

# REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED **31 MARCH 2023**

Company number: 198344  
Charity number: 225922



# CONTENTS

|                                                                                           |          |                          |           |                                                |           |
|-------------------------------------------------------------------------------------------|----------|--------------------------|-----------|------------------------------------------------|-----------|
| <b>Reference and administrative details<br/>of the charity, its trustees and advisers</b> | <b>3</b> | <b>Strategic report:</b> | <b>14</b> | <b>Financial review</b>                        | <b>27</b> |
|                                                                                           |          | Delivering our strategy  | 15        | <b>Policies</b>                                | <b>29</b> |
|                                                                                           |          | Membership profile       | 20        | <b>Remuneration statement</b>                  | <b>31</b> |
| <b>Report of the trustee board:</b>                                                       | <b>6</b> | Our year in numbers      | 22        | <b>Pay gap report</b>                          | <b>35</b> |
| From the chair                                                                            | 6        | Members case studies     | 24        | <b>Environmental journey</b>                   | <b>41</b> |
| From the CEO                                                                              | 8        | Supporters               | 26        | <b>Strategic priorities for the year ahead</b> | <b>42</b> |
| Structure, governance and management                                                      | 10       |                          |           | <b>Principal risks and uncertainties</b>       | <b>44</b> |
|                                                                                           |          |                          |           | <b>Independent auditor's report</b>            | <b>46</b> |
|                                                                                           |          |                          |           | <b>Statement of financial activities</b>       | <b>52</b> |
|                                                                                           |          |                          |           | <b>Balance sheet</b>                           | <b>55</b> |
|                                                                                           |          |                          |           | <b>Statement of cashflows</b>                  | <b>57</b> |
|                                                                                           |          |                          |           | <b>Notes to the financial statements</b>       | <b>58</b> |

# REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2023

|                                                          |                                                                           |                                                                 |                                                     |                                                        |  |
|----------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------|--------------------------------------------------------|--|
| <b>Patron previously</b><br><b>Her Majesty The Queen</b> | <b>NCVO trustee board honorary officers</b>                               |                                                                 |                                                     | <b>NCVO trading limited directors</b>                  |  |
|                                                          | <b>Chair</b><br><b>Dr Priya Singh</b>                                     | <b>Senior Independent Trustee</b><br><b>Dr Sarabajaya Kumar</b> | <b>Trustees</b><br><b>Paul Buchanan</b>             | <b>Laura Crandley</b>                                  |  |
|                                                          | <b>Vice chair</b><br><b>Emily Agius</b>                                   |                                                                 | <b>Georgina Carr</b><br>Appointed 21 November 2022  | <b>Saskia Konynenburg</b><br>Apointed 21 November 2022 |  |
|                                                          | <b>Co-vice chair</b><br><b>Julie Bentley</b><br>Resigned 21 November 2022 |                                                                 | <b>Red Godfrey-Sagoo</b>                            | <b>Sarah Vibert</b>                                    |  |
|                                                          | <b>Honorary treasurer</b><br><b>Paul Breckell</b>                         |                                                                 | <b>Chris Sherwood</b><br>Appointed 14 December 2022 | <b>Andrew Walkey</b>                                   |  |
|                                                          |                                                                           |                                                                 | <b>Angela Spence</b>                                |                                                        |  |
|                                                          |                                                                           |                                                                 | <b>Dan Sutch</b>                                    |                                                        |  |
|                                                          |                                                                           |                                                                 | <b>Sheila Taylor</b>                                |                                                        |  |
|                                                          |                                                                           |                                                                 | <b>Ingrid Tennessee</b>                             |                                                        |  |



REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,  
ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2023

Continued

Audit and Risk Committee

Trustees

Paul Breckell

Dr Sarabajaya Kumar

Independents

Kalwant Grewal

Anne Heal

Frankie Smith

Kafui Tay (chair)

Finance and Commercial Committee

Trustees

Paul Breckell (chair)

Paul Buchanan

Dan Sutch

Independents

Dominic Fox

Stella Neophytou

Dani Salvadori

Governance and Nominations Committee

Trustees

Emily Agius

Chair from 19 July 2023

Dr Priya Singh

Chair until 18 July 2023

Independents

Karmen Bennett

Crewenna Dymond

Tommy Hyun

Debbie Raven

People, Culture and Inclusion Committee

Trustees

Angela Spence (chair)

Red Godfrey-Sagoo

Ingrid Tennessee

Independents

Amanda Arrowsmith

Edith Galliers

Chris Wade



REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,  
ITS TRUSTEES AND ADVISERS FOR YEAR ENDING 31 MARCH 2023

Continued

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                               |                                                         |                                                                                                                                                                                                    |                                                                                                                                                                                                                  |
|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Chief Executive</b><br><hr/> <b>Sarah Vibert</b> | <b>Chief Operating Officer and Directors</b><br><hr/> <b>Laura Crandley</b><br>Chief Operating Officer<br>( Director of Finance and Services to 31 May 2022 )<br>Appointed 1 June 2022<br><hr/> <b>Alex Farrow</b><br>Director of Influencing and Engagement.<br>Appointed 1 June 2022<br><hr/> <b>Saskia Konynenburg</b><br>Director of Strategic Communications and Insight.<br>Appointed 31 October 2022 | <b>Woosh Raza</b><br>Director of People, Culture and Inclusion.<br>Appointed 1 February 2023<br><hr/> <b>Andrew Walkey</b><br>Director of Services and Partnerships.<br>Appointed 1 June 2022 | <b>Company Secretary</b><br><hr/> <b>Laura Crandley</b> | <b>Auditors</b><br><hr/> <b>PKF Littlejohn LLP</b><br>15 Westferry Circus,<br>Canary Wharf, London E14 4HD<br><hr/> <b>Bankers</b><br>Barclays Bank Plc<br><hr/> <b>Investment managers</b><br>UBS | <b>Registered office and operational address</b><br>Society Building, 8 All Saints Street, London N1 9RL<br><br><b>Registered charity number:</b><br>225922<br><br><b>Company registration number:</b><br>198344 |
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# FROM THE CHAIR



Dr Priya Singh  
Chair, NCVO

## WELCOME TO NCVO'S ANNUAL REPORT FOR 2022/23

**We started 2022 facing a rapidly evolving cost of living crisis, placing substantial demands on the voluntary sector. People and organisations have continued to adapt, step up and innovate to meet new needs. We can all take inspiration from the continuing strength, resilience and courage of those working and volunteering in the sector.**

### The importance of community

When we welcomed Sarah as our CEO, she was focused on building relationships and developing a collaborative, accessible NCVO. Given all that society and the voluntary sector are navigating, NCVO's community-building role has never been more important. I have been so pleased to

hear of member experience and feedback about contacting the Helpdesk, of the quality and value of the resources available and, together with partners and wider stakeholders, the benefit of coming together at engagement events.

Growing a community has been integral in our influencing and advocacy for members and our sector. Our teams worked relentlessly with members to ensure decision-makers recognised the value of the voluntary sector. Alongside our partners, we secured £100million+ for voluntary organisations in the spring budget to support the cost of living pressures. NCVO also influenced the government to extend energy support to charities, saving many members hundreds of thousands of pounds

collectively and supporting members to find the best energy deals through free webinars with our trusted supplier Utility Aid.

During the year, we were very sorry to see the closure of the two main infrastructure bodies for small charities (the Small Charities Coalition and the Foundation for Social Improvement). Small charities make up over 90% of the NCVO membership community and have been particularly vulnerable to the cost of living crisis. As a result, we have stepped up our work directly supporting the small charity community. We are working hard to utilise our connections and reach in the best ways, by listening and responding to the needs of smaller organisations to enable a way forward.

A learning organisation

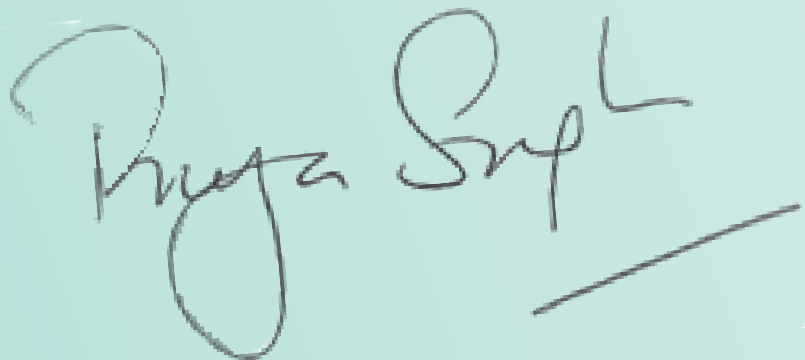
Throughout NCVO’s history, we have incubated projects to respond to emerging needs, many of which went on to become household name charities. How we support innovation is a crucial part of NCVO’s role in the sector. During this year we began new incubation projects - Power & Integrity and Charity Interns - both of which are testing and sharing new approaches to boosting equity, diversity and inclusion in the voluntary sector.

The majority of members of NCVO’s board are elected by the NCVO membership community, and we have welcomed two new members this year together with nine independent committee members, which has further strengthened and diversified our board and committees. We undertook an independent review of board effectiveness, with good results.

We were delighted to be awarded Race Equality Matters’ Bronze Trailblazer status in recognition of our culture change work.

Thank you

On behalf of the board, I would like to record my thanks to the NCVO team for their hard work and dedication when members, sectors and communities needed it most; to trustees and independent members for their vital and impactful time and commitment to NCVO; to members and partners for their visionary leadership, collaborative working and steadfast support for our voluntary community, ensuring that we are stronger together.



Dr Priya Singh  
Chair, NCVO



# FROM THE CEO



**Sarah Vibert**  
CEO, NCVO

**I can hardly believe this annual report marks my first full year as chief executive of NCVO. I've travelled all over the country this year meeting thousands of NCVO members, as well as hosting many online forums and meetings. It is this part of the role that inspires me most and challenges me to lead NCVO with members at the centre of all we do. One theme that runs through all the conversations I have with charity staff and volunteers is the challenge of keeping organisations running successfully in the short term, especially through times of crisis, while keeping focused on the long-term vision. NCVO certainly shares this challenge in responding to immediate needs of members while staying focused on the long-term sustainability of the voluntary sector and volunteering.**

## **A long-term vision**

This year with partners including the Department for Culture, Media and Sport (DCMS), we launched Vision for Volunteering, a ten-year collaborative project designed to reimagine the future of volunteering. More than 350 people from over 300 organisations were consulted to create this landmark project, which sets out a vision for what volunteering needs to look like by 2032. The Vision for Volunteering partners, alongside the growing movement we are building, believe the future of volunteering needs more diversity, more collaboration, more experimentation, and more devolution of power. It's an ambitious plan, but one that we and our partners are committed to delivering.

We've also continued to work collaboratively with our Civil Society Group partners, and in particular, ACEVO, to focus on the longer-term future of the voluntary sector. Recently we began a joint project to develop a vision for the society the sector wants to create and the role of the



voluntary sector in achieving this. This will form our collective voluntary sector manifesto ahead of the next General Election.

Responding to immediate need

But even though this year was partly spent planning for the future, we also needed to work quickly and reactively to help members through some of the most tumultuous times in living memory. As a community, we were faced with a series of crises and challenges, from the outbreak of war in Ukraine to our patron, Her Majesty Queen Elizabeth’s death, as well as the ongoing cost of living and energy crisis squeezing much-needed funds. From practical guidance on what organisations needed to consider following the death of the Queen to webinars about how to manage rising energy costs, the NCVO team responded time and time again to provide much-needed support to members.

To further support members with the cost of living crisis, we worked tirelessly with partners in the Civil Society Group, campaigning for help with energy costs, increases to the mileage rate, and achieved over a £ 100 million

boost for the sector. This is a significant amount of money that will be a lifeline to many organisations, particularly small charities as they face a further year of economic challenge.

While 1,352 members joined NCVO this year, our membership data is a stark reflection of the reality in the voluntary sector right now, where organisations are struggling with falling income, increasing costs and rising needs. We have seen an uptick in enquiries to our small charities helpdesk about closure and more charities leaving NCVO membership because they are sadly closing.

The year has been bookended by the closure of two important organisations – the Small Charities Coalition and the Foundation for Social Improvement (FSI).

NCVO has worked with partners to fill the gap left by these organisations. This has included setting up a Small Charities Advisory Panel to elevate the voice of small and working to shape the wider ecosystem for small charities. Our aim is to build resilience into the smaller charity sector, including developing sustainable models for small charity infrastructure support.

NCVO set for the year ahead

In the second half of last year, I appointed the final two directors to the NCVO leadership team. Woosh Raza and Saskia Konynenburg bring a wealth of experience to complement that of existing team members. NCVO ended the year with an operational surplus, despite a very challenging operating environment. Our culture change work has progressed well, and our values continued to embed. I am particularly proud of the staff-led networks, which have run a wide-ranging programme of activity this year to celebrate diversity and foster belonging. The passion and dedication of our staff towards supporting members and the sector is stronger than ever. We have continued to develop existing and new partnerships across all areas of our work.

These factors, combined with the strength of the NCVO membership community and the depth of our relationships across the sector, give NCVO a strong basis on which to progress and support the sector as we weather the storms of the year ahead.



Sarah Vibert  
CEO, NCVO



# STRUCTURE, GOVERNANCE AND MANAGEMENT

**The trustee board presents its annual report (incorporating the strategic report) and the audited financial statements for the year ended 31 March 2023.**

**The legal and administrative information set out on pages 3 to 5 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Charities' SORP (FRS 102).**

NCVO is a charitable company limited by guarantee, founded in 1919 as the National Council of Social Services, incorporated on 30 May 1924 and registered as a charity on 1 January 1964. It was established under a memorandum of association, which defines its objects and powers, and is governed by its articles of association. In addition, there are detailed regulations made under the articles.

Full membership of NCVO is open to voluntary organisations that comply with the criteria for membership. In addition, there are affiliate categories of membership for public sector and corporate bodies. NCVO's trustee board is responsible for managing the business of NCVO as outlined in the articles of association.

NCVO is governed by a board of 12 trustees, including three honorary officers (chair, vice-chair and treasurer). The chair, treasurer and seven trustees are elected by the members. Additional trustees are co-opted by the board to ensure the right mix of skills and experience.

One of the trustees is elected to fill the vice-chair honorary officer position by the board. Trustees serve for a term of three years, with a maximum of two terms except in exceptional circumstances. Trustees serve for a term of three years, with a maximum of two terms except in exceptional circumstances. The following committees report to the board:

- **Audit and Risk Committee.** Provides independent advice and assurance on risk, control and compliance matters. Our audit and risk committee is chaired by an independent member of the committee.
- **Finance and Commercial Committee.** Provides oversight of all commercial activity within NCVO. Reviews our business plans and budgets as well as monitoring our performance against targets, both financial and non-financial. Oversight of investments and our defined benefit pension scheme.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Continued

- **Governance and Nominations Committee.** Facilitates diversity in the governance structure and ensures the right mix of skills and experience on the board and its sub-committees. Supervises the trustee election process to ensure this is open and democratic. Supports board development and evaluation.
- **People, Culture and Inclusion Committee.** Sets the chief executive and the leadership teams’ remuneration and considers all people policies and related matters, including pensions. To provide challenge and support to the board and leadership team in relation to the delivery of our cultural change roadmap. Oversight of our external work to support inclusion across the sector. Provides challenge and oversight through lived experience, expertise and knowledge in relation to practice, culture and approach at NCVO.

On election, each new trustee receives an induction pack including The Essential Trustee and key organisational policies and documents. All trustees attend an induction meeting, which includes the opportunity to meet key staff. Each year, every trustee meets with the chair to review the year.

All trustees also take part in an annual planning event. This provides an opportunity for them to spend time with other board members and members of NCVO’s leadership team discussing the environment in which the organisation operates and the organisation’s future plans.

The trustee board was supported during the year by a leadership team and staff of around 85 employees, organised into five areas, as follows:

- **COO** – responsible for our conference facilities; data protection; finance; governance; IT; legal; property; and oversight of services and partnerships.
- **Director of Influencing and Engagement** – this includes membership, networks, policy, campaigns, volunteering and research.
- **Director of People, Culture and Inclusion** –this comprises our cultural change work; HR; learning and development and our external work to support the sector in the area of equity, diversity and inclusion.
- **Director of Services and Partnerships** – this comprises corporate relationships; practical support; and our training and consultancy offer.

- **Director of Strategic Communications and Insight** – this includes marketing and communications; our digital content and development; and a new insight function.

Members voice

The cost-of-living crisis presented a profound threat to NCVO members and the wider voluntary sector. As part of our campaign for government support, we amplified the stories of members to ensure that their experiences – increased need in communities, falling income, and rising bills – were heard by the general public and decision-makers.

We brought members together in collective action writing to their local MP and used insights gathered from member events and calls to our helpdesk to strengthen our case to the government.

