



the **association** of
charitable organisations

**THE ASSOCIATION
OF
CHARITABLE ORGANISATIONS**

REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 30th September 2017

Charity No: 1118605

Company No: 6113479

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1. OBJECTIVES and ACTIVITIES

Status

The Association of Charity Officers (ACO) was founded in 1946. In June 2011 members agreed to a change of name from Association of Charity Officers to Association of Charitable Organisations. This represented a shift in emphasis from focusing on members as individuals to organisations.

ACO is a registered charity, number 1118605 and a Company Limited by guarantee, company registration number is 6113479. The address of ACO's principal and registered office is: Acorn House, 314-320 Grays Inn Road, London WC1X 8DP.

Charitable objects

ACO's objects are 'to promote for the public benefit the efficiency and effectiveness of charities, particularly but not exclusively those which relieve individuals in need, by assisting in their better administration and promoting the sharing of information and practices useful to these charities'.

ACO achieves its objects by:

- Undertaking research into the work and impact of our members
- Encouraging developments and innovations in service delivery for wider benefit
- Enabling collaborative and collective working and responses between members
- Providing members with timely information, training and advice
- Influencing the law and public policy affecting the work of its members
- Providing forums for networking, learning and peer support across the individual grant giving sector

2. ACHIEVEMENTS AND PERFORMANCE

The trustees are pleased to report the charity's activities as described below. All its charitable activities focus on ACO member organisations and are undertaken to further charitable purposes for the public benefit.

This has been a busy and successful year for the ACO, building on the previous work to make ACO sustainable and through prudent use of our resources we delivered another financial surplus which has in turn enabled us to invest in new staff and services.

- ACO paid off its pension in March 2017, freeing us of a major financial liability
- We achieved our target of 6 months reserves
- We began the creation of an investment fund to improve and increase services to members

The board and staff have been busy reviewing and planning the future direction and development of the organisation. ACO board set up a strategy sub-group which first met in September 2016 to agree future strategic objectives for ACO and oversee production of a new operational plan. The aim was to achieve our vision that: "By 2020, ACO will be the leading organisation representing a network of charities supporting individuals to achieve a better life".

It aims:

To grow membership of the ACO

By 2020 we will have:

- 200 plus charity members
- Minimum of 10% growth in annual charity membership
- 25 Corporate members
- 25 Associate members
- Adopted an account management approach to membership

To develop a range of support and resources for members

By 2020 we will have:

- Mentoring scheme for new CEOs
- Development programme for charity member staff/volunteers/trustees on topical issues (delivered by ACO corporate partners)
- ACO standards/best practice guidance for charities supporting individuals
- New website with online information, resources (policies, procedures, measuring impact etc) and members' forum
- New resources and support, based on the needs of members
- Online newsletter
- Social media presence
- Regional presence across the UK

To be the voice for the sector, influencing policy and practice

By 2020 we will have:

- Engagement and feedback systems in place for members to inform and shape the work of ACO
- Strong and credible voice to represent the views of members to government and key influencers
- Marketing and media campaigns to raise the profile and visibility of the sector
- Research to inform policy and campaigns
- Lobbying on key issues important to members

To run ACO in a professional and financially sustainable way

By 2020 we will have:

- Improved customer relationship systems and processes
- Updated membership subscriptions process & an ongoing sign-up model
- Evaluation of the impact of ACO
- Funding strategy and new funding streams to diversify the funding base
- Refined and improved key internal financial systems
- Five year Business Plan and annual operational plans
- Best practice governance arrangements
- Supported staff team

A major part of the plan will be to develop a digital approach to help us reach members all over the UK utilising new technology in a cost effective manner maximising use of our resources and impact. We have developed an online newsletter and are starting to use social media to promote ACO members work and engage with potential new members.

We are increasingly using polling to connect better with members and assess how ACO can help them. We are currently consulting on use of the Minimum Income Standard, GDPR and conducting a digital health check. We conducted our first annual members' survey to find out how members think we are doing. Over half responded and the results are encouraging.

- 90% said ACO is getting the offer right
- 96% read the ACO newsletter
- 100% said they would recommend the ACO

As you would expect members also gave us a range of views on improving services and we will be acting on those.

The survey tells us something about the sector at this moment in time:

- 50% use social media
- 76% are seeing applications increasing
- 58% measure their impact
- 80% work collaboratively

The trustee board underwent a period of renewal with election of five new trustees and appointment of new Chair, vice Chair and Treasurer indicating a regeneration of governance and a board in rude health.

