Continued

Trustee board members

The members of the trustee board, who are also directors under the terms of the Companies Act 2006, are set out on page 3. The members of the trustee board have no beneficial interest in the group or charity.

Liability of members

NCVO, the charitable company, is limited by guarantee and has no share capital. Clause 31 of the memorandum of association provides that every member, as defined by Clause 1 of the articles of association, is liable to contribute a sum not exceeding £1 in the event of the company being wound up while they are a member or within one year of ceasing to be a member. At year-end, there were 17,040 members.

Statement of trustee board’s responsibilities

The trustees are responsible for preparing the trustees’ annual report and financial statements in accordance with applicable law and UK accounting standards (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity’s transactions and disclose with reasonable accuracy at any time the financial position of the group and the parent charity and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

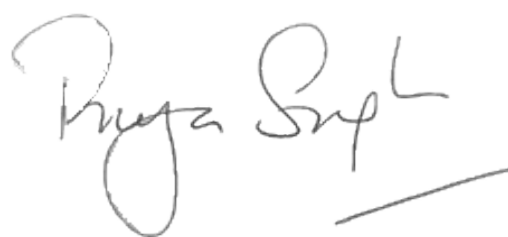
The trustees are responsible for the maintenance and integrity of

the corporate and financial information included on the charity’s website. Legislation in the UK governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Liability of members

So far as the trustees are aware, there is no relevant audit information of which the company’s auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company’s auditors are aware of that information.

Approved by the trustee board and signed on their behalf



Dr Priya Singh
Chair, NCVO

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

Opinion

We have audited the financial statements of the National Council for Voluntary Organisations (the ‘parent charitable company’) and its subsidiary (the ‘group’) for the year ended 31 March 2023, which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been

applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s

and the parent charitable company’s affairs as at 31 March 2023, and of the group’s incoming resources and application of resources, including income and expenditure, for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or

conditions that, individually or collectively, may cast significant doubt on the group’s or parent charitable company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Report of the Trustee Board, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information contained within the Report of the Trustee Board. 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. 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 course of the audit or otherwise appears to be

materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustee Board, which includes the strategic report and the directors’ report prepared for the purposes of company law for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- the strategic report and the directors’ report included within the trustees’ report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report, or the directors’ report included within the trustees’ annual 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company’s financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor’s responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design

AUDITORS REPORT
Continued

procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and the application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from the Companies Act 2006, Charities Act 2011, Financial Reporting Standard 102, the Charities SORP and relevant employee legislation.
- We designed our audit procedures to ensure the audit

team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to, enquiries of management, review of minutes and review of legal and regulatory correspondence.

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the timing of recognition of income. We addressed this through a review of all material incoming resources to ensure correct treatment under the Charities SORP, including consideration of the accounting period in which income should be recognised.
- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this by reviewing the method used for reasonableness and re-performing the calculation to ensure it had been performed accurately in line with the stated method.

- We also identified potential for management bias in the depreciation rate applied to tangible fixed assets, and we addressed this by considering the useful economic life applied for the types of asset held and re-performing the calculation to ensure it had been performed accurately in line with the stated method.

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals, reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant 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 regulations. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

AUDITORS REPORT

Continued

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other

purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Alastair Duke

(Senior Statutory Auditor)

For and on behalf of PKF Littlejohn LLP

Statutory Auditor

PKF Littlejohn LLP

15 Westferry Circus

Canary Wharf

London

E14 4HD

Date:

PKF Littlejohn LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Statement of financial activities for the group and charity (including income and expenditure account)

For the year ended 31 March 2023

	Notes	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
		£'000	£'000	£'000	£'000
Income					
Donations and legacies	2	1,026	2	1,028	1,106
Charitable activities:	3				
Membership		1,354	-	1,354	1,292
Services and partnerships		1,689	372	2,061	1,220
Strategic communications and insight		20	-	20	15
Networks and influencing		36	310	346	155
Other		-	-	-	55
Other trading activities	4	2,225	-	2,225	1,438
Investments	5	99	-	99	70
Total income		6,449	684	7,133	5,351

Please note – table continues on the following page ►

Statement of financial activities for the group and charity (including income and expenditure account) (continued)

For the year ended 31 March 2023

	Notes	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
		£'000	£'000	£'000	£'000
Expenditure	6				
Raising funds		1,048	-	1,048	1,043
Charitable expenditure:					
Services and partnerships		2,716	231	2,947	2,624
Strategic communications and insight		875	-	875	877
Membership		408	-	408	394
Networks and influencing		1,226	284	1,510	1,185
Other: digital and EDI		92	-	92	194
Total expenditure		6,365	515	6,880	6,317
Net income / (expenditure) before investment gain		84	169	253	(966)
Net (loss) / gain on investment	10	(84)	-	(84)	248
Net income / (expenditure)		-	169	169	(718)

Please note – table continues on the following page ►

Statement of financial activities for the group and charity (including income and expenditure account) (continued)

For the year ended 31 March 2023

	Notes	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
		£'000	£'000	£'000	£'000
Other recognised (losses) / gains					
Actuarial (loss) / gain on defined benefit scheme	18	(824)	-	(824)	2,558
Net movement in funds		(824)	169	(655)	1,840
Total funds at 1 April 2022		6,647	90	6,737	4,897
Total funds at 31 March 2023	16	5,823	259	6,082	6,737

The statement of financial activities (SOFA) includes all gains and losses recognised in the year.

The accounting policies and notes on page 58 to 89 form part of these financial statements.

Group and charity balance sheet

As at 31 March 2023 | Company number: 198344

	Notes	Consolidated 2023	Consolidated 2022	NCVO 2023	NCVO 2022
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets	9	4,732	4,721	4,732	4,721
Investments	10	3,000	3,085	3,000	3,085
		7,732	7,806	7,732	7,806
Current assets					
Stocks					
Debtors	11	1,129	827	1,339	1,080
Cash at bank and in hand		1,590	1,788	1,270	1,393
		2,719	2,615	2,609	2,473

	Notes	Consolidated 2023	Consolidated 2022	NCVO 2023	NCVO 2022
		£'000	£'000	£'000	£'000
Creditors: amounts falling due within one year	12	(2,429)	(2,201)	(2,319)	(2,059)
Net current assets		290	414	290	414
Total assets less current liabilities					
		8,022	8,220	8,022	8,220
Creditors: amounts falling due after one year	13	(1,313)	(1,483)	(1,313)	(1,483)
Net assets excluding pension liability		6,709	6,737	6,709	6,737
Defined benefit pension scheme liability	18	(627)	-	(627)	-
Net assets		6,082	6,737	6,082	6,737

Please note – table continues on the following page ►

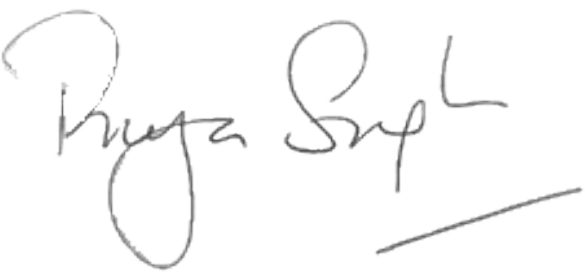
Group and charity balance sheet (continued)

As at 31 March 2023 | Company number: 198344

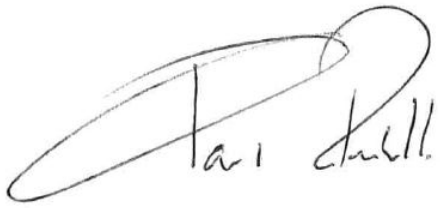
	Notes	Consolidated 2023	Consolidated 2022	NCVO 2023	NCVO 2022
		£'000	£'000	£'000	£'000
Funds					
Restricted funds		259	90	259	90
Unrestricted funds					
Pension reserve		(627)	-	(627)	(2,729)
Designated funds		3,397	3,240	3,397	3,240
General funds		3,053	3,407	3,053	3,407
Total funds	15	6,082	6,737	6,082	6,737
NCVO net movement in funds for the year				(655)	1,840

The accounting policies and notes on pages 58 to 89 form part of these financial statements.

Approved and authorised for issue by the trustee board and signed on their behalf:



Dr Priya Singh
Chair
20 September 2023



Paul Breckell
Honorary Treasurer
20 September 2023

Statement of cashflows

For the year ended 31 March 2023

	Notes	2023	2022
		£'000	£'000
Cash flows from operating activities			
Net cash provided / (used) by operating activities	17	256	(801)
Cash flows from investing activities			
Dividends and interest		98	70
Purchase of fixed assets		(322)	(93)
Proceeds from sale of investments		1,092	911
Purchase of investments		(1,231)	(699)
Net cash (used) / provided by investing activities		(363)	189
Cash flows from financing activities			
Repayment of loan (capital and interest)		(231)	(165)
Net cash used by financing activities		(231)	(165)
Change in cash and cash equivalents in the year		(338)	(777)
Cash and cash equivalents at the beginning of the year		2,047	2,824

	Notes	2023	2022
		£'000	£'000
Cash and cash equivalents at the end of the year		1,709	2,047
Analysis of cash and cash equivalents			
Cash at bank and in hand		1,590	1,788
Cash held in investment portfolio	10	119	259
Total cash and cash equivalents		1,709	2,047

The accounting policies and notes on pages 58 to 89 form part of these financial statements.

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments and in accordance with Financial Reporting Standard 102 (FRS 102) applicable in the United Kingdom and the Republic of Ireland, the Charities’ Statement of Recommended Practice and the Companies Act 2006.

The financial statements are prepared on a going-concern basis. Having carefully considered the continued impact of the cost of living crisis on NCVO’s future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the leadership team, the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS102: no cash flow has been presented for the parent charity; disclosure in respect of the parent charity’s financial instruments has not been presented as equivalent disclosures have been provided in respect of the group as a whole.

a) Income

Legacies are recognised when the charity is advised by the personal representatives that payment will be made or property transferred, and the amount involved can be quantified unless there are specific conditions preventing receipt, such as life tenancy.

Income from donations and grants is credited to the SOFA when there is evidence of entitlement, the receipt is probable, and its amount can be measured reliably unless it relates to a specific future period, in which case it is deferred.

Where entitlement to grants receivable is dependent upon the fulfilment of conditions within the charity’s control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the incoming resource is deferred.

Income from sales is included in the SOFA in the year in which the goods or service is supplied.

Membership income is recognised in the year to which it relates.

b) Expenditure

Expenditure is accounted for on an accrual basis and has been classified under headings that reflect the charity’s activities and aggregate all costs related to that activity. Costs are allocated across activities and projects based on judgements about the objectives and related outcomes of the activities and projects. Expenditure on which there is irrecoverable VAT is shown within each relevant cost category gross of VAT.

i) Raising funds

Costs of raising funds include expenditures in relation to staff members who are directly engaged in business development, the conference suite and the related costs.

ii) Charitable expenditure

Charitable expenditure includes all expenditures directly related to the objects of the charity.

Governance costs

These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity’s activities. Governance costs are allocated to the categories of charitable expenditure on the basis of staff numbers.

1 Accounting policies (continued)

Support costs

Costs relating to support services are identified and a proportion allocated to the charitable activities and projects that NCVO undertakes. Support costs are allocated on the basis of staff numbers.

Other costs are allocated on the basis of staff time, staff numbers or area, as relevant.

Grant making

Costs of grant making are included within charitable expenditure in the year they are payable. Costs include grants made and support costs associated with the activity. Multi-year grant commitments are conditional on progress reviews to determine whether future funding is provided and discretion is retained by the charity to terminate the grant. Where multi-year grant commitments exist, only expenditure relating to the current year’s liability will be recognised.

iii) Other costs

Other costs directly relate to a specific activity or are support costs allocated on the basis of staff time, staff numbers or area, as relevant.

c) Fund accounting

The charity maintains the following funds:

i) Restricted funds

Restricted funds represent grants, donations and legacies received, which the donor has provided for specified purposes.

ii) General unrestricted funds

These represent funds that are expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

iii) Designated funds

These represent unrestricted funds allocated by the trustees for particular purposes.

d) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation, which is provided in equal instalments over the estimated useful lives of the assets. No depreciation is charged on freehold land. We estimate that 55% of the original purchase price related to the land and 45% to the

buildings. The rates of depreciation applied to other assets are:

Freehold building	50 years
CRM system	5 years
Other computer equipment	3 years
Fixtures and fittings	10 years
Plant and equipment	20 years

e) Investments

Quoted investments are valued at bid price and stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

f) Operating leases expenditure

Gross rentals paid are recognised as lease rental expenses. Rentals are charged to the SOFA, over the term of the lease.

g) Debtors

Debtors are recognised at the settlement amount due. Accrued income reflects amounts due but not received at

1 Accounting policies (continued)

the balance sheet date from funders and partners. Prepayments reflect costs paid at the balance sheet date that relate to future periods and are valued at the amount paid net of any discounts due.

h) Cash at bank and in hand

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

i) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any discounts due.

j) Employee benefits

- i) *Short-term benefits.* Short-term benefits including holiday pay are recognised as an expense in the period in which the service was received.
- ii) *Post-retirement benefits.* The charity operates two pension schemes.

Defined contribution scheme

Staff are currently opted into a defined contribution scheme administered by Aviva. The assets in this scheme are held separately from the charity in an independent fund administered by Aviva. The pension cost charge represents the contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Defined benefit scheme

NCVO’s defined benefit scheme was closed to future accrual on 31 March 2011. The liability recognised on the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation less the fair

value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with FRS 102.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the SOFA each year. The annual costs of the defined benefit plan are included in employee costs and allocated across the expenditure headings on the SOFA. These comprise the annual expenses of the scheme and the finance costs.

k) Consolidation

Consolidated financial statements have been prepared in respect of NCVO and its wholly owned subsidiary NCVO Trading Limited. The results of the subsidiary have been consolidated on a line-by-line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. In accordance with section 408 of the Companies Act 2006, a separate SOFA for the charity has not been presented.

Notes to the financial statements (continued)

For the year ended 31 March 2023

2 Donations and legacies (all unrestricted)

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Donations through Charities Aid Foundation	741	-	741	955
Legacy	-	-		149
Gifts in kind	86		86	-
Closure of trusts administered by NCVO	187	-	187	-
Other donations and voluntary income	12	2	14	2
Total	1,026	2	1,028	1,106

3 Charitable activities

2023	Membership subscriptions, and charitable purpose contracts	Unrestricted grants and sponsorships	Restricted grants	Total
	£'000	£'000	£'000	£'000
Membership subscriptions	1,354	-	-	1,354
Support and services	1,549	140	372	2,061
Marketing and communications	-	20	-	20
Networks and influencing	33	3	310	346
Total	2,936	163	682	3,781

2022	Membership subscriptions, and charitable purpose contracts	Unrestricted grants and sponsorships	Restricted grants	Total
	£'000	£'000	£'000	£'000
Membership subscriptions	1,292	-	-	1,292
Support and services	1,139	43	38	1,220
Marketing and communications	-	15	-	15
Networks and influencing	5	20	130	155
Other	-	55	-	55
Total	2,436	133	168	2,737

Notes to the financial statements (continued)

For the year ended 31 March 2023

3 Charitable activities (continued)

Grant and project income

	Total funds 2023	Total funds 2022
Unrestricted	£'000	£'000
HMRC – job retention scheme	-	56
Garfield Weston	50	-
Pears Foundation	15	-
Zurich Insurance – various	40	40
Phoenix Software – website	19	14
Other unrestricted income under £15,000	39	23
Total unrestricted	163	133

	Total funds 2023	Total funds 2022
Restricted	£'000	£'000
Betty Messenger Foundation – Practical support and Helpdesk	250	-
Department for Culture, Media and Sport - Vision for Volunteering	155	-
Department for Culture, Media and Sport - Time Well Spent	95	-
The Climate Change Collaboration - Fuelling positive change campaign	60	-
Lloyds Bank Foundation - Supporting small charities	27	-
Sheila McKechnie Foundation - Power and integrity	25	-
Garfield Weston - Supporting small charities	25	-
Tudor Trust - Supporting small charities	20	-

	Total funds 2023	Total funds 2022
Restricted (continued)	£'000	£'000
Pilgrim Trust - Supporting small charities	15	-
National Lottery Community Fund - Supporting charities through the cost of living crisis	10	-
Economic and Social Research Council – Data entry	-	50
Nottingham Trent University - Covid-19 and VCSE organisations response	-	29
Centre for Ageing Better – Age-friendly and inclusive volunteering	-	28
Third Sector Resources Centre, University of Birmingham - Assessing financial vulnerability and risk in the UK's charities during and beyond the Covid	-	18
Lloyds Bank Foundation for England and Wales – Resetting the relationship between charities and	-	17
Institute of Volunteering Research - Mobilising voluntary action during and beyond the Covid crisis	-	15

Please note – table continues on the following page ►

Notes to the financial statements (continued)

For the year ended 31 March 2023

3 Charitable activities (continued)

	Total funds 2023	Total funds 2022
New Philanthropy Capital – NCVO Charities Evaluation Services	-	5
National Lottery Community Fund – Digital fund	-	5
Barrow Cadbury – Governance Code	-	1
Total restricted	682	168
Total grants and project income	845	301

4 Other trading activities (all unrestricted)

	2023	2022
	£'000	£'000
Conference suite hire	1,101	399
Fees for services	762	613
Quality standards	8	85
Brokered services	354	331
Publications	-	10
Total	2,225	1,438

5 Investments (all unrestricted)

	2023	2022
	£'000	£'000
Dividends and interest	99	70

Notes to the financial statements (continued)

For the year ended 31 March 2023

6 Expenditure

2022	Staff costs	Premises costs	Grant making	Support costs	Other expenses	Governance costs	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds	714	35	-	115	166	18	1,048
Charitable expenditure:							
Services and partnerships	1,818	89	20	305	666	49	2,947
Strategic communications and insight	569	29	-	103	159	15	875
Membership	332	15	-	50	3	8	408
Networks and influencing	1,049	52	92	177	112	28	1,510
Other	-	92	-	-	-	-	92
Total	4,482	312	112	750	1,106	118	6,880

Notes to the financial statements (continued)

For the year ended 31 March 2023

6 Expenditure (continued)

2021	Staff costs	Premises costs	Grant making	Support costs	Other expenses	Governance costs	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds	640	48	-	99	237	19	1,043
Charitable expenditure:							
Services and partnerships	1,652	112	-	227	589	44	2,624
Strategic communications and insight	579	43	-	88	150	17	877
Membership	318	22	-	45	-	9	394
Networks and influencing	901	61	5	124	70	24	1,185
Other	14	62	-	-	118	-	194
Total	4,104	348	5	583	1,164	113	6,317

‘Other expenses’ include commissioning £0.7 million (2022: £0.7 million), equipment / IT £0.3 million (2022: £0.2 million) and office costs £0.1million (2022: £0.1 million). Commissioning includes fees paid to associates and freelancers.

Notes to the financial statements (continued)

For the year ended 31 March 2023

6 Expenditure (continued)

Support costs are made up of the following expenditure:

	2023	2022
	£'000	£'000
Accommodation costs	316	242
Travel costs	11	6
Telephone, printing, postage and stationery	58	50
Equipment and IT costs	174	161
Professional fees and consultancy	189	122
Other overheads	2	2
Total	750	583

Grants and partnership payments

Grants and partnership payments were made to the following organisations during the year:

	Total funds 2023	Total funds 2022
	£'000	£'000
CWFA campaign project		
Local Trust	-	5
	-	5
Small Charities		
Foundation for Social Improvement	20	-
	20	-

	Total funds 2023	Total funds 2022
	£'000	£'000
Vision for Volunteering		
Association of Volunteer Managers	14	-
Natonal Association of Voluntary Community Action (NAVCA)	46	-
Volunteering Matters	32	-
	92	-
Total grants and partnership fees paid	112	5

Notes to the financial statements (continued)

For the year ended 31 March 2023

7 Employees

	2023	2022
	£'000	£'000
Wages and salaries	3,520	3,159
Social security	379	338
Pension costs	337	332
Redundancy and termination costs	17	29
Recruitment	73	142
Other including temporary staff and staff training	235	146
Total	4,561	4,146

The average number of employees (FTEs) during the year was:

	2023 number	2022 number
	£'000	£'000
Generating funds	12	13
Services and partnerships	32	29
Strategic communications and insight	10	11
Membership	5	6
Networks and influencing	18	16
Total	77	75

The number of employees whose benefits were over £60,000 during the year (excluding employer pension contributions but including redundancy, termination and payments in lieu of notice) was

	2023 number	2022 number
£60,001–£70,000	1	6
£70,001–£80,000	2	-
£80,001–£90,000	-	-
£90,001–£100,000	1	1
£100,001–£110,000	-	-
£110,001–£120,000	1	1

Four of the above staff are members of the defined contribution pension scheme (2022: seven). None are currently paying contributions into the defined benefit scheme. The pension costs for these employees are £28,670 (2022: £34,374).

Notes to the financial statements (continued)

For the year ended 31 March 2023

7 Employees (continued)

Of the employees included above in the bands over £60,000 in 2022/23, none (2021/22: none) are included due to termination payments. Overall, there was one termination payment totalling £16,437 (2021/22: £29,867 to 2 people).

We have complied with our published guidance for trustees on setting pay for senior staff in charities. In addition to the regulatory requirement to publish the number of employees in pay bands over £60,000 and to publish the total employee benefits received by key management personnel, we also publish the names, roles and remuneration of our leadership team, along with an explanation of how we set salaries for these roles and other NCVO staff. These details are included in the trustees’ report. The amounts paid to the leadership team during 2022/23 were:

		Salary	Employer's NIC	Pension contributions	Redundancy	Payment in lieu of notice	Total 2022/23	Total 2021/22
		£	£	£	£	£	£	£
Sarah Vibert	Chief Executive	120,000	16,113	6,816	-	-	142,929	142,156
Laura Crandley	Chief operating officer (from 1 June 2022)	77,499	9,586	7,608	-	-	94,693	-
Laura Crandley	Director of finance and services (to 31 May 2022)	14,807	2,000	741	-	-	17,548	109,284
Jarina Choudhury	Strategic volunteering lead (to 31 March 2022) (0.4 FTE)	-	-	-	-	-	-	29,672
Alex Farrow	Director of influencing and engagement	65,000	8,306	5,994	-	-	79,300	-
Alex Farrow	Head of networks and influencing	11,562	1,517	1,023	-	-	14,102	77,269
Gavin Finch	Interim director of membership and engagement	-	-	-	-	-	-	71,739
Charmaine Goddard	Interim head of people and culture	21,070	2,604	1,197	-	-	24,871	-

Please note – table continues on the following page ►

Notes to the financial statements (continued)

For the year ended 31 March 2023

7 Employees (continued)

		Salary	Employer's NIC	Pension contributions	Redundancy	Payment in lieu of notice	Total 2022/23	Total 2021/22
Tracy Kiernan	Head of central services (to 30 April 2022)	8,320	988	643	-	-	9,951	73,834
Saskia Konynenburg	Director of strategic communications and insight	32,723	3,977	1,820	-	-	38,520	-
Rupa Kotecha-Smith	Interim head of strategic communications	31,469	3,937	1,720	-	-	37,126	52,141
Janu Miah	Interim head of people and culture	33,685	4,271	1,885	-	-	39,841	71,269
Sophie Raeburn	Head of digital, data and technology	11,267	3,504	1,496	16,437	14,291	46,995	72,116
Woosh Raza	Director of people, culture and inclusion	15,179	1,801	862	-	-	17,842	-
Andrew Walkey	Director of services and partnerships	62,483	7,920	5,590	-	-	75,993	-
Andrew Walkey	Head of support and services (to 31 May 2022)	10,533	1,376	898	-	-	12,807	71,207

8 Net income for the year (continued)

This is stated after charging:	2023	2022
	£'000	£'000
Auditor's remuneration		
– audit fees	28	27
– other services	17	1
Loss on disposal of fixed asset	7	-
Depreciation	304	345
Bank charges	17	14
Bank interest – on building loan	62	37

No members of the trustee board received any remuneration during the year (2022: £nil). Expenses do not form part of remuneration and are separately disclosed below. Trustees believe that there are adequate systems in place to manage expenses and that all expenses were incurred in proper pursuit of NCVO’s charitable objectives.

In response to the report of the Independent Group on Expenses set up by NCVO and Charity Finance Group to gather information and evidence on the disclosure of expenses by registered charities in England and Wales, published in February 2010, NCVO decided to adopt enhanced voluntary disclosure of trustees’ and leadership team expenses. Leadership team expenses, together with total trustee expenses are summarised in the following table. These were incurred in accordance with budget and reflect the impact of changed ways of working.

Travel and subsistence expenses reimbursed to three trustees in the period amounted to £408 (2022: £405 to three trustees), with a further £1,715 (2022: £723) paid directly by NCVO for trustee costs.

Notes to the financial statements (continued)

For the year ended 31 March 2023

8 Net income for the year (continued)

	Subsistence 2023	UK travel 2023	Entertaining/ networking 2023	Other 2023	Total claimed 2023	Total claimed 2022
	£	£	£	£	£	£
Leadership team						
Chief executive	1,832	2,081	311	-	4,224	1,944
Chief operating officer	-	-	-	189	189	-
Director of influencing and engagement	1,051	942	-	-	1,993	-
Director of membership and engagement	-	-	-	-	-	328
Director of people, culture and inclusion	35	42	-	-	77	-
Director of services and partnerships (home-based)	1,840	1,809	-	259	3,908	-
Director of strategic communications and insight ((home-based)	937	900	-	-	1,837	-
Interim head of strategic communications	-	-	-	-	-	14
Head of networks and influencing	-	-	-	-	-	683
Interim head of people and culture	133	-	-	-	133	177
Head of support and services (home-based)	-	-	-	-	-	1,911
Total	5,828	5,774	311	448	12,361	5,057
Trustees	64	572	1,192	295	2,123	1,128

Notes to the financial statements (continued)

For the year ended 31 March 2023

9 Tangible fixed assets (group and charity)

	Freehold land and buildings	Plant and equipment	Computer equipment	Fixtures and fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2022	4,919	973	872	1,096	7,860
Additions	-	190	80	52	322
Disposals	-	-	(7)	(11)	(18)
At 31 March 2023	4,919	1,163	945	1,137	8,164
Depreciation					
At 1 April 2022	1,226	430	550	978	3,139
Charge for the year	66	50	158	30	304
Disposals	-	-	(5)	(6)	(11)
At 31 March 2023	1,292	480	658	1,002	3,432
Net book value					
At 31 March 2022	3,693	543	367	118	4,721
At 31 March 2023	3,627	683	267	135	4,732

Freehold land and property are presented under the historical cost convention and are shown at original cost with an annual depreciation charge. We estimate that 55% of the cost of land and buildings related to land. In June 2013 the building was valued at £14.25 million on a 15-year sale-and-leaseback basis.

Notes to the financial statements (continued)

For the year ended 31 March 2023

10 Investments (group and charity)

	Listed	Cash	Total
	£'000	£'000	£'000
Market value			
At 1 April 2022	2,826	259	3,085
Purchase of investments	1,231	(1,231)	-
Sale of investments	(1,092)	1,092	-
Realised gains	144	-	144
Unrealised investment gains	(228)	-	(228)
Dividend income received	-	89	89
Dividend income transferred to Barclays	-	(69)	(69)
Investment management fees	-	(21)	(21)
At 31 March 2023	2,881	119	3,000

11 Debtors

	Consolidated 2023	Consolidated 2022	NCVO 2023	NCVO 2023
	£'000	£'000	£'000	£'000
Debtors	799	553	599	444
Accrued income	195	172	142	120
Amount due from subsidiary	-	-	477	418
Prepayments	135	102	121	98
Total	1,129	827	1,339	1,080

Notes to the financial statements (continued)

For the year ended 31 March 2022

12 Creditors: amounts falling due within one year

	Consolidated 2023	Consolidated 2022	NCVO 2023	NCVO 2022
	£'000	£'000	£'000	£'000
Bank loan (secured – see note 13)	169	169	169	169
Taxation and social security	184	127	140	105
Other creditors	242	373	226	332
Accrued expenditure	400	393	364	323
Deferred income	1,434	1,139	1,420	1,130
Total	2,429	2,201	2,319	2,059

13 Creditors: amounts falling due after more than one year

	Consolidated 2023	Consolidated 2022	NCVO 2023	NCVO 2022
	£'000	£'000	£'000	£'000
Membership deferred over one year	85	86	85	86
Bank loan (secured)	1,228	1,397	1,228	1,397
Total	1,313	1,483	1,313	1,483
Analysis of loan repayments:				
Within one year	169	169	169	169
Between one and two years	169	169	169	169
Between two and five years	1,059	1,566	1,397	1,566
Balance at 31 March	1,397	1,566	1,397	1,566

NCVO owns the freehold of the building it occupies at Society Building, All Saints Street, London N1 9RL. A loan was taken out with Barclays Bank to fund a building construction project on the same property, which was completed during 2012/13. The loan is secured by legal mortgage over the property. The loan is fully drawn, for a total of £1.6million at a rate of 1.95% over the floating rate for a 20-year period with a five-year renewable term in April 2026.

13 Creditors: amounts falling due after more than one year (continued)

Reconciliation of deferred income 2022/23

	Brought forward	Released into 2022/23	New deferred income	Carry forward
	£'000	£'000	£'000	£'000
Deferred income	1,225	(432)	726	1,519
Being deferred income included in:				
Creditors: amounts falling due within one year				1,434
Creditors: amount falling due after more than one year				85
Total				1,519

Reconciliation of deferred income 2021/22

	Brought forward	Released into 2021/22	New deferred income	Carry forward
	£'000	£'000	£'000	£'000
Deferred income	1,237	(488)	476	1,225
Being deferred income included in:				
Creditors: amounts falling due within one year				1,139
Creditors: amount falling due after more than one year				86
Total				1,225

Notes to the financial statements (continued)

For the year ended 31 March 2023

14 Capital commitments and lease

NCVO entered into an operating lease with Siemens in August 2022 for multi-functional devices, which provide photocopying, printing and document scanning facilities. Total minimum lease commitments as at 31 March were: At 31 March 2023, NCVO had a capital commitment for induction loops for new conference suite rooms totalling £57k

	2023	2022
Within one year	1	-
Two to five years	4	-
Total	5	-

15 Analysis of net group assets

NCVO’s general reserves of £3.1 million (2022: £3.4million) are made up of investments and net current assets, adjusted for loans

	Unrestricted general 2023	Unrestricted designated 2023	Restricted 2023	Total funds excluding pension fund 2023	Pension fund 2023	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	4,732	-	4,732	-	4,732
Investments	3,000	-	-	3,000	-	3,000
Net current assets (excluding loan)	138	62	259	459	-	459
Deferred membership due after more than one year	(85)	-	-	(85)	-	(85)
Pension fund	-	-	-	-	(627)	(627)
Loan	-	(1,397)	-	(1,397)	-	(1,397)
Total	3,053	3,397	259	6,709	(627)	6,082

15 Analysis of net group assets (continued)

	Unrestricted general 2022	Unrestricted designated 2022	Restricted 2022	Total funds excluding pension fund 2022	Pension fund 2022	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	4,721	-	4,721	-	4,721
Investments	3,085	-	-	3,085	-	3,085
Net current assets (excluding loan)	408	85	90	583	-	583
Deferred membership due after more than one year	(86)	-	-	(86)	-	(86)
Pension fund	-	-	-	-	-	-
Loan	-	(1,566)	-	(1,566)	-	(1,566)
Total	3,407	3,240	90	6,737	-	6,737

Notes to the financial statements (continued)

For the year ended 31 March 2023

16 Movement in group funds

Unrestricted and designated funds

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance 1 April 2022	Income	Expenditure	Transfers	Net losses	Balance 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	3,153	-	-	179	-	3,332
Property maintenance	28	-	-	-	-	28
Digital investment	37	-	(92)	92	-	37
Equipment	4	-	(4)	-	-	-
Policy and research	18	-	(18)	-	-	-
Designated funds	3,240	-	(114)	271	-	3,397
General funds	3,407	6,449	(6,141)	(578)	(84)	3,053
Pension reserves	-	-	(110)	307	(824)	(627)
Total	6,647	6,449	(6,365)	-	(908)	5,823

Notes to the financial statements (continued)

For the year ended 31 March 2023

16 Movement in group funds (continued)

	Balance 1 April 2021	Income	Expenditure	Transfers	Net gains	Balance 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	3,278	-	-	(125)	-	3,153
Property maintenance	28	-	-	-	-	28
Digital investment	37	-	(62)	62	-	37
Equipment	42	-	(16)	(22)	-	4
Equity, diversity and inclusion	30	-	(30)	-	-	-
People	133	-	(126)	(7)	-	-
Governance	23	-	(23)	-	-	-
Policy and research	44	-	(13)	(13)	-	18
Other	6	-	(6)	-	-	-
Designated funds	3,621	-	(276)	(105)	-	3,240
General funds	3,757	5,183	(5,585)	(196)	248	3,407
Pension reserves	(2,729)	-	(130)	301	2,558	-
Total	4,649	5,183	(5,991)	-	2,806	6,647

16 Movement in group funds (continued)

Trustees have designated funds for specific pieces of work, including:

• **Fixed assets**

This fund represents the level of NCVO’s reserves invested in fixed assets and is the net tangible fixed assets less loans outstanding (as the loans are used to part finance these acquisitions).

• **Property maintenance**

This fund is to support the maintenance of Society Building.

• **Digital investment**

Trustees have allocated funds from reserves for a number of digital projects, including the development of a new website and an online payments platform.

• **Equipment**

This fund represents costs of laptops and equipment to support staff working from home.

• **Policy and research**

This fund is allocated to meet the costs of research into understanding the public’s view of charities and trialling new methods of influencing.

Notes to the financial statements (continued)

For the year ended 31 March 2023

16 Movement in group funds (continued)

Restricted funds 2022/23

	1 April 2022	Income	Expenditure	Transfers	31 March 2023
	£'000	£'000	£'000	£'000	£'000
The National Lottery Community Fund: Digital Fund	43	-	(43)	-	-
Centre for Ageing Well: Age-friendly and inclusive volunteering	28	-	(26)	-	2
Various: Governance Code	8	-	-	-	8
Betty Messenger Foundation: Helpdesk and practical support	-	250	(58)	-	192
Lloyds Bank Foundation: Small charities	-	27	(27)	-	-
Garfield Weston: Small charities	-	25	(13)	-	12
Tudor Trust: Small charities	-	20	(20)	-	-
Pilgrim Trust: Small charities	-	15	(15)	-	-
Department for Culture, Media and Sport - Vision for Volunteering	-	155	(155)	-	-
Department for Culture, Media and Sport - Time Well Spent	-	95	(95)	-	-
The Climate Change Collaboration - Fuelling positive change campaign	-	60	(34)	-	26
Shelia McKechnie Foundation - Power and integrity	-	25	(17)	-	8

Please note – table continues on the following page ►

17 Movement in group funds (continued)

Restricted funds 2022/23

	1 April 2022	Income	Expenditure	Transfers	31 March 2023
National Lottery Community Fund - Supporting charities through the cost of living crisis	-	10	(10)	-	-
Various: Public Trust	7		-		7
Leadership (legacy)	3		-		3
CSIS Charity Fund: Working for a Charity bursaries	1	-	-	-	1
Other	-	2	(2)	-	-
Total	90	684	(515)	-	259

Those areas with restricted funds to be carried forward into 2023/24 are briefly described below:

- **Age-friendly and inclusive volunteering: Centre for Ageing Better.** A project to embed and spread the concept and practice of age friendly inclusive volunteering.
- **Governance Code.** For the provision of ongoing stewardship of the Code.
- **Helpdesk and practical support: Betty Messenger**

Foundation and Garfield Weston. Ongoing support for small charities and voluntary organisations, including continuing the legacy of the Small Charities Coalition.

- **Fuelling positive change campaign: The Climate Change Collaboration.** Campaign for divestment from fossil fuels.
- **Power and integrity: Sheila McKechnie Foundation.** An incubation project to support adopting holistic approaches for organisations to work with integrity.

- **Public Trust.** Work to preserve public trust and confidence in the sector.
- **Leadership (legacy).** Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).
- **CSIS Charity Fund: Working for a Charity bursaries.** Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.

Notes to the financial statements (continued)

For the year ended 31 March 2023

16 Movement in group funds (continued)

Restricted funds 2021/22

	1 April 2020	Income	Expenditure	Transfers	31 March 2021
	£'000	£'000	£'000	£'000	£'000
The National Lottery Community Fund: Digital Fund	194	5	(156)	-	43
Economic and Research Council: Data Partnership including Data Entry	4	50	(54)	-	-
Nottingham Trent University: Covid-19 Research	-	29	(29)	-	-
Centre for Ageing Well: Age Friendly and Inlcusive Volunteering	-	28	-	-	28
Third Sector Foundation for England and Wales: Resetting the Relationship with Government	-	18	(18)	-	-
Lloyds Bank Foundation for England and Wales: Rebalancing the Relationship	-	17	(17)	-	-
Various: Governance Code	15	1	(8)	-	8
University of Northumbria Covid-19 Research	-	15	(15)	-	-
New Philanthropy Capital: NCVO Charities Evaluation Services Philanthropy Capital: NCVO Charities Evaluation Services	5	5	(10)	-	-
Lloyds Bank Foundation for England and Wales: Rebalancing the Relationship	10	-	(10)	-	-
Various: Public Trust	8	-	(1)	-	7
Esmee Fairbairn Foundation: Digital Content	6	-	(6)	-	-
Leadership (legacy)	3		-		3
Esmee Fairbairn Foundation: Classifying the Register	3		(2)		-
CSIS Charity Fund: Working for a Charity Bursaries	1	-	-	-	1
Total	248	168	(326)	-	90

16 Movement in group funds (continued)

Those areas with restricted funds to be carried forward into 2021/22 are briefly described below:

• Digital Fund: The National Lottery Community Fund

A project to transform NCVO’s technology and digital services so that we can support more people in more organisations.