In addition, we co-hosted a roundtable on the Charity Commission’s proposed social media guidance and changes to the annual return. Our survey on charity banking had over 1,200 responses, giving us a rich understanding of the challenges and solutions required.

Some of our original plans to formulise the involvement of members in our influencing work were delayed due to the



STRUCTURE, GOVERNANCE AND MANAGEMENT

Continued

energy and cost of living crisis. In the year ahead, we want to establish a quarterly policy forum for members and regularly convene a panel of 100 senior leaders from across the NCVO membership to inform our policy priorities.

President

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

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

We anticipate appointing a new president in the near future.

Charity Governance Code and Charity Ethical Principles

NCVO is a committed supporter of the Charity Governance Code (the Code) and the Charity Ethical Principles (the Principles) as a set of standards for high performance in governance, having played a major role in their development. We introduced our own ethical policy

in March 2022. As such, the trustees have resolved to adopt the Code and the Principles as a tool to identify areas to focus on. In 2021/22, we undertook a full external governance review in line with best practice and updates to the Code. This resulted in the re-shaping of the remit and meeting cycles of the committees which support the board, the appointment of a senior independent trustee and improving our approach to board meetings to ensure these address the critical strategic issues for the organisation and the sector. In early 2023, all committees reviewed their progress and recommendations were approved by the board in May 2023 as part of a cycle of continuous improvement.

Openness and accountability

NCVO’s strategy is guided by an overarching principle of being member-focused. We take a collaborative approach and recognise that members are the experts in charities and volunteering, and NCVO reflects this through its decision-making. For policy work, this means a far greater focus on really understanding the challenges members face and their goals and continually developing our offer in response.

In 2022/23, this included undertaking a survey around banking, support during the cost of living crisis as well as starting to prepare for a general election in 2024 through working with ACEVO to develop a joint manifesto for the sector.

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

During the last year, the trustees have:

- encouraged an active leadership approach to the loss of vital small charity infrastructure, particularly the closure of the Small Charities Coalition (SCC) and the Foundation for Social Improvement (FSI);
- established the Small Charity Advisory Panel to have oversight of and hold NCVO and the wider sector accountable for collective work to support small charities;
- supported a culture of openness, particularly in relation to female leadership and inclusion-prioritised relationships with members, including the recruitment of new, elected



STRUCTURE, GOVERNANCE AND MANAGEMENT

Continued

trustees, ensuring strong member voice in our formal governance structures;

- emphasised the importance of collaboration, particularly with the Civil Society Group and Vision for Volunteering, to strengthen our legitimacy and increase our impact on members.

Diversity within the board of trustees

The board considers the diversity of trustees to be a key priority and recognises the limitations associated with the elective governance process. The governance and nominations committee review the board’s skills and diversity annually, understand barriers to engagement

and develop targeted recruitment initiatives for both elected and appointed vacancies which reach a wide audience. Trustees continue to be committed to demonstrating leadership in this area with a view to encouraging candidates from different backgrounds and experiences to put themselves forward for trustee roles.

On 31 March 2023, our board of trustees consisted of eight females (67%) and four males. Six people (50%) identify as white, and six people are from the global

majority. One person (8%) identifies as disabled. Two people (17%) identify as LGBTQ+. Four people (33%) are between 31 and 44 years old, with the remainder of the board being over 45. The board is made up of people from different religious backgrounds, including those with no religion. Our governance and nominations committee review the diversity of the board regularly.

Organisational purpose and leadership

Following our external governance review in 2021, the trustees commissioned support to work with them to review their effectiveness as a board and have implemented the recommendations from this exercise. The board continue to undertake reviews regularly during their board meetings to ensure that they continue to adapt and improve how they work together.



# STRATEGIC REPORT

## OBJECTIVES AND ACTIVITIES

**NCVO champions and strengthens volunteering and civil society, with 17,000 members ranging from the smallest community organisations to the largest charities. There are tens of thousands of voluntary-sector organisations in the UK. There are millions of volunteers. Every day, people across the country give their time, energy and money.**

For over 100 years, NCVO has stood shoulder-to-shoulder with communities, championing and celebrating voluntary action. We firmly believe that communities are strengthened by charities, so we help them thrive. The NCVO membership is made up of 17,000 voluntary organisations across England, from small, grassroots community groups and social enterprises, to large, national and global charities. We listen to members and provide the right knowledge, tools, and resources when it matters, so they can focus on delivering

for people and communities. We are ambitious about creating systemic societal change, but we don't assume to have all the answers. So, with our partners and members, we advocate for greater value and equity for the voluntary sector so that charities can grow their impact.

**17,000**  
**MEMBERS**



### Public benefit statement

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

# DELIVERING OUR STRATEGY

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

## GOALS

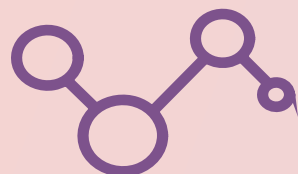
SUPPORT



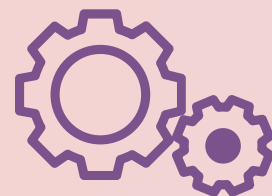
AMPLIFY



CONNECT



EVOLVE



## VALUES

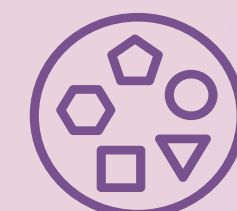
OPEN



COLLABORATIVE



INCLUSIVE



AMBITIOUS



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

1. Developing a more collaborative, personalised and accessible NCVO
2. Supporting a green and equitable recovery with and through members and partners
3. Breaking down barriers to volunteering
4. Transitioning NCVO to new ways of working for the long-term
5. Adapting our business model and growing back income
6. Developing the foundations of a learning organisation



# DELIVERING OUR STRATEGY

Continued

## SUMMARY OF KEY ACHIEVEMENTS THIS YEAR

### Developing a more collaborative, personalised and accessible NCVO

We firmly believe in the power of strong relationships between our 17,000 strong membership organisations and have worked throughout the year to facilitate members coming together to learn from each other for the benefit of their communities. We ran a total of 65 online engagement events with members and held seven face-to-face events, including regional member assemblies, CEO roundtables and our AGM.

We worked with a range of corporate partners to support the Charity Commission campaign for Trustees Week, focussing on celebrating and raising the profile of the 700,000+ volunteer trustees in England and

encouraging them to come together to develop their skills. The collaboration continued when over 100 attendees shared their experiences at the launch of our annual Civil Society Almanac. Covering the first months of the pandemic, the Almanac showed that for the first time in 20 years, income from the public contributes only half (51%) of all voluntary sector income. We also worked with UK Volunteering Forum partners on Volunteers Week to celebrate the value that volunteers bring to the sector.

To increase accessibility for members and the sector, we launched our new website in August 2022, which was developed based on extensive user research. This new website combines our portfolio of sites, including a review of all our online content, to ensure this was meeting best practices in terms of ease of access and use. In March 2023, we launched our new training and events platform, which will improve the efficiency of our training and events and allow members to get the information they need more easily.

This year, a lot of our work has been focused on supporting small charities. Following its closure in 2022, we agreed to take on the key services provided by the Small Charity Coalition (SSC), including the helpdesk and charity set-up tool. A vital lifeline, we are incredibly proud of our team, whose efforts made sure the small charity helpdesk service was up and running in a short space of time.

In March, we launched the Small Charities Advisory Panel, which will support NCVO and the wider infrastructure sector to ensure small charities can easily access the tailored help, support and advocacy they so desperately need. We also sought to reassure the community when the FSI closed its doors, communicating through email, social, news and insights.

It is important to help NCVO members plan for the future, as well as deal with the day-to-day. To this end, we wanted as many members as possible to access our 2023 Road Ahead report. Alongside the release,

which details the issues facing members in the year ahead, we held a number of events and published a series of blogs and articles providing members with advice and resources.

### Supporting a green and equitable recovery with and through members and partners

As society continues to recover and readjust following the pandemic, NCVO is committed to supporting members to ensure it returns a greener, fairer and more equitable place to be.

In May, our Power and Integrity project officially launched with high-profile sector press coverage.. This is an exciting new initiative that aims to address issues relating to power and integrity in the voluntary sector. We are incubating the project so that we can share learnings from our own EDI and culture change journey and learn from the project's findings.



**DELIVERING OUR STRATEGY**  
SUMMARY OF OUR KEY ACHIEVEMENTS THIS YEAR  
Continued

In June, we highlighted charity banking challenges via a major survey of over 1,200 organisations. The results showed that banking services are increasingly unavailable to and inappropriate for the voluntary sector, creating significant risk to good financial governance. We continue to work with partners and banking trade body UK Finance to address the challenges. This financial pressure, along with the energy crisis, continues to be a real roadblock to a green and equitable recovery.

Collectively the voluntary sector also scored a major financial victory as the DCMS announced the use of dormant assets for social or environmental causes. This included establishing a Community Wealth Fund, something NCVO has long campaigned as part of the Community Wealth Fund Alliance.

The highlight of the year was securing, with our partners, £100million+ for charities and voluntary organisations in the

spring budget to support them with energy bills. In addition, £63million will support community leisure organisations, many of which are charities. This built on our early success of ensuring that voluntary organisations had access to the Energy Bill Relief Scheme, which protected charities from the full cost of electricity and gas throughout the winter.

Given the challenges facing charities, we stepped up our political engagement this year. We attended regular Ministerial meetings including with the Culture Secretary, the Exchequer Secretary to the Treasury, and Civil Society Minister to highlight the vital role charities were playing in supporting communities and the challenges they are experiencing. Among our main calls to government was the uplifting of contracts in line with inflation and deferral of VAT payments. We also lobbied on the Procurement Bill. In partnership with Bright Blue and the Lloyds Bank Foundation for England and Wales, we hosted a series of

roundtables to strengthen the relationships between ministers and charity leaders.

In addition to high level political engagement, we highlighted the problems facing the charitable sector in a range of high-profile press coverage across the year, including a feature in The Guardian showing a range of cost of living crisis charity stories, as well as coverage surrounding our call for Jeremy Hunt to meet with charities to discuss future energy bills support, and regular broadcast media interviews about the impact of the cost of living crisis on charities.

As part of our work to make our sector a greener place to be, NCVO worked with a sustainability consultant to develop a plan to enable us to move towards net zero. That plan is currently being implemented, alongside an environmental management system (EMS). We also achieved the Green Mark for our conference facilities. We undertook development work on a sector-facing net-zero initiative which we launched in July 2023.

We welcomed Orlando Fraser as chair of the Charity Commission and look forward to working with him to build an even stronger sector that can respond to the challenges facing communities. NCVO’s practical support team forged a new relationship with the Charity Commission’s customer service team, building on the closer ways of working between our two organisations begun during the pandemic.

**Breaking down barriers to volunteering**

NCVO recognises that volunteering opportunities are not currently equally accessible, and the experience of volunteers can differ greatly across the country. We want a future where volunteers can give their time to the causes and organisations that matter to them in the ways they want and on a level playing field.

In May, NCVO and partners launched Vision for Volunteering, a ten-year collaborative project designed to reimagine



**DELIVERING OUR STRATEGY**  
SUMMARY OF OUR KEY ACHIEVEMENTS THIS YEAR  
Continued

the future of volunteering. Centred on awareness and appreciation, power, equity and inclusion, collaboration, and experimentation, the Vision for Volunteering partnership received a grant of £600,000 from the UK government for the second phase of the project and recruited three newly funded roles. We also partnered with the Centre for Ageing Better to support its efforts to increase age-friendly inclusive volunteering via training and creating a group of advocates.

Our research showed that financial hardships are still a barrier to volunteering. We joined Community Transport Association’s campaign in lobbying HMRC to increase the mileage rate for volunteers. We also invested in further understanding the barriers to volunteering. Our Time Well Spent research project saw its latest release in July, and the findings demonstrated that the covid-19 pandemic has had a profound impact on volunteer management, organisation and experience.

People’s willingness to stand up and help those in need was once again demonstrated when Russia invaded Ukraine. With over 13 million people displaced, NCVO worked with the government to establish the Homes For Ukraine scheme, which saw hundreds of thousands of people open their homes to those fleeing the conflict. In addition, we provided advice, guidance, and support to the sector as individuals and organisations mobilised to support those impacted by the war.

At NCVO, we were deeply saddened by Her Majesty Queen Elizabeth’s death and reflected on her lifetime of service. The Queen was our Royal Patron and was a strong supporter of charities and volunteering – as both a patron and advocate. In 2023, we welcomed His Majesty The King, and NCVO supported a new volunteering campaign linked to the Coronation. The Big Help Out was a national call to people to volunteer,

especially focusing on those who had never considered it before. It was a huge success, with some 6.5 million people helping out across the country - with many volunteering for the first time.

**Transitioning NCVO to new ways of working for the long-term**

We extend a warm welcome to our two new trustees, Georgina Carr and Chris Sherwood. Georgina has been the Neurological Alliance chief executive since January 2020. Chris has nearly 20 years of experience in the voluntary sector and has been the Chief Executive of the RSPCA since 2018.

We invested in moving our own office space to the fourth floor of the Society Building, specifically designing the space to reflect our hybrid working model. We concluded a significant consultation with colleagues on future ways of working at NCVO, with all staff who do not need to

be in the office for operational reasons moving to contracts where they can work from anywhere in the UK and, in parallel, putting in place additional benefits for the teams who run our conference suite and building, and therefore have less flexibility in terms of place of work. The NCVO team now comes together four times a year for ‘anchor days’, which we use to focus on cultural development and living our values.

Given the challenges presented by the cost of living crisis, we chose to award an additional one-off payment at Christmas to all staff below the leadership team level. Grants have become an increasingly important part of our business model.

**Adapting our business model and growing back income**

Cost of living pressures on voluntary organisations means that we saw NCVO membership numbers fall for the first time



**DELIVERING OUR STRATEGY**  
SUMMARY OF OUR KEY ACHIEVEMENTS THIS YEAR  
Continued

in 2022/23 (more detail below), although membership income grew. Although many of NCVO's income streams rely on paying voluntary sector customers, we were delighted that many areas of our business model held up or grew during the year, demonstrating the need for NCVO's work and the value members get from discounted services. We grew income from £5.4 million to £7.1 million over the 12-month period to March 2023 compared to the previous 12 months.

Our consultancy work is highly valued, and we delivered almost 850 consultancy days to 95 clients, covering a hugely varied range of sectors and organisations. These include delivering a youth volunteering programme for St John's Ambulance, developing an evaluation strategy for Jo's Cervical Cancer Trust and performing a governance health check for the Design Council.

Our conference suites continue to experience a strong booking pipeline, and

we served over 10,000 meals to delegates in 2022/23. We are developing the income stream further by hiring two conference suite coordinators and have extended the facilities to the third floor.

We continue to work with CAF to understand the decline in income to NCVO based on a long-standing agreement between CAF and NCVO as founders.

**Developing the foundations of a learning organisation**

In 2022/23, we have made good strides with our ongoing culture change work, building on the foundations we laid in previous years. One particular achievement has been expanding and strengthening our staff networks. These groups have played an important role in supporting the organisation to celebrate identity, recognise intersectionality and learn during this year.

In February, we celebrated Race Equality Week, and our REACH (Race Equality

Achieving Cultural Harmony) Network led a series of thought-provoking events and activities, including a Twitter takeover by black-led NCVO members. This year, NCVO was honoured to be chosen as one of two spotlight organisations by Race Equality Matters for our commitment to becoming an anti-racist organisation.

We celebrated International Women's Day by championing inspirational women in the sector, holding a staff event led by our DARE (women and non-binary) network, and our CEO Sarah wrote about her own experience as a CEO and what the sector needs to change to attract more female CEOs.

Our Rainbow Network marked LGBT+ History Month with impactful events for our staff and daily posts spotlighting LGBT+ icons and allies.

