



the **association** of
charitable organisations

**THE ASSOCIATION
OF
CHARITABLE ORGANISATIONS**

REPORT OF TRUSTEES

For the year ended 30th September 2019

Charity No: 1118605

Company No: 6113479

CHAIR'S FOREWARD

We said this would be ACO's 'Year of Change', and as I start my first full year as ACO's Chair it is astonishing looking back at all ACO and its members have achieved.

We will launch ACO's first PR campaign One Day Changes Lives in 2020 this will be ACO members' first awareness day. It is no secret that grant-making charities are not publicly well-known. This campaign, which we intend to make an annual event, will change this by publicising the work ACO members do to support those in need.

We created two new roles and three new staff members joined ACO to improve the level of service we offer, Marie Claire our Administrator, Hannah our Communications Officer and Donal the new Chief Executive. It is also great to see ACO represent members at this year's Citizen's Advice Bureau conference, to reach out to advisors for referrals to members, and further spread their word about your work.

ACO has further embraced digital. We are on more social channels, including Facebook, LinkedIn and Instagram, and are better placed to communicate and share information. We have also set up a members' forum on Slack so whenever members have a question, they can easily ask the rest of the ACO membership.

Our Annual Conference in May proved a highlight of the year. It was great seeing so many ACO members come together. While our energetic speakers tackled tough and controversial subjects, it stimulated much thought-provoking discussion amongst members. We also continue to see many members attend and enjoy our regular ACO grant-making forum and Under Fives meetings, and other events such as the Communications Masterclass. Not only does this give members the opportunity to listen to expert speakers, but a much needed catch up and discussion with each other.

As we look towards an uncertain future for the country and the sector, it is inspiring to see the positivity that comes from our members in the help they provide. And we love being the conduit for our members to learn, support and collaborate with each other to thrive and work at their best.

D'Arcy Myers

ACO Chair

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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. From November 1st, 2019 the address of ACO's principal and registered office is: Fourth Floor, 28 Commercial Road, London E1 6LS.

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.

- ACO has no major financial liabilities.
- We continued the process of investment in staff to improve and increase services to members.
- Maintained our reserves to the equivalent of five months expenditure.

The board and staff regularly review the future direction and development of the organisation. ACO continued to work towards achievement of the four strategic objectives contained in the operational plan which expired on September 30th 2019. The trustees will consider a new strategic direction at its planning awayday in January 2020.

i) To grow membership of the ACO

By 2020 we currently aspire to have: 200 plus charity members with 10% annual growth in charity membership; 25 Corporate members and 25 Associate members.

ACO has continued to find it a mixed picture in progress towards our membership recruitment targets:

- Charity member recruitment has been a slow process with equal numbers recruited and leaving membership. We failed to increase charity membership by the 10% target.
- Corporate membership recruitment and retention remains strong and target was met.
- Associate membership aimed at charities providing paid for services to ACO charity members has stalled.

2. ACHIEVEMENTS AND PERFORMANCE (Continued)

The trustees continued to reflect on performance in this area. The ACO commissioned a charity sector membership consultant to produce a review of membership services. The report answered two questions:

- How is ACO doing relative to other membership organisations in terms of member recruitment and retention?
- What does ACO need to do to get growth in member numbers within present resources?

The report concluded that “ACO has a very successful and well-developed retention strategy with 95% of members renewing. This compares to sector benchmarks of 91% (Membership Benchmarking and Research Report 2017 by Sue Froggatt) and 78% (The 2018 Membership Marketing Benchmarking Report by Marketing General Incorporated). This was backed up by the latest membership survey when 100% of members said they would recommend ACO membership to others. Word of mouth recommendations are one of the main routes that membership organisations rely on to achieve growth. Based on this, we would expect a steady flow of new members coming from recommendations. However, as ACO is the main place that members network many existing members do not meet potential members that they could recommend ACO membership to. This presents an unusual and real challenge for ACO.

The report made 20 detailed recommendations that were accepted in full by the ACO trustee board for implementation in 2019.