New Vision and New Operational Plan

The board unanimously adopted a new vision statement "By 2020 we will be the leading organisation representing the network of 'charities supporting individuals', helping them to enable their clients to achieve a better life" and detailed planning commenced to start work towards this aim in 2017.

ACO adopted a twin track strategy with a focus on membership, summed up in the plan “Recruit and Retain”. Our overall target is to recruit new members, to demonstrate the value of continued membership to existing members by improving and expanding services and member engagement. Both elements progressed well in the year. It is slow and steady work. We have learned that there is no overnight solution to recruiting or retaining members in these straightened times. Retention averages over 95% which is an excellent result when benchmarked against our peers. ACO introduced a two-year membership deal freezing prices for those members who signed up for two years. This brought in financial security and demonstrated member confidence in their umbrella body.

Policy

ACO joined the Charity Sector Counter Fraud Group to help the sector better prevent, detect, deter and report fraud and financial crime. The Group’s activities are focused on agreed priority areas, such as grant-funding fraud, fundraising fraud, cyber-fraud and ‘professionalising’ the sector (to better equip its counter-fraud capabilities. We will continue to work with ACO members to heighten awareness of fraud and developing strategies to protect grant makers.

ACO Autumn Summit 2016

The ACO Autumn Summit was held on Monday 17th October 2016 at The Royal York Hotel, in York. It was our first major conference held outside London and was a great success. ACO is grateful to Family Fund and Renovo for supporting this event.

Speakers included: Julia Unwin, Chief Executive at Joseph Rowntree Foundation, Ed Cox, Director at IPPR North, Kate Pickett co-author of *The Spirit Level* and Jennifer Herrera, Executive Director of Acts 435.

Feedback was positive: “Really excellent summit! Fabulous speakers, really topical and thought provoking”, “Good location!”, “My first ACO event, very worthwhile!” “Good idea to move away from London. Please consider doing this again”.

Annual Conference 2017

ACO has developed a model for its annual conference aiming to: establish the annual conference as the premier event for the sector; guarantee high standard of speakers relevant to ACO members’ interests and concerns; locate in a prestigious venue in the centre of London; create a space for members to network; and, create a profit that aids ACO sustainability.

ACO Annual conference 2017 was held on Monday May 15th at One Great George Street, in Westminster. The building, opposite HM Treasury is Grade II listed and is a magnificent, Edwardian building with rich neo-Palladian and Baroque interior. ACO is grateful to major supporters of this event James Hambro & Partners and the Bank Workers Charity.

Speakers included: Andy Cook, CEO at Centre for Social Justice; David Sinclair, Director International Longevity Centre, UK; Elizabeth Chamberlain, Head of policy and public services at

NCVO; Andrew Studd & Chris Rowse from the Russell-Cooke charity team; Sushi Juggapah, digital content editor at CharityComms; and, Bryn Parry OBE, Co-Founder Help for Heroes.

- ACO annual conference now attracts over a hundred delegates
- Speakers are of high calibre and get positive feedback from attendees
- Locations include Grade 1 and 2 listed buildings with high standard of facilities
- We have expanded time for networking and members value this
- ACO has raised £75k extra income in the last six years from annual conference profits

Grant Making Forum

ACO's regular members meeting, Grant Making Forum South, had a successful year with meetings in London covering subjects such as credit for people on low incomes, data protection and volunteers, identifying and supporting vulnerable victims of fraud, wellbeing – A pro-active approach, charity pensions, charity pay, building a 21st century database, and an update on cheques, innovative new ways to make and take payments, the Fundraising Regulator, and governance from a legal perspective.

ACO is grateful to British Dental Association Benevolent Fund for supporting these events.

Under Fives

The objective of the Under Fives group is to support some of the smaller charities with five staff or less in meeting their strategic goals. The group discuss how the themes relevant to the benevolent sector, presented in the Grant Making Forum, translate to charities delivering on a smaller scale. This group is also the opportunity to discuss sometimes more hands-on issues, outside of the workplace, and can be helpful in enabling staff to deal with day to day issues that crop up.

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The directors of the Charity, as defined in the Companies Act 2006, are also Charity Trustees for the purposes of charity law. Eligibility for election to the board of trustees is for up to twelve trustees, all of whom must be a nominated representative of a charity member organisation. Elections are governed by the Articles, (a copy of which may be obtained from the secretary or on the website).