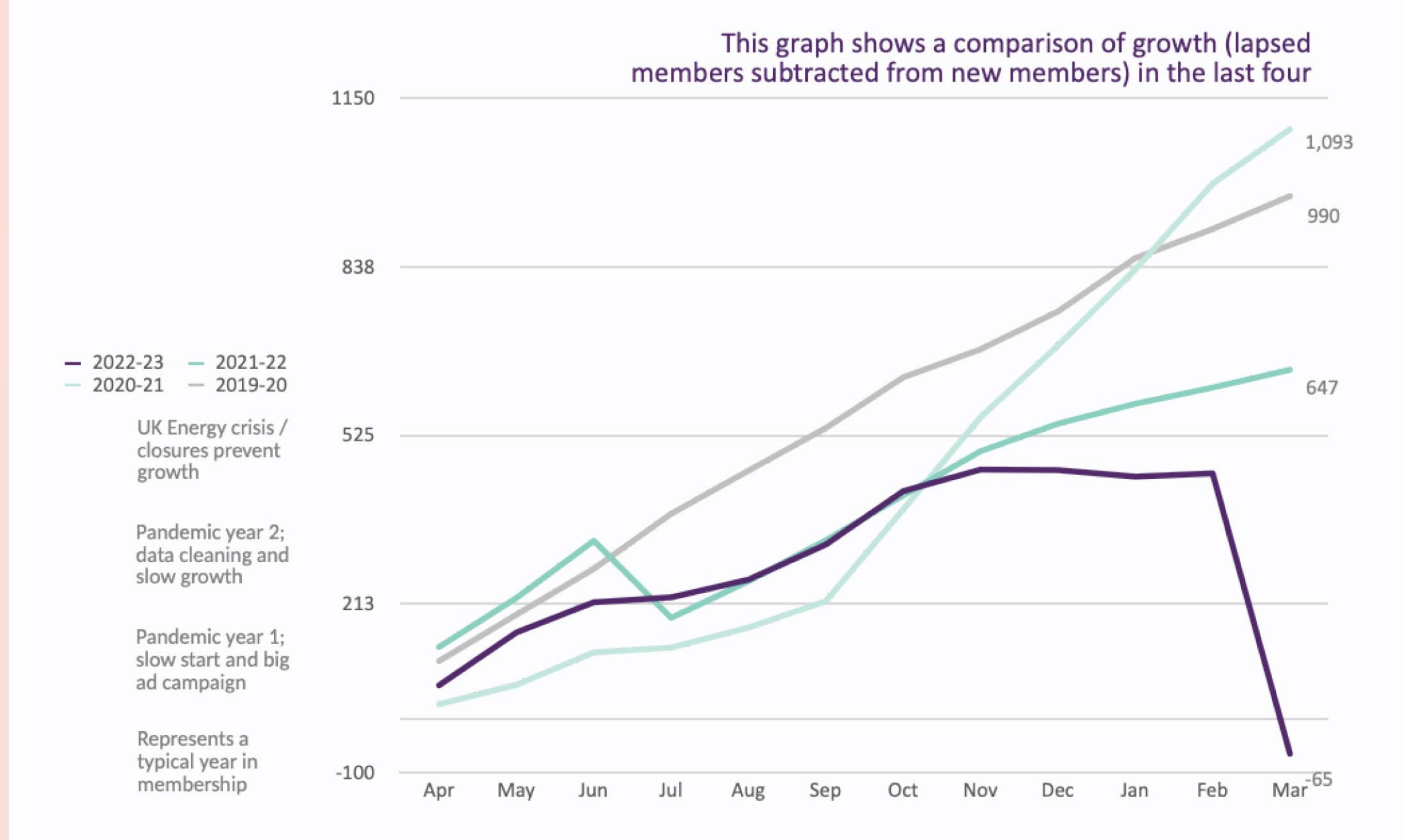
As part of raising awareness of our culture change work, Sarah and Priya continued to

speak publicly about our experiences, including Sarah speaking alongside one of the REACH network convenors at the Institute for Governance and Public Policy's conference and Priya being interviewed by the Third Sector podcast. We were delighted to be awarded Race Equality Matters' Bronze Trailblazer status in recognition of our work towards becoming a more diverse, inclusive, and equal organisation.

We continued our work to make the sector more inclusive via our Charity Interns pilot, which aims to provide charity experience and address the skills shortage in the voluntary sector. Aimed at the over-50s, it will launch in October 2023 and place people in paid six-month internships. Our EDI governance training, delivered in partnership with the Social Justice Collective, goes from strength to strength.



# MEMBERSHIP PROFILE



**2022/23** was the third year of membership trends that reflected the impact of the covid-19 pandemic. In 2020/21, we saw the voluntary sector plunged into crisis mode. As demand piled onto voluntary organisations, members prioritised their membership, and we saw a huge uptake of our free membership offer.

In 2021/22, the future seemed more uncertain; members’ incomes fluctuated as they fought to become sustainable; we added a layer of leniency in how we managed subscriptions, and member acquisition slowed.

# MEMBERSHIP PROFILE

Continued

In 2022/23, the cost of living crisis further exposed the strain that voluntary organisations were under. More memberships than usual lapsed, with mostly smaller organisations closing. Other memberships lapsed as organisations struggled to budget the cost of running their organisation with depleted resources. Additionally, we had a longstanding theory that since the pandemic began, many of our smallest membership records became dormant. In 2022/23, we prioritised investigating these records and discovered 481 dormant membership accounts. For the first time, NCVO membership did not grow. Though we welcomed a considerable number (1,352) of new members, 1,417 memberships lapsed, and membership ultimately decreased by 62 members. We ended the financial year with 17,040 members.

We welcomed fewer members month-to-month than the last financial year. The escalating energy crisis has impacted how organisations budget but also contributed to slowing member acquisition in 2022/23 as we navigated the challenging timing of (a) the closure of the Small Charities Coalition, (b) the launch of our small charity helpdesk and (c) the migration to our new website. Despite these challenges, we saw some uplift in quarter three as our relationships with infrastructure partners grew, and organisations came to us through group membership arrangements. We also saw a 3% increase in paying members compared with the previous financial year.

**Despite challenges, 91.9% of members renewed their membership in 2022/23. The membership team engaged with members in over 25k interactions; nearly 2k members were helped by the Helpdesk; nearly 20k member resources were downloaded and thousands of members had the opportunity to come together at 72 engagement opportunities.**

*“t’s a pleasure joining an active community of like-minded organisations to share knowledge.”*

New medium-sized member 2022



# OUR YEAR IN NUMBERS

## MEMBERSHIP

17,040

MEMBERS AT  
YEAR END



11,177

(66%)  
COMMUNITY  
(FREE) MEMBERS



5,863

(34%)  
PAYING  
MEMBERS

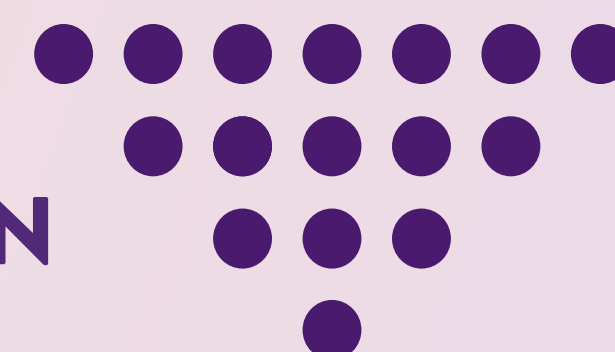


91.9%

OVERALL  
RETENTION  
RATE

89%

PAYING  
MEMBERS



93%

SMALL (UNDER  
1 MILLION)  
MEMBERS



## EVENTS, WEBINARS AND NETWORKING

ENGAGED WITH

5,020

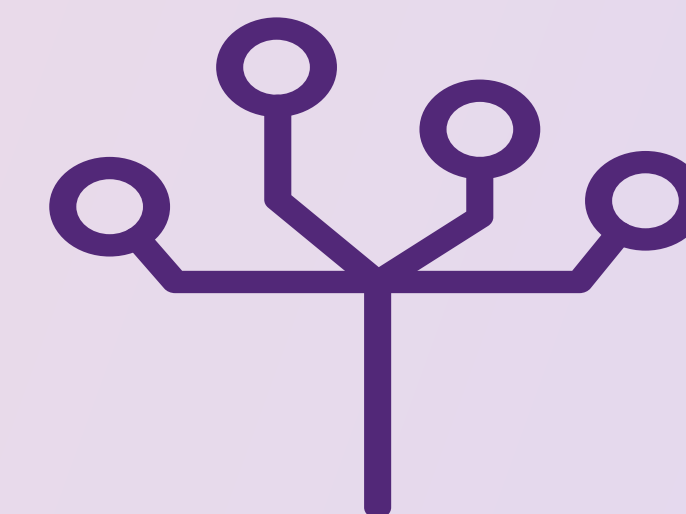
PARTICIPANTS  
ACROSS 65  
ONLINE EVENTS



75%

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

WE RAN  
OUR ANNUAL  
TRUSTEES WEEK  
EVENT SERIES



WE RAN 9 VOLUNTEER  
INFRASTRUCTURE  
BRIEFINGS, AIMED AT  
STRENGTHENING OUR  
RELATIONSHIP AND  
COLLABORATIVE SPIRIT  
WITH OTHER  
INFRASTRUCTURE  
ORGANISATIONS

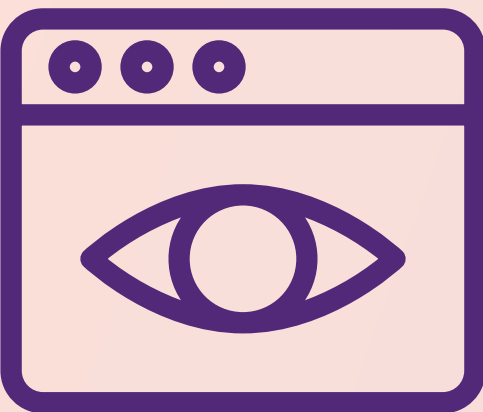
OUR YEAR IN NUMBERS

Continued

WEBSITE, PRACTICAL SUPPORT AND RESOURCES

551k

USERS



TOP 3 PUBLICLY ACCESSIBLE PAGES WERE

- 1. NCVO homepage
- 2. Help & guidance
- 3. I want to be a volunteer

5,521

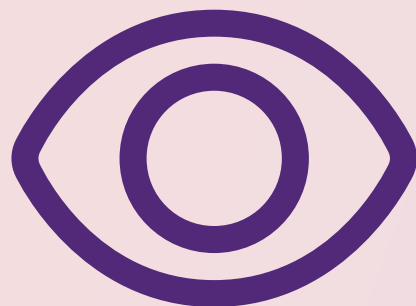
VIEWS, ON COST OF LIVING GUIDANCE PAGE

18,910

VIEWS, ON ALL COST OF LIVING CONTENT

1.8M

PAGE VIEWS



TOP 3 INSIGHT PIECES WERE

- 1. Death of Queen Elizabeth II - 13,322 views
- 2. The Big Help Out - 6,992 views
- 3. UK Civil Society Almanac - 6,880 views



TRAINING AND CONSULTANCY

4,146

PEOPLE TRAINED ACROSS 160 ONLINE TRAINING COURSES



50%

MEMBER-LEARNERS



850

CONSULTANCY DAYS DELIVERED TO 95 CLIENTS



OUR 5 MOST POPULAR COURSES

- 1. CHARITY TRUSTEE INDUCTION 425 delegates
- 2. GOOD PRACTICE IN VOLUNTEER MANAGEMENT 424 delegates
- 3. MANAGING PEOPLE IN THE VOLUNTARY SECTOR 407 delegates
- 4. PROJECT MANAGEMENT IN THE VOLUNTARY SECTOR 321 delegates
- 5. DATA PROTECTION ESSENTIALS 313 delegates



# MEMBERS CASE STUDIES

## Link Visiting Scheme

The Link Visiting Scheme is an award-winning befriending charity for older people in Wokingham dedicated to reducing loneliness through 1:1 and group befriending activities and community projects.

### How has your work - and the communities you support - been impacted by the challenges of the past year?

Since covid, we've grown massively as a charity, as that was when the issue of loneliness was brought to people's attention. The number of people we've supported in the past year has increased by 16% to 550 people, and our volunteers have gone up accordingly – to 414, an increase of 4%. But we've also seen our costs rise significantly across a multitude of areas, and our individual giving is down. We joined a hardship alliance in Wokingham as we wanted to make sure the voice of older people continues to be heard.

**What support have you sought from NCVO during the past year? And what was the impact/outcome of the support you received?** We receive the member's

newsletter, which gets circulated to staff and trustees. Our trustees utilise the governance and finance areas on the website, and I regularly use the help and guidance pages: which are incredibly useful, clear to understand and easy to navigate.

After attending the webinar jointly held with ACF in January, 'Working with funders during the cost of living crisis', I applied for, and we received an uplift from the National Lottery on our grant. I have been a charity fundraiser for a long time, but I hadn't thought of that before going on the course and asking for an uplift on our grants. That was really useful advice and helped us massively with our costs.

**What would you like the public or decision makers in government and elsewhere to know about your organisation's work and the support you require to deliver that work?** The key for our organisation is flexible funding. During covid, funders improved their practices – offering unrestricted and multiyear funding, but we've already seen them going back to only wanting new

projects. More broadly, we'd like decision-makers to keep in mind the importance of early intervention. We actually save a lot of money keeping our older people fit and active and less lonely. We need more collaboration and partnership – rather than forcing charities to jump through hoops.

The closure of organisations like FSI and SCC was a big blow to charities like us – the government needs to start realising the importance that small charities have – if others like them close, it will impact charities everywhere, but especially small and local charities

like us. Charities create money; they save money – they're not a nice to have, but they're an essential part of the well-being and livelihood of our communities.

## Haemochromatosis UK

Haemochromatosis UK is the UK's only charity that supports people affected by genetic haemochromatosis. Haemochromatosis is a medical condition which causes people to have a predisposition to loading iron. Having



too much iron in your body for a long period of time can lead to more serious conditions, like liver disease, liver cancer, heart disease, mental health issues – a whole range of things.

The charity, founded by Janet Fernau in 1990, works to provide support and information to people who are affected by the condition. We provide a lot of education to healthcare practitioners and clinicians – as the condition is not well known or understood. And we stimulate research into the condition to help improve people's lives for those that are living with Haemochromatosis.

**How has your work - and the communities you support - been impacted by the challenges of the past year?** One of our main challenges has been in relation to our community accessing NHS care and significantly increased waiting times. A lot of people are struggling to access primary care services like their GP because of funding and workforce issues. Consequently, we are seeing increased demand for our services as people turn to us to provide them with day-to-day support and help in relation to their condition, which typically they would have received from their GP.

Long waiting lists mean that some are waiting two or three years to get treatment. The impact of the cost of living crisis means that, like a number of organisations, we've had lots more pressure on donations.

**What support have you sought from NCVO during the past year? And what was the impact/outcome of the support you received?** The best part of our being an NCVO member is leveraging the resources on the help and guidance pages on the website. The knowledge base that NCVO has is fantastic and we regularly utilise the information on the help and guidance pages. For an organisation like ours, we have similar requirements to larger ones – for example, we need a safeguarding policy, but it's not easy knowing where to start with that without a safeguarding expert. What NCVO does is it collates the best practice, policies, and procedures together in a format that's easy for us to tailor to our situation.

When you're a small voluntary sector organisation, NCVO's advice and guidance, as well as the support you receive as a member, are not easy to find – as well as being really affordable for what we receive as a member. Like a number of smaller organisations, we would really struggle without NCVO's support.

**What would you like the public or decision makers in government and elsewhere to know about your organisation's work and the support you require to deliver that work?** We deliver a huge amount of support and care to a community that would otherwise be overlooked by the public sector, and we don't get any financial support for that. If we were supported financially and the public sector worked collaboratively with us, we would be able to do more to deliver services to our community, and it would allow us to scale our work.

We're a really small organisation with only four full-time staff, but last year we supported almost a quarter of a million people through our website alone and 2,500 families face to face.

We also need a fundamental change in mindset towards a preventative healthcare agenda. A healthcare model that is focused on prevention rather than treatment of disease would improve everyone's quality of life, but it would also save money. We know from our own research that we could save over £300 million a year with a preventative model, as with most people with the condition, there are no adverse long-term effects with early diagnosis and prompt treatment.



# SUPPORTERS

## Funders

We would like to thank four funders, particularly for stepping in to support financially when we took some of the services of the Small Charities Coalition over in April 2022 – namely, Garfield Weston Foundation, Lloyds Bank Foundation, Pilgrim Trust and Tudor Trust. We are also grateful to the Betty Messenger Foundation for providing a grant of £250,000 to support our practical support for the sector.

We would also like to thank the Department of Culture, Media and Sport for their financial and partnership support for the Vision for Volunteering project, together with their support for our Time Well Spent research.

Thank you also to the Oak Foundation, who provided funding as part of a grant to the Sheila McKechnie Foundation for our Power and Integrity incubation project, to the Climate Change Collaboration for supporting our fuelling positive change campaign, which

launched in July and also to the National Lottery Community Fund via their Awards for All funding and their contribution towards our digital development.

## Consultancy clients

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

We worked with the Design Council on their governance health check and made recommendations to further improve their governance structure with their new trustee board. Our review particularly considered developing effective working relationships between new trustees, and how to get the most from governance as a smaller organisation.

*"We really struggled to find someone to help us with our brief and budget. You were the most helpful, the best value and the process*

*and result were high quality...Trustees were very engaged in the conversation, and we look forward to moving forward with the recommendations."*

Kim Davids, Head of Chief Executive's Office

We worked in collaboration with the Co-op Foundation colleagues and trustees, funded partners and young people to co-create a **Theory of Change**. This included a consultation phase, involving trustees and young people to gather perspectives about the long-term impact Co-op Foundation would like to have and to learn about the different contexts and factors influencing the work.