Our new CEO Donal Watkin is a specialist in charity membership organisations and will work with staff and trustees to assess the new strategy in this area.

ii) To develop a range of support and resources for members

ACO will consider the future options for the organisation at its trustee board awayday in January 2020. The new CEO will present plans for future membership growth and what level of service ensures retention of current members.

Our legal helpline free to ACO members continued to be provided by our partner Russell-Cooke LLP.

ACO will continue to investigate opportunities for collaborative working with other specialist charitable organisations and fellow membership bodies to provide practical assistance in technical areas and increase our ability to lobby and campaign on behalf of members.

We continue to post expert briefings and research publications on the Benepedia knowledge sharing website on a range of issues of interest to our members.

ACO publishes ten editions of its newsletter Charity News Review (CNR) every year. This year we relaunched as a digital version and have had a positive response from members. We use CNR to publish special reports, guest articles, policy news and spotlight on the work of members.

We published a good practice guide for grant making to individuals which was made available free of charge to members and placed on the ACO website for wider dissemination. We are grateful to the authors, Clemmie Cowl and Caroline Aldred and to support from CCLA for helping us to make this publication a reality.

We conducted four surveys in the financial year on the PR project regarding the ACO Day of Action; Charity News Review (ACO newsletter); Benchmarking for smaller organisations; and our Annual Member survey.

2. ACHIEVEMENTS AND PERFORMANCE (Continued)

Annual Conference 2019

ACO has developed a model for its annual conference aiming to: establish the annual conference as the premier event for the sector

The 2019 ACO Annual Conference was held on Friday 10th May 2019 at One Great George Street, in Westminster. ACO is grateful to the major supporter of this event Quilter Cheviot.

Our theme was “You’ve got a Friend”

“Benevolent funds are a force for good in a troubled world offering a helping hand and sympathetic ear to people in need. ACO members help people overcome isolation and loneliness and promote wellbeing and economic independence.”

Speakers included Lindsay Judge from the Resolution Foundation, Liz Emerson co-founder of the Intergenerational Foundation, Srabani Sen from Full Colour and Zoe Amar Chair of the Charity Digital Code of Practice.

ACO thanks our conference sponsor Edentree Investment Management and support from Wilsons Law for the drinks reception and exhibitors: Griffiths & Armour, OT Practice and Connect Assist.

Autumn Summit

ACO held a very successful Autumn Summit hosted by Barclays at their Canary Wharf HQ on October 18th 2018. The theme of the event was: “Apply, Award, Assess. Repeat?”

Members enjoyed great speakers including Stefan Baskerville from New Economics Foundation, Emma Revie CEO at the Trussell Trust, Angela Kail from New Philanthropy Capital and member-led sessions on “Benevolence in the 21st Century” and “Mental Health issues for grant makers” which provoked lively discussions.

Grant Making Forum

ACO’s regular members meeting, Grant Making Forum, had a successful year with meetings in London covering subjects such as:

- November 2018 – Fiona Wilson, The OT Practice and Ron Moody, Connect Assist
- February 2019 - Shehnaaz Latif, NCVO, Peter Davenport, Definition, Paul Mitchell, Paul Mitchell Investment Reviews and Dawn Jackson, Turn2us
- June 2019 – Huw Evans, aQmen and Paul McAfee Family Fund
- September 2019 – David Crichton and Nick Gazard, IE Brand and Clergy Support Trust, Ron Moody, ConnectAssist and Lesley Prescott, The Reuse Network and Peter Everett, Lighthouse Furniture.

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 discusses 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 hands-on issues, outside of the workplace, and can be helpful in enabling staff to deal with day to day issues. The group conducted a benchmarking survey in 2019.

2. ACHIEVEMENTS AND PERFORMANCE (Continued)

Digital First

ACO continued its commitment to a digital first approach during this period. A major step forward was the recruitment of a digital savvy Communications Officer who turbo charged our entry into digital media establishing a presence on Twitter, Facebook, Instagram and LinkedIn. This raised the profile of ACO and its members and increased interaction with our members and potential members.