Trustees are currently elected at the AGM for a term of office of three years. A retiring trustee may stand for re-election but may not be re-elected after serving for six years until one year from the date of his/her second retirement. We are currently reviewing the constitutional arrangements for governance.

New trustees have an initial induction meeting with the Chair and the Chief Executive and are given a pack of relevant documents, which includes the Charity Commission's publication on the responsibilities of charity trustees.

A more structured trustee recruitment process was introduced during the year with a review of the Trustee Role Description, according to current requirements, production of a trustee recruitment pack and advertisement for Trustees, and a process including formal interviews and a skills audit to help ascertain skills required to fill gaps.

A strong and effective board is synonymous with a strong and effective organisation. ACO continues to attract and recruit high calibre sector individuals to contribute as Trustees. Even with an unusually large turnover of trustees the Board retained a full complement, which brought a wide array of skills and maintained a diverse range of organisations represented.

Please see note 8 for trustees' disclosable interests under the Companies Act 2006.

The Trustees met regularly during the financial year, to undertake their governance role in reviewing and directing the performance of ACO, and in addition, a strategic away day was held to consider the future development and requirements of the organisation. From this the Trustees resolved to implement a new business plan covering the period until 2020.

Trustees' Responsibilities Statement

The Trustees (who are also directors of the Association of Charitable Organisations for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 the Financial Reporting Standard applicable in UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they're satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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's inappropriate to presume that the charitable group will continue in business.

The Trustees 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 company and enable them to ensure that the financial statements comply with the Companies Act 2006. They're also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

so far as each Trustee is aware, there is no relevant information of which the charitable company's independent examiner is unaware; and the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant information and to establish that the charitable company's independent examiner is aware of that information. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The Trustees have taken the exemption available to small companies and haven't prepared a strategic report.

AGM 2017

The Annual General Meeting was held at the offices of the Hospital Saturday Fund in London on 25th April 2017.

Kath Haines was appointed Chair and Paul Jackson was appointed Honorary Treasurer for a 12 month period. Judith Smith stood down as Chair and Jonathan Beckerlegge stood down as Treasurer. Anni Broadhead, Judith Smith, Diane Leicester-Hallam, Thom Craigen, Alison Taylor and Julian Stanley stood down as trustees in the year and new trustees appointed: John Brown (Iprovision), Clementine Cowl (Dance Professionals Fund), Caroline Aldred (CIMA Benevolent Fund), Penny Jerrum (Turn2us), Bryan Clover (Rainy Day Trust) and D'Arcy Myers (CTBF and SALRC).

The Chief Executive agreed to take on the role of Company Secretary.

Employees

The day to day management of the Charity has been delegated to the Chief Executive, Dominic Fox, supported by a small staff team. The Chief Executive is responsible for the day to day running of the organisation, production of the monthly newsletter, co-ordinating the member network, organisation of member events and conferences and recruitment of new members. The Finance Manager deals with day to day finance matters, manages membership renewals, produces management accounts, annual accounts and assists with the production of the annual report.

In November 2017 a new full time post of Network Development Officer was created and successfully recruited. This creates a second full time post that has already seen a step change in outputs benefitting our members and has allowed a restructuring of staff roles and responsibilities. This role combines the following core areas of work:

- Membership services, including membership support, development and recruitment

- Events management and events and general marketing
- Newsletter production and content management
- Occasional research projects
- Administration of ICT, website and social media
- General office duties

The organisation remains co-located with ACF (Association of Charitable Foundations) having moved with them in late 2013 to new office accommodation in Kings Cross in London. We continue to operate streamlined operations through the removal of paper records and will review how we utilise our database to enhance and improve our communication with members. Management provides trustees with timely and accurate management accounts and production of annual accounts.

Risk

ACO has a risk register that is reviewed annually by trustees. The principal risks and uncertainties facing the Association of Charitable Organisations, and the Trustees' plan for managing those risks in 2016-17, were:

Trustee body lacks relevant skills or commitment

- Regular review of skills required
- New trustee induction
- Agreed trustee recruitment processes
- Review of governance arrangements and board effectiveness

Lack of direction in strategic planning

- Creation of strategic plan which sets out the key aims, objectives and policies
- Production of operational plan to deliver the strategy
- Annual members survey to inform the strategy

ACO losing existing members and failing to attract new members in sufficient numbers

- Regular reviews of services
- Monitoring engagement of members
- Monitoring of recruitment activities
- Review of budget and reserves policy
- Maintaining six months reserves

Loss of key staff

- Regular one to one meetings and annual appraisals for staff

- Succession planning
- Review and agree recruitment processes
- Document systems, plans and projects
- Planning of new work to include consideration of staffing resources

Membership

Charity membership of the Association was 118 at 30th September 2017. ACO had 22 Corporate members and 4 Associate members.