## Corporates

We'd also like to thank our partners Phoenix Zurich, Worknest and Utility Aid who have paid an integral role in supporting the sector throughout the year with their expertise and knowledge with our practical support webinars, online content and guidance

We would like to thank Withers for their invaluable support over the last year. Not only have they been our legal partner in 2022/23, conducting over £75,000 worth of pro bono work, but they have also provided invaluable support to the sector, too including taking part in webinars on setting up a charity and revising and updating our legal and regulatory compliance checklist for members. They have also provided legal advice and guidance through our small charity helpdesk.

*"It's been a privilege working with NCVO throughout the year and a unique opportunity for Withers to be able to collaborate with a partner that has a great and lasting impact across the voluntary sector. We have particularly enjoyed engaging with NCVO's members through the multiple webinars we've done together and providing essential advice for the body's highly informative website. The commitment and energy of NCVO's team fill us with confidence for a continued partnership in the years ahead."*

Chris Priestley, Partner and Head of Charities and Philanthropy at Withers



# FINANCIAL REVIEW

**The year ending 31 March 2023 was another challenging year due to the cost of living crisis, as it was for many charities. We have seen the recovery of some income streams, such as from our conferencing facilities, as the restrictions during the pandemic have been removed. The growth of this income stream has, however, been impacted to some extent by transport and other strikes.**

## Income

Total income of £7.1 million was an increase on the preceding year (2022: £5.4 million). NCVO continues to generate income from a diverse range of sources. The main source of income from donations and legacies is £0.7 million from the Charities Aid Foundation (CAF), which has reduced again from the previous year (2022: £1 million). We are continuing to explore with CAF the

reasons for the decline in this historic income stream. Income from charitable activities of £3.8 million (2022: £2.7 million) continued to increase as our income from training and consultancy services and income from grants grew. Income from trading activities has increased from £1.4 million (2022) to £2.2 million (2023) as the income from our conference facilities continued to recover from the impact of pandemic restrictions.

## Expenditure

Total expenditure increased to £6.9 million (2022: £6.3 million). The main areas of rising costs related to the increase in services, such as our conferencing suite and consultancy, together with costs associated with Vision for Volunteering which is funded by the Department for Culture, Media and Sport (DCMS).

## Funds

Net income of £0.2million (2022: net expenditure of £0.7million) for the year included a loss on investments of £0.1million (2022: gain of £0.2million). The actuarial loss on the defined pension scheme of £0.8million (2022: actuarial gain of £2.6million) resulted in a net decrease in funds of £0.7million (2022: a net increase of £1.8million) and total funds at the end of the year of £6.1million (2022: £6.7million).

## Balance sheet

Fixed assets include Society Building at £ 3.7 million under the historical cost convention, being the original cost plus the cost of subsequent building works less depreciation.

In June 2013, the building was valued at £ 14.25 million on a 15-year sale-and-leaseback basis. Anecdotal evidence suggests that this value has increased since then. At the end of the year, there was an outstanding loan of £ 1.4



million secured on the building. The loan was taken out in 2011 and has a 20-year maturity with a five-year break in April 2026 and can be renegotiated for a further renewable term of five years.

NCVO’s defined benefit pension scheme was closed to future accrual on 31 March 2011. NCVO has been paying contributions under a deficit reduction plan agreed upon following the tri-annual valuation on 30 September 2019, which showed a deficit of £3.4 million. The plan has an expected end date of 31 December 2026. NCVO has agreed a revised deficit repayment plan with TPT Retirement Solutions (TPT), the trustees of the scheme, that sees a reduced contribution of £0.2 million per annum from 1 April 2021, rising by 3% per annum each subsequent year, plus annual scheme expenses. Contributions in the year to 31 March 2023 were £0.3 million (2022: £0.3 million) plus scheme expenses. We are currently reviewing the position in respect of the triannual valuation for September 2022 with TPT. The overall deficit is in line with expectations from the valuation in 2019. This is likely to result in an increase in contributions from April 2024.

The liability in respect of the defined pension scheme is recognised, as appropriate, on the balance sheet at the present value of the defined obligation less the fair value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with Financial Reporting Standard 102 (FRS 102). This valuation on 31 March 2023 resulted in a balance of £ 0.6 million (2022: £nil) due to the scheme ending the year in a deficit position.

Future financial planning

Like many other charities, we are continuing to recover from the effects of the pandemic and have also felt the effects of the cost of living crisis.

We have a balanced budget in place for 2023/24 and continue to work to grow our income so we can do more to support the sector as well as focus on rebuilding our cash reserves over future years.



# POLICIES

## Investments

During the year to 31 March 2023, NCVO’s investment portfolio was managed by UBS. Our investment policy aligns with our aim to be a sustainable and socially responsible organisation and our investment objective is to provide long-term capital and income growth. During 2022/23, the board decided to divest from businesses who are involved in the extraction and production of fossil fuels. This decision has been implemented.

The UBS approach starts with a negative screen then applies a positive screen that actively selects companies adopting best practice in areas such as supply chain management, waste and carbon management, employee welfare and corporate governance. The aim of this approach is to create a portfolio of companies actively focused on managing their businesses sustainably.

UBS provides real-time, online information on performance of the portfolio and quarterly reports. In addition, UBS attends a finance and commercial committee meeting at least annually to discuss the performance of the portfolio, economic conditions and future requirements.

## Reserves

The trustees have set a reserves policy that requires reserves to be maintained at a level which ensures that NCVO's core activity could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form. The trustees assess the required level of reserves on an annual basis alongside the operating budget. The assessment takes account of the market valuation of investments, income and expenditure risk within the budget, commitments to repay the loan secured on the building and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

In November 2022, the reserves policy was reviewed, and it was agreed that we would continue to use a risk-based approach to calculate the level of reserves we should hold based on the following:

- The review of risks as part of the business planning process;
- Three months' average expenditure from the budget.

We calculate readily realisable reserves as follows:

- The low point of budgeted cash during the year;
- The overdraft facility we can draw down against.

The current level of readily realisable reserves is between £8k and £241k below this level as a result of lower income.



At 31 March 2023, NCVO’s reserves calculations were as follows:

|                                                                | 31 March<br>2023      | 31 March<br>2022      |
|----------------------------------------------------------------|-----------------------|-----------------------|
|                                                                | £ '000                | £ '000                |
| Net risk identified in planning process for the following year | 0 to 223              | 92 to 225             |
| Three months average expenditure                               | 2,007                 | 1,735                 |
| <b>Required level of reserves</b>                              | <b>2,007 to 2,240</b> | <b>1,827 to 1,960</b> |
| Low point of cash for the following year                       | 999                   | 810                   |
| Overdraft facility                                             | 1,000                 | 1,000                 |
| <b>Readily realisable reserves</b>                             | <b>1,999</b>          | <b>1,810</b>          |

Designated funds (note 16) include a fixed asset fund, which represents funds that can only be realised on disposal of the fixed assets, and a range of allocations which will be spent over the next year.

Fundraising policy

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

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

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds, we do not have particular policies in relation to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

# REMUNERATION STATEMENT

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

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

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

## Our approach to pay

NCVO has around 85 staff. Salaries for the chief executive, chief operating officer and directors are set and reviewed annually by NCVO's people, culture and inclusion committee, a sub-committee of our board of trustees. The people, culture and inclusion committee includes specialists with significant pay expertise and knowledge, especially of the charity sector.

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

NCVO is ambitious for the voluntary sector, and we believe in recruiting high-calibre people to represent its interests. We also believe in rewarding staff fairly for the jobs that they do and fostering a positive working

environment, and we believe our salaries and our terms and conditions reflect this.

NCVO is a London living wage-accredited employer, meaning all our staff and contractors are paid at least the London living wage. Additionally, we believe in creating routes into charities for people who cannot afford to undertake unpaid 'internships', so over the last three years, we have run an apprenticeship in partnership with the Queen Mary University of London, leading to a BSc Business Management degree – social change.

People are employed at NCVO on the basis of the specific skills and experiences that they bring to their particular roles. For NCVO to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market where, not least as a result of NCVO's cross-cutting role, their skills are readily transferable to



REMUNERATION STATEMENT

Continued

other organisations, both in the voluntary sector and in other sectors. Our staff pay scales are set with these factors in mind.

(i) Chief executive, chief operating officer and directors pay

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

(ii) Benchmarking

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

Chief executive, chief operating officer and director pay is determined by the people, culture and inclusion committee. Its aim is to benchmark our leadership team

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

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

The same benefits, including pensions and terms and conditions, apply to the chief executive, chief operating officer and directors as all other staff. We do not apply any form of performance-related pay, nor do we have a bonus scheme. We don't apply increments to staff salaries beyond one automatic increment after the first 12 months of service.

Each year the leadership team participate in performance appraisals as part of the same feedback and appraisal scheme operated for all NCVO staff.

In the table below, total remuneration figures are salary plus pension contributions. The information below excludes the employer's national insurance contributions (NIC), which are included in the information in note 7.

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

REMUNERATION STATEMENT

Continued

(iii) 2021/22 leadership team pay levels

| Name              | Title                                                                          | Annual salary<br>2022/23 | Pension contributions<br>2022/23 | Total remuneration<br>2022/23 | Annual salary<br>2022/23 |
|-------------------|--------------------------------------------------------------------------------|--------------------------|----------------------------------|-------------------------------|--------------------------|
|                   |                                                                                | £                        | £                                | £                             | £                        |
| Sarah Vibert      | Chief executive                                                                | 120,000                  | 6,816                            | 126,816                       | 126,816                  |
| Laura Crandley    | Chief operating officer<br>(from 1 June 2022)                                  | 77,499                   | 7,608                            | 85,107                        | -                        |
| Laura Crandley    | Director of finance and services<br>(to 31 May 2022)                           | 14,807                   | 741                              | 15,548                        | 98,244                   |
| Alex Farrow       | Director of influencing and engagement<br>(from 1 June 2022)                   | 65,000                   | 5,994                            | 70,994                        | -                        |
| Alex Farrow       | Head of networks and influencing<br>(to 31 May 2022)                           | 11,562                   | 1,023                            | 12,585                        | 70,032                   |
| Charmaine Goddard | Interim head of people and culture<br>(from 1 October 2022 to 31 January 2023) | 21,070                   | 1,197                            | 22,267                        | -                        |
| Tracy Kiernan     | Head of central services<br>(to 30 April 2022)                                 | 8,320                    | 643                              | 8,963                         | 66,921                   |

Please note – table continues on the following page

(iv) Pay ratio

The ratio of our highest salary (£120,000) to our median salary (£40,562) is 3:1 (2022: 3.1:1).

(v) Pay awards

While they are separately determined, annual pay awards for the leadership team and staff have always been at the same percentage level until 2021/22. Between 2011 and 2019, both the senior management team and staff received an annual 2% pay award, followed by a 2.7% pay award for 2019/20. There was no pay award in 2020/21, a pay award of 2% and a pro-rata one-off payment of £500 in 2021/22 for all staff other than the chief executive, chief operating officer and directors. To reflect the current cost of living indices, we agreed on a 4.25% pay award for all staff other than the leadership team for 2022/23 and an award of 3% plus a pro-rata one-off payment of £500 for the leadership team other than the chief executive and chief operating officer.



REMUNERATION STATEMENT

Continued

(iii) 2022/23 leadership team pay levels (continued)

| Name               | Title                                                                      | Annual salary<br>2022/23 | Pension contributions<br>2022/23 | Total remuneration<br>2022/23 | Annual salary<br>2022/23 |
|--------------------|----------------------------------------------------------------------------|--------------------------|----------------------------------|-------------------------------|--------------------------|
|                    |                                                                            | £                        | £                                | £                             | £                        |
| Saskia Konynenburg | Director of strategic communications and insight<br>(from 31 October 2022) | 32,723                   | 1,820                            | 34,543                        | -                        |
| Rupa Kotecha-Smith | Interim head of strategic communications<br>(to 20 October 2022) (0.9 FTE) | 31,469                   | 1,720                            | 33,189                        | 47,018                   |
| Janu Miah          | Interim head of people and culture<br>(to 30 September 2022)               | 33,685                   | 1,885                            | 35,570                        | 64,117                   |
| Sophie Raeburn     | Head of digital, data and technology<br>(to 27 May 2022)                   | 11,267                   | 1,496                            | 12,763                        | 64,854                   |
| Woosh Raza         | Director of people, culture and inclusion<br>(from 30 January 2023)        | 15,179                   | 862                              | 16,041                        | -                        |
| Andrew Walkey      | Director of services and partnerships<br>(from 1 June 2022)                | 62,483                   | 5,590                            | 68,073                        | -                        |
| Andrew Walkey      | Head of support and services<br>(to 31 May 2022)                           | 10,533                   | 898                              | 11,431                        | 71,207                   |

# PAY GAP REPORT

NCVO is committed to addressing our pay gaps and understands the need to review our approaches equitably and fairly. Although NCVO employs fewer than 250 staff and is therefore not required to publish gender pay gap information, we have chosen to do so, along with our ethnicity, disability, sexual orientation and religion pay gap information. We are doing this to demonstrate our commitment to being an employer that recognises the importance of equity and inclusion, and the benefits that having a diverse workforce brings to the organisation. We are also committed to adopting an intersectional approach when developing our data in regard to protected groups to paint a fuller picture and identify areas we can improve.

## Gender pay gap

### Median and mean hourly earnings

At 1 March 2023 the median and mean male and female hourly earnings were:

|        | Male<br>hourly earnings<br>2023 | Female<br>hourly earnings<br>2023 | Non-binary<br>hourly earnings<br>2023 | Difference<br>2023 | Pay gap<br>2023 | Difference<br>2022 | Pay gap<br>2022 |
|--------|---------------------------------|-----------------------------------|---------------------------------------|--------------------|-----------------|--------------------|-----------------|
|        | £                               | £                                 | £                                     | £                  | %               | £                  | %               |
| Median | 22.29                           | 22.29                             | *                                     | 0.00               | 0               | (0.54)             | (3)             |
| Mean   | 24.78                           | 24.55                             | *                                     | 0.23               | 1               | (0.05)             | 0               |

At 1 March 2023 the mean male and female hourly earnings by quartile were:

|            | Male<br>hourly earnings<br>2023 | Female<br>hourly earnings<br>2023 | Non-binary<br>hourly earnings<br>2023 | Difference<br>2023 | Pay gap<br>2023 | Difference<br>2022 | Pay gap<br>2022 |
|------------|---------------------------------|-----------------------------------|---------------------------------------|--------------------|-----------------|--------------------|-----------------|
|            | £                               | £                                 | £                                     | £                  | %               | £                  | %               |
| Quartile 1 | 18.04                           | 18.30                             | *                                     | (0.26)             | (1)             | 1.24               | 7               |
| Quartile 2 | 20.83                           | 21.34                             | *                                     | (0.51)             | (2)             | (0.66)             | (3)             |
| Quartile 3 | 24.43                           | 24.29                             | *                                     | 0.15               | 1               | (1.12)             | (5)             |
| Quartile 4 | 37.85                           | 33.30                             | *                                     | 4.55               | 14              | (1.77)             | (6)             |



PAY GAP REPORT

Continued

There is no gender pay gap between males and females on 1 March 2023 on the basis of the median and a very small difference on the basis of the mean of 1%, so men are paid more than women on this basis. In three quartiles, the gaps between male and female mean hourly earnings are within 2% of each other, which is closer than last year. The fourth quartile is skewed by the fact there are six males and 16 females in this group, with the males in the category mainly being at the top of the quartile. The leadership team on 1 March 2023 were evenly split with three female and three male.

Mean hourly earnings by grade

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

Like many employers in the voluntary sector, NCVO employs more women than men, but there are proportionately more women than men in lower grades and in part-time roles. We have a range of family-friendly

|                       | Male hourly<br>f/t earnings<br>2023 | Female hourly<br>f/t earnings<br>2023 | Difference<br>2023 | Pay gap<br>2023 | Difference<br>2022 | Pay gap<br>2022 |
|-----------------------|-------------------------------------|---------------------------------------|--------------------|-----------------|--------------------|-----------------|
|                       | £                                   | £                                     | £                  | %               | £                  | %               |
| CEO / COO / Directors | 42.53                               | 52.84                                 | (10.31)            | (19)            | -                  | -               |
| Grade A**             | 35.10                               | -                                     | -                  | -               | 0.07               | 1               |
| Grade B               | 29.45                               | 28.79                                 | 0.66               | 2               | 1.63               | 6               |
| Grade C               | 25.51                               | 25.29                                 | 0.22               | 1               | 0.31               | 3               |
| Grade D               | 21.59                               | 21.65                                 | (0.06)             | -               | (0.33)             | (2)             |
| Grade E               | 18.16                               | 18.92                                 | (0.76)             | (4)             | 0.13               | 1               |
| Grade F***            | -                                   | 17.47                                 | -                  | -               | 0.21               | 1               |
| Apprentice***         | -                                   | 13.63                                 | -                  | -               | -                  | -               |

\* We have not included information on staff who identify as non-binary in these tables as we want to ensure individuals are not identifiable.  
\*\* No female staff at this grade at 1 March 2023.  
\*\*\* No male staff at this grade at 1 March 2023.