• Age-friendly and inclusive volunteering: Centre for Ageing Better

A project to embed and spread the concept and practice of age friendly inclusive volunteering.

• Governance Code

For the provision of ongoing stewardship of the Code.

• Public Trust

Work to preserve public trust and confidence in the sector.

• Leadership (legacy)

- Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).

• CSIS Charity Fund: Working for a Charity bursaries

Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.

Other funds-agency

NCVO also manages other charitable funds on behalf of the trusts listed below through its investment managers, UBS.

The Leach Trust: To pay the income and/or capital of the trust to such charities or for such charitable purposes as the settlor may from time to time direct.

The Montefiore Institute: The Permanent Trustee shall hold the trust premises upon trust to permit the same to be used for the purposes of physical and mental recreation and social moral and intellectual development through the medium of reading and recreation room library lectures classes recreations entertainments or otherwise as may be found expedient for the benefit of the inhabitants of the Worth Ward of the Parish of Worth in the County of Sussex and its immediate vicinity without distinction of sex or of political or other opinions subject to the provisions of these premises.

A M G and G Wyburd Trust: To pay or apply the income and/or capital to such charities or for such charitable purposes as the settlors may from time to time direct.

NCVO acts as Trustee of and makes donations from these funds as directed by their settlors. The total value of the investments, which are held in a separate portfolio, stands at £170,000 (2022: £496,000). In addition, £229,000 (2022: £207,000) is held in a separate bank account. These funds are excluded from NCVO’s accounts.

The Bayldon Trust, LCC Workmen’s Dwelling Trust, Becontree, The Lady Hawke Trust, The N E F Montgomery Trust and Mr and Mrs E T Williams' Settlement are being wound up. We are in the process of making the final distributions from The Magnus Trust (we hold £149.203 at 31 March 2023) and then this will also be wound up.

Notes to the financial statements (continued)

For the year ended 31 March 2023

17 Reconciliation of net income to net cash flow from operating activities

	2023	2022
	£'000	£'000
Net income / (expenditure) for the year	169	(718)
Adjustments for:		
Depreciation	304	345
Loss on disposal of fixed assets	7	-
Gain / (loss) on investments	84	(248)
Dividends and interest from investments	(99)	(70)
Interest on bank loan	63	37
Non-cash difference between defined benefit pension contributions paid and amount charged to SOFA	(197)	(171)
Decrease in stocks	-	2
(Increase) / decrease in debtors	(302)	363
Increase / (decrease) in creditors	227	(341)
Net cash provided / (used) by operating activities	256	(801)

18 Post-employment benefits

The charity operates two pension schemes, a defined contribution pension scheme for employees and a defined benefits pension scheme (the assets of which are held separately from the charity), which was closed on 31 March 2011.

a) Pension costs charge in the year

The amount of pensions costs charged within employee costs on the SOFA is as follows:

	Note	2023	2022
		£'000	£'000
Defined contribution scheme costs		227	202
Defined benefit scheme past service cost		-	55
Defined benefit scheme expenses		110	75
Total cost	7	337	332

Notes to the financial statements (continued)
For the year ended 31 March 2023

18 Post-employment benefits (continued)

b) Defined benefit scheme

The employer operates a defined benefit scheme in the UK which is closed to new entrants and future accrual. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was completed as at 30 September 2019 and the results of this have been updated to 31 March 2023 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The actuarial valuation as at 30 September 2019 showed a deficit of £3,444,000. The employer has agreed with the trustees that it will aim to eliminate the deficit by 30 November 2026 by the payment of annual contributions of £498,623 for the period 1 April 2020 to 31 March 2021 and thereafter by annual contributions of £210,000, payable monthly and increasing by 3% at every subsequent 1 April.

In addition and in accordance with the actuarial valuation, the employer has agreed with the trustees that it will pay contributions in respect of the expenses of running the

Scheme of £90,850 per annum. The Pension Protection Fund levy will be paid separately by the employer.the employer.

Assumptions

	2023	2022
	%	%
Rate of increase in salaries	2.93	3.52
Rate of increase in pensions in payment	2.85	3.08
Discount rate	4.87	2.78
Inflation assumption (CPI)	2.93	3.21

The mortality assumptions adopted at 31 March 2023 imply the following life expectations:

	2023
	Years
Male retiring in 2023	22.2
Female retiring in 2023	24.4
Male retiring in 2043	23.8
Female retiring in 2043	25.9

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	2023	2022
	£'000	£'000
Fair value of plan assets	21,891	30,344
Present value of defined benefit obligation	(22,518)	(29,730)
Effect of asset ceiling	-	(614)
Deficit in scheme and liability recognised	(627)	-

Notes to the financial statements (continued)

For the year ended 31 March 2023

18 Post-employment benefits (continued)

Reconciliation of opening and closing balances of the defined benefit obligation		
	2023	2022
	£'000	£'000
Defined benefit obligation at start of period	29,730	32,393
Interest expenses	815	670
Benefits paid and expenses	(811)	(950)
Actuarial loss on changes in financial and demographic assumptions	(7,216)	(2,772)
Experience gain on liabilities	-	389
Total	22,518	29,730

Reconciliation of opening and closing balances of the fair value of scheme assets		
	2023	2022
	£'000	£'000
Fair value of scheme assets at start of period	30,344	29,664
Interest income	835	615
Expenses	(110)	(75)
Return on assets excluding interest income	(8,674)	789
Contributions by the employer	307	301
Benefits paid and expenses	(811)	(950)
Total	21,891	30,344

Actuarial (loss) / gain recognised in the SOFA		
	2023	2022
	£'000	£'000
(Loss) / gain on scheme assets	(8,674)	789
Experience loss arising on the scheme liabilities	(1,410)	(389)
Gain as a result of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities	8,626	2,772
Gain from the change in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	634	-
Effect of asset ceiling	-	(614)
Total actuarial (loss) / gain recognised in SOFA	(824)	2,558

18 Post-employment benefits (continued)

Scheme assets		
	2023	2022
	£'000	£'000
Equity type assets	738	4,435
Bonds	10,849	13,722
Property	1,882	2,203
Other	8,422	9,984
Total assets	21,891	30,344

TPT Retirement Solutions has informed NCVO of a review of historic scheme benefit changes that it is undertaking. The content of these accounts makes no allowance for, or reference to, the potential outcome of that review.

19 Contingent liabilities

The charity was notified by the trustee of the charity’s defined benefit pension scheme of a possible liability that existed at 31 March 2023. This relates to potential further benefits payable to members of the scheme derived from the way benefits have been changed and how the scheme’s rules are interpreted. As is normal practice in these circumstances, the pension scheme trustee is seeking clarification through the courts to confirm if and when the impact of changes would have created additional benefits payable. An estimation of the liability, should it be payable, is in the region of £4.2million.

20 Taxation

NCVO is a registered charity and as such is not liable to tax on its income and gains that meet the tax exemptions. The charity’s trading subsidiary, NCVO Trading Limited, is liable to tax on any profits not paid to the charity under deed of covenant.

21 Related parties

The charity owns 100% of the issued share capital in NCVO Trading Limited. The results of the trading company are shown in note 22 to the accounts.

As stated in the CAF Trust Deed, the chair of NCVO occupies one trustee position on the board of the CAF. This position is currently filled by Dr Priya Singh.

Some trustees work for organisations which are members of NCVO or use their services. These transactions all take place at arms length.

Notes to the financial statements (continued)

For the year ended 31 March 2023

22 Subsidiary and parent company results

The charity owns 100% of the issued share capital in NCVO Trading Limited. The company made a profit of £923,000 for the year ended 31 March 2023 (2022: £389,000). The investment at cost is £1.

	2023	2022
	£'000	£'000
Summary profit and loss account		
Turnover	1,561	814
Cost of sales	(601)	(404)
Gross profit	960	410
Expenditure	(37)	(21)
Net profit from operations	923	389
Payable to NCVO under deed of covenant	(923)	(389)
Summary balance sheet		
Debtors	264	165
Cash at bank and in-hand	320	395
	584	560
Creditors: amounts falling due within one year	(584)	(560)
Creditors: amounts falling due after one year	-	-
Net assets	-	-



Registered charity number
225922
Design: Steers McGillan Eves

THE NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

England & Wales - Charity number 225922

Accounts

National Council for Voluntary Organisations

Report and financial statements for the year ended 31 March 2022

Company number: 198344

Charity number: 225922

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Reference and administrative details of the charity, its trustees and advisers for year ending 31 March 2022

Patron: Formerly Her Majesty The Queen
President Baroness Jill Pitkeathley

NCVO Trustee Board Honorary Officers

Chair	Dr Priya Singh		
Co-vice chair	Emily Agius	Appointed	14 December 2021
Co-vice chair	Julie Bentley		
Co-vice chair	Anne Heal	Resigned	22 November 2021
Honorary treasurer:	Paul Breckell		

Senior Independent Trustee

Dr Sarabajaya Kumar	Appointed	14 March 2022

Trustees

Paul Buchanan		
Jake Ferguson	Resigned	22 June 2021
Red Godfrey-Sagoo	Appointed	22 November 2021
Angela Spence	Appointed	10 September 2021
Dan Sutch		
Sheila Taylor		
Ingrid Tennessee		

NCVO Trading Limited Directors

Paul Breckell	Resigned	14 March 2022
Paul Buchanan	Resigned	14 March 2022
Laura Crandley	Appointed	14 March 2022
Dominic Fox	Resigned	14 March 2022
Bruce Gordon	Resigned	23 November 2021
Jeremy Rees	Resigned	23 November 2021
Dan Sutch	Resigned	14 March 2022
Sarah Vibert		
Andrew Walkey	Appointed	14 March 2022

Audit and Risk Committee (reshaped February 2022)

Trustees

Emily Agius	Resigned	15 December 2021
Paul Breckell		
Dr Sarabajaya Kumar		

Independents

Kalwant Grewal	Appointed	13 April 2022
Anne Heal	Appointed	22 November 2021
Frankie Smith	Appointed	13 April 2022
Kafui Tay (chair)		

Finance and Commercial Committee (formed February 2022)

Trustees

Paul Breckell (chair)	Appointed	15 December 2021
Paul Buchanan	Appointed	14 March 2022
Dan Sutch	Appointed	14 March 2022

Independents

Dominic Fox	Appointed	15 December 2021
Stella Neophytou	Appointed	21 June 2022
Dani Salvadori	Appointed	21 June 2022

Governance and Nominations Committee (reshaped January 2022)

Trustees

Reference and administrative details of the charity, its trustees and advisers

Emily Agius		
Julie Bentley	Resigned	15 December 2021
Paul Breckell	Resigned	15 December 2021
Dr Priya Singh (chair)		

Independents

Karmen Bennett	Appointed	27 June 2022
Crewenna Dymond		
Tommy Hyun	Appointed	13 May 2022
Debbie Raven	Appointed	27 June 2022

People, culture and inclusion committee (formed May 2022)

Trustees

Red Godfrey-Sagoo	Appointed	14 March 2022
Angela Spence (chair)	Appointed	14 March 2022
Ingrid Tennessee	Appointed	14 March 2022

Independents

Amanda Arrowsmith	Appointed	27 June 2022
Karen Chapman	Appointed	14 March 2022
	Resigned	26 July 2022
Edith Galliers	Appointed	27 June 2022
Chris Wade	Appointed	14 March 2022

HR and Remuneration Committee (disbanded March 2022)

Trustees

Paul Breckell	Resigned	14 March 2022
Dr Priya Singh	Resigned	14 March 2022
Ingrid Tennessee	Resigned	14 March 2022

Independents

Karen Chapman (chair)	Resigned	14 March 2022
Chris Wade	Resigned	14 March 2022

Equity, Diversity and Inclusion Committee (disbanded March 2022)

Trustees

Julie Bentley	Resigned	14 March 2022
Anne Heal	Resigned	22 November 2021
Dr Sarabajaya Kumar	Resigned	14 March 2022

Independents

Karen Chapman	Resigned	14 March 2022
Nazia Mirza (interim chair)	Resigned	14 March 2022

Chief Executive

Sarah Vibert	Appointed as permanent CEO	9 March 2022

Chief Operating Officer and Directors

Laura Crandley		
Alex Farrow	Appointed	7 June 2022
Gavin Finch (interim)	Resigned	30 November 2021
Andrew Walkey	Appointed	1 June 2022

Company Secretary

Laura Crandley

Reference and administrative details of the charity, its trustees and advisers

Auditors

PKF Littlejohn LLP
15 Westferry Circus, Canary Wharf, London E14 4HD

Bankers

Barclays Bank Plc

Investment managers

UBS

Registered office and operational address

Society Building, 8 All Saints Street, London N1 9RL

Registered charity number: 225922

Company registration number: 198344

From the chair

Welcome to NCVO's annual report for 2021/22

We began 2021 during the UK's third national lockdown, implemented as part of the government's response to the ongoing coronavirus pandemic. It was a particularly tough start to a new year for everyone, following a challenging 2020. We ended 2021/22 as the country was emerging from the Omicron wave of the pandemic and facing rapidly rising living costs, on the backdrop of the Russian invasion of Ukraine and the ongoing climate crisis.

The response of the voluntary sector and volunteers has remained a shining light in dark times. From delivering vital services to those shielding to helping roll out the NHS vaccination programme, stepping up provision from foodbanks to increasing support for mental health, the inspiring actions of our members and our sector have continued to demonstrate how central we are to our communities - providing crucial support across society.

Delivering member value

The need for NCVO standing alongside members and the voluntary sector was clearer than ever over the last year. Our collective voice as 16,000 members in December 2020, grew to 17,102 members by year end.

Members tell me how important it is that NCVO provides a sector-wide platform to advocate for the voluntary sector and volunteering. We continued to seek a positive and constructive relationship with both government and the Charity Commission in order to influence on the priorities of our members. During 2021/22 this included coordinating sector-wide work to talk to government about the role the voluntary sector can play in its 'levelling up' agenda and championing the importance of a sector regulator free from political interference.

We know that data and evidence about the sector is vital in ensuring government values the role the sector plays in society. Our annual UK Civil Society Almanac remains the essential source of insight on the voluntary sector, this year published on our new digital platform, making it easier for organisations to use this valuable resource. Our 'Respond, Recover, Reset' project with Nottingham Trent and Sheffield Hallam universities used monthly surveys and in-depth interviews to chart two years of the pandemic, and how it has challenged and shaped the UK's charity sector. The final report, published two years to the day since the announcement of the first national lockdown, highlights that adaptability, innovation, and collaboration in the face of crisis were central to the resilience of the UK's charities and volunteers despite concerns about finances, demand for services, changing guidance and a lack of central support.

Members also tell me how much they value NCVO tools and resources, and access to these remains the number one reason why voluntary organisations join or renew their membership with us. During 2021/22 we continued to build our suite of resources, responding to and anticipating member needs as they adapted and innovated in ever changing circumstances. We focussed guidance on new areas such as digital volunteering and technology planning and built on existing content such as collaboration to respond to a changed context. We also hosted more than 60 events with more than 3,000 participants.

Members place significant value on their access to discounted training. Over the last year we were able to deliver 100% of our training remotely - making it more accessible - with courses across subject areas vital to running a charity, from strategy to governance and fundraising. Our courses have been in high demand, and we continue to expand our offer, this includes exploring the option of in-person training once again.

The true impact of the pandemic

We also began to see the true impact of the pandemic on NCVO members. Sadly, we saw more members closing their doors during the last year, meaning vital services were lost to people and communities. Despite predictions of mass closures back in 2020, this did not happen due to mix of a generous public, funders bringing emergency funding forward, trustees choosing to spend reserves and many voluntary organisations accessing the job retention scheme.

Report of the trustee board (continued)

For the year ended 31 March 2022

These safety nets were not available to the same extent in 2021 meaning a much more challenging year for many voluntary organisations.

Mirroring the experience of our members, 2021/22 was a tougher year financially for NCVO than the preceding year. In 2020/21 we had access to vital coronavirus support funding (£1 million from the National Lottery Community Fund), as well as the UK government's job retention scheme. In 2021/22, such emergency grant support was no longer available but our income from trading was still far lower than pre-pandemic levels, and this is reflected in our year-end financial position. The continued effect of Covid-19 restrictions, together with a reduction in income from the Charities Aid Foundation (CAF), meant we closed the year with a larger than planned deficit. Trustees chose to use NCVO's reserves to maintain our vital services for the voluntary sector while we re-build our income streams including from our conference suite, and work with CAF to understand CAF's explanation for making reduced payments to NCVO and to assess those amounts. We are hopeful that we will reach a common understanding soon.

Investing in strong foundations for the future

2021/22 was the first full year of our new strategy. Our new strategy commits us to: **support** charities to make a bigger difference; **amplify** and speak up with charities and volunteers; and **connect** the people who want charities to thrive. I am proud of all we achieved last year under these new goals, and we've set out more detail about what we have delivered in the trustee's strategic report below.

Given our new strategy and organisational structure, the board felt it timely to undertake a comprehensive external governance review, as is good practice in voluntary organisations every three years. The review has resulted in a change to our committee structure and remit, as set out in the structure and governance section of this report, together with the continuous evaluation of board effectiveness as we navigate challenging times as a sector.

In order to deliver our new strategy we also need to **evolve** as an organisation to better support our staff, members and the wider sector. The changes in how we work over the last year have been driven by our values of being **open**, **collaborative**, **inclusive** and **ambitious**. The leadership team is committed to ensuring this underpins how NCVO approaches everything it does. Changing an organisation is a complex task and over the last year trustees committed vital investment in the foundations of NCVO to put us into a strong position for the future.

One of our priorities was to ensure that failings of the past were properly addressed. We concluded investigations into complaints received by the board during an independent inquiry in October 2020, including accusations of harassment, victimisation, race discrimination and issues around management of health and safety. I apologised on behalf of the board of trustees to everyone who has been harmed as a result of these incidents and by the failings at NCVO. We will not accept incidents of bullying, harassment, discrimination or other harmful behaviours at NCVO.

Our new CEO

We closed the year welcoming Sarah Vibert into her new role as CEO. In a fantastic field, Sarah impressed, challenged and inspired all those involved in the process, presenting a clear and compelling vision for the future of NCVO and our work to support members and our sector.

Sarah's appointment followed a rigorous four-month recruitment process - which I led with support from an external recruitment partner - with over 200 candidates applying for the role. I'm very pleased to report that the shortlisting and interview process were robust, involving representatives from NCVO members and staff, and enabled diverse perspectives and collective decision making.

In welcoming Sarah as CEO, the trustees and I would also like to thank her for her achievements as interim CEO during a challenging period for our organisation and sector. These include the progress towards changing our culture at NCVO, working to ensure members remain core to the decisions we take and the priorities we set, and developing effective partnerships with others in the sector to influence and advocate for charities and volunteering.

Report of the trustee board (continued)

For the year ended 31 March 2022

A year of change and consolidation

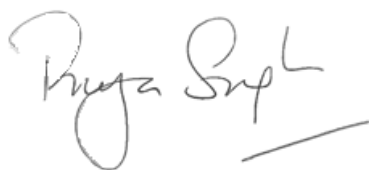
In 2021/22 we laid the foundations for being the membership organisation set out in our new strategy. In many ways it has been a year of rapid change, evolving the way we work to put members at the heart of NCVO and to ensure we are truly living our new values.

Yet it has also been a year of consolidation and enhancing the aspects of NCVO's offer which we hear from members that they most value - building on a refreshed approach to our work to influence government, development of online training and our online practical support content, and continuing support for small charities. I am immensely grateful to the whole team at NCVO for their hard work and dedication to members when we are most needed. The trustees and I look forward to working with Sarah and the team as they build on this over the year ahead.

Finally, I would like to add that in September, we were deeply saddened by the death of Her Majesty The Queen Elizabeth II.

It is an immense source of pride for us as an organisation to have had Her Majesty The Queen serve as our Royal Patron since her ascension to the throne. We fondly remember The Queen marking our centenary in 2019 by hosting a reception at Windsor Castle to recognise volunteers and voluntary action in the UK.

Her Majesty's lifelong devotion to service and duty is a legacy which will continue to live on in the many millions of charities and volunteers dedicated to supporting communities across the UK and around the world.



Dr Priya Singh
Chair

Report of the trustee board (continued)

For the year ended 31 March 2022

From the CEO

Society is experiencing a series of rolling crises - from the humanitarian crisis to the climate emergency, from new waves of Covid-19 to spiralling inflation. The impact of these challenges - on society, the voluntary sector, NCVO members and our own organisation - cannot be underestimated. There are no easy answers for how the voluntary sector and volunteers respond and adapt. This is why one of the most important things NCVO does is to create the space for members to come together to share and learn from each other.

Yet these challenges also give us an opportunity to think differently as a society. Voluntary organisations and volunteers are not only providing support and giving a voice to communities, they are also creating vital connections between people and give us hope for a better future. I'm proud to be part of our incredible voluntary sector, and to work alongside staff and volunteers across our membership who are driven by a passionate desire to deliver for communities and society.

Last time I wrote in this annual publication, I held an interim position here at NCVO. I'm delighted now to write as NCVO's permanent CEO. Lots of people have asked me if the job feels different now. Being permanent CEO means I can take a longer-term view and have a clear mandate to lead the organisation. Yet I never treated the interim role as a caretaker given the challenges the organisation and wider sector faced over the last year. There is a lot the NCVO team, alongside our members and partners, can be proud of that we achieved in our 'interim' year of transition and change. I mention just a few of them here.

Our 2021 Road Ahead publication was an example of us not changing *what* we do but changing *how* we do it. Developed with the skill and insight of colleagues across NCVO, partners and the wider membership, this year's publication was richer than ever before because it was developed collaboratively. The finished product provides a comprehensive guide for all voluntary organisations to think through the wider environment we are operating in and how they respond.

I am proud of the role NCVO played in establishing The Civil Society Group and what has followed in terms of a new era of collaboration across the voluntary sector infrastructure bodies, building on our pandemic partnership. Whether its writing a letter in The Telegraph to object to the Secretary of State's comments about the role of the Charity Commission or campaigning on access to charity bank accounts, we are achieving more through pooling resources and ideas.

Our offer to small charities and organisations makes up a huge amount of our work, with well over 90% of our members being small or micro in size. This is why we wanted to ensure that when the Small Charities Coalition (SCC) sadly announced its closure, we played our part in securing its legacy. As well as supporting a report by Iona Lawrence to learn the lessons of the SCC, *The Power of Small*, NCVO successfully bid in partnership with the Foundation for Social Improvement (FSI) to take on some of SCC's services. This wasn't a decision we took lightly given NCVO is not a small charity. I am well aware of the power imbalance between smaller and larger organisations. Our partnership with the FSI is critical in ensuring we bring the best of small, alongside the sustainability a larger organisation such as NCVO can offer. Introducing a small charities advisory group later this year will bring further expertise and insight to ensure the sector collectively provides distinct and comprehensive support to small charities.

A piece of work close to my heart as a working parent in a leadership role was NCVO and ACEVO's *Time to Flex* report published in January. Led by Becky Hewitt, former CEO of Changing Faces, the report was a call to action for flexible working in the voluntary sector. A working group made up of representatives with extensive knowledge and experience of flexible working in the voluntary sector created the report. I hope the report will urge voluntary sector leaders to build on pandemic progress and include flexibility in the job design of all charity roles.

Report of the trustee board (continued)

For the year ended 31 March 2022

Another area where we have collaborated to learn from the pandemic is in volunteering. Together with NAVCA, Volunteering Matters, the Association of Volunteer Managers and Sport England, we played a part in facilitating the Vision for Volunteering movement to create a new tenyear Vision to ensure volunteers are at the heart of thriving communities and that volunteering is truly embedded in our society. Working with over 300 organisations the Vision for Volunteering report calls for more collaboration, greater diversity, innovation, and a devolution of power in volunteering.

A vision for the future

All the areas I am most proud of over the last 12 months have the unifying theme of collaboration - one of our core values. Relationships are central to my vision for what NCVO needs to be to have the greatest possible impact for the voluntary sector and volunteers. Creating spaces for members to come together to share, learn from each other, and collaborate for the benefit of the people and communities they serve is at the heart of this. NCVO's legitimacy comes from our members, therefore having a deep relationship with members will mean we are led by the insights, experiences and priorities of those we serve – and that our offer to them continually adapts in response. This will help us to develop relationships and to have influence with others who share our vision. Our continuing culture change at NCVO must see the development of equitable and inclusive relationships between the staff who make up NCVO.

My priorities build on the work we have delivered over the past year and align with our key strategic areas: support, amplify, connect, evolve. Building a more personal and accessible NCVO is critical if we are to achieve the vision I outline above. Creating networks to bring members together, working alongside members on policy issues, investing in technology to make it easier to access our support, as well as reaching parts of the sector we do not currently have in membership are all important priorities. I want to ensure we have a clear offer for smaller members and for larger members, which together make up our vibrant sector, but have distinct needs and reasons for joining NCVO. And last but not least I am looking forward to developing phase two of the Vision for Volunteering, working alongside our sector partners and DCMS.

In common with all CEO's, I balance the external work with ensuring the organisation is sustainable. We were no different from the rest of the sector in terms of the impact of the pandemic and social distancing on our income. Building back income and adapting our business model in response to changes in the markets we operate in – for example conferencing – will be one of my top priorities this year. Our culture change work is going to continue to have a prominent place – both internally for NCVO colleagues and how this translates to our external facing activities.

NCVO has a unique role to play in enabling voluntary organisations and volunteers to thrive. I am looking forward to working alongside members and partners in the year ahead to ensure we continue to adapt and respond to current and future challenges in society, particularly the cost of living crisis which is causing such difficulty for most voluntary organisations, those they support and that work and volunteer for them.



Sarah Vibert

CEO

Report of the trustee board (continued)

For the year ended 31 March 2022

Structure, governance and management

The trustee board presents its annual report (incorporating the strategic report) and the audited financial statements for the year ended 31 March 2022.

The legal and administrative information set out on pages 3 to 5 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Charities' SORP (FRS 102).

NCVO is a charitable company limited by guarantee, founded in 1919 as the National Council of Social Services, incorporated on 30 May 1924 and registered as a charity on 1 January 1964. It was established under a memorandum of association, which defines its objects and powers, and is governed by its articles of association. In addition, there are detailed regulations made under the articles.

Full membership of NCVO is open to voluntary organisations that comply with the criteria for membership. In addition, there are affiliate categories of membership for public sector and corporate bodies. NCVO's trustee board is responsible for managing the business of NCVO as outlined in the articles of association.

NCVO is governed by a board of 12 trustees, including three honorary officers (chair, vice-chair and treasurer). The chair, treasurer and seven trustees are elected by the members. Additional trustees are co-opted by the board to ensure the right mix of skills and experience. One of the trustees is elected to fill the vice-chair honorary officer position by the board. This role is currently shared by two trustees. Trustees serve for a term of three years, with a maximum of two terms.

We started the year with the following committees reporting to the board:

- Nominations committee, to facilitate diversity in the governance structure, ensure the right mix of skills and experience and supervise the democratic process;
- HR and remuneration committee, to consider HR policy and related matters;

- Audit and risk committee, to provide independent advice and assurance on risk, control and audit matters; and
- Equity, diversity and inclusion (EDI) committee (formed in July 2020), to provide challenge and support to the board and leadership team in relation to practice, culture and approach to EDI and to take the lead on behalf of the board on oversight and scrutiny of our EDI goals and progress in NCVO.

We commissioned an external independent review of our governance during the year. This resulted in changes to the committees reporting to the board and their responsibilities from early 2022:

- Audit and risk committee. Provides independent advice and assurance on risk, control and compliance matters. Our audit and risk committee is chaired by an independent member of the committee.
- Finance and commercial committee. Provides oversight of all commercial activity within NCVO. Reviews our business plans and budgets as well as monitoring our performance against targets, both financial and non-financial. Oversight of investments and our defined benefit pension scheme.
- Governance and nominations committee. Facilitates diversity in the governance structure and ensures the right mix of skills and experience on the board and its sub-committees. Supervises the trustee election process to ensure this is open and democratic. Supports board development and evaluation.
- People, culture and inclusion committee. Sets the chief executive and the leadership teams' remuneration and considers all people policies and related matters, including pensions. To provide challenge and support to the board and leadership team in relation to the delivery of our cultural change roadmap. Oversight of our external work to support inclusion and volunteering across the sector. Provides challenge and oversight through lived

Report of the trustee board (continued)

For the year ended 31 March 2022

experience, expertise and knowledge in relation to practice, culture and approach at NCVO.

On election, each new trustee receives an induction pack including *The Essential Trustee* and key organisational policies and documents. All trustees attend an induction meeting, which includes the opportunity to meet key staff. Each year, every trustee meets with the chair to review the year.

All trustees also take part in an annual planning event. This provides an opportunity for them to spend time with other board members and members of NCVO's leadership team discussing the environment in which the organisation operates and the organisation's future plans.

The trustee board was supported during the year by a leadership team and staff of around 85 employees, organised into three teams, as follows:

- Finance and services - this comprises our conference facilities; corporate relationships; digital, data and technology; finance; practical support; property; and our training and consultancy offer.
- Membership and engagement – this includes marketing and communications; membership; our new networks and influencing team including policy and research.

- People, governance and culture – this comprises our cultural change work; HR; learning and development as well as governance and planning.

After the year end, the leadership team was restructured and formed under the CEO as follows:

- COO – responsible for our conference facilities; data protection; finance; governance; IT; legal; property; and oversight of services and partnerships.
- Director of influencing and engagement – this includes membership, networks, policy and research.
- Director of people, culture and inclusion – this comprises our cultural change work; HR; learning and development.
- Director of services and partnerships – this comprises corporate relationships; practical support; and our training and consultancy offer.
- Director of strategic communications and insight – this includes marketing and communications; our digital content and development; and a new insight function.

Members voice

During our strategy development process in 2019/20, we heard from members on how they could have greater involvement in NCVO's work for greater collective impact, including our work to influence government. Working in partnership with members strengthens our influencing work, lives our values, and enables greater impact.

With the help of around 80 members, we have undertaken a project to explore further how to make this happen.

Most members emphasised the importance of sharing their experiences with the option to be more involved in developing recommendations where they have the time and knowledge to do so. As we evolve ways to embed member engagement into our policy work, we are planning to reshape the advisory council to support our influencing work. We are also working on improving our communication about that vital influencing work.

President

Baroness Jill Pitkeathley was elected president of NCVO at the AGM in November 2017. The president acts as an ambassador for NCVO and is elected by the members for a non-renewable term of five years. At the AGM in November 2022, members will be asked to elect a new president.

Charity Governance Code and Charity Ethical Principles

NCVO is a committed supporter of the Charity Governance Code (the Code) and the Charity Ethical Principles (the Principles) as a set of standards for high performance in governance, having played a major role in their development.

Report of the trustee board (continued)

For the year ended 31 March 2022

As such, the trustees have resolved to adopt the Code and the Principles as a tool to identify areas to focus on. In 2021/22, we undertook a full external governance review in line with best practice and recent updates to the Code. This resulted in the re-shaping of the remit and meeting cycles of the committees which support the board, the appointment of a senior independent trustee and improving our approach to board meetings to ensure these address the critical strategic issues for the organisation and the sector.

Openness and accountability

NCVO's strategy is guided by an overarching principle of being member-focused. We are taking a more collaborative approach and recognise that members are the experts in charities and volunteering and NCVO reflects this through its decision-making. For policy work this means a different approach to developing policy positions, and a different approach to influencing. It means a far greater focus on really understanding the challenges our members face, their goals, and continually developing our offer in response.

The board recognises the importance of considering the breadth of members' views in its decision making and continually reviewing how members are able to scrutinise their work. During the last year the trustees have:

- encouraged collaborative working across the sector, specifically in response to the continued impact of the pandemic and the war in Ukraine by working closely with the Voluntary Sector Emergency Partnership and developing The Civil Society Group with other infrastructure organisations;
- prioritised the focus on member collaboration through member assemblies and welcome sessions, ensuring the virtual delivery of these events;
- reached the final stages of the development of our new website in a user-led and iterative way that ensures we are meeting member needs with the launch having taken place in August 2022; and
- continued to share our learning and reflections through blog posts and external speaking engagements on our own cultural change including progress to improve equity, diversity and inclusion.

Diversity within the board of trustees

The board considers the diversity of trustees to be a key priority and recognises the limitations associated with elective governance process. The governance and nominations committee review the board's skills and diversity annually, understand barriers to engagement and develop targeted recruitment initiatives for both elected and appointed vacancies which reach a wide audience. Trustees continue to be committed to demonstrating leadership in this area with a view to encouraging candidates from different backgrounds and experiences to put themselves forward for trustee roles.

Organisational purpose and leadership

Taking these two Code principles together, the board evaluates continuously its effectiveness. All trustees took part in our external governance review, which was completed during 2021. The board and the leadership team have reflected on how to ensure there is sufficient balance between in year and strategic priorities and to ensure that the time the board have together is effective. This has included the cadence of meetings, discussions supported by data and metrics that are driven by the implementation of our strategy as well as having a stronger committee structure with clear remits and the appointment of a senior independent trustee. The board have considered carefully the balance of in person and remote meetings to ensure that we nurture the strong and trusted relationships which facilitate board effectiveness.

Report of the trustee board (continued)

For the year ended 31 March 2022

Charity Ethical Principles

The Charity Ethical Principles will continue to be a key consideration and part of NCVO's external governance this year. The principles underpinned our strategy work this year and informed the development of our new values: Open, Collaborative, Inclusive, Ambitious. These values will act as an anchor and reference point for behaviours across the organisation as we continue to embed a new culture within NCVO.

Report of the trustee board (continued)

For the year ended 31 March 2022

Strategic report

Objectives and activities

NCVO champions and strengthens volunteering and civil society, with over 17,000 members ranging from the smallest community organisations to the largest charities. There are tens of thousands of voluntary-sector organisations in the UK. There are millions of volunteers. Every day, people across the country give their time, energy and money.

For over 100 years, NCVO has brought the voluntary sector's

people together to solve problems, address root causes and inspire each other. We know the power of the voluntary sector and volunteering. No one organisation can solve society's challenges alone, but collectively we're all vital for sustaining society in times of challenge and change. That's why – inspired and empowered by our members – we support and celebrate volunteering in all its diversity and champion and strengthen the voluntary sector by making sure that it can continue to do

what it does best and that government knows its true value.

Public benefit statement

The trustees have paid due regard to the Charity Commission guidance on public benefit. The trustees are confident that NCVO's aims and activities – educating about, campaigning for and promoting the interests of civil society organisations – are in accordance with the regulations on public benefit.

Report of the trustee board (continued)

For the year ended 31 March 2022

Delivering our strategy

Overview

We began this year implementing our new strategy that focuses on four goals and is underpinned by our new values.

Use image for goals: **Support, Amplify, Connect, Evolve**

Use image for values: **Open, Collaborative, Inclusive, Ambitious**

Our business plan for the year drew upon these goals and values and centred on six priorities.

Strategic priorities

These goals each relate to two or more of our 'support', 'amplify' and 'connect' strategic goals.

- a. Recovery and renewal post-Covid
- b. The day to day running of a charity
- c. Addressing the barriers to volunteering

Enabling priorities

These goals relate to our 'evolve' strategic goal.

- d. A more diverse and inclusive organisation
- e. A new plan for generating income
- f. Better core digital services and technology

This summary highlights some of our key achievements against our six business plan priorities over the financial year.

Summary of our key achievements this year

Recovery and renewal post-Covid

Charities and volunteering have a critical role to play in supporting people and communities, and we were keen to demonstrate this over the last year. We set out to reset the sector's relationship with government and made some progress here though we still have a fair way to go.

We worked at pace to respond to the governments' Levelling Up agenda - visibly taking the lead and formulating a collaborative process which fed directly in to Neil O'Brien MP, who was tasked by the Prime Minister with leading government work on levelling up. We engaged a cohort of our membership and stakeholders across the sector to outline our vision, principles, and key recommendations. These were included in the government's [white paper](#). Since then we secured the development of a [social infrastructure strategy](#), a major policy win for the voluntary sector and NCVO.

We built a new partnership with [Lloyds Bank Foundation](#) and [Bright Blue](#) to build new relationships with influential figures across the centre right of UK politics. We aim to develop a series of political activities to help us reset the relationship between government and the voluntary sector - focusing engagement on how the voluntary sector can support the government to deliver its 'Levelling Up' agenda. As the political climate has evolved over summer 2022 we are now gearing up to influence the budget of the new Prime Minister and beginning planning for a general election by 2024.

We played a leading role in the sector's roundtable introductory discussion with the government minister with responsibility for Civil Society, Nigel Huddleston MP. Alongside sector partners we advocated for civil society's role in levelling up, volunteering legacy from the pandemic and social investment.

Report of the trustee board (continued)

For the year ended 31 March 2022

As part of the coalition of voluntary sector infrastructure organisations, we refreshed our collective strategy to demonstrate to government how charities can support the country in recovery and renewal. We are a key partner in the new infrastructure collaboration group, [The Civil Society Group](#), which is building on the sectors' emergency response to the recovery as we move beyond the pandemic.

