

## CO3 Chief Officers Third Sector

### Report of the Trustees Year Ended 31 March 2023

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The Trustees, who are also the Board of Directors of the charitable company, present their annual report and audited consolidated financial statements of the group for the year ended 31 March 2023. The Trustees have adopted the provisions of the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 - (Charities SORP (FRS 102)), in preparing the annual report and financial statements of the charity.

#### Objectives and Activities

##### Principal Activities and Results for the Year

The principal activity for the CO3 Chief Officers 3rd Sector (CO3) is in the promotion of excellence in leadership for the voluntary, community and social enterprise (Third) sector in Northern Ireland.

Incoming resources for the year amounted to 2023, £455,510 (2022 (£334,719) and is attributable to the principal activity. For the Group the income in 2023 was £545,096.

##### Strategic Objectives for CO3

During the period April 2022 – March 2023 the organisation was working to the 2022 - 2025 Strategic Plan which set out the vision of the organisation to achieve:

***A fair and connected society with a vibrant, valued third sector, led by influential leaders, delivering outstanding impact.***

We will do that by

***Developing inspirational, innovative, and highly skilled third sector leaders.***

And our work is guided by the Values of

- Courage
- Empowering Leadership
- Unity
- Quality
- Social Justice
- Integrity

**The trustees paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.**

##### Strategic Aims and Priorities for 2022-2025

The Strategy for the three-year period sets out nine Strategic Aims under three Themes:

##### **STRATEGIC THEME 1:**

***Build and connect third sector leaders.***

AIM 1. Develop leaders: Build the leadership capacity of individuals in third sector organisations.

AIM 2. Connect leaders: Connect third sector leaders to each other and other sectors.

AIM 3. Improve third sector governance: Support the improvement in third sector governance and leadership capacity of trustees.

AIM 4. Promote and build membership: Expand, develop, and engage CO3 membership.

## CO3 Chief Officers Third Sector

### Report of the Trustees Year Ended 31 March 2023

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#### **STRATEGIC THEME 2:**

##### ***Effectively communicate with CO3's stakeholders and influence public policy and practice.***

AIM 5. Promote awareness of CO3 and ensure effective communication with internal and external stakeholders.

AIM 6. Make a positive impact on the development of relevant public policy and practice in collaboration with members.

#### **STRATEGIC THEME 3:**

##### ***Build a strong effective organisation.***

AIM 7. Ensure CO3 has the staff and other personnel required to achieve its aims and objectives and they are effectively supported and managed.

AIM 8. Ensure CO3 has the financial resources, premises and other physical resources required to achieve its aims and objectives.

AIM 9. Ensure CO3 role-models best practice in its governance.

Through the development and delivery of all our services we strive towards fulfilling our mission of developing inspirational, innovative and highly skilled third sector leaders. (The Strategic Plan 2022-25 is available to download on our website.)

#### **Strategic Alliances & Meetings**

CO3 chief executive, Valerie McConville, meets quarterly with the chief executives of our Scottish and English counterparts ACOSVO and ACEVO exchanging ideas and best practice.

CO3 in partnership with the Chief Executive's Forum and Grant Thornton has delivered an innovative cross-sectoral Action Learning Set programme. This programme was widened to include senior managers as well as CEO's. The Programme for senior managers ran September – December 2022.

CO3 also continues to work with NICVA and RCN in delivering infrastructure support to the Third Sector in Northern Ireland, through the Regional Infrastructure Support Programme. This programme is under review by DfC but our current level of annual funding (£32k) is secure until the end of March 2025.

CO3 has maintained and developed its connection to our Swedish counterpart - Ideell Arena. In May 2022 we ran a very successful programme for 40 Swedish charity leaders. The group visited Colin Neighbourhood Partnership, East Belfast Mission and heard from Volunteer Now, Action Cancer, Aware NI and met CO3 Board Trustees at an evening networking event.

Working across engagement with the Department for Communities, the National Lottery Community Fund, the NIO and other local NI executive departments CO3 continues to represent members at policy level.

We continue to meet with a range of stakeholders within the Third Sector such as Enterprise NI, Social Enterprise Northern Ireland, Rural Communities Network, VSB and Volunteer Now to build networks and connections and where possible to work in partnership. We have also strengthened our relationship with NICVA running several joint policy events in early 2023 and holding regular meetings.