PAY GAP REPORT

Continued

and flexible working policies to support all parents and carers, and we have updated our family leave policy during 2022/23. This includes supporting parents to take time off to have or raise children and to assist with their return to work. We offer enhanced maternity pay and shared parental pay. We have flexible working hours and encourage and support remote working.

On 1 March 2023, NCVO employed 61 people that identified as female and 25 people that identified as male. We have an employee network called DARE (Diverse, Authentic, Revolutionary and Empathetic). This network meets regularly and exists for all NCVO staff who identify

as women and non-binary. We're dedicated to improving inclusivity, transparency, and equity for all and creating safe spaces. Our recent activities include hosting all-staff events to celebrate International Women's Day and a mini-series of talks on topics such as menopause and fertility.

Ethnicity pay gap

31% of employees identify themselves as members of the global majority; this is a 6% decrease from the previous reporting period (2022: 37%). When looking across grades, there is a higher proportion of employees from the global majority group in the lower grades in the organisation. Overall, employees who

identify from the global majority earn on the basis of a mean 10% (2022: 14%) less than other employees – this is a decrease of 4% on the previous reporting period. Based on the median, employees from the global majority earn on a level with other employees.

This report shows that there is still a pay gap disadvantage for our employees that identify as from the global majority. The trustees and leadership team are committed to addressing these and are developing an anti-racism strategy during the new financial year.

Our REACH (Race Equality Achieving Cultural Harmony) network changed its name from the BAME network due to growing feelings that the word BAME felt outdated, othering and generalising the life experience of people of colour. The change to REACH is felt to be more open and aspirational for a network that exists to provide a safe space for all NCVO staff who identify as being from global majority communities.

Our network enables us to come together, share our experiences, opportunities, and knowledge, offer mutual support, and discuss issues that are important to us. We are dedicated to improving inclusivity, transparency, and equity for all and creating safe spaces.

|        | Global majority<br>pay gap 2023 | Global majority<br>pay gap 2022 |
|--------|---------------------------------|---------------------------------|
|        | %                               | %                               |
| Median | -                               | 14                              |
| Mean   | 10                              | 14                              |

Proportion of global majority staff at each grade

|                          | Global<br>majority<br>2023 | White<br>2023 | Global<br>majority<br>2022 | White<br>2022 |
|--------------------------|----------------------------|---------------|----------------------------|---------------|
|                          | %                          | %             | %                          | %             |
| CEO / COO /<br>Directors | 17                         | 83            | -                          | 100           |
| Grade A                  | -                          | 100           | 43                         | 57            |
| Grade B                  | 21                         | 79            | 12                         | 88            |
| Grade C                  | 29                         | 71            | 29                         | 71            |
| Grade D                  | 30                         | 70            | 32                         | 68            |
| Grade E                  | 28                         | 62            | 47                         | 53            |
| Grade F                  | 100                        | -             | 40                         | 60            |
| Apprentice               | 100                        | -             | 100                        | -             |



Disability pay gap

This is the third year that NCVO is reporting on its disability pay gap. 9% (2022: 13%) of employees identify themselves as disabled. During 2023/24, we are launching a disability and neurodiversity employee network,

Disability mean and median hourly earnings and pay gap

|                                           | 2023   | 2022   |
|-------------------------------------------|--------|--------|
| Non-disabled hourly earnings mean         | £24.54 | £22.56 |
| Disabled hourly earnings mean             | £25.85 | £23.84 |
| Difference                                | £1.31  | £1.28  |
| Mean pay gap                              | 5%     | 5%     |
| Non-disabled staff hourly earnings median | £22.29 | £21.38 |
| Disabled staff hourly earnings median     | £25.51 | £22.90 |
| Difference                                | £3.22  | £1.52  |
| Median pay gap                            | 14%    | 7%     |

introducing a disability and adjustments policy and reviewing our approach to accessibility as we would like our staff group to reflect a wider society where 18% of people identify as being disabled. The average pay gap between

Proportion of disabled and non-disabled at each grade

|                       | Disabled<br>2023 | Non-<br>disabled<br>2023 | Disabled<br>2022 | Non-<br>disabled<br>2022 |
|-----------------------|------------------|--------------------------|------------------|--------------------------|
|                       | %                | %                        | %                | %                        |
| CEO / COO / Directors | -                | 100                      | -                | 100                      |
| Grade A               | *                | *                        | 14               | 86                       |
| Grade B               | 29               | 71                       | 38               | 63                       |
| Grade C               | 14               | 86                       | 7                | 93                       |
| Grade D               | 7                | 93                       | 15               | 85                       |
| Grade E               | 10               | 90                       | 11               | 89                       |
| Grade F               | *                | *                        | *                | *                        |
| Apprentice            | *                | *                        | *                | *                        |

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

disabled and non-disabled employees is positive at 5% (2022: 5%), and the median pay gap is positive at 13% (2022: 7%).

|                       | Disabled<br>hourly f/t<br>earnings<br>2023 | Non-<br>disabled<br>hourly f/t<br>earnings<br>2023 | Difference<br>2023 | Pay gap<br>2023 |
|-----------------------|--------------------------------------------|----------------------------------------------------|--------------------|-----------------|
|                       | %                                          | %                                                  | %                  | %               |
| CEO / COO / Directors | -                                          | 47.68                                              | -                  | -               |
| Grade A               | *                                          | *                                                  | *                  | *               |
| Grade B               | 29.08                                      | 28.73                                              | (0.35)             | (1)             |
| Grade C               | 25.51                                      | 25.32                                              | (0.19)             | (1)             |
| Grade D               | 22.29                                      | 21.61                                              | (0.68)             | (3)             |
| Grade E               | 18.68                                      | 18.59                                              | (0.09)             | -               |
| Grade F               | *                                          | *                                                  | *                  | *               |
| Apprentice            | *                                          | *                                                  | *                  | *               |

PAY GAP REPORT

Continued

Sexual orientation pay gap

We are proud at NCVO to publish our sexual orientation pay gap for the first time and recognise that we do not have a significant pay disparity that disproportionately impacts people who do not identify as heterosexual.

Over the past year, we have successfully established our LGBTQIA+ Network, the Rainbow Network (see below), as a safe space for members of the LGBTQIA+ community and allies and have delivered some thought-provoking and educational workshops to celebrate the community. We do recognise, however, that we do have a portion of our workforce who have chosen not to share their sexual orientation. We know there is more work we can do to address this so our staff feel safe to share this information, and we strive to continue our efforts in nurturing an inclusive environment for our LGBTQIA+ staff. We are also committed to adopting an intersectional approach when developing our data in regard to protected groups to paint a fuller picture and identify areas we can improve.

In June 2022, the Rainbow Network was formed. This Network supports all NCVO staff who identify as LGBTQIA+ and their allies. It hosts a series of events ranging from well-being drop-in sessions, film viewings and all-staff lunch and learns sessions. The Network promotes a safe, inclusive space for staff to listen and offer mutual support, and the Network leads to feed into wider NCVO projects and culture initiatives to ensure that they are viewed through an LGBTQIA+ inclusive lens.

|                                   | 2023  | 2022  |
|-----------------------------------|-------|-------|
|                                   | £     | £     |
| Bisexual hourly earnings mean     | 22.61 | 22.29 |
| Gay man hourly earnings mean      | 29.92 | 29.51 |
| Heterosexual hourly earnings mean | 24.86 | 24.29 |
| Lesbian hourly earnings mean      | 22.27 | 19.16 |
| Other hourly earnings mean        | 24.88 | 23.90 |
| Not known hourly earnings mean    | 22.82 | 22.29 |



PAY GAP REPORT

Continued

Religion pay gap

This is the first time that we have reported on the religious pay gap. Overall, we do not have a significant pay disparity in terms of religion. We do note that there is a slight pay gap for those who have identified as Hindu. We are very committed to understanding this further and will endeavour to explore how we can address this gap where possible. A key strategic aim in our people strategy is to move from inclusion to belonging.

We recognise that in order for us to do so, we aspire to create an environment where people feel they can bring their best selves to work. Religion is a key part of our staff's identity, and we will be exploring how best we can achieve this over the coming year. We are also committed to adopting an intersectional approach when developing our data in regard to protected groups to paint a fuller picture and identify areas we can improve.

By publishing our pay gap data for the first time for both religion and sexual orientation, we are demonstrating our commitment to developing our workplace culture to champion a more inclusive environment for all. This is also part of our ongoing work to be more transparent about our approach to pay.

|                                        | 2023  | 2022  |
|----------------------------------------|-------|-------|
|                                        | £     | £     |
| Agnostic hourly earnings mean          | 23.55 | 22.29 |
| Atheist hourly earnings mean           | 23.78 | 23.90 |
| Catholic hourly earnings mean          | 27.38 | 22.29 |
| Christian hourly earnings mean         | 23.39 | 22.29 |
| Hindu hourly earnings mean             | 18.20 | 18.20 |
| Muslim hourly earnings mean            | 27.90 | 22.29 |
| Other hourly earnings mean             | 18.63 | 18.63 |
| No religion hourly earnings mean       | 26.32 | 22.29 |
| Prefer not to say hourly earnings mean | 22.12 | 22.29 |

# ENVIRONMENTAL JOURNEY

NCVO's environmental journey started almost 20 years ago with an audit by the Bridge House Trust. Since then, we have worked tirelessly to reduce our environmental impact via long-term commitments like signing up to the Mayor of London's Green Procurement, as well as the Global Action Plans audit scheme. But although we have come far, we still have a long way to go.

We see NCVO's role as twofold. We are not only interested in our own impact as an organisation but also in what we can do to support the sector more widely in reducing its environmental impact.

In 2022/23, we carried out an external audit by Acclaro. We are implementing all of their conclusions, which include:

- considering an environmental management system
- considering how we reduce water consumption
- measurement of travel

- develop targets for net zero
- reducing greenhouse gas emissions using a robust methodology.

In May 2023, we were proud of achieving the Green Mark for our conferencing facilities. This sustainability certification assesses, audits and certifies your business' impact on the environment. We have also commissioned a new 10-year maintenance plan for the building, which will include work to improve our environmental impact.

In relation to staff, we are gathering data about both employee travel, including commuting and client data. We are also considering carbon literacy training for employees. Finally, we launched a divestment campaign in July 2023.

## Green PEAs

In October 2022, we established our Green PEAs staff community of practice – a space for staff at NCVO to share their own experience of positive environmental action. As a community of practice, the space is open to all staff to contribute at any time and to learn from one another. Green PEAs also hold monthly drop-in sessions and have discussed areas such as diet, gardening, clothing, and some of the political and campaigning aspects of sustainability and environmentalism.

The community is non-judgemental and is focused on amplifying the positive impact of individuals while also recognising where we can be held back by systemic issues and inequality. Where a suggestion arises for improvement at an organisation level, this is fed back to the Leadership Team.



# STRATEGIC PRIORITIES FOR THE YEAR AHEAD

## Community building and belonging

In 2023/24, we are focusing on ensuring there are a range of ways for people to engage with and get involved in the voluntary sector and volunteering. We want to create an environment where grassroots community building and social action can thrive. NCVO itself will aim to become accessible and inclusive for all who want to get involved in our work and will continue to build partnerships that increase our reach in the sector. Through the delivery of our new people strategy, we want to make sure that everyone feels like they belong at NCVO.

## Environmental sustainability and governance

Our work towards making the voluntary sector more environmentally sustainable is a vital priority for 2023/24. The core of our work will be supporting the voluntary sector to contribute towards net zero. Alongside this, we will ensure the sector is underpinned by strong governance

practices. NCVO itself will be an exemplar of environmental sustainability, organisational practice and best-in-class governance.

## Small and local

We will focus on ensuring collective support across the sector for small charities is distinct, easy to access and enables small charities to thrive. An important part of this is working collaboratively with NAVCA to ensure local infrastructure organisations have the support they need to enable thriving local communities.

## Economic, political, and regulatory environment

In the coming year, we will ensure the voluntary sector is supported to shape and respond to the current economic, political and regulatory environment. We will achieve this by working with Civil Society Group partners to influence

the government to strengthen the operating environment for charities and volunteering, as well as working with ACEVO to support voluntary organisations to campaign effectively during the general election.

## Collaboration, learning, systems and processes

We believe that cross-organisational working at NCVO delivers the best outcomes for members. In 2023/24, we will focus on ensuring NCVO's core systems and processes are efficient and effective. NCVO will continue to be a learning organisation where staff are supported to perform their roles to a high standard and to develop in their chosen career path. Through the delivery of our new communications strategy, we will further strengthen our advocacy work for the voluntary sector and ensure we elevate the voices of smaller organisations and not often heard groups. Through harnessing member insight, we can ensure we are responsive to their needs.

Income generation

Our focus this year is to ensure NCVO’s business model is sustainable for the long term. We will do this by retaining (and growing) NCVO membership numbers and increasing our conferencing and consultancy income. We will also look to generate income from corporates by offering support to the sector. We will also explore new business development activities.





# PRINCIPAL RISKS AND UNCERTAINTIES

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

**Risks are considered in seven key areas: strategy, governance and management; operational; financial; environmental and external; legal and statutory; people; reputational. All identified risks are assessed for both likelihood of occurrence and potential financial and reputational impact to give a gross risk. Mitigating controls are then considered, giving a net remaining risk.**

The board approved a change in our approach to risk in May 2023. We have separated our risk register into two. The first part considered risks for the sector on the basis of a PESTLE (political, economic, social, technological, legal and environmental) analysis and our role, alongside others, to support the sector to mitigate these risks.

The main risks identified related to the continued impact of the cost of living and energy crises, together with challenges to the commissioning environment and the balance between services provided by the state and by the voluntary sector; ensuring the sector is representative; digital skills and expertise; and the achievement of net zero. The second risk register considers the risks to NCVO as an organisation and how we have and continue to mitigate these. External and strategic risks include how we play our part in addressing climate change through reaching net zero and the impact of closures on member numbers. The main financial risks relate to our ability to sustain and grow income streams and rebuild our cash

reserves, as well as risks around our conversations with CAF on this income stream. Key governance, operational, people and reputational risks include effective delivery of our new people and communications strategies and breaches of data protection, cyber security, or other legislation. The trustees are satisfied that these and all other risks in the register have been adequately assessed and that appropriate steps are taken to mitigate risk.

In respect of financial risk, the trustees have carefully considered the continued impact of the cost of living crisis as well as the continued recovery from the pandemic restrictions on NCVO's future financial projections alongside the existing and projected level of reserves, the value of the freehold building and the actions taken and planned by the leadership team; the trustees consider that NCVO has adequate resources to continue to operate for the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

Continued

Trustee board members

The members of the trustee board, who are also directors under the terms of the Companies Act 2006, are set out on page 3. The members of the trustee board have no beneficial interest in the group or charity.

Liability of members

NCVO, the charitable company, is limited by guarantee and has no share capital. Clause 31 of the memorandum of association provides that every member, as defined by Clause 1 of the articles of association, is liable to contribute a sum not exceeding £1 in the event of the company being wound up while they are a member or within one year of ceasing to be a member. At year-end, there were 17,040 members.

Statement of trustee board’s responsibilities

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

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities’ SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the charity will continue in business.

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

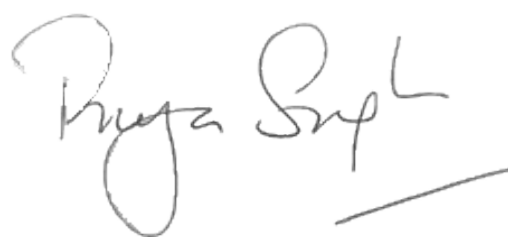
The trustees are responsible for the maintenance and integrity of

the corporate and financial information included on the charity’s website. Legislation in the UK governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Liability of members

So far as the trustees are aware, there is no relevant audit information of which the company’s auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company’s auditors are aware of that information.

Approved by the trustee board and signed on their behalf



Dr Priya Singh  
Chair, NCVO



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

## Opinion

We have audited the financial statements of the National Council for Voluntary Organisations (the ‘parent charitable company’) and its subsidiary (the ‘group’) for the year ended 31 March 2023, which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s

and the parent charitable company’s affairs as at 31 March 2023, and of the group’s incoming resources and application of resources, including income and expenditure, for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or

conditions that, individually or collectively, may cast significant doubt on the group’s or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Report of the Trustee Board, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information contained within the Report of the Trustee Board. Our opinion on the financial statements does not cover the other information, and except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be

materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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



Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report, or the directors’ report included within the trustees’ annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company’s financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor’s responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design

AUDITORS REPORT  
Continued

procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and the application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from the Companies Act 2006, Charities Act 2011, Financial Reporting Standard 102, the Charities SORP and relevant employee legislation.
- We designed our audit procedures to ensure the audit

team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to, enquiries of management, review of minutes and review of legal and regulatory correspondence.