Statement of Public Benefit

Trustees have regard to the Charity Commission's guidance on public benefit and consider that ACO's activities have provided public benefit, through helping benevolence charities optimise their own public benefit through a range of approaches, which include best practice initiatives, networking opportunities, and influencing policy where this is likely to impact on member charities and those they serve.

4. FINANCIAL REVIEW

The trustees are pleased to report that ACO has achieved our target of six months reserves and the pension deficit was paid off on March 31st 2017. The board will now consider how to strengthen the member offer which will help us fulfil our "Recruit and Retain" strategy of increasing the number of charitable organisations in ACO. Trustees will continue to guide strategy and monitor performance to ensure the organisation's sustainability and success.

Remuneration policy for key management personnel

The ACO board decides on remuneration for staff on an annual basis. The aim is to offer a fair salary to attract and retain staff to lead and support the delivery of the Charity's aims and objectives.

Reserves Policy

Any organisation requires reserves to safeguard itself against major fluctuations in income or delays in income being received and or unexpected items of expenditure. It is our objective to maintain our free reserves at a level of six months expenditure to give the Board the security of being able to plan for the long term as well as continue to be able to pay necessary expenses such as salaries. Reserves as at 30th September 2017 were standing at £109,000; broadly 12 month's expenditure. The financial position is closely monitored by the Board on a regular basis and reserves are considered by the Board as part of this monitoring exercise.

Copies of the full accounts are on pages 14 to 21 of this report.

5. PLANS FOR THE FUTURE

ACO Operational Plan

The current ACO operational plan runs until end of March 2018. In February 2018 trustees will review progress on the plan's first year and consider the objectives for the next twelve months. New initiatives to be rolled out in 2018 include a mentoring scheme, a publication focusing on best practice guidance for charities supporting individuals, a redesign of our website, implementing a new social media strategy, starting the provision of training programmes, and developing marketing and media campaigns to raise the profile and visibility of the sector.

ACO Digital Plan 2017-18

ACO has determined it will take a "digital first" approach. This will add a new dimension to our communications to a variety of existing audiences and expand our reach far beyond. To this end the trustee board approved a digital plan for ACO at its board meeting in July 2017.

The plan heeds the advice to take a project approach: getting initiatives going and evaluating our performance and making adjustments as necessary. "Taking decisions about what tools and services to invest in is like trying to hit a moving target". Technology is the means and not the end. The plan is not fixed in stone and it does not let the technology distract from the end goal of creating something that benefits our members.

ACO Office

Terence Higgins Trust has given ACF notice that it will be exercising its break clause in the lease for Acorn House in October 2018. ACF's present position is to continue seeing benefits in co-location with ACO and ACO wishes to remain co-located. An office move is anticipated in the autumn of 2018.

6. IN APPRECIATION

At the heart of ACO is a collaborative ethos – 'we are better together'. The trustees would accordingly like to give sincere thanks and express their appreciation to:

- ACO staff and volunteers for their assistance to Trustees and members during the year.
- Neil Finlayson of Kingston Smith LLP, Independent Examiner, for his support, generosity and advice.
- Member organisations that have generously provided meeting venues and hospitality.
- All commercial organisations/corporate affiliates and supporters that made donations, supported meetings or provided venues during the year.
- The Association of Charitable Foundations for providing office accommodation and much valued collaborative support.
- All members for their continued support, engaged participation in our events and for their vibrant contribution which enables our network to thrive.