CO3 also supported members with an emergency session to discuss the Suspension of the DoH Core Grant competition in March 2023 and ran a joint Emergency Summit with NICVA inviting political leaders to discuss the funding crisis in the Community & Voluntary sector.

## **CO3 Chief Officers Third Sector**

### **Report of the Trustees** Year Ended 31 March 2023

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#### **Key Achievements**

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

#### **Develop Third Sector Leadership skills and knowledge.**

During the period April 22 – March 23 CO3 delivered 28 Leadership Development (Training) events and a further 5 Governance Training events reaching a total of 482 delegates.

This included programmes like Leading Edge a high-end Leadership Development programme designed to prepare senior managers for chief executive roles, the ILM Certificate in Coaching and Mentoring and our Cross Sectoral Development Programme and a wide range of short courses including:

- Applying to Trusts & Foundations
- Understanding Financial Accounts
- Telling Your Story with Impact
- Strategy Planning
- Reflection & Supervision
- Measuring Impact
- Unleashing the Power of Volunteers

We continued to assist members with Calls for Help throughout the year across areas including calls for office space, employment law services, insurance and risk services and much more.

CO3 held a number of free workshops for members in conjunction with corporate partners which covered important topics not otherwise easily available to members including:

- How to read Charity Accounts – Harbinson Mulholland
- Embedding a Coaching Culture – UU
- Whistle Blowing - Worthingtons Solicitors
- Inflation & Uncertainty - Ruffer
- How to Stop a Thief (Protection from Cyber Attack) – Harbinson Mulholland
- Optimise CRM Systems – Proaptivity
- Financial Wellbeing for your Employees – Kith & Kin
- Refresh your Approach to Talent – Baker Tilly Mooney Moore
- Mental Ill Health – the next pandemic? – Hope4Life

#### **Facilitate Networking & Collaboration between Leaders**

We held 34 networking events including the CO3 Leadership Conference, the Annual Leadership Awards and reaching a total of 1698 delegates.

We ran networking events including the Launch of the Erasmus Shine programme, a Women's Health Event, and a series of Walk & Talk wellbeing events. We held regular meetings of the CO3 Health Special Interest Group and a series of Forums on HR and for New To Post Chief Executives. We also convened a Focus Group to consult on the update to the CO3 Leadership Framework which will be launched in December 2023.

CO3 hosted a range of policy events in 22-23 including:

- Monetary Policy Update with the Bank of England
- Knowledge Round Table Sessions with the Department of Economy, Department of Health, Department for

## CO3 Chief Officers Third Sector

### Report of the Trustees Year Ended 31 March 2023

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Communities, The Executive Office, The Northern Ireland Office and with Clarie Hanna MP.

- Information Session on the UKSPF funding competition.

Supporting third sectors leaders through high quality learning and development has been a critical component of strengthening the sector and building leadership capacity. CO3 inspires its members to have a greater impact in their organisations enhancing service delivery and bringing a wider benefit to society as a whole.

The development programmes provided by CO3, tailored to the needs of leaders in the community and voluntary sector represent a significant investment in leadership capability across the third sector. Our development programmes and networking events offer practical advice and peer to peer learning that supports members on their leadership journey.

#### **Mentoring & Forums**

Launched in December 2020 and supported by the National Lottery Community Fund, the Financial Resilience Mentoring Programme offers tailored support to 60 third sector leaders, with a customised mentoring programme, providing the selected leaders with a Mentor over an eighteen-month timeframe to develop and enhance their fundraising and income generation skills. The programme has been augmented with networking opportunities, training courses and publications.

CO3 also runs a Forum for newly appointed chief executives which provides bespoke support to those new to the role. Our HR Forum has provided much needed guidance to leaders on the critical issues around employment best practice.

In Autumn 2023, we will launch a new Country Manager's Forum for those running Charities based outside Northern Ireland and leading in the particular circumstances which that entails. All our Forums allow members to avail of peer learning, build networks, share challenges in a safe and supported space and explore solutions together.

#### **Income from Trading Activities**

##### *Membership Fees and Services Income*

Our Membership Income for the year was £61,086 (2022 £76,297).