Building on new ways of working put in place during the pandemic, we have continued to meet senior executives at the Charity Commission alongside sector partners. We look forward developing a relationship with the newly appointed chair, Orlando Fraser, following our engagement with partners to outline the importance of this position and the Charity Commission's independence during the delayed recruitment process.

We continued to develop high quality data about the sector to support organisations to recover and renew due to the pandemic. With our partners at Nottingham Trent University and Sheffield Hallam University, the 'Respond, Recover, Reset' project provided regular temperature checks on the state of charities throughout the crisis and provided information to help influence government. The final [report](#) looks back on two years of the pandemic and how it has [challenged and shaped](#) the UK's charity sector.

With the Third Sector Research Centre, our joint project exploring financial vulnerability, we [published a new report](#) showing that Covid-19 had a much bigger impact on income than the 2008 recession and that small charities have been hit hardest. Probono Economics and Baobab Foundation spoke at the launch event and our webinar and publication was extensively covered by sector press focusing on [reinforced inequalities](#), and how ['typical' charities were affected](#).

We also launched our two popular annual publications [Road Ahead 2022](#) - which looks at trends and opportunities for charities and volunteering, and was the feature of a [Third Sector podcast](#) - and this year's [UK Civil Society Almanac](#), which launched with an [op-ed for Civil Society news](#) and a [launch webinar](#) was sponsored by Sarasin & Partners. The data this year related to financial year 2018/19 with early [insights](#) on the impact of the pandemic on the sector.

We published a blog and spoke to media outlets to promote the sector's incredible response to the Russian invasion of Ukraine. We also connected with organisations and partners engaged in the response to understand what they needed in terms of support from us as infrastructure but also from the public. We shared this with the sector so other charities could support their efforts and we also provided guidance on what the possible impact of the invasion will be on charities in the UK, including dealing with higher costs, cyber-attack, as well as volunteer and staff wellbeing.

The day to day running of a charity

Our online [open training courses](#) continue to be a popular part of our offer to the sector. We've rolled out new courses to meet learner needs alongside scaling up our programme. Over the last year we trained 3,276 people across 111 online training courses, 79% of those learners were NCVO members. 100% of our courses were delivered online as we continued to ensure accessibility during the restrictions of the pandemic.

Our online open training offer continues to be particularly popular with people from organisations with an income of less than £1million. We maintained good representation of learners from across England. Around 50% were based outside London and South East, a quite different picture to when we delivered face-to-face training. We also introduced new training, partnering with the Social Justice Collective to host '[Equality, Diversity and Inclusion \(EDI\) in charity governance](#)' training, building on our work on the Charity Governance Code. This pilot started in January 2022, the first two cohorts sold out and we have three more dates in the calendar which are booking up fast.

We produced a new draft set of design principles that guided the development of a full events series for NCVO members and will help us inform the ways we conceptualise and run NCVO-hosted events. In June, we relaunched our member assemblies, in partnership with CVSs, these are currently still online. At the same time we also launched

Report of the trustee board (continued)

For the year ended 31 March 2022

a [new welcome event](#) for organisations that have recently joined NCVO, which have been well received. Both events are hosted by our CEO. Last year we ran nine member assemblies and ten new member welcome events.

To ensure we are remaining responsive to the needs of our members and the sector, we have captured clearer, richer data of the type and number of enquiries to which we are responding. The practical support team responds to an average of 400 email and phone enquiries a month from organisations (primarily smaller) wanting practical information and guidance on how to run their organisation. In the final quarter of 2021/22, we received more than 1,000 enquiries and started to see an increase in more complex enquiries. The closure of the Small Charities Coalition at the end of March 2022 meant we saw an increase in the number of enquiries we receive about setting up a charity. The top ~~topics or~~ areas of enquiry were on governance, volunteer management, HR / people management, volunteering more broadly, and setting-up a charity. We continued to use the intelligence we get from our enquiries to feed into the development of our online help and guidance and our broader practical support offer of support for small charities. Our coronavirus guidance in 2021/22 was accessed over 45,000 times. Our website generated over 3.2 million page views this year.

Our consultancy programme saw growth throughout the year and continues to provide clients with essential support. We worked with 50 clients throughout the year, around half of which had a project value of £5,000 or less whilst others were multi year and in excess of £50k. Our core delivery areas are evaluation, governance, volunteering, strategy and organisational development with evaluation and governance continuing to be most popular. Volunteering enquiries and projects have started to increase as we position our expertise in volunteering as a core pillar of our consultancy offering.. We continue to work in partnership with our 15 trusted suppliers, and are engaging with them in new ways, in particular by looking at ways in which they can help us develop our practical support offer further.

Addressing barriers to volunteering

NCVO is prioritising work to break down barriers to volunteering. We know not everyone is able to get involved equally, and we know that not everyone has a positive experience of volunteering. We are supporting the sector by continuing to provide high quality research and evidence, building on volunteering policies and practices and developing a collaborative approach with partners.

We jointly worked on a research project, [Mobilising Voluntary Action](#), that was funded by the Economic and Social Research Council (ESRC). The [research](#) considered the impact of the pandemic on volunteering policy and practice across the four nations and issued its interim report last summer. Our [research findings to date](#) have highlighted how, during the pandemic, organisations have been met with a number of [challenges](#) as well as opportunities.

We also began working alongside NAVCA, Volunteering Matters, Sport England and the Association for Volunteer Managers in 2021/22 to develop an agreed and shared national ambition for volunteering. Whilst government, the private sector and the public have recognised that volunteers have been instrumental in the response to the pandemic, there is no national framework or agreement on how volunteering can support covid recovery or enable communities to renew themselves. After months of working in collaboration with our partners and after hearing feedback from over 350 people from more than 300 organisations we launched our new [Vision for Volunteering](#) – our plan to support and improve volunteering opportunities over the next ten years to ensure volunteers are at the heart of thriving communities. We launched the Vision at the 2022 in person Volunteer Expo which is run by Rotary UK and where we were proud to be one of the sponsors.

We also collaborated with others in the area of volunteering, including becoming a partner to the [Shaping the Future](#) group. We have been involved in a number of workstreams as part of this collaboration, and in particular have led on work to influence government in relation to volunteering policy.

Report of the trustee board (continued)

For the year ended 31 March 2022

We also prepared for the 38th year of Volunteers' Week. We've liaised with the UK Volunteering Forum and the Eden Project Communities to work on the Month of Community. Our teams delivered a marketing and communications campaign which promoted Volunteers' Week, the Big Jubilee Lunch, Thank You Day and other NCVO-related volunteering related products and services.

EVOLVE

A more diverse and inclusive organisation

In July 2020, our EDI report presented us as an organisation with a culture which urgently needed to change. We have undertaken an enormous amount of culture change activity over the past year, underpinned by our values of open, collaborative, inclusive and ambitious. This work has been wide ranging, starting the year with work to rebuild trust across the organisation. We have also focussed on developing our leadership as a fundamental part of culture change, as well as learning across the whole organisation. As the year progressed we also began a number of initiatives to support culture change in the wider sector in relation to diversity and inclusion.

Due to the scale of this work we have highlighted our activity across 2021/22 in our in-depth reflection section titled 'living our new values' which is on page 24 of this report.

A new plan for generating income

Like many charities in the sector, NCVO felt the impact of the pandemic over more than one financial year. Since March 2020 we rapidly developed our offer and responded to needs of members. Over the last year we have been focussed on growing back income streams such as training and conferencing, as well as laying the groundwork for future income growth. The board of trustees decided to fund the shortfall in income this year from reserves.

We have a detailed plan for 2022/23 to continue to grow our fundraised income, which includes reimagining our approach for corporates in terms of support for NCVO and for the wider sector. We are grateful to the charitable trusts and foundations that have supported us over the last year, outlined on page 55.

We also examined how to use our building space differently in the face of ongoing restrictions and rapidly changing guidance. We have had expressions of interest from many other charities wanting to rent office space while some of the floors were unoccupied. This has had a positive impact on our income whilst our own desk occupancy is low and while we are unable to deliver our in-person training and venue hire. In the last quarter, as the removal of restrictions eased, we saw increased bookings from the conference suite against our original budget, and we continue to receive enquiries. Our priority remains to build back our conference suite offer for the next financial year.

Further detail on income generation is included in our financial report on page 27.

Better core digital services and technology

We worked intensely over the last year to deliver our technology roadmap to provide an enhanced user experience for our members and customers when engaging with NCVO. This included launching our new website and complex architectural work to support it. We made significant progress and successfully migrated much of our well visited help and guidance content such as on volunteering and also our popular publications, such as the Almanac, to the platform – making them more accessible for users.

Another big focus has been on the groundwork to improve our digital member and wider customer journey. This has included joining and renewing as a member; scoping requirements for eCommerce to allow online payments; improved registration and login processes. This enables us to have 'a single source of truth' in our CRM system so we can deepen our insight and analysis of how our customers interact with us and improve and optimise their experience. It also allows us to streamline internal processes.

Report of the trustee board (continued)

For the year ended 31 March 2022

We completed our IT 'disaster recovery rehearsal' – an annual exercise to test our preparedness for a worst-case scenario where access to the IT infrastructure in the office is not accessible. We carried out the rehearsal successfully – and in record time – over two days at a disaster recovery site.

In addition to this, we are making improvements to our IT infrastructure to enable us to respond to the increased demand for hybrid working both within NCVO and in the conference suite.

We have also put in a database cleaning process in place and are successfully reducing our storage needs. We prioritised an automated data quality, maintenance and retention processes, and have included developing a more comprehensive data strategy in next year's business plan.

Report of the trustee board (continued)

For the year ended 31 March 2022

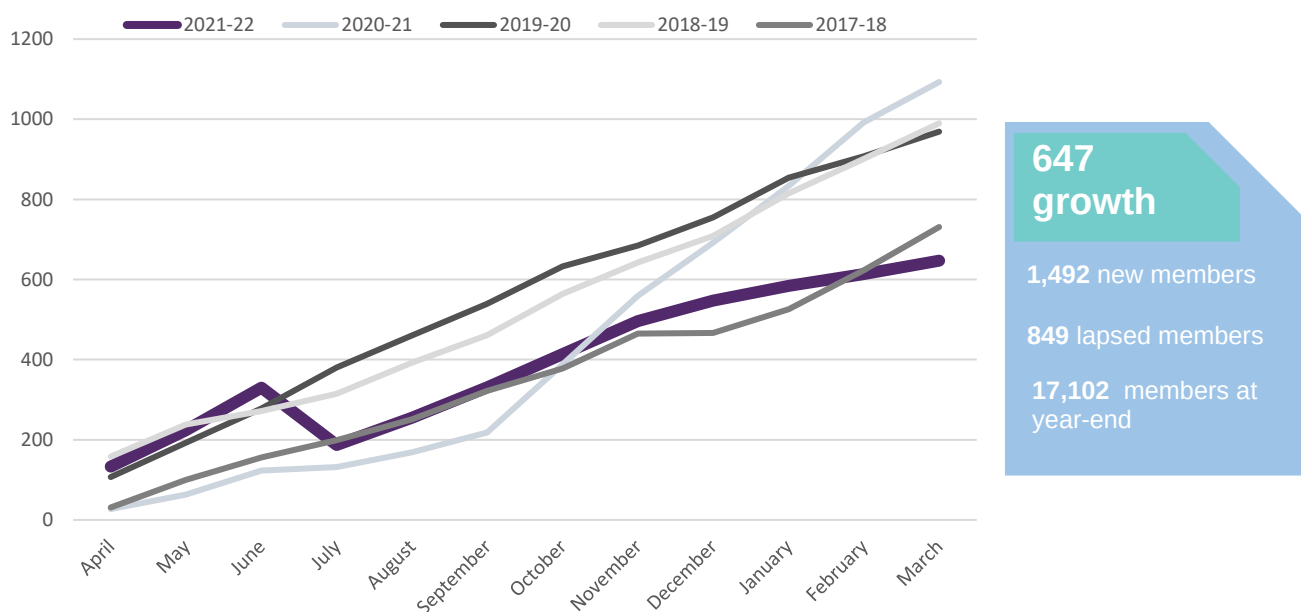
Growth and profile of membership

2021/22, the second pandemic year, served as a reflection of the impact of the Covid-19 crisis on voluntary organisations across the sector. Not least amongst these were NCVO member organisations. While membership grew, the year indicated erratic change in members' incomes, escalated resignations, an increased number of organisations closing due to the effects of the pandemic. Consequently, our membership retention rate dropped by 10%.

In July we undertook a project to correlate our member records with our member partners that sponsor the memberships of their networks. One such partner had updated their records and cleared over 200 memberships, which we were obligated to likewise clear. We recovered this number of members by September, but felt the impact in our numbers for the rest of the year.

We reached a milestone 17,000 members by January and ended the year with 17,102 members. By year end, we had welcomed almost 1,500 organisations to membership, 11% of which were returning to NCVO an average of 4.5 years after their historic membership had lapsed.

Yearly comparison of membership growth (acquisition and lapsed memberships)



We saw some new membership trends in 2021/22. 700 of our members converted from free membership to a paying membership bracket, as their incomes grew due to smaller packages of funding. 149 of our new members had an income over £1million, whereas the prior year we'd predominantly welcomed small organisations to membership. More and more organisations were ushered to us by their local infrastructure organisation, and we saw increased numbers of organisations interested in our training, to which they applied their member discount.

We continued to see a reduction in members feeling able to commit to the financial advantage of three-year membership, as charities were facing more uncertainty than ever before.

NCVO members are spread across the country and in all aspects, roughly mimic the wider voluntary sector. While many operate within the M25, the vast majority are located across the entire country. 68% of members are micro/small organisations with an annual income under £30,000, and over one fifth of members work in social care.

Report of the trustee board (continued)

For the year ended 31 March 2022

Members continue to be highly engaged across our owned marketing channels and more than a third of our new members join NCVO on the recommendation of an existing member.

"We are finding our membership hugely beneficial. We have used member templates and resources to develop new policies and financial regulations for our organisation. Our chair found the AGM and other member events useful to attend. I am benefitting from useful training on offer. I think our three-year membership represents excellent value for money. I know I can contact the membership team for anything I need."

The Pear Tree Fund

Report of the trustee board (continued)

For the year ended 31 March 2022

Our year in numbers

- **Membership**
 - **17,102 members at year end, growth (+4% growth year on year)**
 - 11,304 (66%) non payers
 - 5,798 (34%) payers
 - 86% Overall retention rate
 - 88.5% paying members
 - 85% Community members
- **Events, webinars and networking**
 - **Engaged with 3,692 participants across 64 online events**
 - 24 exclusive to NCVO members, including 9 regional assemblies, 10 welcome and refresher events and the AGM
 - We ran our annual Trustees Week event series
 - We ran 12 Volunteer Infrastructure briefings, aimed at strengthening our relationship and collaborative spirit with other infrastructure organisations
 - The [Road Ahead report website](#) had over 21,000 views and 5,000 people read our summary blog.
- **Training and consultancy**
 - 3,276 people trained across 111 online training courses
 - 79% member-learners
 - Top earning courses were
 - Outcomes and impact measurement
 - Good practice in volunteer management
 - Financial intelligence
 - 690 additional learners from 466 organisations at 161 additional in-house courses
 - We undertook 50 consultancy projects
- **Website, practical support and resources**
 - 852,000 users
 - 3.2 million page views
 - 45,000 views, coronavirus guidance page
 - Top 3 publicly accessible pages were
 - I Want to Volunteer
 - Find a Volunteer Centre
 - Training booking page
 - Top 3 member downloads were
 - Risk Register template
 - Planning funding and income
 - Reserves policies made simple
 - 3 new trusted suppliers

Report of the trustee board (continued)

For the year ended 31 March 2022

Reflection: a year of living our new values

Our new strategy defines an organisation that has the values of openness, collaboration, inclusion and ambition at its heart. A year into our new strategy, and over two years since our independent EDI report was produced, it is important to reflect on the extent to which we are living these values. We want our values to be integral both to our internal organisational culture, and also the way in which we work to support members and the wider sector.

Rebuilding trust

The starting point for culture change in 2021 was ensuring failings of the past were properly addressed, to support staff to heal and rebuild trust, and to ensure that incidents such as those that were highlighted in the EDI report would not happen again – and if they do, that we are confident they will be dealt with robustly.

We partnered with NCVO member Leap to run a programme of trust and healing work, which was much needed after a challenging year. They delivered a number of workshops with staff to explore people's experiences of events over the preceding two years. Leap then continued to work with the leadership team to support them in responding to what was heard through the trust building sessions.

During the year we concluded investigations into ten complaints received by the board during an independent inquiry in 2020 and shared the outcomes and learning with colleagues and the wider sector.

One of the main recommendations from the inquiry and investigations was the creation of a culture where raising issues is encouraged as a way for the organisation to learn and improve. Early in the year we put in place a new whistleblowing platform. We introduced regular Q&A sessions with the CEO and leadership team, which is a forum for colleagues to raise issues and ask questions about anything to do with NCVO. It is also a forum for leaders to demonstrate a commitment to living our 'open' value. These sessions received very positive feedback in a recent staff survey – another mechanism to listen to colleagues and respond accordingly. The board also approved updated policies including grievance, disciplinary and safeguarding policies, that underpin this work.

Leadership and learning

Culture change starts at the top, so developing our leadership – both executive and board – has been a fundamental part of culture change.

Led by Sarah Vibert, starting as interim CEO in January 2021, the leadership team have undertaken a programme of development in values-based leadership. A key addition to the leadership team has been Janu Miah, who joined in April 2021 as interim head of people and culture – a new role at NCVO. Janu established a new people and culture team which is stewarding the culture change roadmap at NCVO.

Following the appointment of Sarah as permanent CEO, we are now putting in place a permanent leadership team. This will include appointing a newly created role of director of people, culture and inclusion to support the organisation in the next phase of development.

Led during 2021 by Nazia Mirza, the EDI committee has provided governance oversight to NCVO's culture change work. In recognition of the need to bring people, culture and inclusion together in our governance structure, a new committee was established early in 2022 as part of the governance review. The governance review also created the position of Senior Independent Trustees which adds another check and balance into the governance structure, also providing trustee-level leadership on safeguarding and complaints.

The whole organisation has been involved in an EDI learning pilot during 2021/22. A series of nine courses were run with a range of learning partners including Zara Todd and Stonewall. This programme has now been mainstreamed into NCVO's learning and development programme.

Report of the trustee board (continued)

For the year ended 31 March 2022

Towards living our values internally

The whole staff team has taken part in workshops to explore what our organisational values mean to them as individuals. The outcomes of this are being used to create a behaviours framework which will form part of a future appraisal system. We culminated 2021-22 by the whole organisation coming together to develop a set of cultural commitments to each other and the wider sector.

Ensuring we have a culture where people feel like they belong is important. We've made changes to how we recruit, induct and support new colleagues and will continue to do so. Our staff networks are central to life at NCVO, providing spaces for support, friendship, learning and celebration of identity. We also began a wellbeing programme early in 2021 which continues to grow and develop. Our regular polls have shown wellbeing scores slowly rising across the organisation – but there's more work to do. We've trained mental health first aiders and introduced wellness action plans across the organisation. New management training will also soon be available for those with line management responsibilities.

We have begun a project to reimagine how we work in a post-pandemic hybrid world. We've updated our flexible working policy to start from a point of trusting people and are now exploring how we can ensure flexibility for all staff, including those who's jobs are largely based in Society Building.

Living our values with our members and the sector

Our starting point for living our values externally is being open with the sector about NCVO's failings, progress, learning and successes. This section of our annual report is part of that. Our CEO and chair have spoken at several events over the last year about culture change at NCVO, and have regularly blogged about our work.

During 2021, as part of the roll out of our new strategy, we have sought to re-define our relationship with members and the sector through working collaboratively with other organisations, building partnerships with equality groups such as Disabled Peoples Organisations and ran a year-long project on involving members in our policy work. We've also spoken out on equalities issues ranging from the Sewell report to trans rights, to the intersection between equalities and the climate emergency.

At the heart of our sector-facing cultural shift is how NCVO shares and spreads power it holds as the largest voluntary sector membership body. This is so important but not easy. We are on a journey in terms of considering the power imbalances at play in our many external relationships – for example with those we work with to deliver training, and when working with much smaller organisations as in the partnership with the Foundation for Social Improvement to deliver the services transferred from the Small Charities Coalition.

Towards the future

There is so much more to do. Priorities for the year ahead include developing a formal framework on decision making, a development programme for managers, rolling out a new appraisal system, and responding to issues highlighted in the staff survey such as heavy workloads and its impact on wellbeing.

Continuing to redefine our relationship with members and the wider sector is also central to our plans. We will focus on how we can better support under-served parts of the sector and developing our membership to reach organisations that are not currently in our network.

We also want to be more ambitious in our work to support cultural change in the wider sector. Over the coming year we plan to build on the flexible working project from earlier this year. We hope to work with Working Families to embed some of the findings around good practice in the flexible working report. We want to work with ACEVO on workforce issues such as how we attract more diverse talent to work in charities. Similarly, we want to continue to

Report of the trustee board (continued)

For the year ended 31 March 2022

support the next phase of the Vision for Volunteering project so that everyone can enjoy the benefits of volunteering equally.

Report of the trustee board (continued)

For the year ended 31 March 2022

Financial review

The year ending 31 March 2022 was another challenging year, as it was for many charities. The continued effect of Covid-19 restrictions together with a reduction in the income we receive from the Charities Aid Foundation (CAF) meant we moved from a planned deficit of £250,000 at the start of the year to a deficit of £718,000 (before changes to the gain from the defined benefit scheme). We chose to fund the deficit from reserves. This was so we could continue to deliver our services for the sector during a year of change whilst we re-build our conference suite income and we are working with CAF to understand CAF's explanation for making reduced payments to NCVO and to assess those amounts. .

Income

Total income of £5.4million was a decrease on the preceding year (2021: £7.5million) due to the impact of Covid-19 restrictions and the reduction in income from CAF. NCVO continues to generate income from a diverse range of sources. The main source of income from donations and legacies is £1million from CAF which has reduced from the previous year (2021: £1.8million). Income from charitable activities of £2.7million (2021: £3.9million) was lower than the previous year mainly due to the Covid-related grant from the National Lottery (£1million) in 2020/21 and income from the government's job retention scheme (2021: £439,000; 2022: £56,000). This has been partly offset by the growth in our training and consultancy income. Income from trading activities has increased from £1.2million (2021) to £1.4million (2022), as the use of our conference facilities increased as the restrictions in relation to the pandemic were lifted.

Expenditure

Total expenditure decreased to £6.3million (2021: £7.4million). This reflects the reduction in expenditure due to both Covid-19 restrictions and due to reduced costs following the restructure to support our new strategy and to respond to reduced income as a result of the pandemic. We continued the planned investment from reserves during the year, which included continued investment in our digital products and services and our work on equity, diversity and inclusion.

Funds

Net expenditure of £0.7million (2021: net income of £0.6million) for the year included a gain on investments of £0.2million (2021: £0.5million). The actuarial gain on the defined pension scheme of £2.6million (2021: actuarial loss of £3.2million) resulted in a net increase in funds of £1.8million (2021: net decrease of £2.6million) and total funds at the end of the year of £6.7million (2021: £4.9million).

Balance sheet

Fixed assets include Society Building at £3.7million under the historical cost convention, being the original cost plus the cost of subsequent building works less depreciation. In June 2013 the building was valued at £14.25million on a 15-year sale-and-leaseback basis. Anecdotal evidence suggests that this value has increased since then. At the end of the year there was an outstanding loan of £1.6million secured on the building. The loan taken out in 2011 has a 20-year maturity with a five-year break in April 2026 and can be renegotiated for a further renewable term of five years.

NCVO's defined benefit pension scheme was closed to future accrual on 31 March 2011. NCVO has been paying contributions under a deficit reduction plan agreed following the tri-annual valuation at 30 September 2016. The plan

Report of the trustee board (continued)

For the year ended 31 March 2022

has an expected end date of 31 March 2029. Contributions in the year to 31 March 2022 were £0.3million (2021: £0.4million) plus scheme expenses. The latest tri-annual valuation at 30 September 2019 shows a reduced deficit of £3.4million. NCVO has agreed a revised deficit repayment plan with TPT Retirement Solutions, the trustees of the scheme, that sees a reduced contribution of £0.2million per annum from 1 April 2021, rising by 3% per annum each subsequent year, plus annual scheme expenses. The revised recovery plan has an end date of 31 December 2026.

The liability in respect of the defined pension scheme is recognised, as appropriate, on the balance sheet at the present value of the defined obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with Financial Reporting Standard 102 (FRS 102). This valuation at 31 March 2022 resulted in a balance of £nil (2021: £2.7million deficit) due to the scheme ending the year in a surplus position, with the surplus not recognised.

Future financial planning

Like many other charities, NCVO's income has continued to be hit by the measures put in place by the government to stop the spread of Covid-19 particularly in relation to income from our conference suite. Other areas of income are growing particularly in terms of our training and consultancy.

We have continued to build on the work done in 2020/21 to reduce our fixed cost base, and we have a balanced budget in place for 2022/23 and we believe that NCVO's income will continue to grow from the current position which will allow us to deliver more for the sector.

Report of the trustee board (continued)

For the year ended 31 March 2022

Policies

Investments

During the year to 31 March 2022, NCVO's investment portfolio was managed by UBS. Our investment policy aligns with our aim to be a sustainable and socially responsible organisation and our investment objective is to provide long-term capital and income growth.

The UBS approach starts with a negative screen then applies a positive screen that actively selects companies adopting best practice in areas such as supply chain management, waste and carbon management, employee welfare and corporate governance. The aim of this approach is to create a portfolio of companies actively focused on managing their businesses sustainably.

UBS provides real-time, online information on performance of the portfolio and quarterly reports. In addition, UBS attends an finance and commercial committee meeting at least annually to discuss the performance of the portfolio, economic conditions and future requirements.

Reserves

The trustees have set a reserves policy that requires reserves to be maintained at a level which ensures that NCVO's core activity could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form. The trustees assess the required level of reserves on an annual basis, alongside the operating budget. The assessment takes account of the market valuation of investments, income and expenditure risk within the budget, commitments to repay the loan secured on the building and

the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

In December 2021, the reserves policy was reviewed, and, it was agreed that we will use a risk-based approach to calculate the level of reserves we should hold based on:

- The review of risks as part of the business planning process;
- Three months average expenditure from the budget.

We calculate readily realisable reserves as:

- The low point of budgeted cash during the year;
- The overdraft facility we can draw down against.

The current level of readily realisable reserves is between £17k and £150k below this level as a result of lower income.

At 31 March 2022, NCVO's reserves calculations were as follows:

	31 March 2022	31 March 2021
	£'000	£'000
Net risk identified in planning process for the following year	92 to 225	107
Three months average expenditure	1,735	1,520
Required level of reserves	1,827 to 1,960	1,627
Low point of cash for the following year	810	1,528
Overdraft facility	1,000	1,000
Readily realisable reserves	1,810	2,528

Designated funds (note 17) include a fixed asset fund, which represents funds that can only be realised on disposal of the fixed assets, and a range of allocations which will be spent over the next year.

Fundraising policy

Report of the trustee board (continued)

For the year ended 31 March 2022

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Such amounts receivable are presented in our accounts as 'donations and voluntary income'.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fundraisers or third parties. The day-to-day management of all income generation is delegated to the executive team, which is accountable to the trustees. The charity is not required by any undertaking to be bound by any regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds, we do not have particular policies in relation to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

Report of the trustee board (continued)

For the year ended 31 March 2022

Remuneration statement

NCVO's inquiry into charity senior executive pay provided guidance for trustees on setting remuneration for senior executives. It also recommended that all charities with independently audited accounts should:

- adopt a remuneration policy;
- publish an annual statement explaining their charity's ethos and policy on remuneration;
- explain how this impacts on the delivery of their charitable purposes; and
- report the actual remuneration, roles and names of individual highest-paid staff, as defined by the charity.

The inquiry recommended that the charity's remuneration statement should be included within its trustee annual report, in addition to the remuneration disclosures that charities are required to include as a note to their accounts.

Our approach to pay

NCVO has around 85 staff. Salaries for the chief executive, chief operating officer and directors are set and reviewed annually by NCVO's people, culture and inclusion committee, a sub-committee of our board of trustees. The people, culture and inclusion committee includes specialists with significant pay expertise and knowledge, especially of the charity sector.

All other staff salaries are set by the chief executive, chief operating officer and directors. Salaries are arranged in organisation-wide pay grades, using comparisons with charities of our size in London and taking into account inflation, sector pay settlements and NCVO's financial position. Salaries are openly stated in job adverts.

NCVO is ambitious for the voluntary sector and we believe in recruiting high-calibre people to represent its interests. We also believe in rewarding staff fairly for the jobs that they do and fostering a positive working environment, and we believe our salaries and our terms and conditions reflect this.

NCVO is a London living-wage-accredited employer, meaning all our staff and contractors are paid at least the London living wage. Additionally, we believe in creating routes into charities for people who cannot afford to undertake unpaid 'internships', so we run an apprenticeship in partnership with Queen Mary University of London, leading to a BSc Business Management degree – social change..

People are employed at NCVO on the basis of the specific skills and experiences that they bring to their particular role. For NCVO to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market where, not least as a result of NCVO's cross-cutting role, their skills are readily transferable to other organisations, both in the voluntary sector and in other sectors. Our staff pay scales are set with these factors in mind.

(i) Chief executive, chief operating officer and directors pay

NCVO's unique position in representing the whole of the voluntary sector means that the chief executive, chief operating officer and directors require a breadth and depth of expertise that requires drawing from the best senior-level talent in a competitive market. They need to be able to command the respect of their peers among our members, from the smallest to the very largest charities, through their experience and their credibility. At the same time, we seek to keep salary costs within a reasonable range.

(ii) Benchmarking

Chief executive, chief operating officer, director and staff pay levels are reviewed annually.

Report of the trustee board (continued)

For the year ended 31 March 2022

Chief executive, chief operating officer and director pay is determined by the people, culture and inclusion committee. Its aim is to benchmark our leadership team salaries around the 25th centile, i.e. the lower end of larger national charities' pay levels, with a 7.5% tolerance. We believe this comparison with national charities reflects the nature of the skills that we need to recruit and retain.

Staff pay is reviewed by the chief executive, chief operating officer and directors and negotiated on behalf of staff by NCVO's recognised union, Unite. Our aim has been to pay at the 75th centile, i.e. the higher end compared with organisations of our size in terms of income and number of employees in the voluntary sector in London. We are reviewing our pay framework to ensure we are paying in line with our current policy and also to consider if we should have a range of pay at each level to encourage and reward the development of our staff.

The same benefits, including pensions and terms and conditions, apply to the chief executive, chief operating officer and directors as all other staff. We do not apply any form of performance-related pay, nor do we have a bonus scheme. We don't apply increments to staff salaries beyond one automatic increment after the first 12 months of service.

Each year the leadership team participate in performance appraisals as part of the same feedback and appraisal scheme operated for all NCVO staff.

(iii) 2021/22 leadership team pay levels

Name	Title	Annual salary 2021/22 £	Pension contributions 2021/22 £	Total remuneration 2021/22 £	Annual salary 2020/21 £
Karl Wilding	Chief executive ¹	-	-	-	138,446
Sarah Vibert	Interim chief executive (from 26 January 2021)	120,000	6,816	126,816	21,624
Sarah Vibert	Director of public policy and volunteering (from 2 January 2020 to 25 January 2021)	-	-	-	81,291
Susan Cordingley	Deputy CEO (from 11 November 2019 to 1 February 2021)	-	-	-	96,953
Megan Griffith Gray	Director of strategy and transformation (from 11 November 2019 to 31 March 2021) (0.8 FTE)	-	-	-	83,665
Laura Crandley	Director of finance and services (from 19 January 2021)	92,306	5,938	98,244	19,782
Gavin Finch	Interim director of membership and engagement (from 22 March to 30 November 2021)	60,720	3,449	64,169	2,735
Tracy Kiernan	Head of central services	61,369	5,552	66,921	66,064
Gavin Finch	Head of communications, marketing and membership (to 21 March 2021)	-	-	-	61,347
Rupa Kotecha-Smith	Interim head of communications, marketing and membership (from 1 June 2021) (0.9 FTE)	44,491	2,527	47,018	-
Sophie Raeburn	Head of digital, data and technology	61,368	3,486	64,854	64,082
Alex Farrow	Head of networks and influencing (from 1 January 2021)	64,344	5,688	70,032	16,549

Report of the trustee board (continued)

For the year ended 31 March 2022

Name	Title	Annual salary 2021/22 £	Pension contributions 2021/22 £	Total remuneration 2021/22 £	Annual salary 2020/21 £
Janu Miah	Interim head of people and culture (from 6 April 2021)	60,671	3,446	64,117	-
Andrew Walkey	Head of support and services	59,194	5,290	64,484	65,779
Jarina Choudhury	Strategic volunteering lead (from 22 March 2021) (0.4 FTE)	24,743	2,231	26,974	-

¹ Karl Wilding was appointed chief executive on 17 September 2019 and stepped down as chief executive on 25 January 2021 to facilitate a smooth handover to the interim chief executive before leaving NCVO on 31 March 2021.

Total remuneration figures are salary plus pension contributions. The information above excludes employer's national insurance contributions (NIC) which are included in the information in note 7. The chief executive and the leadership team, like all NCVO staff, are also entitled to miscellaneous benefits, such as childcare vouchers, which have not been included here. Details of expenses for the chief executive and the leadership team are given in note 8.

(iv) Pay ratio

The ratio of our highest salary (£120,000) to our median salary (£38,908) is 3.1:1 (2021: 3.2:1).

(v) Pay awards

While they are separately determined, annual pay awards for the chief executive, directors and staff have always been at the same percentage level until 2021/22. Between 2011 and 2019 both the senior management team and staff received an annual 2% pay award, followed by a 2.7% pay award for 2019/20. There was no pay award in 2020/21, a pay award of 2% and a pro rata one off payment of £500 in 2021/22 for all staff other than the chief executive and directors. To reflect the current cost of living indices, we agreed a 4.25% pay award for all staff other than the leadership team for 2022/23 and an award of 3% plus a pro rata one off payment of £500 for the leadership team other than the chief executive and directors.

Report of the trustee board (continued)

For the year ended 31 March 2022

Pay gap report

NCVO believes in equality of opportunity for all. Although NCVO employs fewer than 250 staff and is therefore not required to publish gender pay gap information, we have chosen to do so, along with our ethnicity and disability pay gap information.

Gender pay gap

Median and mean hourly earnings

At 24 March 2022 the median and mean male and female hourly earnings were:

	Male hourly earnings 2022 £	Female hourly earnings 2022 £	Non-binary hourly earnings 2022 £	Difference 2022 £	Pay gap 2022 %	Difference 2021 £	Pay gap 2021 %
Median	20.84	21.38	*	(0.54)	(3)	0.00	0
Mean	22.32	22.87	*	(0.05)	0	0.90	5

At 24 March 2022 the mean male and female hourly earnings by quartile were:

	Male hourly earnings 2022 £	Female hourly earnings 2022 £	Non-binary hourly earnings 2022 £	Difference 2022 £	Pay gap 2022 %	Difference 2021 £	Pay gap 2021 %
Quartile 1	17.98	16.74	*	1.24	7	0.50	3
Quartile 2	19.10	19.76	*	(0.66)	(3)	(0.39)	(2)
Quartile 3	22.30	23.51	*	(1.21)	(5)	(0.16)	(1)
Quartile 4	30.06	31.83	*	(1.77)	(6)	(1.27)	(4)

The median gender pay gap between male and female at 24 March 2022 has increased from 0% to 3% so females are, as a median, are paid more than their male colleagues. The mean gender pay gap between male and female has reduced from 5% to being almost equal. The information shows in three quartiles, the mean pay gap has improved for females. In quartile one, there are four males and 17 females. The mean pay gap has worsened as three of the four males are on London (as opposed to regional) salaries and are on the higher grade that is included in this quartile. Seven of the nine members of the leadership team were female at 24 March 2022 which is reflected in the fourth quartile.

Mean hourly earnings by grade

Gender pay gap data by grade shows that NCVO pays men and women on the same grades the same salary for the work they do. Small differences are due to new staff starting at an entry point on recruitment and moving to the grade point only after their first year of employment. There will also be some additional responsibility payments for a small number of individuals.

Report of the trustee board (continued)

For the year ended 31 March 2022

	Male hourly f/t earnings 2022 £	Female hourly f/t earnings 2022 £	Difference 2022 £	Pay gap 2022 %	Difference 2021 £	Pay gap 2021 %
CEO / directors	-	58.33	-	-	(9.27)	(16)
Grade A	33.55	33.48	0.07	1	0.30	1
Grade B	29.41	27.78	1.63	6	1.72	6
Grade C	24.40	24.09	0.31	3	(0.66)	(3)
Grade D	20.35	20.68	(0.33)	(2)	0.09	0.4
Grade E	18.07	17.94	0.13	1	(0.28)	(2)
Grade F	16.76	16.55	0.21	1	(2.65)	(16)
Catering assistant supervisor**	-	13.76	-	-	-	-
Catering assistant deputy supervisor**	-	12.69	-	-	-	-
Apprentice**	-	11.07	-	-	-	-

* We have not included information on staff who identify as non-binary in these tables as we want to ensure individuals are not identifiable.