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was a potential for management bias in the timing of recognition of income. We addressed this through a review of all material incoming resources to ensure correct treatment under the Charities SORP, including consideration of the accounting period in which income should be recognised.
- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this by reviewing the method used for reasonableness and re-performing the calculation to ensure it had been performed accurately in line with the stated method.

- We also identified potential for management bias in the depreciation rate applied to tangible fixed assets, and we addressed this by considering the useful economic life applied for the types of asset held and re-performing the calculation to ensure it had been performed accurately in line with the stated method.

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals, reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulations. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.



AUDITORS REPORT  
Continued

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other

purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Alastair Duke  
(Senior Statutory Auditor)  
For and on behalf of PKF Littlejohn LLP  
Statutory Auditor

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

PKF Littlejohn LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2023



# Statement of financial activities for the group and charity (including income and expenditure account)

For the year ended 31 March 2023

|                                      | Notes | Unrestricted funds | Restricted funds | Total funds 2023 | Total funds 2022 |
|--------------------------------------|-------|--------------------|------------------|------------------|------------------|
|                                      |       | £'000              | £'000            | £'000            | £'000            |
| <b>Income</b>                        |       |                    |                  |                  |                  |
| Donations and legacies               | 2     | 1,026              | 2                | 1,028            | 1,106            |
| Charitable activities:               | 3     |                    |                  |                  |                  |
| Membership                           |       | 1,354              | -                | 1,354            | 1,292            |
| Services and partnerships            |       | 1,689              | 372              | 2,061            | 1,220            |
| Strategic communications and insight |       | 20                 | -                | 20               | 15               |
| Networks and influencing             |       | 36                 | 310              | 346              | 155              |
| Other                                |       | -                  | -                | -                | 55               |
| Other trading activities             | 4     | 2,225              | -                | 2,225            | 1,438            |
| Investments                          | 5     | 99                 | -                | 99               | 70               |
| <b>Total income</b>                  |       | <b>6,449</b>       | <b>684</b>       | <b>7,133</b>     | <b>5,351</b>     |

Please note – table continues on the following page ►

# Statement of financial activities for the group and charity (including income and expenditure account) (continued)

For the year ended 31 March 2023

|                                                   | Notes | Unrestricted funds | Restricted funds | Total funds 2023 | Total funds 2022 |
|---------------------------------------------------|-------|--------------------|------------------|------------------|------------------|
|                                                   |       | £'000              | £'000            | £'000            | £'000            |
| <b>Expenditure</b>                                | 6     |                    |                  |                  |                  |
| Raising funds                                     |       | 1,048              | -                | 1,048            | 1,043            |
| Charitable expenditure:                           |       |                    |                  |                  |                  |
| Services and partnerships                         |       | 2,716              | 231              | 2,947            | 2,624            |
| Strategic communications and insight              |       | 875                | -                | 875              | 877              |
| Membership                                        |       | 408                | -                | 408              | 394              |
| Networks and influencing                          |       | 1,226              | 284              | 1,510            | 1,185            |
| Other: digital and EDI                            |       | 92                 | -                | 92               | 194              |
| <b>Total expenditure</b>                          |       | <b>6,365</b>       | <b>515</b>       | <b>6,880</b>     | <b>6,317</b>     |
| Net income / (expenditure) before investment gain |       | 84                 | 169              | 253              | (966)            |
| Net (loss) / gain on investment                   | 10    | (84)               | -                | (84)             | 248              |
| <b>Net income / (expenditure)</b>                 |       | <b>-</b>           | <b>169</b>       | <b>169</b>       | <b>(718)</b>     |

Please note – table continues on the following page ►



# Statement of financial activities for the group and charity (including income and expenditure account) (continued)

For the year ended 31 March 2023

|                                                   | Notes | Unrestricted funds | Restricted funds | Total funds 2023 | Total funds 2022 |
|---------------------------------------------------|-------|--------------------|------------------|------------------|------------------|
|                                                   |       | £'000              | £'000            | £'000            | £'000            |
| <b>Other recognised (losses) / gains</b>          |       |                    |                  |                  |                  |
| Actuarial (loss) / gain on defined benefit scheme | 18    | (824)              | -                | (824)            | 2,558            |
| <b>Net movement in funds</b>                      |       | <b>(824)</b>       | <b>169</b>       | <b>(655)</b>     | <b>1,840</b>     |
|                                                   |       |                    |                  |                  |                  |
| Total funds at 1 April 2022                       |       | 6,647              | 90               | 6,737            | 4,897            |
| <b>Total funds at 31 March 2023</b>               | 16    | <b>5,823</b>       | <b>259</b>       | <b>6,082</b>     | <b>6,737</b>     |

The statement of financial activities (SOFA) includes all gains and losses recognised in the year.

The accounting policies and notes on page 58 to 89 form part of these financial statements.

# Group and charity balance sheet

As at 31 March 2023 | Company number: 198344

|                          | Notes | Consolidated<br>2023 | Consolidated<br>2022 | NCVO<br>2023 | NCVO<br>2022 |
|--------------------------|-------|----------------------|----------------------|--------------|--------------|
|                          |       | £'000                | £'000                | £'000        | £'000        |
| <b>Fixed assets</b>      |       |                      |                      |              |              |
| Tangible fixed assets    | 9     | 4,732                | 4,721                | 4,732        | 4,721        |
| Investments              | 10    | 3,000                | 3,085                | 3,000        | 3,085        |
|                          |       | <b>7,732</b>         | <b>7,806</b>         | <b>7,732</b> | <b>7,806</b> |
| <b>Current assets</b>    |       |                      |                      |              |              |
| Stocks                   |       |                      |                      |              |              |
| Debtors                  | 11    | 1,129                | 827                  | 1,339        | 1,080        |
| Cash at bank and in hand |       | 1,590                | 1,788                | 1,270        | 1,393        |
|                          |       | <b>2,719</b>         | <b>2,615</b>         | <b>2,609</b> | <b>2,473</b> |

|                                                       | Notes | Consolidated<br>2023 | Consolidated<br>2022 | NCVO<br>2023 | NCVO<br>2022 |
|-------------------------------------------------------|-------|----------------------|----------------------|--------------|--------------|
|                                                       |       | £'000                | £'000                | £'000        | £'000        |
| <b>Creditors:</b> amounts falling due within one year | 12    | (2,429)              | (2,201)              | (2,319)      | (2,059)      |
| <b>Net current assets</b>                             |       | <b>290</b>           | <b>414</b>           | <b>290</b>   | <b>414</b>   |
| <b>Total assets less current liabilities</b>          |       | <b>8,022</b>         | <b>8,220</b>         | <b>8,022</b> | <b>8,220</b> |
| <b>Creditors:</b> amounts falling due after one year  | 13    | (1,313)              | (1,483)              | (1,313)      | (1,483)      |
| <b>Net assets excluding pension liability</b>         |       | <b>6,709</b>         | <b>6,737</b>         | <b>6,709</b> | <b>6,737</b> |
| Defined benefit pension scheme liability              | 18    | (627)                | -                    | (627)        | -            |
| <b>Net assets</b>                                     |       | <b>6,082</b>         | <b>6,737</b>         | <b>6,082</b> | <b>6,737</b> |

Please note – table continues on the following page ►



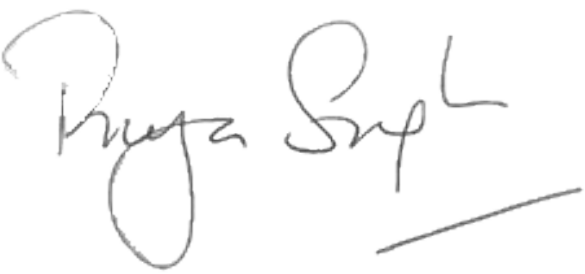
Group and charity balance sheet (continued)

As at 31 March 2023 | Company number: 198344

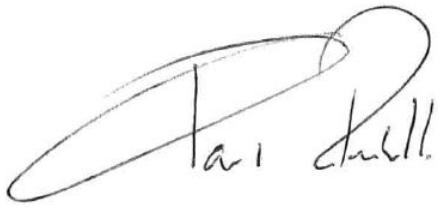
|                                         | Notes | Consolidated<br>2023 | Consolidated<br>2022 | NCVO<br>2023 | NCVO<br>2022 |
|-----------------------------------------|-------|----------------------|----------------------|--------------|--------------|
|                                         |       | £'000                | £'000                | £'000        | £'000        |
| <b>Funds</b>                            |       |                      |                      |              |              |
| <b>Restricted funds</b>                 |       | 259                  | 90                   | 259          | 90           |
| <b>Unrestricted funds</b>               |       |                      |                      |              |              |
| Pension reserve                         |       | (627)                | -                    | (627)        | (2,729)      |
| Designated funds                        |       | 3,397                | 3,240                | 3,397        | 3,240        |
| General funds                           |       | 3,053                | 3,407                | 3,053        | 3,407        |
| <b>Total funds</b>                      | 15    | <b>6,082</b>         | <b>6,737</b>         | <b>6,082</b> | <b>6,737</b> |
| NCVO net movement in funds for the year |       |                      |                      | (655)        | 1,840        |

The accounting policies and notes on pages 58 to 89 form part of these financial statements.

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



**Dr Priya Singh**  
Chair  
20 September 2023



**Paul Breckell**  
Honorary Treasurer  
20 September 2023

# Statement of cashflows

For the year ended 31 March 2023

|                                                            | Notes | 2023         | 2022         |
|------------------------------------------------------------|-------|--------------|--------------|
|                                                            |       | £'000        | £'000        |
| <b>Cash flows from operating activities</b>                |       |              |              |
| <b>Net cash provided / (used) by operating activities</b>  | 17    | 256          | (801)        |
| <b>Cash flows from investing activities</b>                |       |              |              |
| Dividends and interest                                     |       | 98           | 70           |
| Purchase of fixed assets                                   |       | (322)        | (93)         |
| Proceeds from sale of investments                          |       | 1,092        | 911          |
| Purchase of investments                                    |       | (1,231)      | (699)        |
| <b>Net cash (used ) / provided by investing activities</b> |       | <b>(363)</b> | <b>189</b>   |
| <b>Cash flows from financing activities</b>                |       |              |              |
| Repayment of loan (capital and interest)                   |       | (231)        | (165)        |
| <b>Net cash used by financing activities</b>               |       | <b>(231)</b> | <b>(165)</b> |
| Change in cash and cash equivalents in the year            |       | (338)        | (777)        |
| Cash and cash equivalents at the beginning of the year     |       | 2,047        | 2,824        |

|                                                         | Notes | 2023         | 2022         |
|---------------------------------------------------------|-------|--------------|--------------|
|                                                         |       | £'000        | £'000        |
| <b>Cash and cash equivalents at the end of the year</b> |       | <b>1,709</b> | <b>2,047</b> |
| <b>Analysis of cash and cash equivalents</b>            |       |              |              |
| Cash at bank and in hand                                |       | 1,590        | 1,788        |
| Cash held in investment portfolio                       | 10    | 119          | 259          |
| <b>Total cash and cash equivalents</b>                  |       | <b>1,709</b> | <b>2,047</b> |

The accounting policies and notes on pages 58 to 89 form part of these financial statements.



1 Accounting policies

Basis of preparation

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

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

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

a) Income

Legacies are recognised when the charity is advised by the personal representatives that payment will be made or property transferred, and the amount involved can be quantified unless there are specific conditions preventing receipt, such as life tenancy.

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

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

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

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

b) Expenditure

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

i) Raising funds

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

ii) Charitable expenditure

Charitable expenditure includes all expenditures directly related to the objects of the charity.

Governance costs

These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity’s activities. Governance costs are allocated to the categories of charitable expenditure on the basis of staff numbers.

1 Accounting policies (continued)

Support costs

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

Other costs are allocated on the basis of staff time, staff numbers or area, as relevant.

Grant making

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

iii) Other costs

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

c) Fund accounting

The charity maintains the following funds:

i) Restricted funds

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

ii) General unrestricted funds

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

iii) Designated funds

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

d) Tangible fixed assets

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

buildings. The rates of depreciation applied to other assets are:

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

e) Investments

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

f) Operating leases expenditure

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

g) Debtors

Debtors are recognised at the settlement amount due. Accrued income reflects amounts due but not received at



1 Accounting policies (continued)

the balance sheet date from funders and partners. Prepayments reflect costs paid at the balance sheet date that relate to future periods and are valued at the amount paid net of any discounts due.

h) Cash at bank and in hand

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

i) Creditors

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

j) Employee benefits

- i) *Short-term benefits.* Short-term benefits including holiday pay are recognised as an expense in the period in which the service was received.
- ii) *Post-retirement benefits.* The charity operates two pension schemes.

Defined contribution scheme

Staff are currently opted into a defined contribution scheme administered by Aviva. The assets in this scheme are held separately from the charity in an independent fund administered by Aviva. The pension cost charge represents the contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Defined benefit scheme

NCVO’s defined benefit scheme was closed to future accrual on 31 March 2011. The liability recognised on the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation less the fair

value of the plan assets at the reporting date and has been calculated by an independent, qualified actuary in accordance with FRS 102.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the SOFA each year. The annual costs of the defined benefit plan are included in employee costs and allocated across the expenditure headings on the SOFA. These comprise the annual expenses of the scheme and the finance costs.

k) Consolidation

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

# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 2 Donations and legacies (all unrestricted)

|                                            | Unrestricted<br>2023 | Restricted<br>2023 | Total<br>2023 | Total<br>2022 |
|--------------------------------------------|----------------------|--------------------|---------------|---------------|
|                                            | £'000                | £'000              | £'000         | £'000         |
| Donations through Charities Aid Foundation | 741                  | -                  | 741           | 955           |
| Legacy                                     | -                    | -                  |               | 149           |
| Gifts in kind                              | 86                   |                    | 86            | -             |
| Closure of trusts administered by NCVO     | 187                  | -                  | 187           | -             |
| Other donations and voluntary income       | 12                   | 2                  | 14            | 2             |
| <b>Total</b>                               | <b>1,026</b>         | <b>2</b>           | <b>1,028</b>  | <b>1,106</b>  |

## 3 Charitable activities

| 2023                         | Membership subscriptions, and<br>charitable purpose contracts | Unrestricted grants<br>and sponsorships | Restricted grants | Total        |
|------------------------------|---------------------------------------------------------------|-----------------------------------------|-------------------|--------------|
|                              | £'000                                                         | £'000                                   | £'000             | £'000        |
| Membership subscriptions     | 1,354                                                         | -                                       | -                 | 1,354        |
| Support and services         | 1,549                                                         | 140                                     | 372               | 2,061        |
| Marketing and communications | -                                                             | 20                                      | -                 | 20           |
| Networks and influencing     | 33                                                            | 3                                       | 310               | 346          |
| <b>Total</b>                 | <b>2,936</b>                                                  | <b>163</b>                              | <b>682</b>        | <b>3,781</b> |

| 2022                         | Membership subscriptions, and<br>charitable purpose contracts | Unrestricted grants<br>and sponsorships | Restricted grants | Total        |
|------------------------------|---------------------------------------------------------------|-----------------------------------------|-------------------|--------------|
|                              | £'000                                                         | £'000                                   | £'000             | £'000        |
| Membership subscriptions     | 1,292                                                         | -                                       | -                 | 1,292        |
| Support and services         | 1,139                                                         | 43                                      | 38                | 1,220        |
| Marketing and communications | -                                                             | 15                                      | -                 | 15           |
| Networks and influencing     | 5                                                             | 20                                      | 130               | 155          |
| Other                        | -                                                             | 55                                      | -                 | 55           |
| <b>Total</b>                 | <b>2,436</b>                                                  | <b>133</b>                              | <b>168</b>        | <b>2,737</b> |



Notes to the financial statements (continued)