Income from events and services has increased to £164,413 (2022 £94,065).

##### *Corporate Support*

CO3 has a number of Corporate Partners who continue to generously support CO3 hosting our free networking events.

CO3 is particularly grateful to Evelyn Partners for their support of the CO3 Annual Conference and Awards and the practical support throughout the year.

#### **Income from Charitable Activities**

The level of funding from grants has increased from March 2022 £128,317 to £171,767 in 2023.

CO3 continues to work collaboratively with NICVA, and RCN to provide generic support to the sector under the

## CO3 Chief Officers Third Sector

### Report of the Trustees Year Ended 31 March 2023

Regional Infrastructure Support Programme supported by the Department of Communities. DfC have indicated that this funding will be extended at the current level until March 2025.

#### Reserves Policy

CO3 Finance, Audit and Risk Committee and Executive have considered the reserves required by the Association to meet its liabilities and any unforeseen and extraordinary costs. CO3 has sought the advice of its auditors in setting this policy. We updated this figure to build in the running costs of the organisation which has increased our reserve target.

Six months staff costs	£112,691 (including redundancy provision)
Six months running costs	£28,463
Final audit, HR & Legal Advice	£6,600
<b>Total</b>	<b>£147,754</b>

At this point, the total required to provide an adequate reserve amounts to £147,754 CO3 and CO3 Enterprises actual level of unrestricted combined reserves are £268,246.

#### Designated funds

Following VAT advice and meeting the eligibility standards of HMRC's Educational Status we have ring-fenced all income and expenditure related to this. With the direct costs and an apportionment of staff time applied it may be the case that this designated fund will be in a negative. The board except this and agree that the accumulative surplus and deficits are important to record and note within the accounts, following the guidance of HMRC VAT Notice 70130.

#### Risk Management

The Executive Committee has considered the major risks to which CO3 is exposed. Systems and procedures have been established to manage those risks. The Finance, Audit and Risk Committee review and amend the Risk Register at each meeting, reporting and highlighting major risks to the full Board meeting.

The Risk Procedure was updated in July 2022 following a workshop with the Board of Trustees and CEO led by Willis. The Traffic Light system highlights the biggest risks and mitigations are agreed by the Committee and wider Board of Trustees.

#### Staff

The organisation employed five individuals fulltime and one part time during 2022/2023.

Chief Executive	Valerie McConville
Member Services Manager	Suzanne Courtney
Finance & Events Administrator	Nichola Johnston
Events and Communications Executive	Louise Cahoon
Programme & Membership Coordinator (PT)	Andreina Ojeda
Director of CO3 Enterprises (Engage Executive Talent)	Patrick Minne

CO3 also has a small number of volunteers who provide support to CO3 throughout the year. We would like to thank all of the volunteer mentors who have supported the CO3 Mentoring Programme.

## CO3 Chief Officers Third Sector

### Report of the Trustees Year Ended 31 March 2023

#### Membership

As the network for third sector leaders, CO3 offers its members support, connection, advocacy and development programmes to grow and support its membership base. Over the course of the past year we have expanded the range of support and development opportunities for our members.

Increasingly the need for effective confident leadership is plain. We continue to provide first class leadership development for members to increase the capacity and expertise in the sector.

CO3's membership is broken down into a range of categories highlighted below. We recognise that leadership development and support is required at every level within an organisation.

Our members drive forward social change across society, leading and working in a wide range of organisations, from small community based groups to the biggest social enterprises and charities across NI.

Category	No.
Full Members (CEO)	285
Associate Members (Director)	240
Corporate Members	49
Trustee Network	158
Interim Executive Panel, Coaches & Mentors, Honorary members and Senior Fellows	53
Total membership as of October 2023	785

(\*Table based on December 2023 Membership figures )

#### Plans for the Future

In the year 2022/2023 CO3 developed and launched a new Strategic Plan for 2022- 2025 which shape our activity and output. The Board of Trustees developed a new vision, mission and values, set out strategic aims and objectives. (The Strategic Plan is available to download on our website.)

The work in 2022-23 will see CO3 continue to diversify its funding streams so as to offer a broader range of products and services. We will explore new sources of income including through corporate support, statutory funding opportunities and Trusts & Foundations.