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

Our aims in this area have been restricted, not least by reluctance from government to engage and consult with civil society organisations and a lack of policy interventions affecting ACO and its members in the last twelve months.

We have sharpened up our engagement and feedback systems for members to inform and shape the work of ACO and remain committed to fulfil the role as a strong and credible voice to represent the views of members to government and key influencers.

67% (up from 55% last year) of our members reported an increase in applications either because of increased marketing to potential beneficiaries or rising levels of need.

Charity Times Awards

The ACO was a supporter of the Charity Times Awards held at the Park Plaza Hotel, Westminster Bridge in October 2018 and 2019.

iv) To run ACO in a professional and financially sustainable way

2019 was a year of succession with the retirement of both members of staff. Catherine Ginger started work at ACO in November 2002 latterly acting as Finance Manager and Administrator. Dominic Fox started as Chief Executive in January 2011 and stood down in late 2019 after nine years in post. ACO is grateful to Eddie Green whose design expertise set the current look of ACO communications. In late 2019 ACO brought its design in-house utilising new digital developments and staff expertise.

With two key staff retiring in 2019, trustees agreed recruitment of two new full-time posts in early 2019, an Administrator and a Communications Officer, whilst retaining the post of Chief Executive. Donal Watkin took up the role of CEO in November 2019. Brian Abbott joined the team as a consultant to advise on financial reporting and proposed changes to the ACO accounting system.

ACO continued to evaluation the impact of ACO. We ran our annual membership surveys:

- There has been a drop in ACO members who believe ACO is getting our membership offer right, from 95% in 2018's survey to 76% this year.
- 100% of responding members stated they would recommend ACO membership to others.
- The top three member benefits ACO members find useful are being part of a network of likeminded charities (90%), events and networking (65%) and the monthly newsletter (55%).
- 87% responded saying the ACO network had been useful to them. Members commented that they found connections they have made through ACO events helpful.
- 48% of members surveyed felt ACO events were Good, 41% Great, and 11% Excellent. No member stated ACO events were Poor or Average.
- 97% of members read Charity News Review, with comments stating overall members find it helpful and useful.
- 77% of members would like to see the ACO offer training.

2. ACHIEVEMENTS AND PERFORMANCE (Continued)

Operations Manual

The staff handbook has been produced and a substantial amount of work has been completed on producing policies to ensure ACO is compliant with its legal requirements.

Finance Manual was produced in November 2019.

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

ACO recruited two new trustees, a new Chair and Treasurer this year.

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 fifteen trustees, 80% of whom must be a nominated representative of a charity member organisation at the time of appointment. Elections are governed by the Articles, (a copy of which may be obtained from the secretary or on the website).

Trustees are 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 three years from the date of his/her second retirement.

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 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. The Board has agreed to recruit new members in early 2019 to fill gaps in the present array of skills and to maintain a diverse range of organisations represented.

Please see note 7 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 in February 2018 to consider the future development and requirements of the organisation.

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:

3. STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

- 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.

Administration

The day to day management of the Charity has been delegated to the Chief Executive, supported by a small staff team. The Chief Executive is responsible for the day to day running of the organisation. We have recruited a finance consultant to assist the Administrator with managing the finances of the organisation and producing quarterly management accounts and the annual Report of Trustees.

The organisation remains co-located with ACF (Association of Charitable Foundations). We continue to operate streamlined operations and will review how we utilise our database to enhance and improve our communication with members.

Risk

ACO has a risk register that is reviewed regularly by trustees. The principal risk and uncertainty facing ACO in the year was the loss of key staff and the ACO losing members and failing to attract new. The Trustees planned for these early in the year and new staff have been appointed with induction and handover from departing staff. The need to attract and retain new members was addressed with the "Review of membership services" and the Trustees have adopted recommendations from this report to mitigate against this risk moving forward.

Since the balance sheet date COVID-19 has affected the charity. The three office based staff are working from home in accordance with government guidelines.

3. STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Membership

Charity membership of the Association was 121 at 30th September 2019. ACO had 28 corporate members and 1 Associate member.

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, after significant investment in staff recruitment has almost maintained the target of six months' reserves and has no outstanding major debt.

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 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 2019 were standing at £88,494 (2017-18 £111,720); broadly 5 months (2017-18 7 months) of our budgeted expenditure for 2018/19. 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 10 to 17 of this report.

5. PLANS FOR THE FUTURE

ACO Operational Plan

The current ACO operational plan runs until end of September 2019. New initiatives for 2019/2020 include:

- Developing a marketing and media campaign to raise the profile and visibility of the sector that developed into a "Day of Action" with activity on social media and through print and broadcast media. ACO felt compelled to postpone the original date in October 2019 due to circumstances beyond our control such as media being dominated by political instability because of Brexit.
- Recruit a new Chief Executive to replace the retiring CEO at the end of 2019.
- Move office in November 2019.
- Develop a new strategic plan at an away day in January 2020.

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 for their assistance to Trustees and members during the year.
- Neil Finlayson of Moore Kingston Smith LLP, Independent Examiner, for his support, generosity and advice.
- Sandra Harmon of Hospital Saturday Fund for taking board meeting minutes
- 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.
- Haysmacintyre for hosting the ACO AGM 2019.

Signed:

Date: 10th June 2020



D'Arcy Myers, Chair, on behalf of the Trustees of the Association of Charitable Organisations

7. CHARITY INFORMATION

Trustees - The trustees who held office during the financial year were as follows:

Kath Haines (Chair)	CABA (resigned 12 th June 2019)
Paul Jackson (Treasurer)	The Hospital Saturday Fund (resigned 12 th June 2019)
Julie Green	R. L. Glasspool Charity Trust
Carmel Miedziolka	(resigned 12 th June 2019)
Kris Barnett	ICE Benevolent Fund
Caroline Aldred (Vice Chair)	CIMA Benevolent Fund
Clemmie Cowl	Dance Professionals Fund
D'Arcy Myers (Chair)	Smallwood Trust
Bryan Clover	Rainy Day Trust (resigned 21 August 2018)
John Brown	Past Trustee of Iprovision
Thomas Bull (Treasurer)	Hospital Saturday Fund (appointed 9 th May 2019)
Jodie Gill	CABA (appointed 9 th May 2019)

Chief Executive Dominic Fox to 31/10/19
Donal Watkin from 1/11/19

Company Secretary Dominic Fox to 31/10/19

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, Moore 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 2018 - 2019

ASSOCIATION OF CHARITABLE ORGANISATIONS STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	Notes	<u>2018-19</u> £	<u>2017-18</u> £
<u>INCOME</u>			
Members Subscriptions	2	115,899	107,062
Other income	3	24,039	26,222
Interest (Gross)		168	469
Total Income		<u>140,106</u>	<u>133,753</u>
<u>EXPENDITURE</u>			
Direct Charitable Expenditure	4	162,410	124,103
Governance Costs	4	922	6,982
Total Expenditure	4	<u>163,332</u>	<u>131,085</u>
NET INCOME FOR YEAR		(23,226)	2,668
Balance Brought Forward 1/10/2017		<u>111,720</u>	<u>109,052</u>
Balance Carried Forward 30/9/2018	10	<u>88,494</u>	<u>111,720</u>

All funds are unrestricted

BALANCE SHEET
AS AT 30TH SEPTEMBER 2019

	Notes	<u>2018-19</u> £	<u>2017-18</u> £
Current Assets			
Unity Trust Bank plc (Custom Current Account)		65,741	62,960
CCLA COIF – Deposit Account		89,671	104,502
Sundry Debtors and Prepayments		20,181	2,000
		-----	-----
Total Current Assets		175,593	169,462
Less Creditors falling due Within one year	9	(81,764)	(48,617)
		-----	-----
Net Current Assets		93,829	120,845
		-----	-----
Total assets less current liabilities			120,845
Creditors falling due after more than one year	9	(5,335)	(9,125)
		-----	-----
NET ASSETS	10	<u>88,494</u>	<u>111,720</u>
FUNDS			
Unrestricted funds		88,494	111,720
		-----	-----
		<u>88,494</u>	<u>111,720</u>

For the financial year ended 30th September 2019 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:

2020 and signed on their behalf by:

D'Arcy Myers, Chair:

A handwritten signature in blue ink that reads "D'Arcy Myers". The signature is written in a cursive style with a large initial 'D'.