Signed: *K Haines* Date: *6/2/18*

Kath Haines, Chair, on behalf of the Trustees of the Association of Charitable Organisations

7. TRUSTEES - The trustees who held office during the financial year were as follows:

Kath Haines (Chair)	CABA
Paul Jackson (Treasurer)	The Hospital Saturday Fund
Thomas Craigen	Benenden Charitable Trust (resigned 25 th April 2017)
Judith Smith (Chair)	Charity for Civil Servants (resigned 25 th April 2017)
Jonathan Beckerlegge	Chartered Certified Accountant's Benevolent Fund (Treasurer until 25 th April 2017)
Diane Leicester-Hallam	Pharmacist Support (resigned 25 th April 2017)
Anni Broadhead	Institution of Mechanical Engineers Benevolent Fund (resigned 25 th April 2017)
Julian Stanley	Education Support Partnership (resigned 14 th December 2016)
Alison Taylor	Turn2Us (resigned 25 th April 2017)
Julie Gilson	R. L. Glasspool Charity Trust
Carmel Miedziolka	Skinners Benevolent Trust
Kris Barnett	ICE Benevolent Fund
Caroline Aldred (Vice Chair)	CIMA Benevolent Fund (appointed 25 th April 2017)
Clementine Cowl	Dance Professionals Fund (appointed 25 th April 2017)
D'Arcy Myers	SALRC/CTBF (appointed 25 th April 2017)
Bryan Clover	Rainy Day Trust (appointed 25 th April 2017)
John Brown	Iprovision (appointed 25 th April 2017)
Penny Jerrum	Turn2Us (appointed 25 th April 2017; resigned 27 th July 2017)
Chief Executive	Dominic Fox
Company Secretary	Dominic Fox (appointed 25 th April 2017)

Professional advisers

Bankers:

Unity Trust Bank Plc, Nine Brindley Place, Birmingham B1 2HB

CCLA Investment Management Limited, 80 Cheapside, London EC2V 6DZ

Independent Examiner:

Mr Neil Finlayson, Kingston Smith LLP, Devonshire House, 60 Goswell Road, London EC1M 7AD

Solicitors:

Russell-Cooke, 2 Putney Hill, London SW15 6AB

Insurers:

CaSe Insurance (aQmen Ltd), James House, Emlyn Lane, Leatherhead, Surrey KT22 7EP

ANNUAL ACCOUNTS 2016 - 2017

ASSOCIATION OF CHARITABLE ORGANISATIONS STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30TH SEPTEMBER 2017

	Notes	<u>2016-17</u> £	<u>2015-16</u> £
<u>INCOME</u>			
Members Contributions	2	121,837	111,376
Other income	3	16,659	17,231
Interest (Gross)		305	388
Total Income		<u>138,801</u>	<u>128,995</u>
<u>EXPENDITURE</u>			
Direct Charitable Expenditure	4	102,440	94,055
Governance Costs	4	2,044	3,015
Total Expenditure	4	<u>104,484</u>	<u>97,070</u>
NET INCOME			
FOR YEAR			
		34,317	31,925
Balance Brought Forward 1/10/2016		74,734	42,809
Balance Carried Forward 30/9/2017	10	<u>109,052</u>	<u>74,734</u>

All funds are unrestricted

BALANCE SHEET
AS AT 30TH SEPTEMBER 2017

	Notes	<u>2016-17</u> £	<u>2015-16</u> £
Current Assets			
Unity Trust Bank plc (Custom Current Account)		44,725	67,899
CCLA COIF – Deposit Account		119,033	78,728
Cash in Hand		-	-
Sundry Debtors and Prepayments		219	1,098
		-----	-----
Total Current Assets		163,977	147,725
Less Creditors falling due Within one year	9	(49,575)	(63,136)
		-----	-----
Net Current Assets		114,402	84,589
		-----	-----
Total assets less current liabilities		114,402	84,589
Creditors falling due after more than one year	9	(5,350)	(9,855)
		-----	-----
NET ASSETS	10	<u>109,052</u>	<u>74,734</u>
FUNDS			
Unrestricted funds		109,052	74,734
		-----	-----
		<u>109,052</u>	<u>74,734</u>

For the financial year ended 30th September 2017 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

BALANCE SHEET (CONTINUED)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and with Financial Reporting Standard 102.

Approved by the Board for issue on: 6 Feb 2018 and signed on their behalf by:

Kath Haines, Chair:



Paul Jackson, Honorary Treasurer:



Company Registration No: 6113479

ASSOCIATION OF CHARITABLE ORGANISATIONS

These Notes are an Integral Part of the Accounts For the Year Ended 30th September 2017

1. Accounting Policies

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) Charities SORP (FRS 102) and the Charities Act 2011/Companies Act 2006. FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1 October 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31 September 2015. The financial statements are prepared in sterling, which is the functional currency of the charity.