We have built a strong working relationship and understanding with key funders like the National Lottery Community Fund and are actively exploring alternate funders for large scale programmes.

We have used refreshed branding and membership marketing collateral to continue to build the CO3 brand and to grow the membership base through effective join us marketing campaigns, networking and direct sales.

Engage Executive Talent, CO3's social enterprise has continued to grow and remains a steady source of income into the charity. We were awarded Dormant Accounts Funding of £100,000 over three years in October 2022. This funding has allowed us to hire a Recruitment Analyst to work alongside Patrick to grow the social enterprise. With significant recruitment experience, Lesley Dugan has already made a significant contribution to growing the business which will in turn deliver an increased contribution to the charity in the coming years.

The Board of CO3 Enterprises has been strengthened with the addition in early 2023 of two new members bringing executive recruitment and media experience respectively.

## **CO3 Chief Officers Third Sector**

### **Report of the Trustees** Year Ended 31 March 2023

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The value of effective and resilient leadership has never been more evident. Influential leaders instill confidence in their colleagues, inspire when situations look bleak and help tackle challenging situations. They foster creativity and innovation in their teams and allow their organisations to thrive. CO3 supports individual leaders through tailored development, mentoring, coaching and peer support. We facilitate networking and bring leaders together to share challenges, exchange ideas and explore solutions.

CO3 has a long and proud history of supporting the sector at large in practical ways; providing representation and support on key issues and providing access to policy makers, funders and stakeholders. We have grown our activity in this area in response to the funding crisis in Northern Ireland exacerbated by pressures on inflation and the cost-of-living.

Robust evaluation systems and a refreshed focus on assessing the impact of our work, allows us to continuously refresh our membership services to reflect the changing needs of members: developing new training courses, forums and member benefits and ensuring excellent value for money.

CO3 is the leadership infrastructure support organisation for the community & voluntary sector in Northern Ireland and we will continue to rise to the challenges facing our members, providing support and direction, representation and advocacy and excellent leadership development.

#### **Structure, Governance and Management**

CO3 is a company limited by guarantee and a registered charity. Its governing document is the Memorandum and Articles of Association. The Memorandum and Articles of Association (Mems & Arts) during this period had been updated in 2018 and were updated again in October 2022.

#### **Executive Committee members are all Directors of the Company**

The following individuals were members of the Executive Committee and Directors of CO3 during the period 1 April 2022- 31 March 2023.

Anne-Marie  
Jacinta Linden  
Declan Cunnane  
Jonathan McAlpin  
Karen Gilmore  
Andrew Irvine  
Peter Bryson  
Nigel Hampton  
Martin Flynn  
Stephen Dallas  
Jayne Murray (appointed December 2022)

#### **Honorary Officers**

Anne-Marie McClure was appointed to the role of Chair in December 2020 and will step down at the AGM 24th October 2023.

Jacinta Linden was appointed to the role of Vice Chair in December 2020 and will succeed to the position of Chair at the AGM 24th October 2023.

Declan Cunnane was appointed as Treasurer in December 2017 and continues in this role.

Jonathan McAlpin was elected and as Vice-Chair and will succeed to that position at the AGM 24th October 2023.

## CO3 Chief Officers Third Sector

### Report of the Trustees Year Ended 31 March 2023

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During 2022/2023 CO3's Executive Committee (Board of Trustees) met four times to review progress and plan for the organisation.

8th June 2022

14th September 2022

7th December 2022

8<sup>th</sup> March 2023

#### **Finance, Audit and Risk Committee**

During this year, CO3's Finance, Audit and Risk Committee sub-group met to provide scrutiny and support in audit and risk matters on the following dates:

11<sup>th</sup> May 2022

17th August 2022

9<sup>th</sup> November 2022

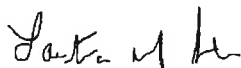
8<sup>th</sup> February 2023.

A remuneration committee met on 25th May 2022 and on the 1st September 2022.

Auditor FPM Accountants Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

#### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.



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Ms Jacinta Linden  
Date: 14/12/2023



## **CO3 Chief Officers Third Sector**

### **Report of the Trustees** Year Ended 31 March 2023

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#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2023**

The directors, who are the Trustees, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the and of the profit or loss of the for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.