** No male staff at this grade at 24 March 2022.

Like many employers in the voluntary sector, NCVO employs more women than men but there are proportionately more women than men in lower grades and in part-time roles. We have a range of family-friendly and flexible working policies to support all parents and carers. This includes supporting parents to take time off to have or raise children and to assist with their return to work. We offer enhanced maternity pay and shared parental pay. We have flexible working hours and encourage and support remote working.

At 24 March 2022, NCVO employed 61 people that identify as female and 20 people that identify as male.

Ethnicity and disability pay gap

37% of employees identify themselves as from an ethnic minority; this is a 1% increase from the previous reporting period (2021: 36%). When looking across grades, there is a higher proportion of employees from an ethnic minority in the lower grades in the organisation. There are also a higher proportion of employees from an ethnic minority within the leadership team. Overall ethnic minority employees earn on average 14% (2021: 16%) less than non-ethnic minority employees – this is a decrease by 2% on the previous reporting period.

This is the second year that NCVO is reporting on its disability pay gap to demonstrate our commitment to being an employer that recognises the importance of equity and inclusion and the benefits that having a diverse workforce brings to the organisation.

13% (2021: 11%) of employees identify themselves as disabled as defined by the Equality Act 2010. The average pay gap between disabled and non-disabled employees is positive at 5% (2021: 10%) and the median pay gap is positive at 7% (2021: 17%).

Report of the trustee board (continued)

For the year ended 31 March 2022

	Ethnic minority pay gap 2022 %	Ethnic minority pay gap 2021 %
Median	14	14
Mean	14	16

Proportion of ethnic minority staff at each grade

	Ethnic minority 2022 %	Non ethnic minority 2022 %	Ethnic minority 2021 %	Non ethnic minority 2021 %
CEO / directors	-	100	-	100
Grade A	43	57	33	67
Grade B	13	88	25	75
Grade C	29	71	27	73
Grade D	32	68	25	75
Grade E	47	53	50	50
Grade F	40	60	33	67
Catering assistant supervisor	100	-	100	-
Catering assistant deputy supervisor	100	-	100	-
Apprentice	100	-	100	-

Disability mean and median hourly earnings and pay gap

	2022	2021
Non-disabled hourly earnings mean	£22.56	£22.29
Disabled hourly earnings mean	£23.84	£24.83
Difference	£1.28	£2.54
Mean pay gap	5%	10%
Non-disabled staff hourly earnings median	£21.38	£20.96
Disabled staff hourly earnings median	£22.90	£25.29
Difference	£1.52	£4.33
Median pay gap	7%	17%

Proportion of disabled and non-disabled at each grade

	Disabled 2022 %	Non-disabled 2022 %	Disabled 2021 %	Non-disabled 2021 %
CEO / directors	-	100	-	100
Grade A	14	86	17	83
Grade B	38	63	25	75
Grade C	7	93	18	82
Grade D	15	85	13	87
Grade E	11	89	4	96
Grade F	-	100	-	100
Catering assistant supervisor	-	100	-	100
Catering assistant deputy supervisor	-	100	-	100
Apprentice	-	100	-	100

Report of the trustee board (continued)

For the year ended 31 March 2022

This report shows that there is still a pay gap disadvantage for our employees that identify as from an ethnic minority and for some pay grades for our employees that identify as female. The trustees and leadership team are committed to addressing these.

We are pleased about the positive disability pay gap. We continue in our work to attract and retain more people from under-represented communities to work at NCVO as well as at board and committee level.

Please also see the section in the trustees report on our reflections of a year of living our values which gives information on our culture change roadmap and our work to improve our approach to diversity and inclusion.

Report of the trustee board (continued)

For the year ended 31 March 2022

Environmental journey

Origin

In 2006 an environmental audit was carried out by the Bridge House Trust. The report highlighted areas of good practice at NCVO as well as recommendations for improving our performance. Some of the recommendations were implemented straight away, such as more individual light switching and changing to mains-fed water coolers over bottled water ones. Other recommendations were longer term. This initial audit also recommended that we continue to monitor our environmental performance, either internally or with support from an external agency.

First steps

Initially we signed up to the Mayor of London's Green Procurement Code, which ran from 2007 until 2010. During this time, we improved our performance based on the code's requirements from bronze to gold standard. The code focused heavily on procurement and supply chains so in 2010 we signed up to Global Action Plans audit scheme which had a broader remit and was more focused on assessing our environmental performance as calculated by our utilities usage in addition to travel data and the environmental credentials of our suppliers. The main take away from this audit was an updated environmental policy with a clear review date which was put in place in 2011.

New floor and office refurbishment 2011/2012

In 2011/12 we undertook a major project to add a fourth floor to NCVO's Society Building. This was an opportunity for us to implement some of the longer-term recommendations from both the initial and subsequent audits. We were able to install 73 solar panels onto the roof during the build project and install a state-of-the-art HVAC system along with more energy efficient IT equipment.

We continued to undertake audits with Global Action Plan periodically until 2017 when they changed their scheme, our next audit would have been due in 2019 but there was a delay with their new scheme being in place, so this was delayed until 2020 which was then impacted by the pandemic.

Covid

None of us could have foreseen what was to come and Covid has impacted our ability to monitor year on year usage. The building was closed during the various periods of lockdown and both staff and visitor numbers were so significantly impacted to make any like-for-like comparison impossible. One example of this would be our water consumption, in 2019 we used 3,326 m³ of water, in 2020 it was 81 m³ and in 2021 with its tiers and lockdowns we used 226 m³. Even in 2022 we are still not yet back to the capacity in terms of staff on site and visitors to the conference suite to be able to give an accurate comparison. We are going to use 2022/23 as our baseline for future improvements.

What are we doing now?

- We are continuing to monitor our usage and aim to have another external audit carried out shortly.
- We continue to generate solar power and our utilities supplies are all from green and renewable sources.
- We continue to source environmentally friendly supplies wherever possible.
- We continue to use a zero to landfill approach and offer recycling throughout the building.
- We are replacing old light fittings with LED versions as and when they become unviable.
- We reviewed and updated our environmental policy.

Next steps

We have commissioned an external review of our overall approach to sustainability. This should provide a discussion for the board in November and then we will identify actions and targets as part of our business planning for 2023/24.

Strategic priorities for the year ahead

A more collective, personalised and accessible NCVO

In 2022/23, we are focusing on developing and enhancing our member and wider customer journey. We want to ensure that everyone who comes into contact with NCVO has a great experience with us, and is able to easily receive what they need as well as receiving the added value through connections with other organisations and individuals through our networks. This will be done by our new website which launched in August 2022 and our customer charter. We are also considering how we may partner with other organisations to offer a complete service in the same way as we are with the Foundation for Social Improvement (FSI) to deliver the legacy from the Small Charities Coalition.

We will continue to grow our membership and we want to ensure we are reaching all parts of the sector and are developing a strategy to better reach groups who do not currently form part of our membership. This will enable us to truly reflect all voluntary organisations in the sector and will influence the work we do and the areas where we seek to influence policy.

We will develop ways to embed member engagement into our policy work, reshape the advisory council to support our influencing work and improve our communication about our vital influencing work.

Supporting a green and equitable recovery with and through our members and partners

Like many organisations, we recognise the work we have to do to achieve a net zero position and to support the sector to embed the United Nations sustainable development goals particularly during a continued period of crisis with rising cost of living and the war in Ukraine.

We will continue to enhance our practical support offer for the sector particularly for small charities (under £1million) which make up 96% of voluntary organisations and 92% of our members, which will include support around achieving net zero and sustainability more generally as well new and urgent challenges, including equity, diversity and inclusion, hybrid and flexible working practice and supporting mental health and wellbeing.

We are excited to host the [Power and Integrity](#) project and offer support to ensure charities and other voluntary organisations truly consider how they ensure they adopt a holistic approach to acting with integrity and utilising power analysis to consider the injustices which may result from their own ways of working.

Breaking down barriers to volunteering

We have been proud to be part of the steering group that launched the Vision for Volunteering in May. We are now implementing the commitments we have made to:

- champion volunteering in all we do;
- develop and support campaigns to build awareness and appreciation of the positive impact of volunteers;
- build and support volunteering networks to share expertise and build solutions collaboratively;
- conduct and share research to support organisations to improve volunteering;
- work with government and key decision makers to influence decisions which affect the volunteering environment through building a consistent message and approach with partners;
- maintain, update and create practical resources and guidance for volunteer involving organisations;
- champion and support trustees including enhancing trustee week, and to drive improvements in governance.

We will build on our Time Well Spent research to further understand the barriers to volunteering and the impact of the pandemic.

Report of the trustee board (continued)

For the year ended 31 March 2022

We will continue to support Volunteers Week as an opportunity to both promote volunteering and to thank all those who have given their time.

Transitioning NCVO to new ways of working for the long-term

Following the implementation of a permanent leadership team structure, we will continue with our cultural roadmap and share learning with the sector. This will include implementing a new way of working following the learning from the pandemic together with improving our management pathway and ensuring this is consistent across the organisation.

We will launch a new intranet to improve our communications with a dispersed workforce and look for innovative ways to engage with our staff and share information effectively.

Adapting our business model and growing back income

As for many organisations, our income was adversely affected by the pandemic and we are working to grow this and ensure our business model is fit for purpose for the future. This includes developing how we fundraise and our relationship with the private sector to drive understanding and value for the whole of the voluntary sector.

Developing the foundations of a learning organisation

We will undertake a business process review to ensure that we are as effective and customer focused as possible. We will increase our understanding of customer satisfaction and how our brand resonates with the sector and beyond. This will include the development of an insight function, a data strategy and an enhanced approach to content which will be implemented now we have launched our new website.

Report of the trustee board (continued)

For the year ended 31 March 2022

Principal risks and uncertainties

The risk register is a standing item on the agenda at each trustee board meeting. It is reviewed quarterly by the leadership team and the audit and risk committee.

Risks are considered in six key areas: strategy, governance and management; operational; financial; environmental and external; legal and statutory; people. All identified risks are assessed for both likelihood of occurrence and potential financial and reputational impact, to give a gross risk. Mitigating controls are then considered, giving a net remaining risk.

External and strategic risks include the current challenges (such as Covid and the cost of living), relationships with the regulator and government are not constructive, that we are not perceived to be living up to our values and that we don't engage effectively with our members. The main financial risks relate to our ability to sustain income streams as a result of the continued impact of Covid-19 on NCVO and the wider sector, as well as the changed markets we are now operating in. Key governance, operational and people risks include effective operation of the board, committees and leadership team after a period of considerable change, breaches of data protection, cyber security or other legislation, failure to deliver services which meet member and sector needs, adverse impacts on staff wellbeing, the impact of changed ways of working and our ability to recruit in a challenging market.

The trustees are satisfied that these and all other risks in the register have been adequately assessed and that appropriate steps are taken to mitigate risk.

In respect of financial risk, the trustees have carefully considered the continued impact of Covid-19 on NCVO's future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the leadership team, the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future.

Trustee board members

The members of the trustee board, who are also directors under the terms of the Companies Act 2006, are set out on page 3. The members of the trustee board have no beneficial interest in the group or charity.

Liability of members

NCVO, the charitable company, is limited by guarantee and has no share capital. Clause 31 of the memorandum of association provides that every member, as defined by Clause 1 of the articles of association, is liable to contribute a sum not exceeding £1 in the event of the company being wound up while they are a member or within one year of ceasing to be a member. At year end there were 17,102 members.

Statement of trustee board's responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements, in accordance with applicable law and UK accounting standards (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable accounting standards 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

Report of the trustee board (continued)

For the year ended 31 March 2022

presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the parent charity and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity 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 charity's website. Legislation in the UK governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the trustee board and signed on their behalf

Dr Priya Singh

Chair

6 September 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

Opinion

We have audited the financial statements of National Council for Voluntary Organisations (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustee Board, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustee Board. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements,

Auditor's report

we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustee Board, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' annual 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Auditor's report

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from the Companies Act 2006, Charities Act 2011, Financial Reporting Standard 102, the Charities SORP and relevant employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the timing of recognition of income. We addressed this through review of all material incoming resources to ensure correct treatment under the Charities SORP, including consideration of the accounting period in which income should be recognised.
- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- We also identified potential for management bias in the depreciation rate applied to tangible fixed assets, and we addressed this by considering the useful economic life applied for the types of asset held, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant 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. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities 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.

Auditor's report

Use of our report

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

Alastair Duke (Senior Statutory Auditor)

For and on behalf of PKF Littlejohn LLP

Statutory Auditor

15 Westferry Circus

Canary Wharf

London

E14 4HD

Date: 31 October 2022

Statement of financial activities for the Group
(including income and expenditure account)

For the year ended 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total funds 2022 £'000	Total funds 2021 £'000
Income					
Donations and legacies	2	1,106	-	1,106	2,255
Charitable activities:	3				
Membership		1,292	-	1,292	1,212
Support and services		1,182	38	1,220	1,840
Marketing and communications		15	-	15	57
Networks and influencing		25	130	155	544
Other		55	-	55	273
Other trading activities	4	1,438	-	1,438	1,249
Investments	5	70	-	70	75
Total income		5,183	168	5,351	7,505
Expenditure	6				
Raising funds		1,043	-	1,043	854
Charitable expenditure:					
Support and services		2,441	183	2,624	3,728
Marketing and communications		877	-	877	1,059
Membership		394	-	394	422
Networks and influencing		1,042	143	1,185	1,151
Other: digital and EDI		194	-	194	207
Total expenditure		5,991	326	6,317	7,421
Net (expenditure) / income before investment gain		(808)	(158)	(966)	84
Net gain on investment	10	248	-	248	518
Net (expenditure) / income		(560)	(158)	(718)	602
Other recognised gains / (losses)					
Share of operating profit of joint ventures		-	-	-	12
Actuarial gain / (loss) on defined benefit scheme	19	2,558	-	2,558	(3,207)
Net movement in funds		1,998	(158)	1,840	(2,593)
Total funds at 1 April 2021		4,649	248	4,897	7,490
Total funds at 31 March 2022	17	6,647	90	6,737	4,897

The statement of financial activities (SOFA) includes all gains and losses recognised in the year.

The accounting policies and notes on pages 50 to 79 form part of these financial statements.

Group and charity balance sheet

As at 31 March 2022

Company number: 198344

	Notes	Consolidated 2022 £'000	Consolidated 2021 £'000	NCVO 2022 £'000	NCVO 2021 £'000
Fixed assets					
Tangible fixed assets	9	4,721	4,973	4,721	4,973
Investments	10	3,085	2,856	3,085	2,856
		7,806	7,829	7,806	7,829
Current assets					
Stocks	11	-	2	-	2
Debtors	12	827	1,190	1,080	1,362
Cash at bank and in hand		1,788	2,758	1,393	2,409
		2,615	3,950	2,473	3,773
Creditors: amounts falling due within one year	13	(2,201)	(2,476)	(2,059)	(2,299)
Net current assets		414	1,474	414	1,474
Total assets less current liabilities		8,220	9,303	8,220	9,303
Creditors: amounts falling due after one year	14	(1,483)	(1,677)	(1,483)	(1,677)
Net assets excluding pension liability		6,737	7,626	6,737	7,626
Defined benefit pension scheme liability	19	-	(2,729)	-	(2,729)
Net assets		6,737	4,897	6,737	4,897
Funds					
Restricted funds		90	248	90	248
Unrestricted funds					
Pension reserve		-	(2,729)	-	(2,729)
Designated funds		3,240	3,621	3,240	3,621
General funds		3,407	3,757	3,407	3,757
Total funds	16	6,737	4,897	6,737	4,897
NCVO net movement in funds for the year				1,840	(2,593)

The accounting policies and notes on pages 50 to 79 form part of these financial statements.

Approved and authorised for issue by the trustee board and signed on their behalf:



Dr Priya Singh
Chair
6 September 2022

Paul Breckell
Honorary Treasurer
6 September 2022

Statement of cashflows

For the year ended 31 March 2022

		2022	2021
	Notes	£'000	£'000
Cash flows from operating activities			
Net cash (used) / provided by operating activities	18	(801)	(14)
Cash flows from investing activities			
Dividends and interest		70	73
Cash received from joint ventures		-	12
Purchase of fixed assets		(93)	(37)
Proceeds from sale of investments		911	1,231
Cash invested following wind up of Trusts		-	97
Purchase of investments		(699)	(1,307)
Net cash provided / (used by) by investing activities		189	69
Cash flows from financing activities			
Repayment of loan (capital and interest)		(165)	(33)
Net cash used by financing activities		(165)	(33)
 Change in cash and cash equivalents in the year		(777)	22
Cash and cash equivalents at the beginning of the year		2,824	2,802
Cash and cash equivalents at the end of the year		2,047	2,824
 Analysis of cash and cash equivalents			
		2022	2021
		£'000	£'000
Cash at bank and in hand		1,788	2,758
Cash held in investment portfolio	10	259	66
Total cash and cash equivalents		2,047	2,824

The accounting policies and notes on pages 50 to 79 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments and in accordance with Financial Reporting Standard 102 (FRS 102) applicable in the United Kingdom and the Republic of Ireland, the Charities' Statement of Recommended Practice (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going-concern basis. Having carefully considered the continued impact of Covid-19 on NCVO's future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the leadership team, the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS102: no cash flow has been presented for the parent charity; disclosure in respect of the parent charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole.

a) Income

Legacies are recognised when the charity is advised by the personal representatives that payment will be made or property transferred and the amount involved can be quantified unless there are specific conditions preventing receipt, such as life tenancy.

Income from donations and grants is credited to the SOFA when there is evidence of entitlement, receipt is probable and its amount can be measured reliably, unless it relates to a specific future period, in which case it is deferred.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the incoming resource is deferred.

Income from sales is included in the SOFA in the year in which the goods or service is supplied.

Membership income is recognised in the year to which it relates.

b) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that reflect the charity's activities and aggregates all costs related to that activity. Costs are allocated across activities and projects based on judgements about the objectives and related outcomes of the activities and projects.

Expenditure on which there is irrecoverable VAT is shown within each relevant cost category gross of VAT.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

i) Raising funds

Costs of raising funds includes expenditure in relation to staff members who are directly engaged in business development, the conference suite and the related costs.

ii) Charitable expenditure

Charitable expenditure includes all expenditure directly related to the objects of the charity.

Governance costs

These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are allocated to the categories of charitable expenditure on the basis of staff numbers.

Support costs

Costs relating to support services are identified and a proportion allocated to the charitable activities and projects that NCVO undertakes. Support costs are allocated on the basis of staff numbers.

Other costs are allocated on the basis of staff time, staff numbers or area, as relevant.

Grant making

Costs of grant making are included within charitable expenditure in the year they are payable. Costs include grants made and support costs associated with the activity. Multi-year grant commitments are conditional on progress reviews to determine whether future funding is provided and discretion is retained by the charity to terminate the grant. Where multi-year grant commitments exist, only expenditure relating to the current year's liability will be recognised.

iii) Other costs

Other costs directly relate to a specific activity or are support costs allocated on the basis of staff time, staff numbers or area, as relevant.

c) Fund accounting

The charity maintains the following funds:

i) Restricted funds

Restricted funds represent grants, donations and legacies received, which the donor has provided for specified purposes.

ii) General unrestricted funds

These represent funds that are expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

iii) Designated funds

These represent unrestricted funds allocated by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

d) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation, which is provided in equal instalments over the estimated useful lives of the assets. No depreciation is charged on freehold land. We estimate that 55% of the original purchase price related to the land and 45% to the buildings. The rates of depreciation applied to other assets are:

Freehold building	50 years
CRM system	5 years
Other computer equipment	3 years
Fixtures and fittings	10 years
Plant and equipment	20 years

e) Investments

Quoted investments are valued at bid price and stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

f) Operating leases expenditure

Gross rentals paid are recognised as lease rental expenses. Rentals are charged to the SOFA, over the term of the lease.

g) Debtors

Debtors are recognised at the settlement amount due. Accrued income reflects amounts due but not received at the balance sheet date from funders and partners. Prepayments reflect costs paid at the balance sheet date that relate to future periods and are valued at the amount paid net of any discounts due.

h) Cash at bank and in hand

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

i) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any discounts due.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

j) Employee benefits

i) Short-term benefits

Short-term benefits including holiday pay are recognised as an expense in the period in which the service was received.

ii) Post-retirement benefits

The charity operates two pension schemes.

Defined contribution scheme

Staff are currently opted into a defined contribution scheme administered by Aviva. The assets in this scheme are held separately from the charity in an independent fund administered by Aviva. The pension cost charge represents the contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Defined benefit scheme

NCVO's defined benefit scheme was closed to future accrual on 31 March 2011. The liability recognised on the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with FRS 102.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the SOFA each year.

The annual costs of the defined benefit plan are included in employee costs and allocated across the expenditure headings on the SOFA. These comprise the annual expenses of the scheme and the finance costs.

k) Consolidation

Consolidated financial statements have been prepared in respect of NCVO and its wholly owned subsidiary NCVO Trading Limited. The results of the subsidiary have been consolidated on a line-by-line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. In accordance with section 408 of the Companies Act 2006, a separate SOFA for the charity has not been presented.

NCVO Trading Limited held 33% of the shares in Trustees Unlimited LLP. NCVO Trading Limited transferred its interest in Trustees Unlimited LLP to fellow member, Russam GMS Limited in January 2021 for consideration in line with the partnership agreement. Trustees Unlimited LLP provides a search-and-selection service in respect of trustees and directors including the provision of advice, training and consultancy on governance and other relevant issues. Trustees Unlimited LLP, which has an accounting reference date of 31 March, has been accounted for as an associate up until the date of transfer and included on the SOFA and balance sheet using the equity method.

Notes to the financial statements

For the year ended 31 March 2022

2 Donations and legacies (all unrestricted)

	2022	2021
	£'000	£'000
Donations through Charities Aid Foundation	955	1,773
Legacy	149	350
Closure of trusts administered by NCVO	-	106
Wolfson Foundation	-	25
Other donations and voluntary income	2	1
Total	1,106	2,255

3 Charitable activities

	Membership subscriptions, conference delegate fees and charitable purpose contracts	Unrestricted grants and sponsorships	Restricted grants	Total
	£'000	£'000	£'000	£'000
2022				
Membership subscriptions	1,292	-	-	1,292
Support and services	1,139	43	38	1,220
Marketing and communications	-	15	-	15
Networks and influencing	5	20	130	155
Other	-	55	-	55
Total	2,436	133	168	2,737

	Membership subscriptions, conference delegate fees and charitable purpose contracts	Unrestricted grants and sponsorships	Restricted grants	Total
	£'000	£'000	£'000	£'000
2021				
Membership subscriptions	1,192	20	-	1,212
Support and services	816	127	897	1,840
Marketing and communications	-	57	-	57
Networks and influencing	27	27	490	544
Other	-	273	-	273
Total	2,035	504	1,387	3,926

Notes to the financial statements

For the year ended 31 March 2022

3 Charitable activities (continued) – grant and project income

	Total funds 2022 £'000	Total funds 2021 £'000
Unrestricted		
HMRC – job retention scheme	56	439
Pears Foundation	-	20
Zurich Insurance – various	40	18
Phoenix Software – website	14	18
Phoenix Software – trustee conference	-	6
Other unrestricted income under £15,000	23	3
Total unrestricted	133	504
Restricted		
Economic and Social Research Council – Data entry	50	40
Nottingham Trent University - Covid-19 and VCSE organisations response	29	29
Centre for Ageing Better – Age-friendly and inclusive volunteering	28	-
Third Sector Resources Centre, University of Birmingham - Assessing financial vulnerability and risk in the UK's charities during and beyond the Covid crisis	18	18
Lloyds Bank Foundation for England and Wales – Resetting the relationship between charities and government	17	-
Institute of Volunteering Research - Mobilising voluntary action during and beyond the Covid crisis	15	15
New Philanthropy Capital – NCVO Charities Evaluation Services	5	10
National Lottery Community Fund – Digital fund	5	-
Barrow Cadbury – Governance Code	1	6
National Lottery Community Fund – Covid-19 support	-	998
Department of Health – Health and Wellbeing Alliance core grant	-	80
Esmee Fairbairn Foundation – Digital content project	-	57
Department of Health and Social Care – VCSE data and intelligence sharing	-	40
National Lottery Community Fund – Trusted Charity Mark in Wales	-	38
Esmee Fairbairn Foundation - Classifying the register	-	17
Trafigura Foundation - NCVO Charities Evaluation Services	-	17
Lloyds Bank Foundation for England and Wales – Collaboration between small and large organisations in public service delivery	-	10
CAST, acting on behalf of the Catalyst network – Digital	-	12
Other grants under £15,000 (not requiring separate disclosure)	-	-
Total restricted	168	1,387
Total grants and project income	301	1,891

Notes to the financial statements

For the year ended 31 March 2022

4 Other trading activities (all unrestricted)

	2022	2021
	£'000	£'000
Conference suite hire	399	29
Fees for services	613	595
Quality standards	85	313
Brokered services	331	301
Publications	10	11
Total	1,438	1,249

5 Investments (all unrestricted)

	2022	2021
	£'000	£'000
Dividends and interest	70	75

6 Expenditure

2022	Staff costs £'000	Premises costs £'000	Grant making £'000	Support costs £'000	Other expenses £'000	Governance costs £'000	Total £'000
Raising funds	640	48	-	99	237	19	1,043
Charitable expenditure:							
Support and services	1,652	112	-	227	589	44	2,624
Marketing and communications	579	43	-	88	150	17	877
Membership	318	22	-	45	-	9	394
Networks and influencing	901	61	5	124	70	24	1,185
Other	14	62	-	-	118	-	194
Total	4,104	348	5	583	1,164	113	6,317

Notes to the financial statements

For the year ended 31 March 2022

6 Expenditure (continued)

2021	Staff costs £'000	Premises costs £'000	Grant making £'000	Support costs £'000	Other expenses £'000	Governance costs £'000	Total £'000
Raising funds	602	39	-	71	126	16	854
Charitable expenditure:							
Support and services	2,404	132	53	243	844	52	3,728
Marketing and communications	824	48	-	87	81	19	1,059
Membership	350	19	-	36	9	8	422
Networks and influencing	810	45	-	83	195	18	1,151
Other	7	60	5	-	135	-	207
Total	4,997	343	58	520	1,390	113	7,421

'Other expenses' include commissioning £0.7million (2021: £1million), equipment / IT £0.2million (2021: £0.2million) and office costs £0.1million (2021: £0.1million). Commissioning includes fees paid to associates, as well as amounts for technology development.

Support costs are made up of the following expenditure:

	2022 £'000	2021 £'000
Accommodation costs	242	195
Travel costs	6	6
Telephone, printing, postage and stationery	50	46
Equipment and IT costs	161	110
Professional fees and consultancy	122	162
Other overheads	2	1
Total	583	520

Notes to the financial statements

For the year ended 31 March 2022

6 Expenditure (continued) – grants and partnership payments

Grants and partnership payments were made to the following organisations during the year:

	Total funds 2022 £'000	Total funds 2021 £'000
CWFA campaign project		
Local Trust	5	-
	5	-
Trusted charity in Wales		
WCVA	-	33
	-	33
Health and wellbeing		
NAVCA	-	5
Friends Families Travellers	-	4
Citizens Advice	-	4
Voluntary Sector Mental Health Providers Forum	-	4
Men's Health forum	-	3
	-	20
Baobab Foundation		
Hackney Council for Voluntary Services	-	5
	-	5
Total grants and partnership fees paid	5	58

Notes to the financial statements

For the year ended 31 March 2022

7 Employees

	2022	2021
	£'000	£'000
Wages and salaries	3,159	3,879
Social security	338	378
Pension costs	332	376
Redundancy and termination costs	29	339
Recruitment	142	42
Other including temporary staff and staff training	146	50
Total	4,146	5,064

The average number of employees (FTEs) during the year was:

	2022	2021
	number	number
Generating funds	13	12
Support and services	29	41
Marketing and communications	11	15
Membership	6	6
Networks and influencing	16	14
Total	75	88

The number of employees whose benefits were over £60,000 during the year (excluding employer pension contributions but including redundancy, termination and payments in lieu of notice) was:

	2022	2021
	number	Number
£60,001–£70,000	6	6
£70,001–£80,000	-	2
£80,001–£90,000	-	1
£90,001–£100,000	1	1
£100,001–£110,000	-	1
£110,001–£120,000	1	1
£150,001–£160,000	-	1

Seven of the above staff are members of the defined contribution pension scheme (2021: 13). None are currently paying contributions into the defined benefit scheme. The pension costs for these employees are £34,374 (2021: £72,720).

Notes to the financial statements

For the year ended 31 March 2022

7 Employees (continued)

Of the employees included above in the bands over £60,000 in 2021/22, none (2020/21: 6) are included due to termination payments. Overall, there were two termination payments totalling £29,867 (2020/21: £326,387 to 21 people).

We have complied with our published guidance for trustees on setting pay for senior staff in charities. In addition to the regulatory requirement to publish the number of employees in pay bands over £60,000 and to publish the total employee benefits received by key management personnel, we also publish the names, roles and remuneration of our leadership team, along with an explanation of how we set salaries for these roles and other NCVO staff. These details are included in the trustees' report. The amounts paid to the leadership team during 2021/22 were:

		Salary £	Employer's NIC £	Pension contributions £	Total 2021/22 £	Total 2020/21 £
Karl Wilding	Chief executive ¹	-	-	-	-	180,610
Sarah Vibert	Chief executive (from 26 January 2021)	120,000	15,340	6,816	142,156	24,246
Sarah Vibert	Director of public policy and volunteering (from 2 January 2020 to 25 January 2021)	-	-	-	-	90,896
Susan Cordingley	Deputy CEO	-	-	-	-	132,884
Megan Griffith Gray	Director of strategy and transformation (0.8 FTE)	-	-	-	-	128,668
Laura Crandley	Director of finance and services (from 19 January 2021)	92,306	11,040	5,938	109,284	22,017
Gavin Finch	Interim director of membership and engagement (from 22 March to 30 November 2021)	60,720	7,570	3,449	71,739	3,092
Tracy Kiernan	Head of central services	61,369	6,913	5,552	73,834	72,939
Gavin Finch	Head of communications, marketing and membership (to 21 March 2021)	-	-	-	-	68,176
Rupa Kotecha-Smith	Interim head of communications, marketing and membership (from 1 June 2021) (0.9 FTE)	44,491	5,123	2,527	52,141	-
Sophie Raeburn	Head of digital, data and technology	61,368	7,262	3,486	72,116	71,269
Alex Farrow	Head of networks and influencing (from 1 January 2021)	64,344	7,237	5,688	77,269	18,192
Janu Miah	Interim head of people and culture (from 6 April 2021)	60,671	7,152	3,446	71,269	-
Andrew Walkey	Head of support and services	59,194	6,723	5,290	71,207	72,632
Jarina Choudhury	Strategic volunteering lead (from 22 March 2021) (0.4 FTE)	24,743	2,698	2,231	29,672	-

Notes to the financial statements

For the year ended 31 March 2022

7 Employees (continued)

¹Karl Wilding was appointed chief executive on 17 September 2019 and stepped down as chief executive on 25 January 2021 to facilitate a smooth handover to the interim chief executive before leaving NCVO on 31 March 2021.

8 Net income for the year

This is stated after charging:

	2022	2021
	£'000	£'000
Auditor's remuneration		
– audit fees	27	25
– other services	1	1
Depreciation	345	340
Bank charges	14	13
Bank interest – on building loan	37	33
Trustees' expenses	1	-

No members of the trustee board received any remuneration during the year (2021: £nil). Expenses do not form part of remuneration and are separately disclosed below. Trustees believe that there are adequate systems in place to manage expenses and that all expenses were incurred in proper pursuit of NCVO's charitable objectives.

In response to the report of the Independent Group on Expenses set up by NCVO and Charity Finance Group to gather information and evidence on the disclosure of expenses by registered charities in England and Wales, published in February 2010, NCVO decided to adopt enhanced voluntary disclosure of trustees' and senior management team expenses. We have now opted to include all of the leadership team. Leadership team expenses, together with total trustee expenses are summarised in the following table. These were incurred in accordance with budget and reflect the impact of Covid-19 restrictions during the year.

Travel and subsistence expenses reimbursed to three trustees in the period amounted to £405 (2021: £153 to one trustee), with a further £723 paid directly by NCVO for trustee costs.

Notes to the financial statements

For the year ended 31 March 2022

	Subsistence 2022 £	UK travel 2022 £	Entertaining / networking 2022 £	Overseas travel 2022 £	Other 2022 £	Total claimed 2022 £	Total claimed 2021 £
Leadership team							
Chief executive	111	1,199	280	-	354	1,944	6,314
Director of finance and services	-	-	-	-	-	-	-
Director of membership and engagement	-	21	-	307	-	328	-
Head of central services	-	-	-	-	-	-	-
Head of communications, marketing and membership	-	14	-	-	-	14	-
Head of digital, data and technology	-	-	-	-	-	-	17
Head of networks and influencing	481	202	-	-	-	683	-
Head of people and culture	58	119	-	-	-	177	-
Head of support and services (home-based)	154	1,743	-	-	14	1,911	-
Strategic volunteering lead	-	-	-	-	-	-	-
Director of public policy and volunteering	-	-	-	-	-	-	85
Director of strategy and transformation	-	-	-	-	-	-	(246)
Total	804	3,298	280	307	368	5,057	6,170
Trustees	-	405	435	-	288	1,128	153

Notes to the financial statements

For the year ended 31 March 2022

9 Tangible fixed assets (group and charity)

	Freehold land and buildings	Plant and equipment	Computer equipment	Fixtures and fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2021	4,919	965	1,969	2,046	9,899
Additions	-	8	72	13	93
Disposals	-	-	(1,169)	(963)	(2,132)
At 31 March 2022	4,919	973	872	1,096	7,860
Depreciation					
At 1 April 2021	1,159	383	1,550	1,834	4,926
Charge for the year	67	47	124	107	345
Disposals	-	-	(1,169)	(963)	(2,132)
At 31 March 2022	1,226	430	505	978	3,139
Net book value					
At 31 March 2021	3,760	582	419	212	4,973
At 31 March 2022	3,693	543	367	118	4,721

Freehold land and property are presented under the historical cost convention and are shown at original cost with an annual depreciation charge. We estimate that 55% of the cost of land and buildings related to land. In June 2013 the building was valued at £14.25million on a 15-year sale-and-leaseback basis.

During the year, we have reviewed our fixed assets register and removed items which are no longer in use.

Notes to the financial statements

For the year ended 31 March 2022

10 Investments (group and charity)

	Listed £'000	Cash £'000	Total £'000
Market value			
At 1 April 2021	2,790	66	2,856
Purchase of investments	699	(699)	-
Sale of investments	(911)	911	-
Realised gains	148	-	148
Unrealised investment gains	100	-	100
Dividend income received	-	69	69
Dividend income transferred to Barclays	-	(67)	(67)
Investment management fees	-	(21)	(21)
At 31 March 2022	2,826	259	3,085

NCVO Trading Limited held 33% of the shares in Trustees Unlimited LLP. NCVO Trading Limited transferred its interest in Trustees Unlimited LLP to fellow member, Russam GMS Limited in January 2021 for consideration of £12,000 in line with the partnership agreement. Trustees Unlimited LLP provides a search-and-selection service in respect of trustees and directors including the provision of advice, training and consultancy on governance and other relevant issues. Trustees Unlimited LLP, which has an accounting reference date of 31 March, has been accounted for as an associate up until the date of transfer and included on the SOFA and balance sheet using the equity method.

11 Stocks (group and charity)

	2022 £'000	2021 £'000
Publications	-	2

12 Debtors

	Consolidated 2022 £'000	Consolidated 2021 £'000	NCVO 2022 £'000	NCVO 2021 £'000
Debtors	553	429	444	402
Accrued income	172	691	120	655
Amount due from subsidiary	-	-	418	239
Prepayments	102	70	98	66
Total	827	1,190	1,080	1,362

Notes to the financial statements

For the year ended 31 March 2022

13 Creditors: amounts falling due within one year

	Consolidated 2022 £'000	Consolidated 2021 £'000	NCVO 2022 £'000	NCVO 2021 £'000
Bank loan (secured – see note 14)	169	90	169	90
Taxation and social security	127	224	105	151
Other creditors	373	407	332	359
Accrued expenditure	393	591	323	580
Deferred income	1,139	1,164	1,130	1,119
Total	2,201	2,476	2,059	2,299

14 Creditors: amounts falling due after more than one year

	Consolidated 2022 £'000	Consolidated 2021 £'000	NCVO 2022 £'000	NCVO 2021 £'000
Membership deferred over one year	86	73	86	73
Bank loan (secured)	1,397	1,604	1,397	1,604
Total	1,483	1,677	1,483	1,677
Analysis of loan repayments:				
Within one year	169	90	169	90
Between one and two years	169	90	169	90
Between two and five years	1,228	1,514	1,228	1,514
Balance at 31 March	1,566	1,694	1,566	1,694

NCVO owns the freehold of the building it occupies at Society Building, All Saints Street, London N1 9RL. A loan was taken out with Barclays Bank to fund a building construction project on the same property, which was completed during 2012/13. The loan is secured by legal mortgage over the property. The loan is fully drawn, for a total of £1.6million at a rate of 1.95% over the floating rate for a 20-year period with a five-year renewable term in April 2026.