(b) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

(c) Depreciation

Equipment, Fixtures, Fittings and Furniture are depreciated at 25% per annum on a straight line basis.

(d) Subscriptions are accounted for in the year to which they relate.

(e) Financial Instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

(f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

(g) Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements, nor do any estimates.

2. Members' Contributions

	<u>2016-17</u>	<u>2015-16</u>
	£	£
Subscriptions – Charity members	88,108	84,300
Subscriptions – Corporate members	20,750	15,750
Conferences	12,979	11,326
	<u>121,837</u>	<u>111,376</u>

3. Other Income

	£	£
Advertising	1,500	1,1000
Training	0	669
Corporate sponsors' contributions towards conferences and events	14,250	13,500
Corporate Participator contributions	909	1,962
	<u>16,659</u>	<u>17,231</u>

4. Total Expenditure

		<u>2016-17</u>	<u>2015-16</u>
	Notes	£	£
Subscriptions & Publications		746	477
Rent, Rates & Service Charges	8	2,621	2,616
Repairs, Maintenance & Renewals		-	-
Copying, Printing, Stationery & Newsletter		3,145	3,055
General & Volunteer Expenses		276	268
Insurances		400	398
Postage		50	81
Telephone, Database, Internet & Website		6,447	2,215
Employment Costs	5	76,183	74,951
Meetings (including Travel)		9,333	9,325
Training		3,239	669
Governance costs		2,044	3,015
		<u>104,484</u>	<u>97,070</u>

5. **Employee Costs and numbers**

	<u>2016-17</u>	<u>2015-16</u>
	£	£
Gross Salaries	68,923	67,482
Employer National Insurance	4,296	4,785
Employer Pension Contributions	2,598	2,543
Professional Fees – Payroll service	368	141
	<u>76,183</u>	<u>74,951</u>

No employees earned £60,000 or more – there was 1 full-time and 1 part-time employee at the start and end of the year.

6. **Pension Costs**

The current arrangement for one employee of ACO is that the employer makes a contribution of 5% of gross salary per annum for the CEO to invest into his own private pension scheme. The pension staging date for auto-enrolment was in January 2017 and ACO has set up an appropriate scheme for employees.

7. **Trustees' Remuneration and Expenses**

No remuneration was paid to any Trustee but reimbursement has been made of necessary travel expenses of £1,204 for four Trustees under Governance costs. No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2016 – 2017).

8. **Lease**

There is no lease on the current accommodation, which is occupied under a memorandum of agreement in which there are no liabilities.

9. **Creditors**

	<u>2016-17</u>	<u>2015-16</u>
	£	£
Creditors falling due within one year		
Sundry Creditors	810	2,126
Subscriptions paid in advance	48,765	55,510
Pension liability	-	5,500
	<u>49,575</u>	<u>63,136</u>
Creditors falling due after more than one year		
Pension liability	-	-
Subscriptions paid in advance	5,350	9,855
	<u>5,350</u>	<u>9,855</u>

Defined Benefit Pension Scheme

The pension scheme was a multi-employer scheme, the ACO arrangement being through the Hertfordshire Pension Fund. There are no remaining employees in this scheme and at the last tri-annual valuation, as at 31 March 2013, ACO's share of the scheme deficit was crystallised at £31,000.

It was agreed that ACO would pay the deficit in monthly contributions over a 3 year period, commencing 1 April 2014, as follows:

Year 1 (April 2014 – March 2015) - £750 per month, an annual contribution of £9,000;
 Year 2 (April 2015 – March 2016) an annual contribution of £11,000; and
 Year 3 (April 2016 – March 2017) an annual contribution of £11,000.

Completion of the payments by 31 March 2017 released ACO from any further liabilities. Any valuations of multi-employer defined pension schemes were prepared in line with FRS 102 principles.

10. **Analysis of Net Assets**

	<u>2016-17</u>	<u>2015-16</u>
	£	£
Current Assets	163,977	147,725
Current Liabilities	(49,575)	(63,136)
Long term liabilities	(5,350)	(9,855)
	<u>109,052</u>	<u>74,734</u>

Independent examiner's report to the Trustees of The Association of Charitable Organisations

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 30th September 2017.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for Accounting and Reporting by Charities.

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

Date: 29 / 6 / 2018

V.S.M. J.S.M. C.C.

Neil Finlayson, FCA, DChA

Independent Examiner

For and on behalf of Kingston Smith LLP

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