For the year ended 31 March 2023

3 Charitable activities (continued)

Grant and project income

|                                         | Total funds<br>2023 | Total funds<br>2022 |
|-----------------------------------------|---------------------|---------------------|
| <b>Unrestricted</b>                     | £'000               | £'000               |
| HMRC – job retention scheme             | -                   | 56                  |
| Garfield Weston                         | 50                  | -                   |
| Pears Foundation                        | 15                  | -                   |
| Zurich Insurance – various              | 40                  | 40                  |
| Phoenix Software – website              | 19                  | 14                  |
| Other unrestricted income under £15,000 | 39                  | 23                  |
| <b>Total unrestricted</b>               | <b>163</b>          | <b>133</b>          |

|                                                                      | Total funds<br>2023 | Total funds<br>2022 |
|----------------------------------------------------------------------|---------------------|---------------------|
| <b>Restricted</b>                                                    | £'000               | £'000               |
| Betty Messenger Foundation – Practical support and Helpdesk          | 250                 | -                   |
| Department for Culture, Media and Sport - Vision for Volunteering    | 155                 | -                   |
| Department for Culture, Media and Sport - Time Well Spent            | 95                  | -                   |
| The Climate Change Collaboration - Fuelling positive change campaign | 60                  | -                   |
| Lloyds Bank Foundation - Supporting small charities                  | 27                  | -                   |
| Sheila McKechnie Foundation - Power and integrity                    | 25                  | -                   |
| Garfield Weston - Supporting small charities                         | 25                  | -                   |
| Tudor Trust - Supporting small charities                             | 20                  | -                   |

|                                                                                                                                                        | Total funds<br>2023 | Total funds<br>2022 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Restricted (continued)</b>                                                                                                                          | £'000               | £'000               |
| Pilgrim Trust - Supporting small charities                                                                                                             | 15                  | -                   |
| National Lottery Community Fund - Supporting charities through the cost of living crisis                                                               | 10                  | -                   |
| Economic and Social Research Council – Data entry                                                                                                      | -                   | 50                  |
| Nottingham Trent University - Covid-19 and VCSE organisations response                                                                                 | -                   | 29                  |
| Centre for Ageing Better – Age-friendly and inclusive volunteering                                                                                     | -                   | 28                  |
| Third Sector Resources Centre, University of Birmingham - Assessing financial vulnerability and risk in the UK's charities during and beyond the Covid | -                   | 18                  |
| Lloyds Bank Foundation for England and Wales – Resetting the relationship between charities and                                                        | -                   | 17                  |
| Institute of Volunteering Research - Mobilising voluntary action during and beyond the Covid crisis                                                    | -                   | 15                  |

Please note – table continues on the following page ►

# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 3 Charitable activities (continued)

|                                                                  | Total funds<br>2023 | Total funds<br>2022 |
|------------------------------------------------------------------|---------------------|---------------------|
| New Philanthropy Capital – NCVO Charities<br>Evaluation Services | -                   | 5                   |
| National Lottery Community Fund – Digital fund                   | -                   | 5                   |
| Barrow Cadbury – Governance Code                                 | -                   | 1                   |
| <b>Total restricted</b>                                          | <b>682</b>          | <b>168</b>          |
| <b>Total grants and project income</b>                           | <b>845</b>          | <b>301</b>          |

## 4 Other trading activities (all unrestricted)

|                       | 2023         | 2022         |
|-----------------------|--------------|--------------|
|                       | £'000        | £'000        |
| Conference suite hire | 1,101        | 399          |
| Fees for services     | 762          | 613          |
| Quality standards     | 8            | 85           |
| Brokered services     | 354          | 331          |
| Publications          | -            | 10           |
| <b>Total</b>          | <b>2,225</b> | <b>1,438</b> |

## 5 Investments (all unrestricted)

|                        | 2023  | 2022  |
|------------------------|-------|-------|
|                        | £'000 | £'000 |
| Dividends and interest | 99    | 70    |



# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 6 Expenditure

| 2022                                 | Staff costs  | Premises costs | Grant making | Support costs | Other expenses | Governance costs | Total        |
|--------------------------------------|--------------|----------------|--------------|---------------|----------------|------------------|--------------|
|                                      | £'000        | £'000          | £'000        | £'000         | £'000          | £'000            | £'000        |
| Raising funds                        | 714          | 35             | -            | 115           | 166            | 18               | 1,048        |
| <b>Charitable expenditure:</b>       |              |                |              |               |                |                  |              |
| Services and partnerships            | 1,818        | 89             | 20           | 305           | 666            | 49               | 2,947        |
| Strategic communications and insight | 569          | 29             | -            | 103           | 159            | 15               | 875          |
| Membership                           | 332          | 15             | -            | 50            | 3              | 8                | 408          |
| Networks and influencing             | 1,049        | 52             | 92           | 177           | 112            | 28               | 1,510        |
| Other                                | -            | 92             | -            | -             | -              | -                | 92           |
| <b>Total</b>                         | <b>4,482</b> | <b>312</b>     | <b>112</b>   | <b>750</b>    | <b>1,106</b>   | <b>118</b>       | <b>6,880</b> |

# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 6 Expenditure (continued)

| 2021                                 | Staff costs  | Premises costs | Grant making | Support costs | Other expenses | Governance costs | Total        |
|--------------------------------------|--------------|----------------|--------------|---------------|----------------|------------------|--------------|
|                                      | £'000        | £'000          | £'000        | £'000         | £'000          | £'000            | £'000        |
| Raising funds                        | 640          | 48             | -            | 99            | 237            | 19               | 1,043        |
| <b>Charitable expenditure:</b>       |              |                |              |               |                |                  |              |
| Services and partnerships            | 1,652        | 112            | -            | 227           | 589            | 44               | 2,624        |
| Strategic communications and insight | 579          | 43             | -            | 88            | 150            | 17               | 877          |
| Membership                           | 318          | 22             | -            | 45            | -              | 9                | 394          |
| Networks and influencing             | 901          | 61             | 5            | 124           | 70             | 24               | 1,185        |
| Other                                | 14           | 62             | -            | -             | 118            | -                | 194          |
| <b>Total</b>                         | <b>4,104</b> | <b>348</b>     | <b>5</b>     | <b>583</b>    | <b>1,164</b>   | <b>113</b>       | <b>6,317</b> |

‘Other expenses’ include commissioning £0.7 million (2022: £0.7 million), equipment / IT £0.3 million (2022: £0.2 million) and office costs £0.1million (2022: £0.1 million). Commissioning includes fees paid to associates and freelancers.



# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 6 Expenditure (continued)

Support costs are made up of the following expenditure:

|                                             | 2023       | 2022       |
|---------------------------------------------|------------|------------|
|                                             | £'000      | £'000      |
| Accommodation costs                         | 316        | 242        |
| Travel costs                                | 11         | 6          |
| Telephone, printing, postage and stationery | 58         | 50         |
| Equipment and IT costs                      | 174        | 161        |
| Professional fees and consultancy           | 189        | 122        |
| Other overheads                             | 2          | 2          |
| <b>Total</b>                                | <b>750</b> | <b>583</b> |

## Grants and partnership payments

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

|                                   | Total funds<br>2023 | Total funds<br>2022 |
|-----------------------------------|---------------------|---------------------|
|                                   | £'000               | £'000               |
| <b>CWFA campaign project</b>      |                     |                     |
| Local Trust                       | -                   | 5                   |
|                                   | <b>-</b>            | <b>5</b>            |
| <b>Small Charities</b>            |                     |                     |
| Foundation for Social Improvement | 20                  | -                   |
|                                   | <b>20</b>           | <b>-</b>            |

|                                                           | Total funds<br>2023 | Total funds<br>2022 |
|-----------------------------------------------------------|---------------------|---------------------|
|                                                           | £'000               | £'000               |
| <b>Vision for Volunteering</b>                            |                     |                     |
| Association of Volunteer Managers                         | 14                  | -                   |
| Natonal Association of Voluntary Community Action (NAVCA) | 46                  | -                   |
| Volunteering Matters                                      | 32                  | -                   |
|                                                           | <b>92</b>           | <b>-</b>            |
| <b>Total grants and partnership fees paid</b>             | <b>112</b>          | <b>5</b>            |

# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 7 Employees

|                                                    | 2023         | 2022         |
|----------------------------------------------------|--------------|--------------|
|                                                    | £'000        | £'000        |
| Wages and salaries                                 | 3,520        | 3,159        |
| Social security                                    | 379          | 338          |
| Pension costs                                      | 337          | 332          |
| Redundancy and termination costs                   | 17           | 29           |
| Recruitment                                        | 73           | 142          |
| Other including temporary staff and staff training | 235          | 146          |
| <b>Total</b>                                       | <b>4,561</b> | <b>4,146</b> |

The average number of employees (FTEs) during the year was:

|                                      | 2023<br>number | 2022<br>number |
|--------------------------------------|----------------|----------------|
|                                      | £'000          | £'000          |
| Generating funds                     | 12             | 13             |
| Services and partnerships            | 32             | 29             |
| Strategic communications and insight | 10             | 11             |
| Membership                           | 5              | 6              |
| Networks and influencing             | 18             | 16             |
| <b>Total</b>                         | <b>77</b>      | <b>75</b>      |

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

|                   | 2023<br>number | 2022<br>number |
|-------------------|----------------|----------------|
| £60,001–£70,000   | 1              | 6              |
| £70,001–£80,000   | 2              | -              |
| £80,001–£90,000   | -              | -              |
| £90,001–£100,000  | 1              | 1              |
| £100,001–£110,000 | -              | -              |
| £110,001–£120,000 | 1              | 1              |

Four of the above staff are members of the defined contribution pension scheme (2022: seven). None are currently paying contributions into the defined benefit scheme. The pension costs for these employees are £28,670 (2022: £34,374).



# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 7 Employees (continued)

Of the employees included above in the bands over £60,000 in 2022/23, none (2021/22: none) are included due to termination payments. Overall, there was one termination payment totalling £16,437 (2021/22: £29,867 to 2 people).

We have complied with our published guidance for trustees on setting pay for senior staff in charities. In addition to the regulatory requirement to publish the number of employees in pay bands over £60,000 and to publish the total employee benefits received by key management personnel, we also publish the names, roles and remuneration of our leadership team, along with an explanation of how we set salaries for these roles and other NCVO staff. These details are included in the trustees’ report. The amounts paid to the leadership team during 2022/23 were:

|                      |                                                             | Salary  | Employer's<br>NIC | Pension<br>contributions | Redundancy | Payment in<br>lieu of notice | Total<br>2022/23 | Total<br>2021/22 |
|----------------------|-------------------------------------------------------------|---------|-------------------|--------------------------|------------|------------------------------|------------------|------------------|
|                      |                                                             | £       | £                 | £                        | £          | £                            | £                | £                |
| Sarah Vibert         | Chief Executive                                             | 120,000 | 16,113            | 6,816                    | -          | -                            | 142,929          | 142,156          |
| Laura Crandley       | Chief operating officer<br>(from 1 June 2022)               | 77,499  | 9,586             | 7,608                    | -          | -                            | 94,693           | -                |
| Laura Crandley       | Director of finance and services<br>(to 31 May 2022)        | 14,807  | 2,000             | 741                      | -          | -                            | 17,548           | 109,284          |
| Jarina Choudhury     | Strategic volunteering lead<br>(to 31 March 2022) (0.4 FTE) | -       | -                 | -                        | -          | -                            | -                | 29,672           |
| Alex Farrow          | Director of influencing and<br>engagement                   | 65,000  | 8,306             | 5,994                    | -          | -                            | 79,300           | -                |
| Alex Farrow          | Head of networks and<br>influencing                         | 11,562  | 1,517             | 1,023                    | -          | -                            | 14,102           | 77,269           |
| Gavin Finch          | Interim director of membership<br>and engagement            | -       | -                 | -                        | -          | -                            | -                | 71,739           |
| Charmaine<br>Goddard | Interim head of people and<br>culture                       | 21,070  | 2,604             | 1,197                    | -          | -                            | 24,871           | -                |

Please note – table continues on the following page ►

# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 7 Employees (continued)

|                    |                                                     | Salary | Employer's<br>NIC | Pension<br>contributions | Redundancy | Payment in<br>lieu of notice | Total<br>2022/23 | Total<br>2021/22 |
|--------------------|-----------------------------------------------------|--------|-------------------|--------------------------|------------|------------------------------|------------------|------------------|
| Tracy Kiernan      | Head of central services<br>(to 30 April 2022)      | 8,320  | 988               | 643                      | -          | -                            | 9,951            | 73,834           |
| Saskia Konynenburg | Director of strategic<br>communications and insight | 32,723 | 3,977             | 1,820                    | -          | -                            | 38,520           | -                |
| Rupa Kotecha-Smith | Interim head of strategic<br>communications         | 31,469 | 3,937             | 1,720                    | -          | -                            | 37,126           | 52,141           |
| Janu Miah          | Interim head of people and<br>culture               | 33,685 | 4,271             | 1,885                    | -          | -                            | 39,841           | 71,269           |
| Sophie Raeburn     | Head of digital, data and<br>technology             | 11,267 | 3,504             | 1,496                    | 16,437     | 14,291                       | 46,995           | 72,116           |
| Woosh Raza         | Director of people, culture and<br>inclusion        | 15,179 | 1,801             | 862                      | -          | -                            | 17,842           | -                |
| Andrew Walkey      | Director of services and<br>partnerships            | 62,483 | 7,920             | 5,590                    | -          | -                            | 75,993           | -                |
| Andrew Walkey      | Head of support and services<br>(to 31 May 2022)    | 10,533 | 1,376             | 898                      | -          | -                            | 12,807           | 71,207           |

8 Net income for the year (continued)

| This is stated after charging:   | 2023  | 2022  |
|----------------------------------|-------|-------|
|                                  | £'000 | £'000 |
| Auditor's remuneration           |       |       |
| – audit fees                     | 28    | 27    |
| – other services                 | 17    | 1     |
| Loss on disposal of fixed asset  | 7     | -     |
| Depreciation                     | 304   | 345   |
| Bank charges                     | 17    | 14    |
| Bank interest – on building loan | 62    | 37    |

No members of the trustee board received any remuneration during the year (2022: £nil). Expenses do not form part of remuneration and are separately disclosed below. Trustees believe that there are adequate systems in place to manage expenses and that all expenses were incurred in proper pursuit of NCVO’s charitable objectives.

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

Travel and subsistence expenses reimbursed to three trustees in the period amounted to £408 (2022: £405 to three trustees), with a further £1,715 (2022: £723) paid directly by NCVO for trustee costs.



# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 8 Net income for the year (continued)

|                                                                | Subsistence<br>2023 | UK travel<br>2023 | Entertaining/ networking<br>2023 | Other<br>2023 | Total<br>claimed<br>2023 | Total<br>claimed<br>2022 |
|----------------------------------------------------------------|---------------------|-------------------|----------------------------------|---------------|--------------------------|--------------------------|
|                                                                | £                   | £                 | £                                | £             | £                        | £                        |
| <b>Leadership team</b>                                         |                     |                   |                                  |               |                          |                          |
| Chief executive                                                | 1,832               | 2,081             | 311                              | -             | 4,224                    | 1,944                    |
| Chief operating officer                                        | -                   | -                 | -                                | 189           | 189                      | -                        |
| Director of influencing and engagement                         | 1,051               | 942               | -                                | -             | 1,993                    | -                        |
| Director of membership and engagement                          | -                   | -                 | -                                | -             | -                        | 328                      |
| Director of people, culture and inclusion                      | 35                  | 42                | -                                | -             | 77                       | -                        |
| Director of services and partnerships (home-based)             | 1,840               | 1,809             | -                                | 259           | 3,908                    | -                        |
| Director of strategic communications and insight ((home-based) | 937                 | 900               | -                                | -             | 1,837                    | -                        |
| Interim head of strategic communications                       | -                   | -                 | -                                | -             | -                        | 14                       |
| Head of networks and influencing                               | -                   | -                 | -                                | -             | -                        | 683                      |
| Interim head of people and culture                             | 133                 | -                 | -                                | -             | 133                      | 177                      |
| Head of support and services (home-based)                      | -                   | -                 | -                                | -             | -                        | 1,911                    |
| <b>Total</b>                                                   | <b>5,828</b>        | <b>5,774</b>      | <b>311</b>                       | <b>448</b>    | <b>12,361</b>            | <b>5,057</b>             |
| <b>Trustees</b>                                                | <b>64</b>           | <b>572</b>        | <b>1,192</b>                     | <b>295</b>    | <b>2,123</b>             | <b>1,128</b>             |

# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 9 Tangible fixed assets (group and charity)

|                         | Freehold land and buildings | Plant and equipment | Computer equipment | Fixtures and fittings | Total        |
|-------------------------|-----------------------------|---------------------|--------------------|-----------------------|--------------|
|                         | £'000                       | £'000               | £'000              | £'000                 | £'000        |
| <b>Cost</b>             |                             |                     |                    |                       |              |
| At 1 April 2022         | 4,919                       | 973                 | 872                | 1,096                 | 7,860        |
| Additions               | -                           | 190                 | 80                 | 52                    | 322          |
| Disposals               | -                           | -                   | (7)                | (11)                  | (18)         |
| <b>At 31 March 2023</b> | <b>4,919</b>                | <b>1,163</b>        | <b>945</b>         | <b>1,137</b>          | <b>8,164</b> |
| <b>Depreciation</b>     |                             |                     |                    |                       |              |
| At 1 April 2022         | 1,226                       | 430                 | 550                | 978                   | 3,139        |
| Charge for the year     | 66                          | 50                  | 158                | 30                    | 304          |
| Disposals               | -                           | -                   | (5)                | (6)                   | (11)         |
| <b>At 31 March 2023</b> | <b>1,292</b>                | <b>480</b>          | <b>658</b>         | <b>1,002</b>          | <b>3,432</b> |
| <b>Net book value</b>   |                             |                     |                    |                       |              |
| At 31 March 2022        | 3,693                       | 543                 | 367                | 118                   | 4,721        |
| <b>At 31 March 2023</b> | <b>3,627</b>                | <b>683</b>          | <b>267</b>         | <b>135</b>            | <b>4,732</b> |