Notes to the financial statements

For the year ended 31 March 2022

14 Creditors: amounts falling due after more than one year (continued)

Reconciliation of deferred income 2021/22

	Brought forward £'000	Released into 2021/22 £'000	New deferred income £'000	Carry forward £'000
Deferred income	1,237	(488)	476	1,225
Being deferred income included in:				
Creditors: amounts falling due within one year				1,139
Creditors: amount falling due after more than one year				86
Total				1,225

Reconciliation of deferred income 2020/21

	Brought forward £'000	Released into 2020/21 £'000	New deferred income £'000	Carry forward £'000
Deferred income	1,614	(1,481)	1,104	1,237
Being deferred income included in:				
Creditors: amounts falling due within one year				1,164
Creditors: amount falling due after more than one year				73
Total				1,237

15 Capital commitments

The group had no capital commitments at either year end.

Notes to the financial statements

For the year ended 31 March 2022

16 Analysis of net group assets

	Unrestricted general 2022 £'000	Unrestricted designated 2022 £'000	Restricted 2022 £'000	Total funds excluding pension fund 2022 £'000	Pension fund 2022 £'000	Total 2022 £'000
Tangible fixed assets	-	4,721	-	4,721	-	4,721
Investments	3,085	-	-	3,085	-	3,085
Net current assets (excluding loan)	408	85	90	583	-	583
Deferred membership due after more than one year	(86)	-	-	(86)	-	(86)
Pension fund	-	-	-	-	-	-
Loan	-	(1,566)	-	(1,566)	-	(1,566)
Total	3,407	3,240	90	6,737	-	6,737

NCVO's general reserves of £3.4million (2021: £3.8million) are made up of investments and net current assets, adjusted for loans.

	Unrestricted general 2021 £'000	Unrestricted designated 2021 £'000	Restricted 2021 £'000	Total funds excluding pension fund 2021 £'000	Pension fund 2021 £'000	Total 2021 £'000
Tangible fixed assets	-	4,973	-	4,973	-	4,973
Investments	2,856	-	-	2,856	-	2,856
Net current assets (excluding loan)	974	342	248	1,564	-	1,564
Deferred membership due after more than one year	(73)	-	-	(73)	-	(73)
Pension fund	-	-	-	-	(2,729)	(2,729)
Loan	-	(1,694)	-	(1,694)	-	(1,694)
Total	3,757	3,621	248	7,626	(2,729)	4,897

Notes to the financial statements

For the year ended 31 March 2022

17 Movement in group funds

Unrestricted and designated funds

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance 1 April 2021	Income	Expenditure	Transfers	Net gains	Balance 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	3,278	-	-	(125)	-	3,153
Property maintenance	28	-	-	-	-	28
Digital investment	37	-	(62)	62	-	37
Equipment	42	-	(16)	(22)	-	4
Equity, diversity and inclusion	30	-	(30)	-	-	-
People	133	-	(126)	(7)	-	-
Governance	23	-	(23)	-	-	-
Policy and research	44	-	(13)	(13)	-	18
Other	6	-	(6)	-	-	-
Designated funds	3,621	-	(276)	(105)	-	3,240
General funds	3,757	5,183	(5,585)	(196)	248	3,407
Pension reserves	(2,729)	-	(130)	301	2,558	-
Total	4,649	5,183	(5,991)	-	2,806	6,647

	Balance 1 April 2020	Income	Expenditure	Transfers	Net gains	Balance 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	3,582	-	-	(304)	-	3,278
Property maintenance	28	-	-	-	-	28
Digital investment	386	-	(64)	(285)	-	37
Equipment	-	-	-	42	-	42
NCVO Excellence	85	-	(10)	(75)	-	-
Strategy development	121	-	(1)	(120)	-	-
Equity, diversity and inclusion	29	-	(137)	138	-	30
People	-	-	-	133	-	133
Governance	-	-	-	23	-	23
Policy and research	-	-	-	44	-	44
Other	6	-	-	-	-	6
Designated funds	4,237	-	(212)	(404)	-	3,621
General funds	2,838	6,130	(5,547)	(182)	518	3,757
Pension reserves	-	-	(108)	586	(3,207)	(2,729)
Total	7,075	6,130	(5,867)	-	(2,689)	4,649

The total income figure of £6.1million includes the share of the operating profit of joint ventures referenced on the SOFA.

Notes to the financial statements

For the year ended 31 March 2022

17 Movement in group funds (continued)

Trustees have designated funds for specific pieces of work, including:

- **Fixed assets**
This fund represents the level of NCVO's reserves invested in fixed assets and is the net tangible fixed assets less loans outstanding (as the loans are used to part finance these acquisitions).
- **Digital investment**
Trustees have allocated funds from reserves for a number of digital projects, including the development of a new website and an online payments platform.
- **Equipment**
This fund represents costs of laptops and equipment to support staff working from home.
- **Equity, diversity and inclusion**
The Trustees allocated these funds to enable NCVO to develop an equity, diversity and inclusion strategy and work plan.
- **People**
This fund was allocated to meet one off costs for advisors to support our cultural change programme.
- **Governance**
Trustees allocated these funds for our governance review.
- **Policy and research**
This fund is allocated to meet the costs of research into understanding the public's view of charities and trialling new methods of influencing.

Notes to the financial statements

For the year ended 31 March 2022

17 Movement in group funds (continued)

Restricted funds 2021/22

	1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2022 £'000
The National Lottery Community Fund: Digital Fund	194	5	(156)	-	43
Economic and Research Council: data partnership including data entry	4	50	(54)	-	-
Nottingham Trent University: Covid-19 research	-	29	(29)	-	-
Centre for Ageing Well: Age-friendly and inclusive volunteering	-	28	-	-	28
Third Sector Research Centre, University of Birmingham: Covid-19 research	-	18	(18)	-	-
Lloyds Bank Foundation for England and Wales: Resetting the relationship with government	-	17	(17)	-	-
Various: Governance Code	15	1	(8)	-	8
University of Northumbria: Covid-19 research	-	15	(15)	-	-
New Philanthropy Capital: NCVO Charities Evaluation Services	5	5	(10)	-	-
Lloyds Bank Foundation for England and Wales: Rebalancing the Relationship	10	-	(10)	-	-
Various: Public Trust	8	-	(1)	-	7
Esmee Fairbairn Foundation: Digital content	6	-	(6)	-	-
Leadership (legacy)	3	-	-	-	3
Esmee Fairbairn Foundation: Classifying the register	2	-	(2)	-	-
CSIS Charity Fund: Working for a Charity bursaries	1	-	-	-	1
Total	248	168	(326)	-	90

Notes to the financial statements

For the year ended 31 March 2022

17 Movement in group funds (continued)

Those areas with restricted funds to be carried forward into 2022/23 are briefly described below:

- **Digital Fund: The National Lottery Community Fund**
A project to transform NCVO's technology and digital services so that we can support more people in more organisations.
- **Age-friendly and inclusive volunteering: Centre for Ageing Better**
A project to embed and spread the concept and practice of age friendly inclusive volunteering.
- **Governance Code**
For the provision of ongoing stewardship of the Code.
- **Public Trust**
Work to preserve public trust and confidence in the sector.
- **Leadership (legacy)**
Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).
- **CSIS Charity Fund: Working for a Charity bursaries**
Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.

Notes to the financial statements

For the year ended 31 March 2022

17 Movement in group funds (continued)

Restricted funds 2020/21

	1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2021 £'000
The National Lottery Community Fund: Digital Fund	338	-	(144)	-	194
Various: Governance Code	20	6	(11)	-	15
New Philanthropy Capital: NCVO Charities Evaluation Services	20	10	(25)	-	5
Lloyds Bank Foundation for England and Wales: Rebalancing the Relationship	10	10	(10)	-	10
Various: Public Trust	8	-	-	-	8
Greater London Authority / Sport England / Pears Foundation / Scout Association: Family volunteering research	7	-	(7)	-	-
The National Lottery Community Fund: Trusted Charity in Wales	6	38	(44)	-	-
Leadership (legacy)	3	-	-	-	3
CSIS Charity Fund: Working for a Charity bursaries	1	-	-	-	1
The National Lottery Community Fund: Covid-19 support	-	998	(998)	-	-
Department of Health and Social Care: Health and Wellbeing Alliance core grant	-	80	(80)	-	-
Esmee Fairbairn Foundation: Digital content	-	57	(51)	-	6
Department of Health and Social Care: VCSE data and intelligence sharing	-	40	(40)	-	-
Economic and Social Research Council: Data partnership including data entry	-	40	(36)	-	4
Nottingham Trent University: Covid-19 research	-	29	(29)	-	-
Third Sector Research Centre, University of Birmingham: Covid-19 research	-	18	(18)	-	-
Trafigura Foundation: NCVO Charities Evaluation Services	-	17	(17)	-	-
Esmee Fairbairn Foundation: Classifying the register	-	17	(15)	-	2
University of Northumbria: Covid-19 research	-	15	(15)	-	-
CAST: digital	-	12	(12)	-	-
Other restricted grants and donations under £20,000 (not requiring separate disclosure)	2	-	(2)	-	-
Total	415	1,387	(1,554)	-	248

Notes to the financial statements

For the year ended 31 March 2022

17 Movement in group funds (continued)

Those areas with restricted funds to be carried forward into 2021/22 are briefly described below:

- **Digital Fund: The National Lottery Community Fund**
A project to transform NCVO's technology and digital services so that we can support more people in more organisations.
- **Governance Code**
For the provision of ongoing stewardship of the Code.
- **NCVO Charities Evaluation Services: New Philanthropy Capital**
Supporting charities through the Inspiring Impact programme.
- **Rebalancing the Relationship: Lloyds Bank Foundation for England and Wales**
A partnership between NCVO, ACEVO and Lloyds Bank Foundation project to understand and address how collaboration between large and small voluntary organisations can improve to deliver the best outcomes for service users, ensure the diversity of the sector and protect local economies.
- **Public Trust**
Work to preserve public trust and confidence in the sector.
- **Leadership (legacy)**
Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).
- **CSIS Charity Fund: Working for a Charity bursaries**
Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.
- **Esmee Fairbairn Foundation: Digital content**
To improve NCVO's tech / digital Knowhow web content to help small and medium sized charities become more digitally confident
- **Economic and Social Research Council: Data partnership including data entry**
To support data entry and classification work in producing the Almanac
- **Esmee Fairbairn Foundation: Classifying the register**
To develop an automated classification of charities in the charity register.

Other funds

NCVO also manages other charitable funds on behalf of the trusts listed below through its investment managers, UBS.

The Bayldon Trust: for the benefit of a charity or charities as the settlor during his life and after his death as his wife Lorna Irene Bayldon and after her death as his son Captain John Michael Bayldon and thereafter the trustee shall select and so that no moneys shall be applied under the trusts hereof other than for charitable purposes within the legal definition of that term.

LCC Workmen's Dwelling Trust, Becontree: To promote the advancement of education, the furtherance of health and all such other measures for the social welfare of residents in the workmen's houses erected by the L.C.C. at Becontree, Essex as are legally charitable.

Notes to the financial statements

For the year ended 31 March 2022

17 Movement in group funds (continued)

The Lady Hawke Trust: To provide help in sickness and convalescence and holidays for necessitous mothers and babies residing in the borough of Bermondsey, preference given to those attending the Princess Club Infant Welfare Centre at Bermondsey so long as that welfare centre continues to exist.

The Magnus Trust: To pay or apply the income of the trust fund and also so much of the capital of the trust fund as the settlors jointly or severally or the survivor of them may from time to time by direction in writing to the trustee determine to such charities or for such charitable purposes as the settlors or the survivor of them may from time to time by like written direction request and subject to and in default of any such direction and insofar as such direction may not extend as the trustee may at its uncontrolled discretion determine.

The Montefiore Institute: The Permanent Trustee shall hold the trust premises upon trust to permit the same to be used for the purposes of physical and mental recreation and social moral and intellectual development through the medium of reading and recreation room library lectures classes recreations entertainments or otherwise as may be found expedient for the benefit of the inhabitants of the Worth Ward of the Parish of Worth in the County of Sussex and its immediate vicinity without distinction of sex or of political or other opinions subject to the provisions of these premises.

The N E F Montgomery Trust: to pay the income and / or capital to such charities or for such charitable purposes as the settlor or, if surviving, her husband may from time to time direct.

Mr and Mrs E T Williams' Settlement: for the benefit of a charity or charities now in existence or now or hereafter registered as such under the provisions of the charity act 1960 as selected by the settlors during their lives and after their deaths selected by the national council of social service.

A M G and G Wyburd Trust: to pay or apply the income and/or capital to such charities or for such charitable purposes as the settlors may from time to time direct.

NCVO acts as Trustee of and makes donations from these funds as directed by their settlors. The total value of the investments, which are held in a separate portfolio, stands at £496,000 (2021: £462,000). In addition, £207,000 (2021: £205,000) is held in a separate bank account. These funds are excluded from NCVO's accounts.

Notes to the financial statements

For the year ended 31 March 2022

18 Reconciliation of net income to net cash flow from operating activities

	2022	2021
	£'000	£'000
Net (expenditure) / income for the year	(718)	602
Adjustments for:		
Depreciation	345	340
(Gain) / loss on investments	(248)	(518)
Investment of donations from the Ross and Stern Trusts	-	(97)
Dividends and interest from investments	(70)	(73)
Interest on bank loan	37	33
Non-cash difference between defined benefit pension contributions paid and amount charged to SOFA	(171)	(478)
Decrease / (increase) in stocks	2	2
Decrease / (increase) in debtors	363	566
(Decrease) / increase in creditors	(341)	(391)
Net cash (used) / provided by operating activities	(801)	(14)

19 Post-employment benefits

The charity operates two pension schemes, a defined contribution pension scheme for employees and a defined benefits pension scheme (the assets of which are held separately from the charity), which was closed on 31 March 2011.

a) Pension costs charge in the year

The amount of pensions costs charged within employee costs on the SOFA is as follows:

	Note	2022	2021
		£'000	£'000
Defined contribution scheme costs		202	268
Defined benefit scheme past service cost		55	22
Defined benefit scheme expenses		75	86
Total cost	7	332	376

b) Defined benefit scheme

The employer operates a defined benefit scheme in the UK which is closed to new entrants and future accrual. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was completed as at 30 September 2019 and the results of this have been updated to 31 March 2021 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

Notes to the financial statements

For the year ended 31 March 2022

19 Post-employment benefits (continued)

The actuarial valuation as at 30 September 2019 showed a deficit of £3,444,000. The employer has agreed with the trustees that it will aim to eliminate the deficit by 30 November 2026 by the payment of annual contributions of £498,623 for the period 1 April 2020 to 31 March 2021 and thereafter by annual contributions of £210,000, payable monthly and increasing by 3% at every subsequent 1 April. In addition and in accordance with the actuarial valuation, the employer has agreed with the trustees that it will pay contributions in respect of the expenses of running the Scheme of £90,850 per annum. The Pension Protection Fund levy will be paid separately by the employer.

Assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.52	3.30
Rate of increase in pensions in payment	3.08	2.85
Discount rate	2.78	2.10
Inflation assumption (CPI)	3.21	2.95

The mortality assumptions adopted at 31 March 2022 imply the following life expectations:

	2022 Years
Male retiring in 2022	21.8
Female retiring in 2022	24.1
Male retiring in 2042	23.1
Female retiring in 2042	25.5

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	2022	2021
	£'000	£'000
Fair value of plan assets	30,344	29,664
Present value of defined benefit obligation	(29,730)	(32,393)
Effect of asset ceiling	(614)	-
Deficit in scheme and liability recognised	-	(2,729)

Notes to the financial statements

For the year ended 31 March 2022

19 Post-employment benefits (continued)

Reconciliation of opening and closing balances of the defined benefit obligation

	2022	2021
	£'000	£'000
Defined benefit obligation at start of period	32,393	26,512
Interest expenses	670	603
Past service costs (GMP equalisation)	-	22
Benefits paid and expenses	(950)	(630)
Actuarial (loss) / gain on changes in financial and demographic assumptions	(2,772)	5,996
Experience gain on liabilities	389	(110)
Total	29,730	32,393

Reconciliation of opening and closing balances of the fair value of scheme assets

	2022	2021
	£'000	£'000
Fair value of scheme assets at start of period	29,664	27,704
Interest income	615	636
Expenses	(75)	(86)
Return on assets excluding interest income	789	1,454
Contributions by the employer	301	586
Benefits paid and expenses	(950)	(630)
Total	30,344	29,664

Actuarial gain / (loss) recognised in the SOFA

	2022	2021
	£'000	£'000
Gain on scheme assets	789	1,454
Experience (loss) / gain arising on the scheme liabilities	(389)	110
Gain / (loss) as a result of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities	2,772	(5,996)
Gain from the change in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	-	1,225
Effect of asset ceiling	(614)	-
Total actuarial gain / (loss) recognised in SOFA	2,558	(3,207)

The scheme assets exceeded the scheme liabilities at 31 March 2022 giving a net surplus of £614,000. In the opinion of NCVO's trustees the net surplus will not be recoverable so was not recognised as an asset in the balance sheet.

Notes to the financial statements

For the year ended 31 March 2022

19 Post-employment benefits (continued)

Scheme assets

	2022	2021
	£'000	£'000
Equity type assets	4,435	3,377
Bonds	13,722	14,482
Property	2,203	1,845
Other	9,984	9,960
Total assets	30,344	29,664

TPT Retirement Solutions has informed NCVO of a review of historic scheme benefit changes that it is undertaking. The content of these accounts makes no allowance for, or reference to, the potential outcome of that review.

20 Contingent liabilities

The charity was notified by the trustee of the charity's defined benefit pension scheme of a possible liability that existed at 31 March 2022. This relates to potential further benefits payable to members of the scheme derived from the way benefits have been changed and how the scheme's rules are interpreted. As is normal practice in these circumstances, the pension scheme trustee is seeking clarification through the courts to confirm if and when the impact of changes would have created additional benefits payable. An estimation of the liability, should it be payable, is in the region of £4.2million.

21 Taxation

NCVO is a registered charity and as such is not liable to tax on its income and gains that meet the tax exemptions. The charity's trading subsidiary, NCVO Trading Limited, is liable to tax on any profits not paid to the charity under deed of covenant.

22 Related parties

The charity owns 100% of the issued share capital in NCVO Trading Limited. The results of the trading company are shown in note 23 to the accounts.

As stated in the CAF Trust Deed, the chair of NCVO occupies one trustee position on the board of the CAF. This position is currently filled by Dr Priya Singh.

Some trustees work for organisations which are members of NCVO or use their services. These transactions all take place at arms length.

NCVO Trading Limited held 33% of the shares in Trustees Unlimited LLP. NCVO Trading Limited transferred its interest in Trustees Unlimited LLP to fellow member, Russam GMS Limited in January 2021 for consideration in line with the partnership agreement. Trustees Unlimited LLP provides a search-and-selection service in respect of trustees and directors including the provision of advice, training and consultancy on governance and other relevant issues. Trustees Unlimited LLP, which has an accounting reference date of 31 March, has been accounted for as an associate up until the date of transfer and included on the SOFA and balance sheet using the equity method.

Notes to the financial statements

For the year ended 31 March 2022

22 Related parties (continued)

In 2020/21, NCVO contributed £5,000 to the set up of the Baobab Foundation via Hackney CVS. One of our trustees at the time, Jake Ferguson, is the co-founder of the Baobab Foundation and was CEO of Hackney CVS. Hackney CVS had a Memorandum of Understanding with the Baobab Foundation Steering group to act as the accountable body until a new entity is created. It therefore contracts project consultants and holds any funds collected for the research and development phase. The Baobab Foundation is a new entity which aims to develop an endowment fund to support black and ethnic minority community organisations across the UK.

22 Subsidiary and parent company results

The charity owns 100% of the issued share capital in NCVO Trading Limited. The company made a profit of £389,000 for the year ended 31 March 2022 (2021: £284,000). The investment at cost is £1.

	2022 £'000	2021 £'000
Summary profit and loss account		
Turnover	814	401
Cost of sales	(404)	(116)
Gross profit	410	285
Expenditure	(21)	(1)
Net profit from operations	389	284
Payable to NCVO under deed of covenant	(389)	(284)
Summary balance sheet		
Debtors	165	68
Cash at bank and in-hand	395	348
	560	416
Creditors: amounts falling due within one year	(560)	(416)
Creditors: amounts falling due after one year	-	-
Net assets	-	-

THE NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

England & Wales - Charity number 225922

Accounts

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED **31 MARCH 2021**

Company number: 198344
Charity number: 225922



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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2021

Patron Her Majesty The Queen	NCVO trustee board honorary officers			NCVO trading limited directors	
	Chair Dr Priya Singh Appointed 23 November 2020	Trustees		Paul Breckell	Jeremy Rees
		Emily Agius Appointed 23 November 2020	Vanessa Griffiths Resigned 23 November 2020	Paul Buchanan Appointed 14 June 2021	Dan Sutch Appointed 1 March 2021
	Interim chair Anne Heal Resigned as Chair 23 November 2020	Paul Buchanan Appointed 23 November 2020	Kiran Kaur Resigned 2 February 2021	Susan Cordingley Resigned 1 February 2021	Sarah Vibert Appointed 1 March 2021
	Co-vice chair Julie Bentley	Andy Cook Resigned 16 June 2020	Dr Sarabajaya Kumar Appointed 23 November 2020	Jenny Field Resigned 23 November 2020	Karl Wilding Resigned 1 March 2021
	Co-vice chair Vanessa Griffiths Resigned 23 November 2020	Jake Ferguson Resigned 22 June 2021	Angela Spence Appointed 10 September 2021	Dominic Fox	Chris Freed Resigned 23 November 2020
	Co-vice chair Anne Heal Appointed 23 November 2020	Jenny Field Resigned 23 November 2020	Dan Sutch	Bruce Gordon (Chair)	
	Honorary treasurer Paul Breckell	Chris Freed Resigned 23 November 2020	Sheila Taylor	Vanessa Griffiths Resigned 23 November 2020	
			Ingrid Tennessee		

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,
ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2021

Continued

Audit and risk committee		Nominations committee		HR and remuneration committee	
Trustees	Independents	Trustees	Independents	Trustees	Independents
Emily Agius Appointed 12 July 2021	Sarah Morrison (Chair until resignation) Resigned 1 March 2021	Emily Agius Appointed 23 November 2020	Jo Ash CBE Resigned 23 November 2020	Paul Breckell	Karen Chapman (Chair from 2 October 2020) Appointed 2 June 2020
Paul Breckell	David Howley Resigned 12 July 2021	Julie Bentley	Dominic Fox Resigned 23 November 2020	Anne Heal Resigned 23 November 2020	Dame Julia Cleverdon DCVO, CBE (Chair until resignation) Resigned 2 October 2020
Chris Freed Resigned 23 November 2020	Kafui Tay (Interim Chair from 1 March 2021)	Paul Breckell	Crewenna Dymond Appointed 23 November 2020	Dr Priya Singh Appointed 23 November 2020	Chris Wade
Dr Sarabajaya Kumar Appointed 12 July 2021		Jenny Field Resigned 23 November 2020	Fatma Gulsan Appointed 23 November 2020		
		Anne Heal (Chair until resignation) Resigned 23 November 2020			
		Dr Priya Singh (Chair from date of appointment on 23 November 2020)			

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2021

Continued

Equity, diversity and inclusion committee Trustees Julie Bentley (interim Chair 17 July – 25 November 2020) Appointed 17 July 2020 Jake Ferguson Appointed 17 July 2020 Resigned 22 June 2021 Anne Heal (interim Chair 25 November 2020 – 26 May 2021) Appointed 17 July 2020 Dr Sarabajaya Kumar Appointed 21 April 2021 Ingrid Tennessee Appointed 17 July 2020 Resigned 25 November 2020

Independents

Karen Chapman

Appointed 17 July 2020

Chris Freed

Appointed 17 July 2020

Nazia Mirza

(interim Chair from date of appointment)

Appointed 26 May 2021

FROM THE CHAIR



Dr Priya Singh
Chair, NCVO

WELCOME TO NCVO'S ANNUAL REPORT FOR 2020/21.

This report reflects back on a year like no other in recent memory. The effects of the Covid-19 pandemic have been wide ranging across society, the sector and for NCVO. When the first lockdown was announced last March, we saw charities do what they do best: stepping up to respond to new and urgent needs in society. The impact of the pandemic on the volunteering landscape has also been extraordinary. There have been significant shifts in how people are volunteering, what they are doing, and who is getting involved.

We now have a clearer picture of the direct impact the pandemic has had on our sector and, as we have worked through this year of transition and transformation for us all, I have been immensely proud of the incredible work that NCVO staff have continued to deliver. With that in mind, I look forward to fulfilling our new strategy to provide more much-needed support for members, as well working alongside members to champion the role of charities to government and the public.

Responding to increased demand

The story at NCVO this past year reflects the experience of many of our members and the wider sector. We've seen demand for our services and resources increase whilst a large percentage of our revenue-generating activities had to stop almost overnight.

I have watched with awe as our dedicated team has gone about its work pivoting many of our services from face-to-face to remote delivery. I have seen us open up all our resources to a sector that was hungry for information to support their own decision-making. I have seen organisations committing to long-term relationships with us by becoming members, whether to be part of a collaborative voice for the sector or as a way of acknowledging the resources they've benefited from. So we are ending the year in a better place financially than anticipated, with a small surplus before investment gains, due to the hard work and sacrifices of our team and with thanks to the National Lottery

Community Fund, from whom we received a grant allowing us to continue to focus our effort and resources on providing additional support for the sector through this challenging year.

Acknowledging the commitment and sacrifice of our staff

During the pandemic, many staff at NCVO made personal financial sacrifices to support our organisation. This was either by going on furlough and not receiving their full salary as part of the government's Job Retention Scheme, or through taking a voluntary pay cut. As we closed the financial year in a better than predicted position, the board felt able to reimburse all staff who made sacrifices, so that they received their full contractual pay for 2020/21.

Like many charities in the sector, NCVO is going to feel the impact of the pandemic over more than one financial year. You

can be confident that we have reduced our cost base, have healthy reserves and are optimistic about many revenue generating activities returning in 2021/22.

Landmark membership support

I am delighted that this year we also reached a landmark 16,000 members and recorded our largest membership growth on record. We welcomed Disability Information Bureau as our 16,000th member in December 2020. Their work is focused on empowering disabled people, vulnerable adults, carers and those with long-term health conditions to achieve their full potential. We are proud to have them as a part of our voluntary sector community and look forward to supporting and working alongside them and all our members to make the biggest impact they can.

‘Cultural change is at the heart of our new strategy. We are tackling the issues highlighted in the report with a recognition that we still have much to learn and do.’

We have seen an acceleration of other changes in wider society that have in turn impacted on the voluntary sector. The global anti-racist mobilisation that was sparked by the death of George Floyd in police custody in the USA has invigorated the Black Lives Matter movement in the UK. This has inspired many voluntary sector organisations, including NCVO, to publicly stand against racism and take action to address structural inequality.

Another global movement given a new focus during the pandemic is climate change. Our sector has been amongst many voices calling for a green recovery from Covid-19. Charities and volunteers clearly have a critical role to play in a future society that is not solely focussed on economic growth and consuming more resources.

Stability to follow a period of change

The end of 2020/21 also marked the close of a period of internal change at NCVO. I took on the role of chair in November 2020 from interim chair Anne Heal, and Anne remains as an honorary officer and co-vice chair of the board of trustees. Anne continues to be a source of insight, wisdom and support to us all and on behalf of all the trustees, I would like to record my thanks to her for her stewardship over the year.

In 2019 we began a new long-term strategy review that concluded at the end of 2020. We have managed a considerable restructure of the organisation to make sure we have a reduced cost base and the right roles to deliver our goals to connect, support and amplify charities and volunteering. Having concluded this process, Karl Wilding made the decision to step down as chief executive in January, believing that someone new, not part of the past, should lead the necessary cultural change NCVO is determined to achieve in order to deliver our new strategy.

Appointing our new chief executive will be one of the most important duties I and the board of trustees undertake in the year ahead. We are determined to find the right candidate for the NCVO that is emerging in 2021. Someone who shares our new values and who can continue to deliver the new strategy we have developed with our members.

I am delighted that, while we work through the process of selection for the new permanent chief executive, we have the reassurance that Sarah Vibert will continue as interim chief executive in the positive and impactful way in which she has begun.

When we commissioned our work on equity, diversity and inclusion (EDI), we knew that the organisation needed to change – its governance, operation, culture and values, and NCVO has approached our work on EDI with integrity and transparency.

FROM THE CHAIR
Continued

Following receipt of the independent internal report into EDI in NCVO, we shared with staff and spoke publicly. We were open that it had revealed deep-rooted cultural traits, behaviours and practices that are limiting the ability of NCVO to be inclusive, socially just and relevant.

Cultural change is at the heart of our new strategy. We are tackling the issues highlighted in the report with a recognition that we still have much to learn and do. As NCVO, we feel a responsibility to share our mistakes and our learning openly with the sector, as we build the inclusive culture of the new NCVO.

A new leadership team to focus on supporting and representing members

As interim chief executive Sarah will be supported by a new leadership team structure and together we are working to embed our new culture and ways of working – driven by our values of being open, collaborative, inclusive and ambitious, this will underpin how NCVO approaches everything it does.

We have a fantastic new strategy, and the board of trustees is excited that the new team is in place to deliver it. I am looking forward to working together over the next 12 months and seeing

our plans for the vital role NCVO plays come to fruition.

Thank you all very much for contributing your thoughts to our strategy consultation – what you told us you wanted most is help with the fundamentals of running a charity, adapting to an ever-changing environment, and growing to meet new demand. This is more important now than it has ever been and NCVO’s focus on providing high-quality practical support and guidance on the things that matter to organisations will continue.

You also told us that NCVO has an important role to play in harnessing our sector’s collective power, enabling us to work collaboratively to make the case for charities and volunteering.

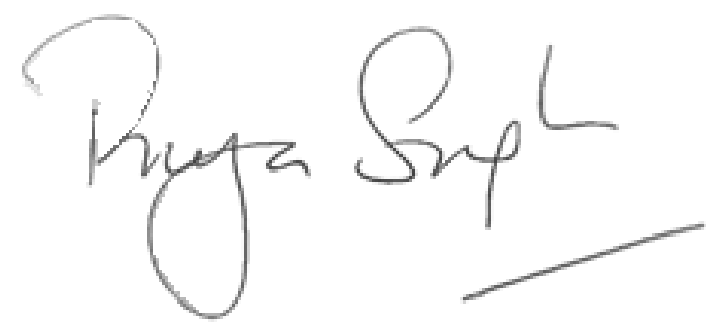
Most importantly you told us that it was how we did things that needed to change, rather than what we do. We are now working more collaboratively with our members and with the people and organisations who want charities and volunteering to thrive.

We are inclusive of all voices, bringing the experience and insights of our diverse membership to shape what we do and how we work. We are open about how we work and how we make decisions, and the things we learn along the way, not least in our journey towards becoming a more diverse, equitable inclusive organisation. We are ambitious for charities and volunteers as

our society recovers and rebuilds, in the knowledge that they continue to provide essential support to communities across the country.

This report reflects back on a year like no other in recent memory. The effects of the Covid-19 pandemic have been wide ranging across society, the sector and for NCVO. Our hearts go out to those who have lost loved ones and our immeasurable thanks to those who have worked tirelessly to help us all. When the first lockdown was announced last March, we saw charities do what they do best: stepping up to respond to new and urgent needs in society.

Thank you for your continued support – we look forward to continuing to work with you in 2021/22.



Best wishes,
Dr Priya Singh
Chair, NCVO

FROM THE INTERIM CEO



Sarah Vibert
Interim CEO, NCVO

The past year has been a difficult one at NCVO, as it has been for our members, the wider voluntary sector and society. We have been dealing with our own challenges during an intense period of change, while striving to provide the best possible support and guidance to members and the wider sector.

I believe we can be proud of how we have supported charities and volunteering this year. We rapidly developed new online coronavirus resources, receiving almost half a million views, including responding to needs of members with a new suite of content to support charities with digital volunteering and technology planning.

Lobbying for funding with partners has been a critical part of our work. The #EveryDayCounts campaign resulted in £750 million of coronavirus funding for frontline charities. As part of the coalition of voluntary sector infrastructure organisations, we are refreshing our collective strategy to demonstrate to government how charities can support the country in recovery and renewal. Our research project with two leading universities is providing

regular temperature checks on the state of charities throughout the crisis, providing key learnings and vital evidence of need for the sector.

Key parts of the successes of the pandemic response have been collaboration and volunteering. Our Rebalancing the Relationship project explores the challenges and benefits of collaborative working. We have also submitted, with partners, recommendations for a National Volunteer Passporting Scheme to make it easier for volunteers to move between similar roles.

The pandemic also presented us with an opportunity to take a broader look at NCVO's future direction. In 2020 we concluded our long-term strategy process. We asked ourselves: What does a modern charity membership body do and how does it do it? We also involved over 900 stakeholders in a consultation across 18 months about our future. This process resulted in our new strategy.

In many ways our new strategy is evolution, not revolution. In terms of what we will do, while reducing income and a smaller staff team mean we must inevitably do less, much will remain familiar. Our focus on providing high quality practical support and guidance will continue, we will keep pushing for the best possible environment for charities and volunteering, and we will mobilise

to make sure the essential role it plays is recognised. The biggest changes will be in how we do things. Here we are guided by the principle of being member focused.

This may feel obvious but meeting the needs of over 16,500 diverse members is no easy task. We are determined to take a more collective approach. This means a far greater focus on understanding the challenges and ambitions of members, and continually developing our offer in response.

Making connections is another core principle for our future. We have learnt from the pandemic that creating spaces for different strengths to come together to tackle shared problems achieves greater impact. This theme will also run through our member offer. We want joining NCVO to feel like joining a community and will focus more on building networks across our membership, creating events that bring diverse members together to learn, share, connect and collaborate.

To deliver our new strategy and respond to the pandemic, we needed to reshape ourselves. This process was difficult during an already tough year. I would like to pay tribute to the incredible resilience and passion of the NCVO team. That we are now in a positive position to deliver our new strategy, with a completed restructure and new leadership team, is down to their ambition for charities and volunteering.

Importantly, we are also working to deliver a new culture. NCVO's EDI report presents us as an organisation with a culture which has caused so much pain to staff past and present. I want to reiterate my thanks again to the staff who came forward and shared their stories. We recognise that we have much to learn and are committed to change. We've been open about our vital EDI journey. There are clear actions in our EDI plan, which we will continue to implement over the coming year to build on the work already done, and cultural change sits at the core of our new approach.

Thank you for your support and everything you have done for your communities during a difficult year. We are at a crossroad in society as we emerge from the pandemic, we at NCVO are committed to supporting, connecting and amplifying charities and volunteers as we recover and rebuild across the voluntary sector and the country.



Best wishes,

Sarah Vibert
Interim CEO, NCVO

Making connections is another core principle for our future. We have learnt from the pandemic that creating spaces for different strengths to come together to tackle shared problems achieves greater impact. This theme will also run through our member offer.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustee board presents its annual report (incorporating the strategic report) and the audited financial statements for the year ended 31 March 2021.

The legal and administrative information set out on pages 3 to 5 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Charities' SORP (FRS 102).

NCVO is a charitable company limited by guarantee, founded in 1919 as the National Council of Social Services, incorporated on 30 May 1924 and registered as a charity on 1 January 1964. It was established under a memorandum of association, which defines its objects and powers, and is governed by its articles of association. In addition, there are detailed regulations made under the articles.

Full membership of NCVO is open to voluntary organisations that comply with the criteria for membership. In addition, there are affiliate categories of membership for public sector and corporate bodies. NCVO's trustee board is responsible for managing the business of NCVO as outlined in the articles of association.

NCVO is governed by a board of 12 trustees, including three honorary officers (chair, vice-chair and treasurer). The chair, treasurer and seven trustees are elected by the members. Additional trustees are co-opted by the board to ensure the right mix of skills and experience. One of the trustees is elected to fill

the vice-chair honorary officer position by the board. This role is currently shared by two trustees. Trustees serve for a term of three years, with a maximum of two terms.

The following committees report to the board:

- Nominations Committee, to facilitate diversity in the governance structure, ensure the right mix of skills and experience and supervise the democratic process;
- HR and Remuneration Committee, to consider HR policy and related matters;
- Audit and Risk Committee, to provide independent advice and assurance on risk, control and audit matters;
- Equity, Diversity and Inclusion (EDI) Committee (formed in July 2020), to provide challenge and support to the board and leadership team in relation to practice, culture and approach to EDI and to take the lead on behalf of the board on oversight and scrutiny of our EDI goals and progress in NCVO.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Continued

NCVO Members’ Assembly is a forum to advise the board on issues relating to volunteering and the voluntary sector and to contribute to the development of NCVO’s positions on matters of public policy. They also provide an opportunity for members to tell us about the issues affecting them and to network with others in their local area. Due to Covid-19 restrictions we did not hold any member assemblies in 2020. Instead we hosted a series of webinars over the summer of 2020 which reached over 7,000 people.

On election, each new trustee receives an induction pack including The Essential Trustee and key organisational policies and documents. All trustees attend an induction meeting, which includes the opportunity to meet key staff. After their first year in office, each trustee meets with the chair and chief executive to review their first year.

All trustees also take part in an annual planning event. This provides an opportunity for trustees to spend time with other board members and members of NCVO’s leadership team discussing the environment in which the organisation operates and the organisation’s future plans.

The trustee board was supported during the first part of the year by a management team and staff of around 100 employees, organised into three departments, as follows:

- Public policy and volunteering – this comprises NCVO’s policy and research functions whose remit includes the voluntary sector, volunteering and public services and our external relations team.
- Membership and services – this includes membership, events, our portfolio of quality standards, enterprise development, training and evaluation services as well as our internal support services, governance support and popular conference venue.
- Strategy and transformation – this comprises strategic planning function, our digital and data and IT teams and our marketing team.