Thomas Bull, Honorary Treasurer:

A handwritten signature in blue ink that reads "T Bull". The signature is written in a cursive style with a large initial 'T'.

Company Registration No: 6113479

ASSOCIATION OF CHARITABLE ORGANISATIONS

These Notes are an Integral Part of the Accounts **For the Year Ended 30th September 2019**

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.

(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 and implications of COVID-19. 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' Subscriptions

	<u>2018-19</u>	<u>2017-18</u>
	£	£
Charity members	92,899	87,812
Corporate members	23,000	19,250
	<u>115,899</u>	<u>107,062</u>

3. Other Income

	£	£
Advertising	1,600	2,800
Conferences and events	22,439	23,422
	<u>24,039</u>	<u>26,222</u>

4. Total Expenditure

		<u>2018-19</u>	<u>2017-18</u>
	Notes	£	£
Governance	7	922	6,982
Office Overheads	8	5,357	3,267
Service Delivery		22,587	30,252
Staff Costs	5	134,258	90,390
Sundry Expenses		208	194
		<u>163,332</u>	<u>131,085</u>

5. Employee Costs and numbers

	<u>2018-19</u>	<u>2017-18</u>
	£	£
Gross Salaries	99,418	82,046
Employer National Insurance	7,236	5,540
Employer Pension Contributions	2,492	2,676
Recruitment Costs	23,340	
Other Staff Costs	1,772	128
	<u>134,258</u>	<u>90,390</u>

5. **Employee Costs and numbers (Continued)**

	<u>2018-19</u>	<u>2017-18</u>
Staff Numbers		
Full Time	3	1
Part Time	1	1

No employees earned £60,000 or more

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. The 2 other full time members of staff have enrolled into the NEST Scheme. The part time member of staff does not meet the qualifying requirements.

7. **Trustees' Remuneration and Expenses**

No remuneration was paid to any Trustee but reimbursement has been made of necessary travel expenses of £677 (17/18 £311) and Awayday costs of £ nil (17/18 £1,950) for Trustees included 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 (2018 – nil).

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>2018-19</u>	<u>2017-18</u>
Creditors falling due within one year	£	£
HMRC	3,335	
Sundry Creditors	18,259	2,137
Subscriptions paid in advance	60,170	46,480
	<u>81,764</u>	<u>48,617</u>

9 Creditors continued

Creditors falling due after more than one year

	<u>2018-19</u>	<u>2017-18</u>
Subscriptions paid in advance	5,335	9,125
	<u>9,125</u>	<u>9,125</u>

10. Analysis of Net Assets

	<u>2018-19</u>	<u>2017-18</u>
	£	£
Current Assets	175,593	169,462
Current Liabilities	(81,764)	(48,617)
Long term liabilities	(5,335)	(9,125)
	<u>88,494</u>	<u>111,720</u>

11. Post Balance Sheet Event

COVID-19

The majority of the subscriptions for 2019/20 have been received. The secretariat is continuing to contact all members on a regular basis and is confident, at the moment, that members will renew for 2020/21. Staff are working from home. The annual conference has had to be postponed to October. The venue has agreed that the deposit can be carried forward. It is planned to have two major conferences in 2020/21.

The trustees are keeping the situation under constant review with the Chief Executive and will make decisions to reduce expenditure as necessary in order to remain a going concern.

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 2019.

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.

Moore Kingston Smith LLP

Date: 11 June 2020

Neil Finlayson, FCA, DChA

Independent Examiner

For and on behalf of Moore Kingston Smith LLP

Chartered Accountants

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