Following the significant restructure undertaken at the end of 2020, the trustee board was supported during the last quarter of the year by a leadership team and staff of around 90 employees, organised into three teams, as follows:

- Finance and services - this comprises our conference facilities; corporate relationships; digital, data and technology; finance; practical support; property; and our training and consultancy offer.
- Membership and engagement – this includes marketing and communications; membership; our new networks and influencing team, including policy and research.

- People, governance and culture – this comprises our cultural change work; HR; learning and development as well as governance and planning.

President

Baroness Jill Pitkeathley was elected president of NCVO at the AGM in November 2017. The president acts as an ambassador for NCVO and is elected by the members for a non-renewable term of five years.

Charity Governance Code and Charity Ethical Principles

NCVO is a committed supporter of the Charity Governance Code (the Code) and the Charity Ethical Principles (the Principles) as a set of standards for high performance in governance, having played a major role in their development. As such, the trustees have resolved to adopt the Code and the Principles as a tool to identify areas to focus on. In 2018/19 an external consultant undertook a board review in line with Code practice. This exercise was led by a governance sub-group of trustees, with the support of NCVO staff. This year the trustees continue to review progress against the three areas for action. In 2021/22, we will undertake a full external governance review in line with best practice and recent updates to the Code.

Openness and accountability

NCVO’s new strategy is guided by an overarching principle of being member-focused. We are determined to take a more collective approach and recognise that members are the experts in charities and volunteering and NCVO needs to reflect this through its decision-making. For policy work this means a different approach to developing policy positions, and a different approach to influencing. It means a far greater focus on really understanding the challenges our members face, their goals, and continually developing our offer in response.

The board recognises the importance of considering the breadth of members’ views in its decision making and continually reviewing how members were able to scrutinise their work. During the last year the trustees have:

- encouraged collaborative working across the sector, specifically in response to the pandemic by working closely with the Voluntary Sector Emergency Partnership and other infrastructure organisations;
- prioritised the focus on member collaboration through member assemblies, ensuring the delivery of these events have been pivoted to remote delivery in 2021/22;

- shared the results of our independent EDI report and continued updates on the progress of work across our EDI action plan and wider culture change roadmap;
- continued to develop our new digital products and services in a user-led and iterative way that ensures we are meeting need;
- shared our learning through blog posts.

Diversity within the board of trustees

The board considers the diversity of trustees to be a key priority but recognises the limitations associated with the combination of diversity imperatives and elective governance processes. The Nominations Committee review the board’s skills and diversity annually, understand barriers to engagement and develop targeted recruitment initiatives for both elected and appointed vacancies. Trustees continue to be committed to demonstrating leadership in this area with a view to encouraging candidates from different backgrounds and experiences to put themselves forward for trustee roles. The governance review that the board has commissioned to take place in 2021/22 with a central requirement to improve the inclusivity and thus, diversity of the governance structures at NCVO.

Organisational purpose and leadership

Deciding to take these two Code principles together, trustees continue to believe that it takes a delicate balance to ensure trustees fulfil both their corporate and strategic responsibilities. The board has continued to review the use of its time to ensure there is sufficient balance between corporate matters and sector-wide issues and this will also form part of our governance review in 2021/22.

Charity Ethical Principles

The Charity Ethical Principles will continue to be a key consideration and part of NCVO’s external governance this year. The Principles underpinned our strategy work this year and informed the development of our new values: Open, Collaborative, Inclusive, Ambitious. These values will act as an anchor and reference point for behaviours across the organisation as we embed a new culture throughout NCVO over the coming year.

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

NCVO champions and strengthens volunteering and civil society, with nearly 16,500 members ranging from the largest charities to the smallest community organisations. There are tens of thousands of voluntary-sector organisations in the UK. There are millions of volunteers. Every day, people across the country give their time, energy and money.

For over 100 years, NCVO has brought the voluntary sector's people together to solve problems, address root causes and inspire each other. We know the power of the voluntary sector and volunteering.

No one organisation can solve society's challenges alone, but collectively we're all vital for sustaining society in times of challenge and change. That's why – inspired and empowered by our members – we support and celebrate volunteering in all its diversity and champion and strengthen the voluntary sector by making

sure that it can continue to do what it does best and that government knows its true value.

16,000+
MEMBERS



Public benefit statement

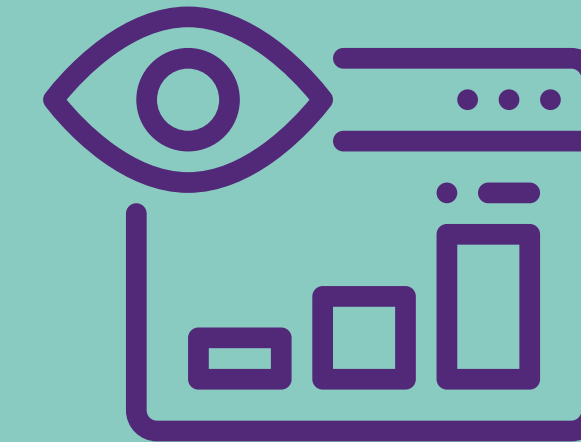
The trustees have paid due regard to the Charity Commission guidance on public benefit. The trustees are confident that NCVO's aims and activities – educating about, campaigning for and promoting the interests of civil society organisations – are in accordance with the regulations on public benefit.

+180%



INCREASE
IN WEBSITE
TRAFFIC

913,000



VIEWS OVER
THE YEAR TO
MARCH 2021

A YEAR OF TRANSITION

SUMMARY OF KEY ACHIEVEMENTS

Our previous five-year strategy was scheduled to come to an end at the start of 2019. We highlighted last year we had decided to roll over its aims for one more year as we took the time needed to undertake a comprehensive strategic review. This was completed at the beginning of 2021 and we begin our work to deliver our new strategic goals in 2021/22.

The 2020/21 financial year has been dominated by the Covid-19 pandemic which has had a significant impact on our members and the wider sector. We suspended planned activity and have focused resources on providing practical support and advice to help our members manage during the crisis, supporting the coordination of volunteering activity and working with colleagues in other infrastructure organisations to lobby government for a financial support package for charities.

The following paragraphs look at our key achievements across these interim aims.

Providing practical support and advice to help our members during the pandemic

In a time of constant change and uncertainty, clear and concise information has been crucial in allowing organisations to provide the best support to volunteers and staff while responding to the pandemic and supporting the recovery. Responding to this need, we developed our online coronavirus resources, which received

over 913,000 coronavirus resource views over the year to March 2021, with an increase in website traffic of +180% over March and April 2020, information on financial planning being the most popular. Involving Volunteers has been another popular source of support, providing key updates on how changing restrictions impact volunteering. The trend towards digital has been accelerated by the pandemic, with many charities moving their services online. In response we have developed a new suite of content and tools to support charities with digital and technology strategy and planning.

A YEAR OF TRANSITION: SUMMARY OF KEY ACHIEVEMENTS

Continued

Given the unique environment presented by the pandemic, NCVO took the decision in March 2020 to remove our member paywall for our online resources. This meant the whole sector was able to benefit from support and advice for six months until September 2020.

We consistently responded to on average 400 – 500 email and phone enquiries a month from organisations wanting practical information and guidance on how to run their organisation. Key areas for support have included: governance, volunteer management and HR / people management.

At a time when many of us were and are physically isolated, it was important to build alliances. This includes learning how similar organisations are adapting and reaching out to professional networks for guidance on regulatory changes. In addition to our membership providing a community of peers to share and learn from, we ran 20 webinars for members and non-members across a variety of themes.

Between March and August 2020 we ran 15 webinars in partnership with a range of organisations including: our HR trusted suppliers (HR Services Partnership and Croner) as well as other partners such as Bates Wells, Trust Law, Charity Finance Group and the National Lottery Community Fund. All of these webinars had 300 – 500 attendees. We ran a series of webinars between September and December 2020 in partnership with our trusted supplier Zurich Insurance on issues such as building organisational resilience and managing cybersecurity – each webinar had over 500 people registered.

In a short space of time we were able to pivot a number of our face-to-face training courses to remote delivery. It is testament to the team involved that we began delivering our online training offer, and therefore much needed income generation, in July 2020. We also pivoted our flagship annual trustee conference in November 2020 to be a series of online events.

One thing that was clear from the last year was how fast the environment we work in is changing. From getting to grips with revised government guidance, to navigating last-minute national lockdowns, voluntary organisations needed to be agile. Our 18-month barometer research project funded by the Economic and Social Research Council (ESRC) – Respond, Recover, Reset: the voluntary sector and covid-19 – explored these issues.

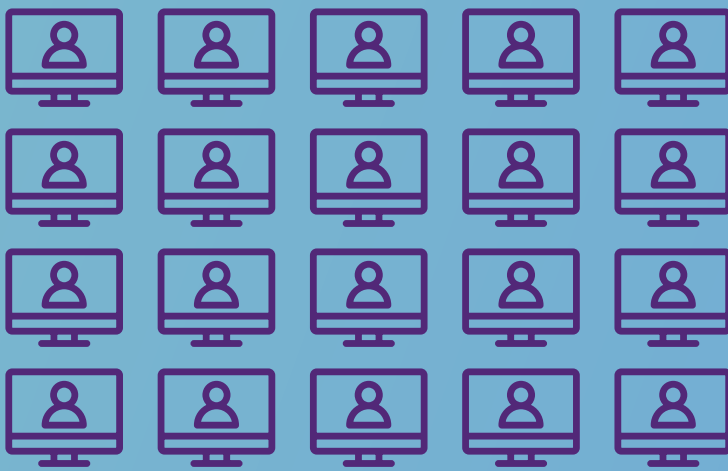
A partnership between Nottingham Trent University, NCVO and Sheffield Hallam University, the project uses a monthly survey to provide real-time data on the impact of Covid-19 from hundreds of voluntary organisations across the UK.

400+

EMAIL AND
PHONE ENQUIRIES
A MONTH FROM
ORGANISATIONS
WANTING PRACTICAL
INFORMATION AND
GUIDANCE



20
WEBINARS



300+



ATTENDEES PER WEBINAR

A YEAR OF TRANSITION: SUMMARY OF KEY ACHIEVEMENTS
Continued

An important part of influencing is providing evidence of need. The barometer research is providing regular temperature checks on the state of charities throughout the Covid-19 pandemic to support this work.

Good governance has been never more needed than in recent times, as many boards and senior staff teams have had to make difficult decisions. It's critical that leadership work together, make effective and timely decisions, and communicate these well. As a partner of the Charity Governance Code NCVO contributed towards a review and update to the code in 2020. In addition, we launched our remote e-learning governance training course allowing trustee boards across the country access to a fantastic value induction for all new trustees.

Working with colleagues in other infrastructure organisations

To enable charities to step up to support people and communities at a time of rising need but falling income, lobbying for funding from government with partners across the sector has

‘Good governance has been never more needed than in recent times, as many boards and senior staff teams have had to make difficult decisions.’

been a critical part of NCVO’s work over the last year. The #EveryDayCounts campaign, one of the largest campaigns NCVO has ever been involved in, resulted in £750 million coronavirus funding for frontline charities. We said at the time it was ‘an important first step’. While £750 million was never going to be enough to bridge the funding gap, it did mean the difference between survival and collapse for many.

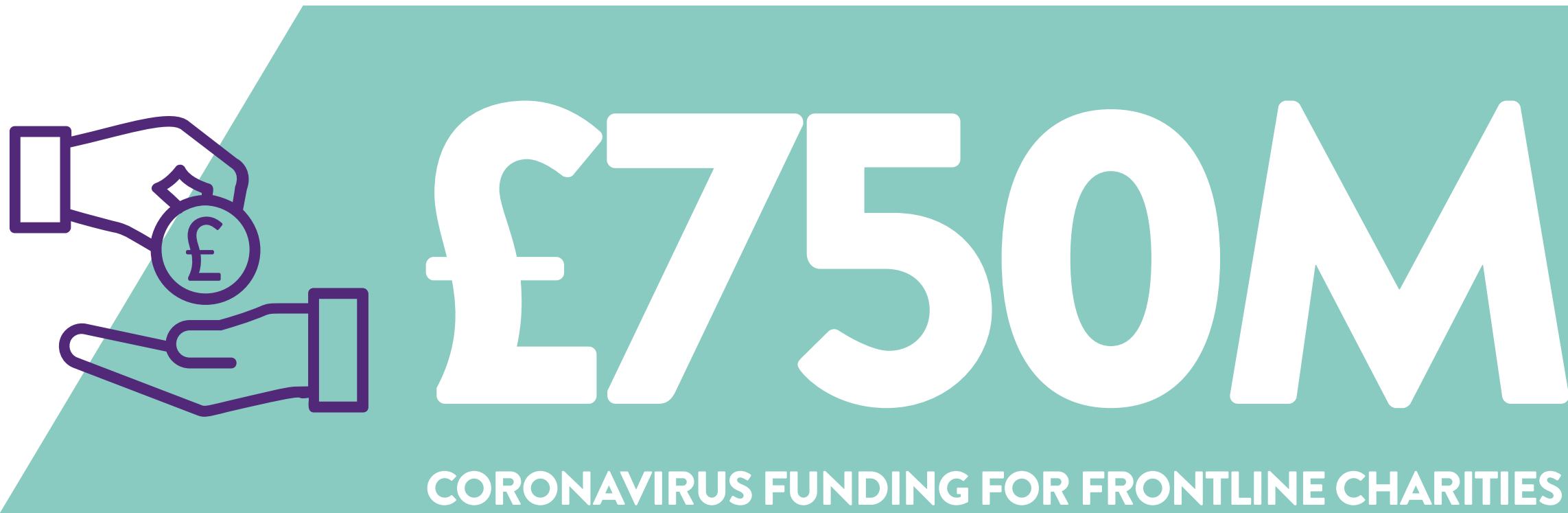
Other achievements of the sector’s combined lobbying included ensuring wider support mechanisms, such as retail grants, the applicability of the loan schemes and the Job

Retention Scheme, were made available to charities. As part of the coalition of voluntary sector infrastructure organisations we also set out a five-point plan on how the government can better support the financial needs of charities in response to Covid-19. The coalition is now refreshing our collective strategy to consider new ways to demonstrate to government how charities can support the country in recovery and renewal.

The continued response to the pandemic reminds us that as a sector we are stronger when we come together. Yet collaboration is not without its challenges. It requires reflection, an acknowledgement of mistakes and focus on changing behaviours and attitudes. Recognising that partnership work is not always straightforward, the Rebalancing the

Relationship project explores these challenges while highlighting the benefits of collaborative working.

Ensuring we maintain the goodwill we have witnessed throughout this crisis is a key priority. NCVO and Volunteering Matters worked in partnership to develop recommendations for a National Volunteer Passporting Scheme. This aims to make it easier for volunteers to move between similar roles in different charities. Our research into barriers to volunteering, as well as our work on the role of volunteering in addressing health inequalities, points to how the future of volunteering can – and must – be more inclusive.



A YEAR OF TRANSITION: SUMMARY OF KEY ACHIEVEMENTS
Continued

Supporting the coordination of
volunteering activity

It goes without saying that volunteers have played a key role in the pandemic response. Last April, more than 750,000 people signed up to the NHS Volunteer Responders and thousands of mutual aid groups were created across the country, as communities came together to support each other. Volunteers continue to play an important role. For example, the Royal Voluntary Service is working in partnership with St John Ambulance to support the NHS in delivering the vaccination programme.

The Voluntary and Community Sector Emergencies Partnership is a great example of collaborative work, pooling evidence on unmet need and using this information to allocate resources to those not being supported elsewhere. NCVO has continued to work as a partner of VCSEP, specifically working with partners in the early stages of the pandemic to provide information and guidance across the sector and, latterly, to identify regional and local

gaps in need and volunteer capacity to mobilise membership organisations in response.

We have also been able to generate insight from our monthly barometer around the impact on volunteering for charities, the variation in supply and demand of volunteers, how people are volunteering and highlighting the shifts in demographics and profile of the volunteer community.

In addition to recruiting new volunteers, it is important we acknowledge and celebrate the contribution of current volunteers, particularly in light of the last twelve months. Following a decision to step back from the Volunteers' Week delivery partnership in 2020 we looked forward to re-establishing our role in the delivery (alongside partners across the home nations) of Volunteers' Week 2021 in June this year to recognise, along with others across the sector, the huge role volunteers have played.

Equity, diversity and inclusion

With the government's roadmap out of lockdown established, questions now arise as to what kind of recovery we want.

Rather than being a 'great leveller' as initially described, Covid-19 has worsened inequalities within our society. Members of our communities have been disproportionately affected by both the pandemic and the policy measures taken to address it. The pandemic will cast a long shadow in terms of its impact on society, and charities and volunteers have been working tirelessly to expose these inequalities and will be a critical part of the solution to how we collectively meet new needs. Charities also have an important role in pushing for a more equitable, inclusive and sustainable future. The Crack the Crises campaign, developed by a

coalition of charities, is highlighting the opportunity to tackle social injustice and climate change as part of creating a post-Covid world and we committed to support this as a partner.

As the global anti-racism movement was growing during 2020, we continued our Time Well Spent research on volunteering and diversity. For the great majority of people volunteering is a positive experience, however some volunteers are less likely to have a positive experience than others, including younger, Black, Asian and minority ethnic (BAME), and disabled volunteers. Our research explored diversity and volunteering from the perspective of volunteer-involving organisations, examining new approaches to diversity and inclusive volunteering in the wake of the pandemic.



A YEAR OF TRANSITION: SUMMARY OF KEY ACHIEVEMENTS

Continued

At the start of 2020 we also began work to take an in-depth look at EDI at NCVO. This work, carried out with an external consultant, involved consultation with staff across the organisation in early 2020, with a report of the findings was produced and shared internally during the summer which revealed NCVO has deep-rooted cultural traits, behaviours, structures and practices that were not only limiting our ability to be inclusive, socially just and relevant, but have caused pain and suffering to staff.

We were shocked by the report. Our previous chair and chief executive apologised to staff and acknowledged the findings publicly in August 2020. A series of blogs from staff with lived experience sought to openly share the findings.

Now we understand the complex reasons which caused us to fail, we are committed to making progress to address them. We have commenced a vital and extensive EDI and culture change journey as an organisation. Our EDI action plan, developed collectively across the staff team and informed by the EDI report, underpins this cultural change and we discuss

our cultural change work as a staff team. We have begun to implement the action plan, including technical work such as updates to policies, training, and building EDI into objectives but also critical work to rebuild trust across the staff team.

Our priority is to get this right at NCVO. We want to be the best organisation we can for staff, members, and the wider sector. Part of this includes ensuring we share our experience and learning as transparently and frankly as possible. We believe we owe this to the sector and, most importantly, to the staff who were impacted and harmed by the failings at NCVO, to whom we offer our apologies and continued support. News of our EDI report also led to many people working within the voluntary sector to share their experiences and we have a duty to support them and the wider EDI journey being undertaken in the sector.

Restructure

Over the last year NCVO has reimaged its goals and activities to ensure the organisation is fit for the future. To deliver our new strategy and respond to the pandemic, including decreased income from our conference suite, training and events, we commenced an organisation-wide restructure in October 2020.

NCVO’s staff headcount was reduced to 87 posts in total, a net loss of 20 posts. The restructure resulted in 9 compulsory redundancies and 11 voluntary redundancies.

The restructure included:

- reducing the size of NCVO’s leadership team, moving from three directors down to two. NCVO’s wider management team reduced from 17 to 10 people;
- an extensive re-organisation that saw the number of teams reduce from 13 to 7;
- a slimmed down, more focused approach to practical support for charities and volunteering;

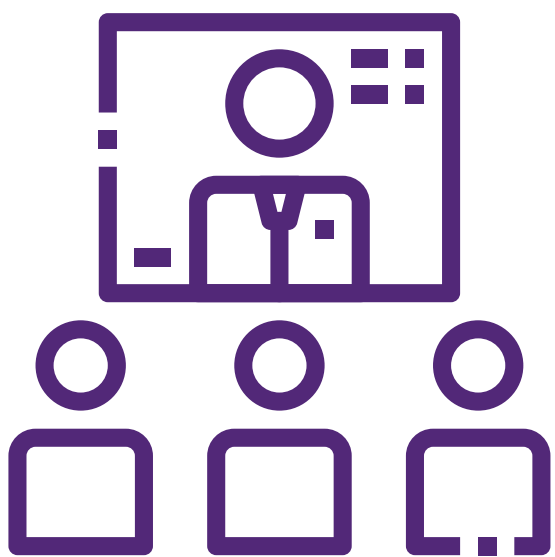
- a new ‘people, governance and culture’ team was created to help deliver the culture change required to deliver NCVO’s new strategy, as well as driving forward NCVO’s wider equity, diversity and inclusion action plan;
- continued investment in NCVO’s digital and technology capacity to boost online services, networks and information for members;
- transferring delivery of the Trusted Charity quality standard and Trusted Charity Mark to a new provider; and
- ceasing the Funding Central service on 31 March 2021. NCVO worked with other providers to ensure alternative options were available.

This process was difficult during an already tough year and both the leadership team and trustees worked to honour and celebrate past achievements and to say thank you and a grateful farewell to dedicated and talented staff who left the organisation through the restructure. We are now in a positive position to deliver our new strategy, with a completed restructure and new leadership team in place.

SUMMARY OF THE YEAR IN NUMBERS

WHAT NCVO HAS DELIVERED

EVENTS AND WEBINARS



WE PIVOTED OUR FLAGSHIP ANNUAL TRUSTEE CONFERENCE IN NOVEMBER 2020 TO BE A SERIES OF ONLINE EVENTS

20

WEBINARS
ACROSS
THE YEAR



WE RAN A SERIES OF THREE WEBINARS IN PARTNERSHIP WITH OUR TRUSTED SUPPLIER ZURICH INSURANCE

(between September – December 2020)

on issues such as building organisational resilience and managing cybersecurity – each webinar had over 500 people registered;



WE RAN A SERIES OF 15 PRACTICAL SUPPORT WEBINARS

between March – August 2020 in partnership with a range of organisations including: our HR trusted suppliers (HR Services Partnership and Croner) as well as other partners such as Bates Wells, Trust Law, CFG and the National Lottery Community Fund. All of our webinars had 300 – 500 attendees

WEBSITE AND RESOURCES

1.6

MILLION
USERS



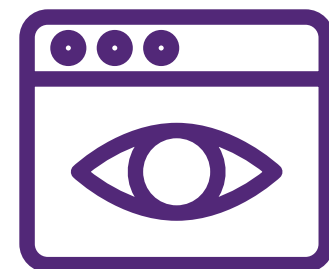
6+

MILLION
PAGE VIEWS



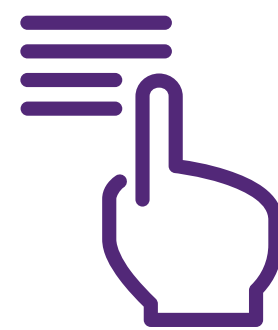
913,000

PAGE VIEWS OF CORONAVIRUS CONTENT AND GUIDANCE



200,000

USERS OF SPECIFIC CORONAVIRUS GUIDANCE



TOP 3 CORONAVIRUS GUIDANCE TOPICS

1. Contingency planning and financial implication.

2. Involving volunteers.

3. Keeping safe: supporting your staff, beneficiaries and volunteers.

SUMMARY OF THE YEAR IN NUMBERS: WHAT NCVO HAS DELIVERED

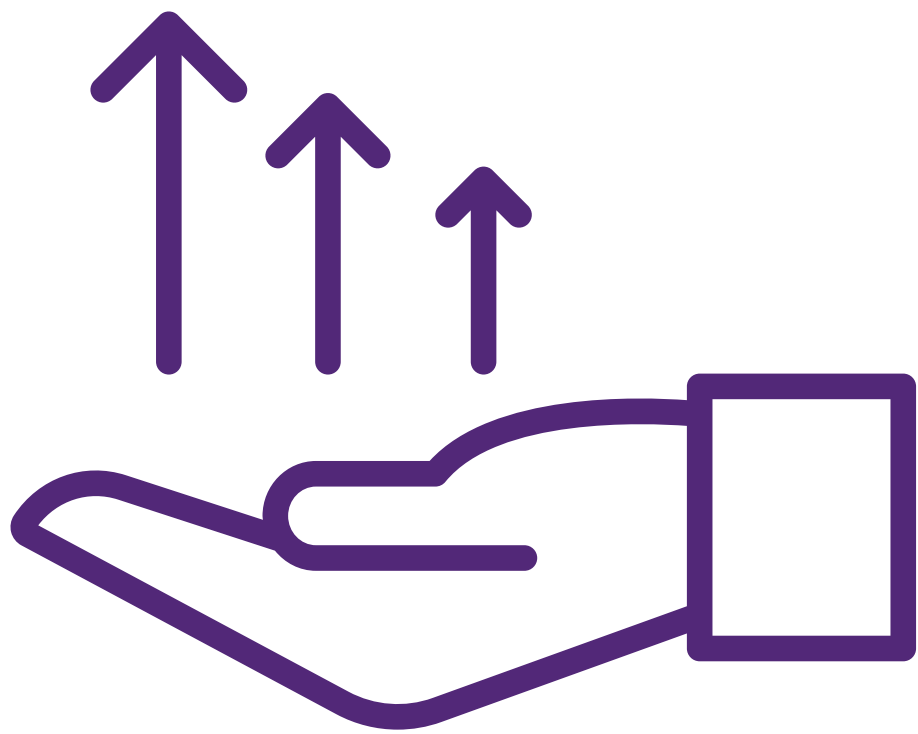
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MEMBERSHIP

16,457

MEMBERS AT YEAR END (+7.1%
GROWTH YEAR ON YEAR)

HIGHEST EVER
YEAR ON YEAR
GROWTH



OVERALL RETENTION RATE OF

97%

97%

COMMUNITY
(FREE)
MEMBERS

98%

PAYING
MEMBERS

TRAINING FIGURES:
FROM JULY 2020 UNTIL 31 MARCH 2021

63



ONLINE TRAINING
COURSES IN 12
TOPIC AREAS
DELIVERED

Attendee demographics include:

80%

WERE NCVO
MEMBERS

20%

WERE
NOT YET
MEMBERS

1,728

LEARNERS TRAINED

Most learners from
London and the
South East, but more
equal representation
from all other regions
of England

AND
Majority from the
under £50,000
income bracket
followed by the
£100,000 to £1
million bracket.



POPULAR COURSES:

TRUSTEE INDUCTION,
BID WRITING, CHARITY
FINANCE FOR NON-
FINANCE MANAGERS AND
VOLUNTEER MANAGEMENT.

MEMBERSHIP PROFILE

Despite unprecedented challenges, 2020/21 was successful for membership growth and retention. With the initial impact of the Covid-19 pandemic, we made the important decision to open member-exclusive online resources to the whole sector, and membership acquisition slowed. After five months, we replaced the member wall and ran an amplified marketing campaign to promote our member offer to the sector. We received double the number of applications we usually get in a month. We welcomed 1,600 organisations to membership by the end of the year and our membership grew by 1,100 members.

We delivered four member assemblies before Covid-19 emerged and our member events programme was cancelled. We pivoted and held six online Think-In events over the summer, where we heard from a diverse range of members, whose experiences and insight encouraged a new sense of unity and belonging amongst our membership.

We expected a drop in our overall member retention rate, but instead saw an overwhelming sense of loyalty from our members. We saw a 98% retention rate - the highest we have ever recorded. We even heard from a number of members who told us that even though they qualified for free NCVO membership they wanted to pay a subscription fee because of the value they associated with our member resources.

16,457
MEMBERS

GROWTH OF
1,100

1,600
NEW MEMBERS

500
LAPSED MEMBERSHIPS

‘We utilise NCVO resources a lot and value the service and support it offers.’

Black Beetle Health, member since 2020

‘NCVO has been the most supportive organisation for us since we formed a year ago, by a very long margin.’

Fabricants de Futur, member since 2018

MEMBERSHIP PROFILE

Continued

We saw some new membership trends in 2020/21. For the first time we did not record growth in members with an income over £5million per annum. There was a decline in members committing to 3-year membership, as charities were facing more uncertainty than ever before. There was an increase in our members' usage of our strategy tools and resources and, unfortunately, we noticed a number of our members needing to close their doors indefinitely.

The trends were not all disheartening: there was a significant increase in organisations joining because their local infrastructure had signposted them to us, demonstrating a more collaborative relationship with CVS's and other umbrella organisations; a jump in organisations joining in order to benefit from the members' discount on NCVO training; and 400 of our smallest members grew and converted to paid membership.

NCVO members are spread across the country. 25% operate within the M25 while the other 75% reach to the furthest corners of England. Throughout the year our market penetration of charities in England increased to 12.3%. The majority of NCVO members (71%) continue to be small organisations with an annual income under £30,000 p.a., though we count 25% of all registered charities with an income over £1million as NCVO members. Members continue to be highly engaged across our owned marketing channels and a third of our new members join NCVO on the recommendation of an existing member.

'I much appreciate knowing that we can call on the guidance and support of the NCVO at any time.'

Caring Canines,
member since 2011

'We cannot believe what an excellent resource you have! I'm actually a bit scared to log in as I can sink so much time as there is SO much that is relevant and interesting. It's a really great resource.'

Council for British
Research in the Levant,
new member 2021

'As a very small charity, we do value our connection to NCVO. Thanks especially for all your information and updates through this last year.'

Happy Wanderers
Ambulance Organisation,
member since 2015

OUR NEW STRATEGY

Earlier this year we announced our new strategy, with new long-term goals after a year-long strategic planning process that included a wide consultation across the sector. Our new strategy is based on insight gathered throughout 2019/20 from over 900 stakeholders from across the sector. But is also in response to the impact of Covid-19 and changing needs of our members. Our strategy focuses on four goals and is underpinned by our new values.

PURPOSE AND MISSION

PURPOSE

WHY WE EXIST AND THE VALUE WE CREATE FOR SOCIETY

Together, we'll champion charities and volunteers. The compassionate people who make a daily difference. The collective impact made across the country. For stronger communities. For everyone. Everywhere.

MISSION

WHAT WE PROMISE TO DELIVER

Let's unite to champion the remarkable role of charities and volunteers. By speaking up and enabling each other to make a bigger difference. Whoever you are. Wherever you're from. For every community. Join us.

WHAT: GOALS – OUR PLAN TO DELIVER

SUPPORT

ENABLING EACH OTHER TO
MAKE A BIGGER DIFFERENCE



We exist to make life easier - so that charities and volunteers can focus on making a difference. We'll bring members together to find solutions to common problems.

We will:

- provide practical support on the things that organisations rely on, such as funding, staff and HR, recruiting and managing volunteers, leadership and management;

- harness our sector's collective power; pushing for the best possible environment for charities and volunteering to thrive;
- create spaces to explore and discuss the complex challenges we face, and together make the changes we would like to see in the world around us.

AMPLIFY

SPEAKING UP WITH CHARITIES
AND VOLUNTEERS



Every day, charities make a difference to millions of lives. Demonstrating the strength and breadth of our sector, we'll work tirelessly to ensure that both the public and decision makers recognise the essential role that charities and volunteers play.

We will:

- influence the national conversation about the role of charities and volunteers;
- work with our members to build stronger relationships with decision makers;
- build on the strong evidence base we have already, ensuring that the stories of all our members are heard, and not just those with the loudest voices.

CONNECT
UNITING PEOPLE WHO WANT
CHARITIES TO THRIVE



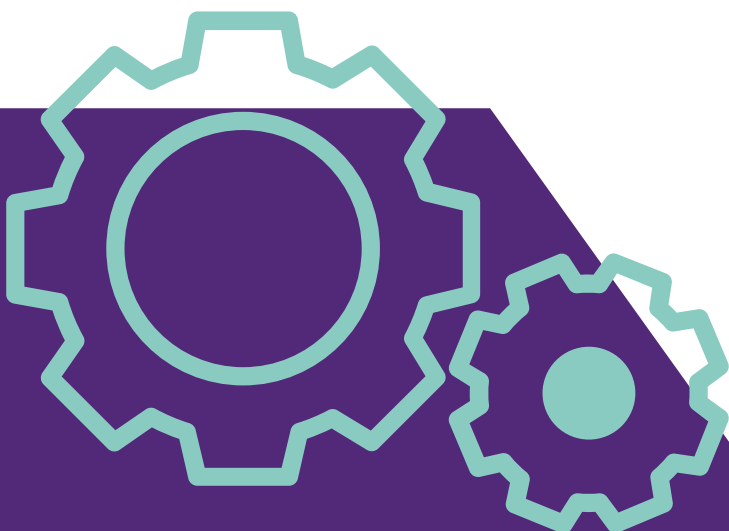
We are stronger as a sector when we come together. Charities and volunteers need a support system that can grow and sustain voluntary action. We will focus on strong relationships at the core of what we do.

We will:

- convene and create connections across our membership and networks to facilitate learning, collaboration and the development of ideas;

- work with organisations large and small, from every corner of the country and every part of the sector, recognising their different and complementary strengths;
- strengthen our partnerships with local and national infrastructure, working together on the things that matter to our members;
- put NCVO members at the heart of everything we do, taking a more collective approach and involving people wherever there is insight and ambition. With fewer resources available, NCVO will need to be more adaptable, more efficient and work with others to achieve our ambitious strategy.

EVOLVE
EMBEDDING NEW WAYS
OF WORKING



We:

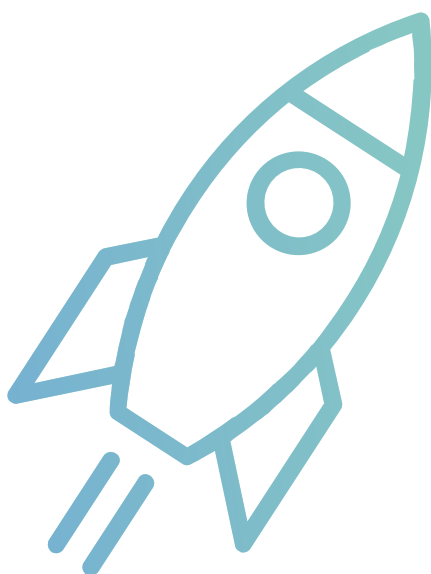
- work collaboratively and openly to ensure that we are building on the best insight, evidence and good practice, and be more open about our successes and failures;
- continually adapt our approach to supporting charities and volunteers;
- increase our reach and meet changing needs through digital and through stronger partnerships;

- support our people to thrive in their roles and deliver our ambitious strategy, whether working from home, in the office, based with our members or in communities;
- become a more diverse, equal and inclusive organisation.

HOW: VALUES – HOW WE BEHAVE AND COMMUNICATE

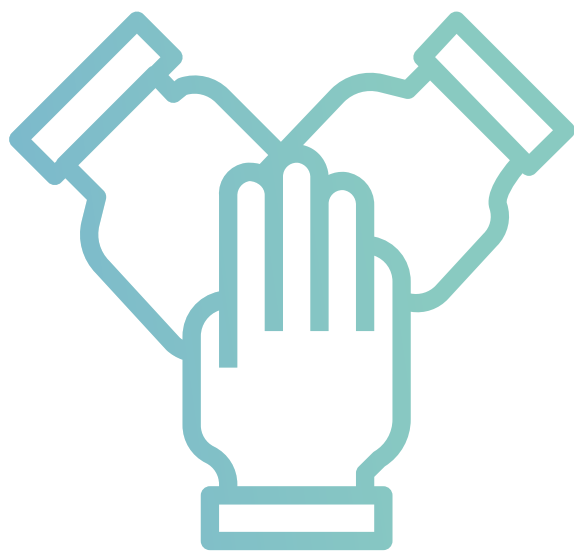
BE AMBITIOUS

We are ambitious for charities and volunteers as our society recovers and rebuilds, in the knowledge that they continue to provide essential support to communities across the country.



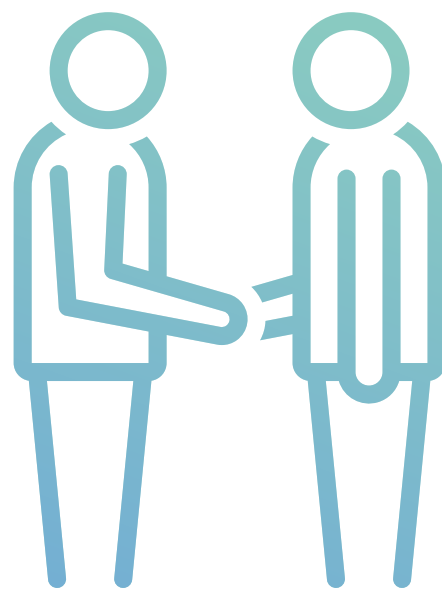
BE COLLABORATIVE

We work with our members and with the people and organisations who want charities and volunteering to thrive.



BE OPEN

We are open about how we work and how we make decisions, and the things we learn along the way.



BE INCLUSIVE

We are inclusive of all voices, bringing the experience and insights of our diverse membership to shape what we do and how we work.



FINANCIAL REVIEW

The year to 31 March 2021 represented a challenging year as for many charities, given the effect of Covid-19 restrictions.

Income

Total income of £7.5million was a decrease on the preceding year (£9.1million) due to the impact of Covid-19 restrictions. NCVO continues to generate income from a diverse range of sources. The main source of income from donations and legacies is £1.8million from the Charities Aid Foundation (CAF), which was similar to last year. Income from charitable activities of £3.9million was similar to the previous year. Income from trading activities has reduced from £3.3million to £1.2million, mainly due to the fall in income from our conference facilities due to Covid-19 restrictions. We also benefitted from £439,000 from the governments Job Retention Scheme.

Expenditure

Total expenditure decreased to £7.4million (2020: £8.8million). This reflects the reduction in expenditure due to both Covid-19 restrictions in areas such as catering as well as reducing costs where possible in light of decreased income. We continued the planned investment from reserves during the year, which included continued investment in our digital products and services and our work on equity, diversity and inclusion.

Funds

Net income of £0.6million for the year included a gain on investments of £0.5million (2020: loss of £0.3million). The actuarial loss on the defined pension scheme of £3.2million (2020: actuarial gain of £2.7million) resulted in a net decrease in funds of £2.6million (2020: net increase of £2.7million) and total funds at the end of the year of £4.9million (2020: £7.5million)

Balance sheet

Fixed assets include the value of Society Buildings at £3.8million under the historical cost convention, being the original cost plus the cost of subsequent building works less depreciation. In June 2013 the building was valued at £14.25million on a 15-year sale-and-leaseback basis. Anecdotal evidence suggests that this value has increased since then. At the end of the year there was an outstanding loan of £1.7million secured on the building. The loan taken out in 2011 has a 20-year maturity with a five-year break in April 2026 and was renegotiated for a further renewable term of five years.

NCVO’s defined benefit pension scheme was closed to future accrual on 31 March 2011. NCVO has been paying contributions under a deficit reduction plan agreed following the tri-annual valuation at 30 September 2016. The plan has an expected end date of 31 March 2029. Contributions in the year to 31 March 2021 were £0.4million (2020: £0.4million) plus scheme expenses.

The latest tri-annual valuation at 30 September 2019 shows a reduced deficit of £3.4million. NCVO has agreed a revised deficit repayment plan with TPT Retirement Solutions, the trustees of the scheme, that sees a reduced contribution of £0.2million per annum from 1 April 2021, rising by 3% per annum each subsequent year, plus annual scheme expenses. The revised recovery plan has an end date of 31 December 2026.

The liability in respect of the defined pension scheme is recognised on the balance sheet at the present value of the defined obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with Financial Reporting Standard 102 (FRS 102). This valuation at 31 March 2021 resulted in a deficit of £2.7million (2020: £1.2million surplus).

Future financial planning

Like many other charities, NCVO’s income has been hit hard by the measures put in place by the government to stop the spread of Covid-19. Income from our conference suite, consultancy services, face-to-face training and events have been significantly impacted. We have made use of the government’s Job Retention Scheme, particularly for our conference suite staff, to mitigate some of the impact of lost income and have received funding from the National Lottery Community Fund’s emergency Covid fund to ensure we can maintain our advice, support and conveying role to the sector during this difficult time.

We believe that NCVO’s income will be impacted into the medium term as social distancing measures are relaxed. We commenced an organisation-wide restructure in October 2020 which concluded in January 2021. We have reduced our fixed cost base, have healthy reserves and are optimistic about some of our revenue generating activities returning in 2021/22.

POLICIES

Investments

During the year to 31 March 2021, NCVO’s investment portfolio was managed by UBS. Our investment policy aligns with our aim to be a sustainable and socially responsible organisation and our investment objective is to provide long-term capital and income growth.

The UBS approach starts with a negative screen then applies a positive screen that actively selects companies adopting best practice in areas such as supply chain management, waste and carbon management, employee welfare and corporate governance. The aim of this approach is to create a portfolio of companies actively focused on managing their businesses sustainably.

UBS provides real-time, online information on performance of the portfolio and quarterly reports. In addition, UBS attends an Audit and Risk Committee meeting at least annually to discuss the performance of the portfolio, economic conditions and future requirements.

NCVO held an investment of 33% in Trustees Unlimited LLP, a joint venture between NCVO Trading Limited, Russam GMS and Bates Wells. This was transferred to Russam GMS Limited during the year on the basis set out in the partnership agreement. Trustees Unlimited LLP has been accounted for as an associate up to the date of transfer and included in the consolidated SOFA and balance sheet using the equity method.

Reserves

The trustees have set a reserves policy that requires reserves to be maintained at a level which ensures that NCVO’s core activity could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form. The trustees assess the required level of reserves on an annual basis, alongside the operating budget. The assessment takes account of the market valuation of investments, income and expenditure risk within the budget, commitments to repay the loan secured on the building and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

In March 2021, the reserves policy was reviewed, and, based on the risk analysis, a readily realisable reserves figure (i.e. the amount of unrestricted reserves after making allowance for restricted and designated funds as set out in note 16) of £2.5million was agreed to be necessary. The current level of free reserves is above this level as we have ended the year much better than originally expected at the start of the pandemic.

At 31 March 2021, NCVO’s free reserves, which is equivalent to the general fund, were as follows:

	31 March 2021	31 March 2020
	£	£
Total funds	4,897	7,490
Restricted funds	(248)	(415)
Designated funds	(3,621)	(4,237)
Pension fund	2,729	–
Free reserves	3,757	2,838

Designated funds (note 17) include a fixed asset fund, which represents funds that can only be realised on disposal of the fixed assets, and a range of allocations which will be spent over the next two years.

Fundraising policy

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as ‘soliciting or otherwise procuring money or other property for charitable purposes’. Such amounts receivable are presented in our accounts as ‘donations and voluntary income’.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fundraisers or third parties. The day-to-day management of all income generation is delegated to the executive team, which is accountable to the trustees. The charity is not required by any undertaking to be bound by any regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds, we do not have particular policies in relation to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

REMUNERATION STATEMENT

- NCVO’s inquiry into charity senior executive pay provided guidance for trustees on setting remuneration for senior executives. It also recommended that all charities with independently audited accounts should:
- adopt a remuneration policy;
 - publish an annual statement explaining their charity’s ethos and policy on remuneration;
 - explain how this impacts on the delivery of their charitable purposes;
 - report the actual remuneration, roles and names of individual highest-paid staff, as defined by the charity.

The inquiry recommended that the charity’s remuneration statement should be included within its trustee annual report, in addition to the remuneration disclosures that charities are required to include as a note to their accounts.

Our approach to pay

NCVO has around 90 staff. Salaries for the chief executive and directors are set and reviewed annually by NCVO’s HR and Remuneration Committee, a sub-committee of our board of trustees. The HR and Remuneration Committee includes specialists with significant pay expertise and knowledge, especially of the charity sector.

All other staff salaries are set by the chief executive and directors. Salaries are arranged in organisation-wide pay bands, using comparisons with charities of our size in London and taking into account inflation, sector pay settlements and NCVO’s financial position. Salaries are openly stated in job adverts.

NCVO is ambitious for the voluntary sector and we believe in recruiting high-calibre people to represent its interests. We also believe in rewarding staff fairly for the jobs that they do and fostering a positive working environment, and we believe our salaries and our terms and conditions reflect this.

NCVO is a London living-wage-accredited employer, meaning all our staff and contractors are paid at least the London living wage. Additionally, we believe in creating routes into charities for people who cannot afford to undertake unpaid ‘internships’, so we have established paid traineeships that provide people with the training and skills they need to establish successful careers, while rewarding them fairly for their work.

People are employed at NCVO on the basis of the specific skills that they bring to their particular role. For NCVO to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market where, not least as a result of NCVO’s cross-cutting role, their skills are readily transferable to other organisations, both in the voluntary sector and in other sectors. Our staff pay scales are set with these factors in mind.

(i) Chief executive and directors pay

NCVO’s unique position in representing the whole of the voluntary sector means that the chief executive and directors require a breadth and depth of expertise that requires drawing from the best senior-level talent in a competitive market. They need to be able to command the respect of their peers among our members, from the smallest to the very largest charities, through their experience and their credibility. At the same time, we seek to keep salary costs under control.

(ii) Benchmarking

Chief executive, director and staff pay levels are reviewed annually.

Chief executive and director pay is determined by the HR and Remuneration Committee. Its aim is to benchmark our senior management team salaries around the 25th centile, i.e. the lower end of larger national charities’ pay levels, with a 7.5% tolerance. We believe this comparison with national charities reflects the nature of the skills that we need to recruit and retain.

Staff pay is reviewed by the chief executive and directors and negotiated on behalf of staff by NCVO’s recognised union, Unite. Our aim is to pay at the 75th centile, i.e. the higher end compared with organisations of our size in terms of income and number of employees in the voluntary sector in London.

The same benefits, including pensions and terms and conditions, apply to the chief executive and directors as all other staff. We do not apply any form of performance-related pay, nor do we have a bonus scheme. We don’t apply increments to staff salaries beyond one automatic increment after the first 12 months of service.

Each year the chief executive and directors participate in performance appraisals as part of the same feedback and appraisal scheme operated for all NCVO staff. In the case of the chief executive, this includes seeking detailed feedback from board members, colleagues and external contacts.

REMUNERATION STATEMENT

Continued

(iii) 2020/21 chief executive and director pay levels

Name	Title	Annual salary 2020/21	Pension contributions 2020/21	Total remuneration 2020/21	Annual salary 2021/22
		£	£	£	£
Karl Wilding	Chief executive ¹	125,997	12,449	138,446	-
Sarah Vibert	Interim chief executive (from 26 January 2021)	20,462	1,162	21,624	120,000
Sarah Vibert	Director of public policy and volunteering (2 January 2020 - 25 January 2021)	76,922	4,369	81,291	-
Susan Cordingley	Deputy CEO (11 November 2019 - 1 February 2021)	87,108	9,845	96,953	-
Megan Griffith Gray	Director of strategy and transformation (11 November 2019 - 31 March 2021)	76,153	7,512	83,665	-
Laura Crandley	Director of finance and services (from 19 January 2021)	18,681	1,101	19,782	92,306
Gavin Finch	Interim director of membership and engagement (from 22 March 2021)	2,588	147	2,735	89,298

¹ Karl Wilding was appointed chief executive on 17 September 2019 and stepped down as chief executive on 25 January 2021 to facilitate a smooth handover to the interim chief executive before leaving NCVO on 31 March 2021.

Total remuneration figures are salary plus pension contributions. The information above excludes employer's national insurance contributions (NIC) which are included in the information in note 7. The chief executive and directors, like all NCVO staff, are also entitled to miscellaneous benefits, such as childcare vouchers, which have not been included here. Details of expenses for the chief executive and directors are given in note 8.

(iv) Pay ratio

The ratio of our highest salary (£120,000) to our median salary (£38,145) is 3.2:1.

(v) Pay awards

While they are separately determined, annual pay awards for the chief executive, directors and staff have always been at the same percentage level. Between 2011 and 2019 both the senior management team and staff received an annual 2% pay award, followed by a 2.7% pay award for 2019/20. There was no pay award in 2020/21 and none has yet been agreed for 2021/22.

PAY GAP REPORT

NCVO believes in equality of opportunity for all. Although NCVO employs fewer than 250 staff and is therefore not required to publish gender pay gap information, we have chosen to do so, along with our ethnicity pay gap and, for the first time, our disability pay gap information.

The information shows that there has been a significant reduction in the median gender pay gap at 11 June 2021 compared to the previous year, the mean pay gap has increased by 4%. The median pay gap at 11 June 2021 was 0% (2020: 8%) and the mean pay gap 5% (2020: 1%). Seven of the ten members of the leadership team were female at 11 June 2021. There are very little mean pay gaps across any of the quartiles, and in some instances there is a positive pay gap.

Gender pay gap

Median and mean hourly earnings

At 11 June 2021 the median and mean male and female hourly earnings were:

	Male hourly earnings 2021	Female hourly earnings 2021	Difference 2021	Pay gap 2021	Difference 2020	Pay gap 2020
	£	£	£	%	£	%
Median	20.96	20.96	0	0	1.80	8
Mean	23.20	22.30	1	5	0.25	1

At 11 June 2021 the mean male and female hourly earnings by quartile were:

	Male hourly earnings 2021	Female hourly earnings 2021	Difference 2021	Pay gap 2021	Difference 2020	Pay gap 2020
	£	£	£	%	£	%
Quartile 1	16.34	15.84	0.50	3	0.30	2
Quartile 2	18.60	18.99	(0.39)	(2)	(0.07)	(0.3)
Quartile 3	21.91	22.07	(0.16)	(1)	0.20	1
Quartile 4	32.29	33.56	(1.27)	(4)	(0.09)	(0.2)

PAY GAP REPORT

Continued

Mean hourly earnings by grade

Gender pay gap data by grade shows that NCVO pays men and women on the same grades the same salary for the work they do. Small differences are due to new starting at an entry point on recruitment and move to the grade point only after their first year of employment. There will also be some additional responsibility payments for a small number of individuals.

Like many employers in the voluntary sector, NCVO employs more women than men but there are proportionately more women than men in lower grades and in part-time roles. We have a range of family-friendly and flexible working policies to support parents and carers. This includes supporting parents to take time off to have or raise children and to assist with their return to work. We offer enhanced maternity pay and shared parental pay. We have flexible working hours and encourage and support remote working. NCVO is proud of its flexible, family-friendly employment policies and practices.

For the reporting period, there has been a headcount reduction. At 11 June 2021, NCVO employed 56 people that identify as female and 22 people that identify as male. 72% of NCVO employees identify as female which accounts for the change in gender pay since the previous reporting period.

	Male hourly f/t earnings 2021	Female hourly f/t earnings 2021	Difference 2021	Pay gap 2021	Difference 2020	Pay gap 2020
	£	£	£	%	£	%
CEO / directors	49.06	58.33	(9.27)	(16)	14.30	22
Grade A	33.06	32.76	0.30	1	-	-
Grade B	28.96	27.24	1.72	6	1.09	4
Grade C	23.54	24.20	(0.66)	(3)	0.02	0.1
Grade D	20.96	20.87	0.09	0.4	(0.03)	(0.2)
Grade E	17.52	17.80	(0.28)	(2)	(0.47)	(4)
Grade F	13.62	16.27	(2.65)	(16)	-	-
Catering assistant supervisor*	-	13.49	-	-	-	-
Catering assistant deputy supervisor*	-	12.44	-	-	-	-
Trainee*	-	-	-	-	1.32	10
Apprentice*	-	10.85	-	-	-	-

* No male staff at this grade at 11 June 2021.

Ethnicity and disability pay gap

36% of employees identify themselves as Black, Asian and Minority Ethnic (BAME); this is a 5% increase from the previous reporting period (2020: 31% BAME employees). There is still a higher proportion of BAME employees in the lower grades in the organisation, however, there has been a positive increase in BAME employees at mid-grade roles at NCVO. This means that BAME employees earn on average 16% less than non-BAME employees – this is a decrease by 4% on the previous reporting period.

For the first time NCVO is reporting on its disability pay gap to demonstrate a firm commitment to being an employer that recognises the importance of equity and inclusion and the benefits that having a diverse workforce brings to the organisation.

11% of employees identify themselves as disabled as defined by the Equality Act 2010. The average pay gap between disabled and non-disabled employees is 10% and the median pay gap is 17%. As this is the first time that NCVO is reporting on this data there is no available data to draw a comparison on previous years.

The trustees and leadership team are committed to addressing the ethnicity and disability pay gaps at NCVO. Since January 2020, NCVO has been undertaking a detailed piece of work focussing on equity, diversity and inclusion (EDI). The first stage of this work, which concluded in summer 2020, was to understand how the culture and environment at NCVO can exclude or marginalise particular groups. Following the restructure we have put in place a new people and culture team who will enable us to move towards a culture that embraces and empowers difference. The work in this area will be supported by an independently chaired EDI sub-committee. In relation to the BAME and disability pay gaps specifically, actions to address this will include reviewing our recruitment practices and work to attract and retain more people from under-represented communities to work at NCVO, particularly in the higher grades. Ahead of this, we are also focussing on creating a more inclusive culture and modernising internal policies.

	BAME pay gap 2021	BAME pay gap 2020
	%	%
Median	14	25
Mean	16	20

Proportion of BAME and non BAME at each grade

	BAME 2021	Non BAME 2021	BAME 2020	Non BAME 2020
	%	%	%	%
CEO / directors	-	100	-	100
Grade A	33	67	-	100
Grade B	25	75	36	64
Grade C	27	73	17	83
Grade D	25	75	29	71
Grade E	50	50	47	53
Grade F	33	67	75	25
Catering assistant supervisor	100	-	100	-
Catering assistant deputy supervisor	100	-	-	-
Trainee	-	-	100	-
Apprentice	100	-	-	-

PAY GAP REPORT

Continued

Mean and median hourly earnings and pay gap

	2021
Non-disabled hourly earnings mean	£22.29
Disabled hourly earnings mean	£24.83
Difference	£2.54
Mean pay gap	10%
Non-disabled staff hourly earnings median	£20.96
Disabled staff hourly earnings median	£25.29
Difference	£4.33
Median pay gap	17%

Proportion of disabled and non-disabled at each grade

	Disabled	Non-disabled
	%	%
CEO / directors	–	100
Grade A	17	83
Grade B	25	75
Grade C	18	82
Grade D	13	87
Grade E	4	96
Grade F	–	100
Catering assistant supervisor	–	100
Catering assistant deputy supervisor	–	100
Apprentice	–	100

This report shows that there is still a pay gap disadvantage for our employees that identify as BAME and for some pay grades for our employees that identify as female. We are pleased about the positive disability pay gap but recognise we have work to do to ensure that the diversity of our staff group reflects society more widely in respect of disability.

Earlier this year, NCVO published our commitment to improving our culture for all employees following a report on the culture and experiences of our employees past and present. There are a number of areas to be addressed such as the creation and implementation of an equity, diversity and inclusion strategy that will improve areas such as the pay gaps identified in this report.

FUTURE PLANS

In February 2021 we publicly launched our new strategy. Due to the impacts of the pandemic on our strategy process this was a delay of four months from our original schedule. In many ways our new strategy is evolution, not revolution. In terms of what we will do, with reducing income and a smaller staff team mean we must inevitably do less, but with focus and much will remain familiar. Our focus on providing high quality practical support and guidance will continue, we will keep pushing for the best possible environment for charities and volunteering. An increase in focus will be on amplifying our members to make sure the essential role charities play is recognised by the public and decision-makers.

The biggest changes will be in how we do things. Here we are guided by the principle of being member focused. This means a far greater focus on understanding the challenges and ambitions of members, and continually developing our offer in response.

Making connections is another core principle for our future. We want joining NCVO to feel like joining a community and will focus more on building networks across our membership, creating events that bring diverse members together to learn, share, connect and collaborate.

In January Karl Wilding made the decision to step down as chief executive. Appointing our new CEO will be a key priority for the board of trustees in the year ahead. We are determined to find the right candidate for the NCVO that is emerging in 2021. Someone who shares our new values and who can continue to deliver the new strategy we have developed with our members. While we work through the process of selection for the new permanent chief executive Sarah Vibert will continue as interim chief executive.

PRINCIPAL RISKS AND UNCERTAINTIES

The risk register is a standing item on the agenda at each trustee board meeting. It is reviewed quarterly by the leadership team and twice a year by the audit and risk committee.

Risks are considered in six key areas: strategy, governance and management; operational; financial; environmental and external; legal and statutory; people. All identified risks are assessed for both likelihood of occurrence and potential financial and reputational impact, to give a gross risk. Mitigating controls are then considered, giving a net remaining risk.

External and strategic risks include adverse publicity in the media, including blogs and social media, the risk of being perceived to have political bias and a risk of relationships with politicians, officials and other infrastructure organisations breaking down. Such eventualities would jeopardise our crucial role in promoting the interests of the voluntary sector. The main financial risks relate to our ability to sustain income streams as a result of the immediate and medium term impact of Covid-19 on NCVO and the wider sector. Key governance, operational and people

risks include the impact of sustained remote working on: ensuring robust and appropriate strategic and operational decision making; supporting staff health and wellbeing; ensuring our systems remain secure.

The trustees are satisfied that these and all other risks in the register have been adequately assessed and that appropriate steps are taken to mitigate risk.

In respect of financial risk, the trustees have carefully considered the impact of Covid-19 on NCVO's future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the leadership team, the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

Continued

Trustee board members

The members of the trustee board, who are also directors under the terms of the Companies Act 2006, are set out on page 3. The members of the trustee board have no beneficial interest in the group or charity.

The board of trustees would like to place on record its thanks to, and appreciation of, the chief executive, the leadership team and the whole of NCVO’s staff for the skill and energy with which they have managed and contributed to the organisation throughout the year.

Liability of members

NCVO the charitable company is limited by guarantee and has no share capital. Clause 7 of the memorandum of association provides that every member, as defined by Clause 2 of the articles of association, is liable to contribute a sum not exceeding £1 in the event of the company being wound up while they are a member or within one year of ceasing to be a member. At year end there were 16,457 members.

Statement of trustee board’s responsibilities

The trustees are responsible for preparing the trustees’ annual report and the financial statements, in accordance with

applicable law and UK accounting standards (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity’s transactions and disclose with reasonable accuracy at any time the financial position of the group and the parent charity and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent

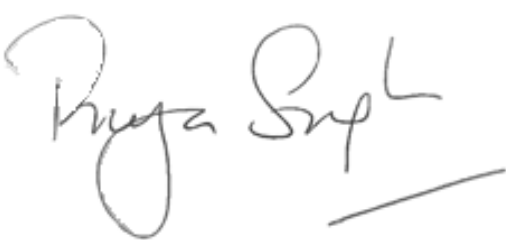
charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity’s website. Legislation in the UK governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Auditors

So far as the trustees are aware, there is no relevant audit information of which the company’s auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company’s auditors are aware of that information.

Approved by the trustee board and signed on their behalf



Dr Priya Singh
Chair, NCVO
10 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL COUNCIL FOR VOLUNTARY ORGANISATIONS

Opinion

We have audited the financial statements of National Council for Voluntary Organisations (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is

applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the

Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustee Board, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information contained within the Report of the Trustee Board. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustee Board, which includes the strategic report and the directors’ report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors’ report included within the trustees’ report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors’ report included within the trustees’ annual 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company’s financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor’s responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from the Companies Act 2006, Charities Act 2011, Financial Reporting Standard 102, the Charities SORP and relevant employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but

were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the timing of recognition of income from grants. We addressed this through review of all material grant agreements to ensure correct treatment under the Charities SORP, including consideration of the accounting period in which income should be recognised.
- We also identified potential for management bias in the judgements made around recoverability of debtors. We addressed this through examination of post year end cash received, review of correspondence with debtors and discussion of recoverability with management.
- We also identified potential for management bias in the accounting for the defined benefit pension scheme liability. We addressed this through review of the actuary report prepared by management's expert, testing the reasonableness of inputs to their calculation, and challenging assumptions applied in the valuation.

- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- We also identified potential for management bias in the depreciation rate applied to tangible fixed assets, and we addressed this by considering the useful economic life applied for the types of asset held, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

AUDITORS REPORT
Continued

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

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

Use of our report

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



Alastair Duke

(Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

PKF Littlejohn LLP

15 Westferry Circus
Canary Wharf
London
E14 4HD
Date: 10 September 2021

PKF Littlejohn LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of financial activities for the Group (including income and expenditure account)

For the year ended 31 March 2021

	Notes	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
		£'000	£'000	£'000	£'000
Income					
Donations and legacies	2	2,255	–	2,255	1,759
Charitable activities:	3				
Membership subscriptions		1,192	–	1,192	1,194
Advisory services and information		543	840	1,383	1,577
Campaigns and communications		73	227	300	12
Education and training		415	–	415	1,028
Policy		8	201	209	2
Research		35	119	154	127
Other		273	–	273	-
Other trading activities	4	1,249	–	1,249	3,298
Investments	5	75	–	75	91
Total income		6,118	1,387	7,505	9,088

Statement of financial activities for the Group and Charity (continued)

For the year ended 31 March 2021

	Notes	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
		£'000	£'000	£'000	£'000
Expenditure	6				
Raising funds		822	26	848	1,315
Charitable expenditure:					
Advisory services and information		1,700	1,135	2,835	3,499
Campaigns and communications		1,720	228	1,948	1,763
Education and training		625	16	641	884
Policy		461	15	476	535
Research		332	134	466	577
Other: Centenary, digital, EDI and strategy		207	–	207	274
Total expenditure		5,867	1,554	7,421	8,847

Statement of financial activities for the Group and Charity (continued)

For the year ended 31 March 2021

	Notes	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
		£'000	£'000	£'000	£'000
Net income / (expenditure) before investment gain / (loss)		251	(167)	84	241
Net gain / (loss) gain on investment	10	518	–	518	(276)
Net income / (expenditure)		769	(167)	602	(35)
Other recognised gains / (losses)					
Share of operating profit of joint ventures		12	–	12	(20)
Actuarial (loss) / gain on defined benefit scheme	19	(3,207)	–	(3,207)	2,745
Net movement in funds		(2,426)	(167)	(2,593)	2,690
Total funds at 1 April 2020		7,075	415	7,490	4,800
Total funds at 31 March 2021	17	4,649	248	4,897	7,490

The statement of financial activities (SOFA) includes all gains and losses recognised in the year. Disclosure of the split of 2020 comparatives is shown in the notes to the accounts. Total unrestricted income was £6.1million (2020: £8.3million) and total unrestricted expenditure was £5.9million (2020: £8million). Movements in funds are disclosed in note 17 to the financial statements. The net movement in funds includes £0.4million of unrealised investment gains. Net realised income for the year was £0.1million (2020: net income £0.2million).

The accounting policies and notes on pages 53 to 88 form part of these financial statements.

Group and charity balance sheet

As at 31 March 2021

	Notes	Consolidated 2021	Consolidated 2020	NCVO 2021	NCVO 2020
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets	9	4,973	5,276	4,973	5,276
Investments	10	2,856	2,234	2,856	2,234
Investment in joint ventures – share of gross assets		–	10	–	–
Investment in joint ventures – share of gross liabilities		–	(10)	–	–
Net investment in joint ventures		–	–	–	–
		7,829	7,510	7,829	7,510
Current assets					
Stocks	11	2	4	2	4
Debtors	12	1,190	1,756	1,362	2,461
Cash at bank and in hand		2,758	2,764	2,409	1,810
		3,950	4,524	3,773	4,275

	Notes	Consolidated 2021	Consolidated 2020	NCVO 2021	NCVO 2020
		£'000	£'000	£'000	£'000
Creditors: amounts falling due within one year	13	(2,476)	(2,880)	(2,299)	(2,631)
Net current assets		1,474	1,644	1,474	1,644
Total assets less current liabilities		9,303	9,154	9,303	9,154
Creditors: amounts falling due after one year	14	(1,677)	(1,664)	(1,677)	(1,664)
Net assets excluding pension liability		7,626	7,490	7,626	7,490
Defined benefit pension scheme liability	19	(2,729)	–	(2,729)	–
Net assets		4,897	7,490	4,897	7,490

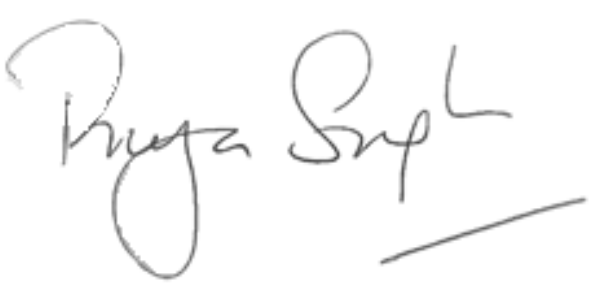
Group and charity balance sheet

As at 31 March 2021

	Notes	Consolidated 2021	Consolidated 2020	NCVO 2021	NCVO 2020
		£'000	£'000	£'000	£'000
Funds					
Restricted funds		248	415	248	415
Unrestricted funds					
Pension reserve		(2,729)	–	(2,729)	–
Designated funds		3,621	4,237	3,621	4,237
General funds		3,757	2,838	3,757	2,838
Total funds	16	4,897	7,490	4,897	7,490
NCVO net movement in funds for the year				(2,593)	2,690

The accounting policies and notes on pages 53 to 88 form part of these financial statements.

Approved and authorised for issue by the trustee board and signed on their behalf:



Dr Priya Singh
Chair
10 September 2021



Paul Breckell
Honorary Treasurer
10 September 2021

Statement of cashflows

For the year ended 31 March 2021

	Notes	2021	2020
		£'000	£'000
Cash flows from operating activities			
Net cash (used) / provided by operating activities	18	(14)	(19)
Cash flows from investing activities			
Dividends and interest		73	91
Cash received from joint ventures		12	–
Purchase of fixed assets		(37)	(348)
Proceeds from sale of investments		1,231	1,657
Cash invested following wind up of Trusts		97	-
Purchase of investments		(1,307)	(1,677)
Net cash provided / (used by) by investing activities		69	(277)
Cash flows from financing activities			
Repayment of loan (capital and interest)		(33)	(131)
Net cash used by financing activities		(33)	(131)

	Notes	2021	2020
		£'000	£'000
Change in cash and cash equivalents in the year		22	(427)
Cash and cash equivalents at the beginning of the year		2,802	
Cash and cash equivalents at the end of the year		2,824	3,229
Analysis of cash and cash equivalents			
Cash at bank and in hand		2,758	2,764
Cash held in investment portfolio	10	66	38
Total cash and cash equivalents		2,824	2,802

The accounting policies and notes on pages 53 to 88 form part of these financial statements.

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments and in accordance with Financial Reporting Standard 102 (FRS 102) applicable in the United Kingdom and the Republic of Ireland, the Charities’ Statement of Recommended Practice (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going-concern basis. Having carefully considered the impact of Covid-19 on NCVO’s future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the leadership team, the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS102: no cash flow has been presented for the parent charity; disclosure in respect of the parent charity’s financial instruments have not been presented as

equivalent disclosures have been provided in respect of the group as a whole.

a) Income

Legacies are recognised when the charity is advised by the personal representatives that payment will be made or property transferred and the amount involved can be quantified unless there are specific conditions preventing receipt, such as life tenancy. At the year end, NCVO was aware of one such legacy property and an estimate of its value has been included in the accounts.

Income from donations and grants is credited to the SOFA when there is evidence of entitlement, receipt is probable and its amount can be measured reliably, unless it relates to a specific future period, in which case it is deferred.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity’s control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the incoming resource is deferred.

Income from sales is included in the SOFA in the year in which the goods or service is supplied.

Membership income is recognised in the year to which it relates.

b) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that reflect the charity’s activities and aggregates all costs related to that activity. Costs are allocated across activities and projects based on judgements about the objectives and related outcomes of the activities and projects. Expenditure on which there is irrecoverable VAT is shown within each relevant cost category gross of VAT.

i) Raising funds

Costs of raising funds includes expenditure in relation to staff members who are directly engaged in business development, the conference suite and the related costs, as well as anticipated costs in relation to the legacy property.

ii) Charitable expenditure

Charitable expenditure includes all expenditure directly related to the objects of the charity.

Notes to the financial statements (continued)

For the year ended 31 March 2021

Governance costs

These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity’s activities. Governance costs are allocated to the categories of charitable expenditure on the basis of staff numbers.

Support costs

Costs relating to support services are identified and a proportion allocated to the charitable activities and projects that NCVO undertakes. Support costs are allocated on the basis of staff numbers.

Other costs are allocated on the basis of staff time, staff numbers or area, as relevant.

Grant making

Costs of grant making are included within charitable expenditure in the year they are payable. Costs include grants made and support costs associated with the activity. Multi-year grant commitments are conditional on progress reviews to determine whether future funding is provided and discretion is retained by the charity to terminate the grant. Where multi-year grant commitments exist, only expenditure relating to the current year’s liability will be recognised.

iii) Other costs

Other costs directly relate to a specific activity or are support costs allocated on the basis of staff time, staff numbers or area, as relevant.

c) Fund accounting

The charity maintains the following funds:

i) Restricted funds

Restricted funds represent grants, donations and legacies received, which the donor has provided for specified purposes.

ii) General unrestricted funds

These represent funds that are expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

iii) Designated funds

These represent unrestricted funds allocated by the trustees for particular purposes.

d) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation, which is provided in equal instalments over the estimated useful lives of the assets. No depreciation is charged on freehold land. We estimate that 55% of the original purchase price related to the land and 45% to the buildings. The rates of depreciation applied to other assets are:

Freehold building	50 years
CRM system	5 years
Other computer equipment	3 years
Fixtures and fittings	10 years
Plant and equipment	20 years

e) Investments

Quoted investments are valued at bid price and stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

f) Operating leases expenditure

Gross rentals paid are recognised as lease rental expenses. Rentals are charged to the SOFA, over the term of the lease.

Notes to the financial statements (continued)
For the year ended 31 March 2021

g) Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for marketing, selling and distribution costs. Provision is made where necessary for obsolete, slow-moving and defective stocks.

h) Debtors

Debtors are recognised at the settlement amount due. Accrued income reflects amounts due but not received at the balance sheet date from funders and partners. Prepayments reflect costs paid at the balance sheet date that relate to future periods and are valued at the amount paid net of any discounts due.

i) Cash at bank and in hand

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

j) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any discounts due.

k) Employee benefits

i) Short-term benefits

Short-term benefits including holiday pay are recognised as an expense in the period in which the service was received.

ii) Post-retirement benefits

The charity operates two pension schemes.

Defined contribution scheme

Staff are currently opted into a defined contribution scheme administered by Aviva. The assets in this scheme are held separately from the charity in an independent fund administered by Aviva. The pension cost charge represents the contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Defined benefit scheme

NCVO's defined benefit scheme was closed to future accrual on 31 March 2011. The liability recognised on the balance sheet in respect of the defined benefit plan is the present value of the

defined benefit obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with FRS 102.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the SOFA each year.

The annual costs of the defined benefit plan are included in employee costs and allocated across the expenditure headings on the SOFA. These comprise the annual expenses of the scheme and the finance costs.

l) Consolidation

Consolidated financial statements have been prepared in respect of NCVO and its wholly owned subsidiary NCVO Trading Limited. The results of the subsidiary have been consolidated on a line-by-line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. In accordance with section 408 of the Companies Act 2006, a separate SOFA for the charity has not been presented.

NCVO Trading Limited held 33% of the shares in Trustees Unlimited LLP. NCVO Trading Limited transferred its interest in Trustees Unlimited LLP to fellow member, Russam GMS

Notes to the financial statements (continued)

For the year ended 31 March 2021

Limited in January 2021 for consideration in line with the partnership agreement. Trustees Unlimited LLP provides a search-and-selection service in respect of trustees and directors including the provision of advice, training and consultancy on governance and other relevant issues. Trustees Unlimited LLP, which has an accounting reference date of 31 March, has been accounted for as an associate up until the date of transfer and included on the SOFA and balance sheet using the equity method.

2 Donations and legacies

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Donations through Charities Aid Foundation	1,773	–	1,773	1,752	–	1,752
Legacy	350	–	350	–	–	–
Closure of trusts administered by NCVO	106	–	106	–	–	–
Wolfson Foundation	25	–	25	–	–	–
Other donations and voluntary income	1	–	1	3	4	7
Total	2,255	–	2,255	1,755	4	1,759

Notes to the financial statements (continued)

For the year ended 31 March 2021

3 Charitable activities

	Membership subscriptions, conference delegate fees and charitable purpose contracts 2021	Unrestricted grants and sponsorships 2021	Restricted grants 2021	Total 2021		Membership subscriptions, conference delegate fees and charitable purpose contracts 2020	Unrestricted grants and sponsorships 2020	Restricted grants 2020	Total 2020
	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
Membership subscriptions	1,192	–	–	1,192	Membership subscriptions	1,194	–	–	1,194
Advisory services and information	432	111	840	1,383	Advisory services and information	898	5	674	1,577
Campaigns and communications	–	73	227	300	Campaigns and communications	–	22	(10)	12
Education and training	390	25	–	415	Education and training	920	108	–	1,028
Policy	–	8	201	209	Policy	1	1	–	2
Research	21	14	119	154	Research	35	7	85	127
Other	–	273	–	273	Total	3,048	143	749	3,940
Total	2,035	504	1,387	3,926					

Notes to the financial statements (continued)

For the year ended 31 March 2021

3 Charitable activities (continued)

Grant and project income

	Total funds 2021	Total funds 2020		Total funds 2021	Total funds 2020	Restricted (continued)	Total funds 2021	Total funds 2020
	£'000	£'000	Restricted	£'000	£'000		£'000	£'000
Unrestricted	£'000	£'000	National Lottery Community Fund – Covid-19 support	998	–	Trafigura Foundation - NCVO Charities Evaluation Services	17	–
HMRC – job retention scheme	439	–	Department of Health – Health and Wellbeing Alliance core grant	80	50	New Philanthropy Capital – NCVO Charities Evaluation Services	10	25
Pears Foundation	20	–	National Lottery Community Fund – Safeguarding training fund	–	108	Barrow Cadbury – Governance Code	6	–
Zurich Insurance – various	18	45	National Lottery Community Fund – Digital fund	–	374	Economic and Social Research Council – Data entry	40	40
Ruffer Investment Management LLP – conferences	–	19	Esmee Fairbairn Foundation – Digital content project	57	–	Esmee Fairbairn Foundation - Classifying the register	17	–
Phoenix Software – website	18	18	Department of Health and Social Care – VCSE data and intelligence sharing	40	–	Nottingham Trent University - Covid-19 and VCSE organisations response	29	–
Phoenix Software – trustee conference	6	6	National Lottery Community Fund – Trusted Charity Mark in Wales	38	50	Third Sector Resources Centre, University of Birmingham - Assessing financial vulnerability and risk in the UK’s charities during and beyond the Covid crisis	18	–
Other unrestricted income under £15,000	3	55	Lloyds Bank Foundation for England and Wales – Collaboration between small and large organisations in public service delivery	10	59			
Total unrestricted	504	143						

Notes to the financial statements (continued)

For the year ended 31 March 2021

Restricted (continued)	Total funds 2021	Total funds 2020
	£'000	£'000
Institute of Volunteering Research - Mobilising voluntary action during and beyond the Covid crisis	15	–
Sport England – Family volunteering research	–	20
Pears Foundation – Family volunteering research	–	15
Scout Association – Family volunteering research	–	10
Joseph Rowntree Charitable Trust – Constructive Voices	–	(10)
CAST, acting on behalf of the Catalyst network – Digital	12	6
Other grants under £15,000 (not requiring separate disclosure)	–	2
Total restricted	1,387	749
Total grants and project income	1,891	892

4 Other trading activities (all unrestricted)

	2021	2020
	£'000	£'000
Conference suite hire	29	1,922
Fees for services	595	704
Quality standards	313	391
Brokered services	301	267
Publications	11	14
Total	1,249	3,298

5 Investments (all unrestricted)

	2021	2020
	£'000	£'000
Dividends and interest	75	91

Notes to the financial statements (continued)

For the year ended 31 March 2021

6 Expenditure

	Staff costs 2021	Premises costs 2021	Grant making 2021	Support costs 2021	Other expenses 2021	Governance costs 2021	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds	597	40	–	71	126	14	848
Charitable expenditure:							
Advisory services and information	1,809	99	53	182	652	40	2,835
Campaigns and communications	1,484	81	–	149	201	33	1,948
Education	382	22	–	41	187	9	641
Policy	394	21	–	39	13	9	476
Research	324	20	–	38	76	8	466
Other	7	60	5	–	135	–	207
Total	4,997	343	58	520	1,390	113	7,421

Notes to the financial statements (continued)

For the year ended 31 March 2021

6 Expenditure (continued)

	Staff costs 2020	Premises costs 2020	Grant making 2020	Support costs 2020	Other expenses 2020	Governance costs 2020	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds	904	41	–	95	251	24	1,315
Charitable expenditure:							
Advisory services and information	1,823	105	328	253	925	65	3,499
Campaigns and communications	1,206	66	–	159	291	41	1,763
Education	386	23	–	57	404	14	884
Policy	377	24	21	54	46	13	535
Research	392	23	5	56	87	14	577
Other	166	16	–	18	69	5	274
Total	5,254	298	354	692	2,073	176	8,847

‘Other expenses’ include commissioning £1.2million (2020: £1.4million), equipment / IT £0.3million (2020: £0.3million) and office costs £0.2million (2020: £0.4million). Commissioning includes fees paid to associates and quality assurance assessors, as well as amounts for technology development.

Notes to the financial statements (continued)

For the year ended 31 March 2021

6 Expenditure (continued)

Support costs are made up of the following expenditure:

	2021	2020
	£'000	£'000
Accommodation costs	195	339
Travel costs	6	15
Telephone, printing, postage and stationery	46	82
Equipment and IT costs	110	143
Professional fees and consultancy	162	89
Other overheads	1	24
Total	520	692

Grants and partnership payments

Grants and partnership payments were made to the following organisations during the year:

	Total funds 2021	Total funds 2020
	£'000	£'000
Trusted charity in Wales		
WCVA	33	49
	33	49
Health and wellbeing		
NAVCA	5	–
Friends Families Travellers	4	–
Citizens Advice	4	–
Voluntary Sector Mental Health Providers Forum	4	–
Men’s Health forum	3	–
	20	–

	Total funds 2021	Total funds 2020
	£'000	£'000
Baobab Foundation		
Hackney Council for Voluntary Services	5	–
	5	–
Safeguarding training fund		
NSPCC	–	105
Ann Craft Trust	–	77
UK Youth	–	68
Children England	–	14
ACRE	–	5
Foundation for Social Improvement	–	5
NAVCA	–	5
	–	279

Notes to the financial statements (continued)

For the year ended 31 March 2021

6 Expenditure

Grants and partnership payments (continued)

	Total funds 2021	Total funds 2020
	£'000	£'000
Rebalancing the Relationship		
ACEVO	–	21
	–	21
Local Trust		
University of Birmingham	–	5
	–	5
Total grants and partnership fees paid	58	354

7 Employees

	2021	2020
	£'000	£'000
Wages and salaries	3,879	4,017
Wages and salaries	378	408
Pension costs	376	432
Redundancy costs	339	30
Temporary staff and staff training	92	478
Total	5,064	5,365

The average number of employees (FTEs) during the year was:

	2021 number	2020 number
	£'000	£'000
Generating funds	12	13
Advisory services and information	31	34
Campaigns and communications	25	21
Education and training	7	8
Policy	7	7
Research	6	7
Other	–	2
Total	88	92

7 Employees (continued)

The number of employees whose benefits were over £60,000 during the year (excluding employer pension contributions but including redundancy and payments in lieu of notice) was:

	2021 number	2020 number
	£'000	£'000
£60,001–£70,000	6	2
£70,001–£80,000	2	–
£80,001–£90,000	1	–
£90,001–£100,000	1	1
£100,001–£110,000	1	2
£110,001–£120,000	1	–
£120,001–£130,000	–	1
£150,001–£160,000	1	–

All 13 of the above staff are members of the defined contribution pension scheme (2019: 5). None are currently paying contributions into the defined benefit scheme. The pension costs for these employees are £72,720 (2020: £34,080).

Of the employees included above in the bands over £60,000 in 2020/21, 6 people are included due to termination payments. Overall, there were termination payments totalling £326,387 to 21 people (2019/20: £33,314 to 1 person) following a restructure.

We have complied with our published guidance for trustees on setting pay for senior staff in charities. In addition to the regulatory requirement to publish the number of employees in pay bands over £60,000 and to publish the total employee benefits received by key management personnel, we also publish the names, roles and remuneration of our chief executive and directors, along with an explanation of how we set salaries for these roles and other NCVO staff. These details for 2020/21 are included in the trustees’ report. The amounts paid to the chief executive and directors during 2020/21 were:

Notes to the financial statements (continued)
 For the year ended 31 March 2021

7 Employees (continued)

		Salary	Employer's NIC	Pension contributions	Termination payments			Total 2020/21	Total 2019/20
					Redundancy	Payment in lieu of notice	Other		
		£	£	£	£	£	£	£	£
Karl Wilding	Chief Executive ¹	125,997	14,464	12,449	–	–	27,700	180,610	77,634
Karl Wilding	Director of public policy & volunteering (to 16 September 2019)	–	–	–	–	–	–	–	50,936
Sarah Vibert	Interim chief executive (from 26 January 2021)	20,462	2,622	1,162	–	–	–	24,246	–
Sarah Vibert	Director of public policy and volunteering (from 2 January 2020 to 25 January 2021)	76,922	9,605	4,369	–	–	–	90,896	27,275
Susan Cordingley	Deputy CEO (from 11 November 2019 to 1 February 2021)	87,108	13,476	9,845	–	22,455	–	132,884	46,071
Susan Cordingley	Director of planning and resources (to 10 November 2019)	–	–	–	–	–	–	–	67,544
Megan Griffith Gray	Director of strategy and transformation (from 11 November 2019 to 31 March 2021)	76,153	9,488	7,512	35,515	–	–	128,668	34,742

7 Employees (continued)

		Salary	Employer's NIC	Pension contributions	Termination payments			Total 2020/21	Total 2019/20
					Redundancy	Payment in lieu of notice	Other		
Laura Crandley	Director of finance and services (from 19 January 2021)	18,681	2,235	1,101	–	–	–	22,017	–
Gavin Finch	Interim director of membership and engagement (from 22 March 2021)	2,588	357	147	–	–	–	3,092	–
Sir Stuart Etherington	Chief Executive (to 31 December 2019)	–	–	–	–	–	–	–	123,071
Richard Williams	Director of Enterprise and Development (to 31 December 2019)	–	–	–	–	–	–	–	147,089

¹Karl Wilding was appointed chief executive on 17 September 2019 and stepped down as chief executive on 25 January 2021 to facilitate a smooth handover to the interim chief executive before leaving NCVO on 31 March 2021.

The above table covers a period of transition for the organisation so includes previous incumbents, interim roles within the senior management team which were put in place in November 2019 and the new team which is now in place. Sarah Vibert is currently interim chief executive whilst we recruit a new permanent chief executive.

8 Net income for the year

This is stated after charging:	2021	2020
	£'000	£'000
Auditor's remuneration		
– audit fees	25	25
– other services	1	2
Depreciation	340	293
Bank charges	13	20
Bank interest – on building loan	33	45
Trustees' expenses	–	3

No members of the trustee board received any remuneration during the year (2020: Nil). Expenses do not form part of remuneration and are separately disclosed below. Trustees believe that there are adequate systems in place to manage expenses and that all expenses were incurred in proper pursuit of NCVO's charitable objectives.

8 Net income for the year (continued)

In response to the report of the Independent Group on Expenses set up by NCVO and Charity Finance Group to gather information and evidence on the disclosure of expenses by registered charities in England and Wales, published in February 2010, NCVO decided to adopt enhanced voluntary disclosure of trustees’ and senior management team expenses. Chief executive and directors expenses, together with total trustee expenses are summarised in the following table. These were incurred in accordance with budget and reflect the impact of Covid-19 restrictions during the year.

The majority of chief executive expenses in the table, to the right, relate to 2019/20. Travel and subsistence expenses reimbursed to one trustee in the period amounted to £153 (2020: £3,492 to ten trustees), including amounts paid directly by NCVO.

	Subsistence 2021	UK travel 2021	Entertaining/ networking 2021	Overseas travel 2021	Other 2021	Total claimed 2021	Total claimed 2020
	£	£	£	£	£	£	£
Chief executive’s office	1,520	661	2,804	1,229	100	6,314	8,763
Director of public policy and volunteering	–	85	–	–	–	85	954
Director of planning and resources	–	–	–	–	–	–	337
Director of strategy and transformation	(237)	–	–	–	(9)	(246)	586
Director of enterprise and development	–	–	–	–	–	–	1,421
Director of finance and services	–	–	–	–	–	–	–
Director of membership and engagement	–	–	–	–	–	–	–
Total	1,283	746	2,804	1,229	91	6,153	12,061
Trustees	–	141	–	–	12	153	3,492

Notes to the financial statements (continued)

For the year ended 31 March 2021

9 Tangible fixed assets (group and charity)

	Freehold land and buildings	Plant and equipment	Computer equipment	Fixtures and fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2020	4,919	965	1,934	2,044	9,862
Additions	–	–	35	2	37
Disposals	–	–	–	–	–
At 31 March 2021	4,919	965	1,969	2,046	9,899
Depreciation					
At 1 April 2020	1,093	334	1,433	1,726	4,586
Charge for the year	66	49	117	108	340
Disposals	–	–	–	–	–
At 31 March 2021	1,159	383	1,550	1,834	4,926
Net book value					
At 31 March 2020	3,826	631	501	318	5,276
At 31 March 2021	3,760	582	419	212	4,973

Freehold land and property are presented under the historical cost convention and are shown at original cost with an annual depreciation charge. We estimate that 55% of the cost of land and buildings related to land. In June 2013 the building was valued at £14.25million on a 15-year sale-and-leaseback basis.

Notes to the financial statements (continued)

For the year ended 31 March 2021

10 Investments (group and charity)

	Listed	Cash	Total
	£'000	£'000	£'000
Market value			
At 1 April 2020	2,196	38	2,234
Purchase of investments	1,307	(1,307)	–
Sale of investments	(1,231)	1,231	–
Realised gains	96	–	96
Additional sum invested	–	97	97
Unrealised investment gain	422	–	422
Dividend income received	–	73	73
Dividend income transferred to Barclays	–	(48)	(48)
Investment management fees	–	(18)	(18)
At 31 March 2021	2,790	66	2,856

NCVO Trading Limited held 33% of the shares in Trustees Unlimited LLP. NCVO Trading Limited transferred its interest in Trustees Unlimited LLP to fellow member, Russam GMS Limited in January 2021 for consideration of £12,000 in line with the partnership agreement. Trustees Unlimited LLP provides a search-and-selection service in respect of trustees and directors including the provision of advice, training and consultancy on governance and other relevant issues. Trustees Unlimited LLP, which has an accounting reference date of 31 March, has been accounted for as an associate up until the date of transfer and included on the SOFA and balance sheet using the equity method.

11 Stocks (group and charity)

	2021	2020
	£'000	£'000
Publications	2	4

12 Debtors

	Consolidated 2021	Consolidated 2020	NCVO 2021	NCVO 2021
	£'000	£'000	£'000	£'000
Debtors	429	1,107	402	821
Accrued income	691	470	655	438
Amount due from subsidiary	–	–	239	1,024
Prepayments	70	179	66	178
Total	1,190	1,756	1,362	2,461

Notes to the financial statements (continued)

For the year ended 31 March 2021

13 Creditors: amounts falling due within one year

	Consolidated 2021	Consolidated 2020	NCVO 2021	NCVO 2021
	£'000	£'000	£'000	£'000
Bank loan (secured – see note 14)	90	89	90	89
Taxation and social security	224	232	151	164
Other creditors	407	644	359	504
Accrued expenditure	591	360	580	325
Deferred income	1,164	1,555	1,119	1,549
Total	2,476	2,880	2,299	2,631

14 Creditors: amounts falling due after more than one year

	Consolidated 2021	Consolidated 2020	NCVO 2021	NCVO 2021
	£'000	£'000	£'000	£'000
Membership deferred over one year	73	59	73	59
Bank loan (secured)	1,604	1,605	1,604	1,605
Total	1,677	1,664	1,677	1,664
Analysis of loan repayments:				
Within one year	90	89	90	89
Between one and two years	90	89	90	89
Between two and five years	1,514	1,516	1,514	1,516
Balance at 31 March	1,694	1,694	1,694	1,694

NCVO owns the freehold of the building it occupies at Society Building, All Saints Street, London N1 9RL. A loan was taken out with Barclays Bank to fund a building construction project on the same property, which was completed during 2012/13. The loan is secured by legal mortgage over the property. The loan is fully drawn, for a total of £1.7million at a rate of LIBOR +1.95% for a 20-year period with a five-year renewable term in April 2026.

14 Creditors: amounts falling due after more than one year (continued)

Reconciliation of deferred income 2020/21

	Brought forward	Released into 2020/21	New deferred income	Carry forward
	£'000	£'000	£'000	£'000
Deferred income	1,614	1,481	1,104	1,237
Being deferred income included in:				
Creditors: amounts falling due within one year				1,164
Creditors: amount falling due after more than one year				73
Total				1,237

Reconciliation of deferred income 2019/20

	Brought forward	Released into 2020/21	New deferred income	Carry forward
	£'000	£'000	£'000	£'000
Deferred income	1,593	1,403	1,424	1,614
Being deferred income included in:				
Creditors: amounts falling due within one year				1,555
Creditors: amount falling due after more than one year				59
Total				1,614

Notes to the financial statements (continued)

For the year ended 31 March 2021

15 Operating leases

NCVO had an operating lease with Grenke from April 2017 for multi-functional devices, which provide photocopying, printing and document scanning facilities. Total minimum lease commitments as at 31 March were:

	2021	2020
	£'000	£'000
Within one year	–	6
Total	–	6

16 Analysis of net group assets

	Unrestricted general 2021	Unrestricted designated 2021	Restricted 2021	Total funds excluding pension fund 2021	Pension fund 2021	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	–	4,973	–	4,973	–	4,973
Investments	2,856	–	–	2,856	–	2,856
Net current assets (excluding loan)	974	342	248	1,564	–	1,564
Deferred membership due after more than one year	(73)	–	–	(73)	–	(73)
Pension fund	–	–	–	–	(2,729)	(2,729)
Loan	–	(1,694)	–	(1,694)	–	(1,694)
Total	3,757	3,621	248	7,626	(2,729)	4,897

Notes to the financial statements (continued)

For the year ended 31 March 2021

16 Analysis of net group assets (continued)

NCVO’s readily realisable reserves of £3.8million (2020: £2.8million) are made up of investments and net current assets, adjusted for loans.

	Unrestricted general 2020	Unrestricted designated 2020	Restricted 2020	Total funds excluding pension fund 2021	Pension fund 2020	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	5,276	-	5,276	-	5,276
Investments	2,234	-	-	2,234	-	2,234
Net current assets (excluding loan)	663	655	415	1,733	-	1,733
Deferred membership due after more than one year	(59)	-	-	(59)	-	(59)
Pension fund	-	-	-	-	-	-
Loan	-	(1,694)	-	(1,694)	-	(1,694)
Total	2,838	4,237	415	7,490	-	7,490

Notes to the financial statements (continued)

For the year ended 31 March 2021

17 Movement in group funds

Unrestricted and designated funds

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

The total income figure of £6.1million includes the share of operating gain of the joint ventures referenced on the SOFA.

	Balance 1 April 2020	Income	Expenditure	Transfers	Net gains	Balance 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	3,582	–	–	(304)	–	3,278
Property maintenance	28	–	–	–	–	28
Digital investment	386	–	(64)	(285)	–	37
Equipment	–	–	–	42	–	42
NCVO Excellence	85	–	(10)	(75)	–	–
Strategy development	121	–	(1)	(120)	–	–
Equity, diversity and inclusion	29	–	(137)	138	–	30
People	–	–	–	133	–	133
Governance	–	–	–	23	–	23
Policy and research	–	–	–	44	–	44
Other	6	–	–	–	–	6
Designated funds	4,237	–	(212)	(404)	-	3,621
General funds	2,838	6,130	(5,547)	(182)	518	3,757
Pension reserves	–	–	(108)	586	(3,207)	(2,729)
Total	7,075	6,130	(5,867)	–	(2,689)	4,649

Notes to the financial statements (continued)

For the year ended 31 March 2021

17 Movement in group funds (continued)

The total income figure of £8.3million includes the share of the operating profit of joint ventures referenced on the SOFA.

	Balance 1 April 2020	Income	Expenditure	Transfers	Net gains	Balance 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	3,438	-	-	144	-	3,582
Property maintenance	28	-	-	-	-	28
Centenary fund	119	-	(54)	(65)	-	-
Digital investment	354	-	(110)	142	-	386
NCVO Excellence	124	-	(39)	-	-	85
Policy development including tax commission	42	-	(28)	(14)	-	-
Volunteering research	7	-	(7)	-	-	-
Strategy development	-	-	(19)	140	-	121
Equity, diversity and inclusion	-	-	(21)	50	-	29
Other	34	-	(16)	(12)	-	6
Designated funds	4,146	-	(294)	385	-	4,237
General funds	3,260	8,315	(7,506)	(955)	(276)	2,838
Pension reserves	(3,154)	-	(161)	570	2,745	-
Total	4,252	8,315	(7,961)	-	2,469	7,075

17 Movement in group funds (continued)

Trustees have designated funds for specific pieces of work, including:

• **Fixed assets**

This fund represents the level of NCVO’s reserves invested in fixed assets and is the net tangible fixed assets less loans outstanding (as the loans are used to part finance these acquisitions).

• **Digital investment**

Trustees have allocated funds from reserves for a number of digital projects, including the development of a new website and an online payments platform.

• **Equipment**

This fund represents costs of laptops and equipment to support staff working from home.

• **Equity, diversity and inclusion**

The trustees allocated these funds to enable NCVO to develop an equity, diversity and inclusion strategy and work plan.

• **People**

This fund is allocated to meet one off costs for advisors to support our cultural change programme.

• **Governance**

Trustees have allocated these funds for our governance review.

• **Policy and research**

This fund is allocated to meet the costs of research into understanding the public’s view of charities and trialling new methods of influencing.

17 Movement in group funds (continued)
 Restricted funds 2020/21

	1 April 2020	Income	Expenditure	Transfers	31 March 2021
	£'000	£'000	£'000	£'000	£'000
The National Lottery Community Fund: Digital Fund	338	–	(144)	–	194
Various: Governance Code	20	6	(11)	–	15
New Philanthropy Capital: NCVO Charities Evaluation Services	20	10	(25)	–	5
Lloyds Bank Foundation for England and Wales: Rebalancing the Relationship	10	10	(10)	–	10
Various: Public Trust	8	–	–	–	8
Greater London Authority / Sport England / Pears Foundation / Scout Association: Family volunteering research	7	–	(7)	–	–
The National Lottery Community Fund: Trusted Charity in Wales	6	38	(44)	–	–
Leadership (legacy)	3	–	–	–	3
CSIS Charity Fund: Working for a Charity bursaries	1	–	–	–	1
The National Lottery Community Fund: Covid-19 support	–	998	(998)	–	–
Department of Health and Social Care: Health and Wellbeing Alliance core grant	–	80	(80)	–	–
Esmee Fairbairn Foundation: Digital content	–	57	(51)	–	6
Department of Health and Social Care: VCSE data and intelligence sharing	–	40	(40)	–	–

17 Movement in group funds (continued)

Restricted funds 2020/21 (continued)

	1 April 2020	Income	Expenditure	Transfers	31 March 2021
	£'000	£'000	£'000	£'000	£'000
Economic and Social Research Council: Data partnership including data entry	–	40	(36)	–	4
Nottingham Trent University: Covid-19 research	–	29	(29)	–	–
Third Sector Research Centre, University of Birmingham: Covid-19 research	–	18	(18)	–	–
Trafigura Foundation: NCVO Charities Evaluation Services	–	17	(17)	–	–
Esmee Fairbairn Foundation: Classifying the register	–	17	(15)	–	2
University of Northumbria: Covid-19 research	–	15	(15)	–	–
CAST: digital	–	12	(12)	–	–
Other restricted grants and donations under £20,000 (not requiring separate disclosure)	2		(2)	–	–
Total	415	1,387	(1,554)	–	248

17 Movement in group funds (continued)
Restricted funds 2020/21 (continued)

Those areas with restricted funds to be carried forward into 2021/22 are briefly described below:

• Digital Fund: The National Lottery Community Fund

A project to transform NCVO’s technology and digital services so that we can support more people in more organisations.

• Governance Code

For the provision of ongoing stewardship of the Code.

• NCVO Charities Evaluation Services: New Philanthropy Capital

Supporting charities through the Inspiring Impact programme.

• Rebalancing the Relationship: Lloyds Bank Foundation for England and Wales

A partnership between NCVO, ACEVO and Lloyds Bank Foundation project to understand and address how collaboration between large and small voluntary organisations can improve to deliver the best outcomes for service users, ensure the diversity of the sector and protect local economies.

• Public Trust

Work to preserve public trust and confidence in the sector.

• Leadership (legacy)

Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).

• CSIS Charity Fund: Working for a Charity bursaries

Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.

• Esmee Fairbairn Foundation: Digital content

To improve NCVO's tech / digital Knowhow web content to help small and medium sized charities become more digitally confident

• Economic and Social Research Council: Data partnership including data entry

To support data entry and classification work in producing the Almanac

• Esmee Fairbairn Foundation: Classifying the register

To develop an automated classification of charities in the charity register.

17 Movement in group funds (continued)
Restricted funds 2019/20

	1 April 2019	Income	Expenditure	Transfers	31 March 2021
	£'000	£'000	£'000	£'000	£'000
Safeguarding Training Fund: The National Lottery Community Fund	427	108	(535)	–	–
National Lottery Community Fund: Digital Fund	–	374	(36)	–	338
Rebalancing the Relationship: Lloyds Bank Foundation for England and Wales	27	59	(76)	–	10
Constructive Voices: Joseph Rowntree Charitable Trust	22	(10)	(12)	–	–
Governance Code	20	–	–	–	20
Trusted Charity in Wales: The National Lottery Community Fund	18	50	(62)	–	6
Plowden Fellowship	8	–	(8)	–	–
Various: Public Trust	8	–	–	–	8
Family volunteering research: Sport England, Pears Foundation, Greater London Authority, Scout Association	8	45	(46)	–	7
NCVO Charities Evaluation Services: New Philanthropy Capital	6	25	(11)	–	20
Leadership (legacy)	3	–	–	–	3
CSIS Charity Fund: Working for a Charity bursaries	1	–	–	–	1
Health and Wellbeing Alliance core grant: Department of Health	–	50	(50)	–	–

17 Movement in group funds (continued)
Restricted funds 2019/20 (continued)

	1 April 2019	Income	Expenditure	Transfers	31 March 2021
Data partnership including data entry: Economic and Social Research Council	–	40	(40)	–	–
Digital: CAST	–	6	(6)	–	–
Other restricted grants and donations under £20,000 (not requiring separate disclosure)	–	6	(4)	–	2
Total	548	753	(886)	–	415

Those areas with restricted funds to be carried forward into 2020/21 are briefly described below:

• **Digital Fund: The National Lottery Community Fund**

A project to transform NCVO’s technology and digital services so that we can support more people in more organisations.

• **Rebalancing the Relationship: Lloyds Bank Foundation for England and Wales**

A partnership between NCVO, ACEVO and Lloyds Bank Foundation project to understand and address how collaboration between large and small voluntary organisations can improve to deliver the best outcomes for service users, ensure the diversity of the sector and protect local economies.

• **Governance Code**

For the provision of ongoing stewardship of the Code.

• **Trusted Charity Mark in Wales: The National Lottery Community Fund**

Funding to adapt and develop the NCVO Excellence quality standard materials and tools and embed sustainable support networks amongst the sector in Wales.

17 Movement in group funds (continued)
Restricted funds 2019/20 (continued)

• Public Trust

Work to preserve public trust and confidence in the sector.

• Family volunteering research: Sport England, Pears Foundation, Greater London Authority and Scout Association

A research project to explore the links between family and volunteering, in order to support volunteer-involving organisations to develop or enhance volunteering opportunities for family members.

• NCVO Charities Evaluation Services: New Philanthropy Capital

Supporting charities through the Inspiring Impact programme.

• Leadership (legacy)

Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).

• CSIS Charity Fund: Working for a Charity bursaries

Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.

Other funds

NCVO also manages other charitable funds on behalf of the trusts listed below through its investment managers, UBS.

The Bayldon Trust: for the benefit of a charity or charities as the settlor during his life and after his death as his wife Lorna Irene Bayldon and after her death as his son Captain John Michael Bayldon and thereafter the trustee shall select and so that no moneys shall be applied under the trusts hereof other than for charitable purposes within the legal definition of that term.

LCC Workmen’s Dwelling Trust, Becontree: To promote the advancement of education, the furtherance of health and all such other measures for the social welfare of residents in the workmen’s houses erected by the L.C.C. at Becontree, Essex as are legally charitable.

The Lady Hawke Trust: To provide help in sickness and convalescence and holidays for necessitous mothers and babies residing in the borough of Bermondsey, preference given to those attending the Princess Club Infant Welfare Centre at Bermondsey so long as that welfare centre continues to exist.

The Magnus Trust: To pay or apply the income of the trust fund and also so much of the capital of the trust fund as the settlors jointly or severally or the survivor of them may from time to time by direction in writing to the trustee determine to such charities or for such charitable purposes as the settlors or the survivor of them may from time to time by like written direction request and subject to and in default of any such direction and insofar as such direction may not extend as the trustee may at its uncontrolled discretion determine.

The Montefiore Institute: The Permanent Trustee shall hold the trust premises upon trust to permit the same to be used for the purposes of physical and mental recreation and social moral and intellectual development through the medium of reading and recreation room library lectures classes recreations entertainments or otherwise as may be found expedient for the benefit of the inhabitants of the Worth Ward of the Parish of Worth in the County of Sussex and its immediate vicinity without distinction of sex or of political or other opinions subject to the provisions of these premises.

The N E F Montgomery Trust: to pay the income and / or capital to such charities or for such charitable purposes as the settlor or, if surviving, her husband may from time to time direct.

Notes to the financial statements (continued)

For the year ended 31 March 2021

17 Movement in group funds (continued)

Restricted funds 2019/20 (continued)

Mr and Mrs E T Williams' Settlement: for the benefit of a charity or charities now in existence or now or hereafter registered as such under the provisions of the charity act 1960 as selected by the settlors during their lives and after their deaths selected by the national council of social service.

A M G and G Wyburd Trust: to pay or apply the income and/or capital to such charities or for such charitable purposes as the settlors may from time to time direct.

The David Stern Trust and The Miss S M G Ross Trust were wound up during the year following the deaths of the settlors. NCVO received £30,551 from The David Stern Trust and £75,140 from the Miss S M G Ross Trust.

NCVO acts as Trustee of and makes donations from these funds as directed by their settlors. The total value of the investments, which are held in a separate portfolio, stands at £462,000 (2020: £758,000). In addition, £205,000 (2020: £229,000) is held in a separate bank account. These funds are excluded from NCVO's accounts.

18 Reconciliation of net income to net cash flow from operating activities

	Balance 1 April 2020	Income
	£'000	£'000
Net income / (expenditure) for the year	602	(35)
Adjustments for:		
Depreciation	340	293
(Gain) / loss on investments	(518)	276
Investment of donations from the Ross and Stern Trusts	(97)	–
Dividends and interest from investments	(73)	(91)
Interest on bank loan	33	45
Non-cash difference between defined benefit pension contributions paid and amount charged to SOFA	(478)	(409)
Decrease / (increase) in stocks	2	(2)
Decrease / (increase) in debtors	566	(389)
(Decrease) / increase in creditors	(391)	293
Net cash (used) / provided by operating activities	(14)	(19)

19 Post-employment benefits

The charity operates two pension schemes, a defined contribution pension scheme for employees and a defined benefits pension scheme (the assets of which are held separately from the charity), which was closed on 31 March 2011.

a) Pension costs charge in the year

The amount of pensions costs charged within employee costs on the SOFA is as follows:

	Note	2021	2020
		£'000	£'000
Defined contribution scheme costs		268	270
Defined benefit scheme past service cost		22	–
Defined benefit scheme expenses		86	94
Defined benefit scheme interest cost		–	68
Total	7	376	432

b) Defined benefit scheme

The employer operates a defined benefit scheme in the UK which is closed to new entrants and future accrual. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was completed as at 30 September 2019 and the results of this have been updated to 31 March 2021 by a qualified actuary, independent of the scheme’s sponsoring employer. The major assumptions used by the actuary are shown below.

The actuarial valuation as at 30 September 2019 showed a deficit of £3,444,000. The employer has agreed with the trustees that it will aim to eliminate the deficit by 30 November 2026 by the payment of annual contributions of £498,623 for the period 1 April 2020 to 31 March 2021 and thereafter by annual contributions of £210,000, payable monthly and increasing by 3% at every subsequent 1 April. In addition and in accordance with the actuarial valuation, the employer has agreed with the trustees that it will pay contributions in respect of the expenses of running the Scheme of £90,850 per annum. The Pension Protection Fund levy will be paid separately by the employer.

Assumptions

	Note	2021	2020
		%	%
Rate of increase in salaries		3.30	3.70
Rate of increase in pensions in payment		2.85	1.85
Discount rate		2.10	2.30
Inflation assumption (CPI)		2.95	1.70

The mortality assumptions adopted at 31 March 2021 imply the following life expectations:

	2021
	Years
Male retiring in 2021	21.7
Female retiring in 2021	24.0
Male retiring in 2041	22.9
Female retiring in 2041	25.4

19 Post-employment benefits (continued)

Present values of defined benefit obligation,
 fair value of assets and defined benefit liability

	2021	2020
	£'000	£'000
Fair value of plan assets	29,664	27,704
Present value of defined benefit obligation	(32,393)	(26,512)
Effect of asset ceiling	–	(1,192)
Deficit in scheme and liability recognised	(2,729)	–

Reconciliation of opening and closing balances of
 the defined benefit obligation

	2021	2020
	£'000	£'000
Defined benefit obligation at start of period	26,512	29,283
Interest expenses	603	679
Past service costs (GMP equalisation)	22	–
Benefits paid and expenses	(630)	(750)
Actuarial gain / (loss) on changes in financial and demographic assumptions	5,996	(1,893)
Experience gain on liabilities	(110)	(807)
Total	32,393	26,512

Reconciliation of opening and closing balances of
 the fair value of scheme assets

	2021	2020
	£'000	£'000
Fair value of scheme assets at start of period	27,704	26,129
Interest income	636	611
Expenses	(86)	(94)
Return on assets excluding interest income	1,454	1,237
Contributions by the employer	586	571
Benefits paid and expenses	(630)	(750)
Total	29,664	27,704

19 Post-employment benefits (continued)

Actuarial (loss) / gain recognised in the SOFA

	2021	2020
	£'000	£'000
Gain on scheme assets	1,454	1,237
Experience gain arising on the scheme liabilities	110	807
(Loss) / gain as a result of changes in the demographic and financial assumptions underlying the present value of the s cheme liabilities	(5,996)	1,893
Gain from the change in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	1,225	–
Effect of asset ceiling	–	(1,192)
Total actuarial (loss) / gain recognised in SOFA	(3,207)	2,745

The scheme assets exceeded the scheme liabilities at 31 March 2020 giving a net surplus of £1,192,000. In the opinion of NCVO’s trustees the net surplus will not be recoverable so was not recognised as an asset in the Statement of Financial Activities.

Scheme assets

	2021	2020
	£'000	£'000
Equity type assets	3,377	3,048
Bonds	14,482	14,537
Property	1,845	1,595
Other	9,960	8,524
Total assets	29,664	27,704

TPT Retirement Solutions has informed NCVO of a review of historic scheme benefit changes that it is undertaking. The content of these accounts makes no allowance for, or reference to, the potential outcome of that review.

20 Taxation

NCVO is a registered charity and as such is not liable to tax on its income and gains that meet the tax exemptions. The charity’s trading subsidiary, NCVO Trading Limited, is liable to tax on any profits not paid to the charity under deed of covenant.

21 Related parties

The charity owns 100% of the issued share capital in NCVO Trading Limited. The results of the trading company are shown in note 22 to the accounts.

As stated in the CAF Trust Deed, the chair of NCVO occupies one trustee position on the board of the CAF. This position is currently filled by Dr Priya Singh.

NCVO Trading Limited held 33% of the shares in Trustees Unlimited LLP. NCVO Trading Limited transferred its interest in Trustees Unlimited LLP to fellow member, Russam GMS Limited in January 2021 for consideration in line with the partnership agreement. Trustees Unlimited LLP provides a search-and-selection service in respect of trustees and directors including the provision of advice, training and consultancy on governance and other relevant issues. Trustees Unlimited LLP,

Notes to the financial statements (continued)

For the year ended 31 March 2021

21 Related parties (continued)

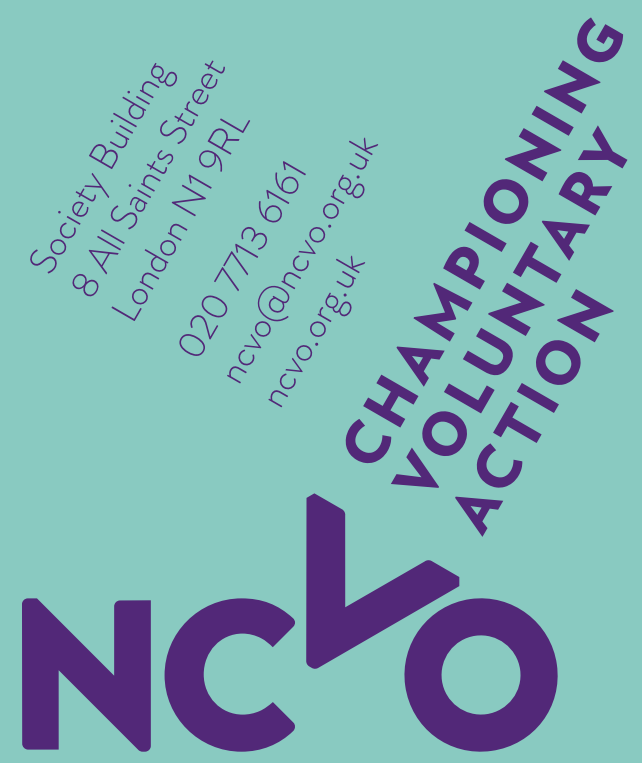
which has an accounting reference date of 31 March, has been accounted for as an associate up until the date of transfer and included on the SOFA and balance sheet using the equity method.

During the year, NCVO contributed £5,000 to the set up of the Baobab Foundation via Hackney CVS. One of our trustees, Jake Ferguson, is the co-founder of the Baobab Foundation and CEO of Hackney CVS. Hackney CVS had a Memorandum of Understanding with the Baobab Foundation Steering group to act as the accountable body until a new entity is created. It therefore contracts project consultants and holds any funds collected for the research and development phase. The Baobab Foundation is a new entity due to launch in 2021 which aims to develop an endowment fund to support black and ethnic minority community organisations across the UK.

22 Subsidiary and parent company results

The charity owns 100% of the issued share capital in NCVO Trading Limited. The company made a profit of £284,000 for the year ended 31 March 2021 (2020: £1.6million). The investment at cost is £1.

	2021	2020
	£'000	£'000
Summary profit and loss account		
Turnover	401	2,473
Cost of sales	(116)	(801)
Gross profit	285	1,672
Expenditure	(1)	(57)
Net profit from operations	284	1,615
Payable to NCVO under deed of covenant	(284)	(1,615)
Summary balance sheet		
Fixed assets – investments	–	–
Debtors	68	319
Cash at bank and in-hand	348	954
	416	1,273
Creditors: amounts falling due within one year	(416)	(1,273)
Creditors: amounts falling due after one year	–	–
Net assets	–	–



Registered charity number
225922
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