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

Notes to the financial statements (continued)

For the year ended 31 March 2023

10 Investments (group and charity)

|                                         | Listed       | Cash       | Total        |
|-----------------------------------------|--------------|------------|--------------|
|                                         | £'000        | £'000      | £'000        |
| <b>Market value</b>                     |              |            |              |
| At 1 April 2022                         | 2,826        | 259        | 3,085        |
| Purchase of investments                 | 1,231        | (1,231)    | -            |
| Sale of investments                     | (1,092)      | 1,092      | -            |
| Realised gains                          | 144          | -          | 144          |
| Unrealised investment gains             | (228)        | -          | (228)        |
| Dividend income received                | -            | 89         | 89           |
| Dividend income transferred to Barclays | -            | (69)       | (69)         |
| Investment management fees              | -            | (21)       | (21)         |
| <b>At 31 March 2023</b>                 | <b>2,881</b> | <b>119</b> | <b>3,000</b> |

11 Debtors

|                            | Consolidated<br>2023 | Consolidated<br>2022 | NCVO<br>2023 | NCVO<br>2023 |
|----------------------------|----------------------|----------------------|--------------|--------------|
|                            | £'000                | £'000                | £'000        | £'000        |
| Debtors                    | 799                  | 553                  | 599          | 444          |
| Accrued income             | 195                  | 172                  | 142          | 120          |
| Amount due from subsidiary | -                    | -                    | 477          | 418          |
| Prepayments                | 135                  | 102                  | 121          | 98           |
| <b>Total</b>               | <b>1,129</b>         | <b>827</b>           | <b>1,339</b> | <b>1,080</b> |



**Notes to the financial statements (continued)**  
 For the year ended 31 March 2022

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

|                                      | Consolidated<br>2023 | Consolidated<br>2022 | NCVO<br>2023 | NCVO<br>2022 |
|--------------------------------------|----------------------|----------------------|--------------|--------------|
|                                      | £'000                | £'000                | £'000        | £'000        |
| Bank loan<br>(secured – see note 13) | 169                  | 169                  | 169          | 169          |
| Taxation and social security         | 184                  | 127                  | 140          | 105          |
| Other creditors                      | 242                  | 373                  | 226          | 332          |
| Accrued expenditure                  | 400                  | 393                  | 364          | 323          |
| Deferred income                      | 1,434                | 1,139                | 1,420        | 1,130        |
| <b>Total</b>                         | <b>2,429</b>         | <b>2,201</b>         | <b>2,319</b> | <b>2,059</b> |

**13 Creditors: amounts falling due after more than one year**

|                                   | Consolidated<br>2023 | Consolidated<br>2022 | NCVO<br>2023 | NCVO<br>2022 |
|-----------------------------------|----------------------|----------------------|--------------|--------------|
|                                   | £'000                | £'000                | £'000        | £'000        |
| Membership deferred over one year | 85                   | 86                   | 85           | 86           |
| Bank loan (secured)               | 1,228                | 1,397                | 1,228        | 1,397        |
| <b>Total</b>                      | <b>1,313</b>         | <b>1,483</b>         | <b>1,313</b> | <b>1,483</b> |
| Analysis of loan repayments:      |                      |                      |              |              |
| Within one year                   | 169                  | 169                  | 169          | 169          |
| Between one and two years         | 169                  | 169                  | 169          | 169          |
| Between two and five years        | 1,059                | 1,566                | 1,397        | 1,566        |
| <b>Balance at 31 March</b>        | <b>1,397</b>         | <b>1,566</b>         | <b>1,397</b> | <b>1,566</b> |

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

13 Creditors: amounts falling due after more than one year (continued)

Reconciliation of deferred income 2022/23

|                                                        | Brought forward | Released into 2022/23 | New deferred income | Carry forward |
|--------------------------------------------------------|-----------------|-----------------------|---------------------|---------------|
|                                                        | £'000           | £'000                 | £'000               | £'000         |
| Deferred income                                        | 1,225           | (432)                 | 726                 | 1,519         |
| Being deferred income included in:                     |                 |                       |                     |               |
| Creditors: amounts falling due within one year         |                 |                       |                     | 1,434         |
| Creditors: amount falling due after more than one year |                 |                       |                     | 85            |
| Total                                                  |                 |                       |                     | 1,519         |

Reconciliation of deferred income 2021/22

|                                                        | Brought forward | Released into 2021/22 | New deferred income | Carry forward |
|--------------------------------------------------------|-----------------|-----------------------|---------------------|---------------|
|                                                        | £'000           | £'000                 | £'000               | £'000         |
| Deferred income                                        | 1,237           | (488)                 | 476                 | 1,225         |
| Being deferred income included in:                     |                 |                       |                     |               |
| Creditors: amounts falling due within one year         |                 |                       |                     | 1,139         |
| Creditors: amount falling due after more than one year |                 |                       |                     | 86            |
| Total                                                  |                 |                       |                     | 1,225         |

14 Capital commitments and lease

NCVO entered into an operating lease with Siemens in August 2022 for multi-functional devices, which provide photocopying, printing and document scanning facilities. Total minimum lease commitments as at 31 March were: At 31 March 2023, NCVO had a capital commitment for induction loops for new conference suite rooms totalling £57k

|                   | 2023     | 2022     |
|-------------------|----------|----------|
| Within one year   | 1        | -        |
| Two to five years | 4        | -        |
| <b>Total</b>      | <b>5</b> | <b>-</b> |

15 Analysis of net group assets

NCVO’s general reserves of £3.1 million (2022: £3.4million) are made up of investments and net current assets, adjusted for loans

|                                                  | Unrestricted<br>general<br>2023 | Unrestricted<br>designated<br>2023 | Restricted<br>2023 | Total funds<br>excluding pension<br>fund 2023 | Pension fund<br>2023 | Total<br>2023 |
|--------------------------------------------------|---------------------------------|------------------------------------|--------------------|-----------------------------------------------|----------------------|---------------|
|                                                  | £’000                           | £’000                              | £’000              | £’000                                         | £’000                | £’000         |
| Tangible fixed assets                            | -                               | 4,732                              | -                  | 4,732                                         | -                    | 4,732         |
| Investments                                      | 3,000                           | -                                  | -                  | 3,000                                         | -                    | 3,000         |
| Net current assets (excluding loan)              | 138                             | 62                                 | 259                | 459                                           | -                    | 459           |
| Deferred membership due after more than one year | (85)                            | -                                  | -                  | (85)                                          | -                    | (85)          |
| Pension fund                                     | -                               | -                                  | -                  | -                                             | (627)                | (627)         |
| Loan                                             | -                               | (1,397)                            | -                  | (1,397)                                       | -                    | (1,397)       |
| <b>Total</b>                                     | <b>3,053</b>                    | <b>3,397</b>                       | <b>259</b>         | <b>6,709</b>                                  | <b>(627)</b>         | <b>6,082</b>  |



15 Analysis of net group assets (continued)

|                                                  | Unrestricted<br>general<br>2022 | Unrestricted<br>designated<br>2022 | Restricted<br>2022 | Total funds<br>excluding pension<br>fund 2022 | Pension fund<br>2022 | Total<br>2022 |
|--------------------------------------------------|---------------------------------|------------------------------------|--------------------|-----------------------------------------------|----------------------|---------------|
|                                                  | £'000                           | £'000                              | £'000              | £'000                                         | £'000                | £'000         |
| Tangible fixed assets                            | -                               | 4,721                              | -                  | 4,721                                         | -                    | 4,721         |
| Investments                                      | 3,085                           | -                                  | -                  | 3,085                                         | -                    | 3,085         |
| Net current assets (excluding loan)              | 408                             | 85                                 | 90                 | 583                                           | -                    | 583           |
| Deferred membership due after more than one year | (86)                            | -                                  | -                  | (86)                                          | -                    | (86)          |
| Pension fund                                     | -                               | -                                  | -                  | -                                             | -                    | -             |
| Loan                                             | -                               | (1,566)                            | -                  | (1,566)                                       | -                    | (1,566)       |
| <b>Total</b>                                     | <b>3,407</b>                    | <b>3,240</b>                       | <b>90</b>          | <b>6,737</b>                                  | <b>-</b>             | <b>6,737</b>  |

Notes to the financial statements (continued)

For the year ended 31 March 2023

16 Movement in group funds

Unrestricted and designated funds

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

|                         | Balance<br>1 April 2022 | Income       | Expenditure    | Transfers  | Net losses   | Balance<br>31 March 2023 |
|-------------------------|-------------------------|--------------|----------------|------------|--------------|--------------------------|
|                         | £'000                   | £'000        | £'000          | £'000      | £'000        | £'000                    |
| Fixed assets            | 3,153                   | -            | -              | 179        | -            | 3,332                    |
| Property maintenance    | 28                      | -            | -              | -          | -            | 28                       |
| Digital investment      | 37                      | -            | (92)           | 92         | -            | 37                       |
| Equipment               | 4                       | -            | (4)            | -          | -            | -                        |
| Policy and research     | 18                      | -            | (18)           | -          | -            | -                        |
| <b>Designated funds</b> | <b>3,240</b>            | <b>-</b>     | <b>(114)</b>   | <b>271</b> | <b>-</b>     | <b>3,397</b>             |
| General funds           | 3,407                   | 6,449        | (6,141)        | (578)      | (84)         | 3,053                    |
| Pension reserves        | -                       | -            | (110)          | 307        | (824)        | (627)                    |
| <b>Total</b>            | <b>6,647</b>            | <b>6,449</b> | <b>(6,365)</b> | <b>-</b>   | <b>(908)</b> | <b>5,823</b>             |

Notes to the financial statements (continued)

For the year ended 31 March 2023

16 Movement in group funds (continued)

|                                 | Balance<br>1 April 2021 | Income       | Expenditure    | Transfers    | Net gains    | Balance<br>31 March 2022 |
|---------------------------------|-------------------------|--------------|----------------|--------------|--------------|--------------------------|
|                                 | £'000                   | £'000        | £'000          | £'000        | £'000        | £'000                    |
| Fixed assets                    | 3,278                   | -            | -              | (125)        | -            | 3,153                    |
| Property maintenance            | 28                      | -            | -              | -            | -            | 28                       |
| Digital investment              | 37                      | -            | (62)           | 62           | -            | 37                       |
| Equipment                       | 42                      | -            | (16)           | (22)         | -            | 4                        |
| Equity, diversity and inclusion | 30                      | -            | (30)           | -            | -            | -                        |
| People                          | 133                     | -            | (126)          | (7)          | -            | -                        |
| Governance                      | 23                      | -            | (23)           | -            | -            | -                        |
| Policy and research             | 44                      | -            | (13)           | (13)         | -            | 18                       |
| Other                           | 6                       | -            | (6)            | -            | -            | -                        |
| <b>Designated funds</b>         | <b>3,621</b>            | <b>-</b>     | <b>(276)</b>   | <b>(105)</b> | <b>-</b>     | <b>3,240</b>             |
| General funds                   | 3,757                   | 5,183        | (5,585)        | (196)        | 248          | 3,407                    |
| Pension reserves                | (2,729)                 | -            | (130)          | 301          | 2,558        | -                        |
| <b>Total</b>                    | <b>4,649</b>            | <b>5,183</b> | <b>(5,991)</b> | <b>-</b>     | <b>2,806</b> | <b>6,647</b>             |



16 Movement in group funds (continued)

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

• **Fixed assets**

This fund represents the level of NCVO’s reserves invested in fixed assets and is the net tangible fixed assets less loans outstanding (as the loans are used to part finance these acquisitions).

• **Property maintenance**

This fund is to support the maintenance of Society Building.

• **Digital investment**

Trustees have allocated funds from reserves for a number of digital projects, including the development of a new website and an online payments platform.

• **Equipment**

This fund represents costs of laptops and equipment to support staff working from home.

• **Policy and research**

This fund is allocated to meet the costs of research into understanding the public’s view of charities and trialling new methods of influencing.

Notes to the financial statements (continued)

For the year ended 31 March 2023

16 Movement in group funds (continued)

Restricted funds 2022/23

|                                                                      | 1 April 2022 | Income | Expenditure | Transfers | 31 March 2023 |
|----------------------------------------------------------------------|--------------|--------|-------------|-----------|---------------|
|                                                                      | £'000        | £'000  | £'000       | £'000     | £'000         |
| The National Lottery Community Fund: Digital Fund                    | 43           | -      | (43)        | -         | -             |
| Centre for Ageing Well: Age-friendly and inclusive volunteering      | 28           | -      | (26)        | -         | 2             |
| Various: Governance Code                                             | 8            | -      | -           | -         | 8             |
| Betty Messenger Foundation: Helpdesk and practical support           | -            | 250    | (58)        | -         | 192           |
| Lloyds Bank Foundation: Small charities                              | -            | 27     | (27)        | -         | -             |
| Garfield Weston: Small charities                                     | -            | 25     | (13)        | -         | 12            |
| Tudor Trust: Small charities                                         | -            | 20     | (20)        | -         | -             |
| Pilgrim Trust: Small charities                                       | -            | 15     | (15)        | -         | -             |
| Department for Culture, Media and Sport - Vision for Volunteering    | -            | 155    | (155)       | -         | -             |
| Department for Culture, Media and Sport - Time Well Spent            | -            | 95     | (95)        | -         | -             |
| The Climate Change Collaboration - Fuelling positive change campaign | -            | 60     | (34)        | -         | 26            |
| Shelia McKechnie Foundation - Power and integrity                    | -            | 25     | (17)        | -         | 8             |

Please note – table continues on the following page ►

17 Movement in group funds (continued)

Restricted funds 2022/23

|                                                                                          | 1 April 2022 | Income     | Expenditure  | Transfers | 31 March 2023 |
|------------------------------------------------------------------------------------------|--------------|------------|--------------|-----------|---------------|
| National Lottery Community Fund - Supporting charities through the cost of living crisis | -            | 10         | (10)         | -         | -             |
| Various: Public Trust                                                                    | 7            |            | -            |           | 7             |
| Leadership (legacy)                                                                      | 3            |            | -            |           | 3             |
| CSIS Charity Fund: Working for a Charity bursaries                                       | 1            | -          | -            | -         | 1             |
| Other                                                                                    | -            | 2          | (2)          | -         | -             |
| <b>Total</b>                                                                             | <b>90</b>    | <b>684</b> | <b>(515)</b> | <b>-</b>  | <b>259</b>    |

Those areas with restricted funds to be carried forward into 2023/24 are briefly described below:

- **Age-friendly and inclusive volunteering: Centre for Ageing Better.** A project to embed and spread the concept and practice of age friendly inclusive volunteering.
- **Governance Code.** For the provision of ongoing stewardship of the Code.
- **Helpdesk and practical support: Betty Messenger**

**Foundation and Garfield Weston.** Ongoing support for small charities and voluntary organisations, including continuing the legacy of the Small Charities Coalition.

- **Fuelling positive change campaign: The Climate Change Collaboration.** Campaign for divestment from fossil fuels.
- **Power and integrity: Sheila McKechnie Foundation.** An incubation project to support adopting holistic approaches for organisations to work with integrity.

- **Public Trust.** Work to preserve public trust and confidence in the sector.
- **Leadership (legacy).** Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).
- **CSIS Charity Fund: Working for a Charity bursaries.** Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.



# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 16 Movement in group funds (continued)

### Restricted funds 2021/22

|                                                                                                                       | 1 April 2020 | Income     | Expenditure  | Transfers | 31 March 2021 |
|-----------------------------------------------------------------------------------------------------------------------|--------------|------------|--------------|-----------|---------------|
|                                                                                                                       | £'000        | £'000      | £'000        | £'000     | £'000         |
| The National Lottery Community Fund: Digital Fund                                                                     | 194          | 5          | (156)        | -         | 43            |
| Economic and Research Council: Data Partnership including Data Entry                                                  | 4            | 50         | (54)         | -         | -             |
| Nottingham Trent University: Covid-19 Research                                                                        | -            | 29         | (29)         | -         | -             |
| Centre for Ageing Well: Age Friendly and Inlcusive Volunteering                                                       | -            | 28         | -            | -         | 28            |
| Third Sector Foundation for England and Wales: Resetting the Relationship with Government                             | -            | 18         | (18)         | -         | -             |
| Lloyds Bank Foundation for England and Wales: Rebalancing the Relationship                                            | -            | 17         | (17)         | -         | -             |
| Various: Governance Code                                                                                              | 15           | 1          | (8)          | -         | 8             |
| University of Northumbria Covid-19 Research                                                                           | -            | 15         | (15)         | -         | -             |
| New Philanthropy Capital: NCVO Charities Evaluation Services Philanthropy Capital: NCVO Charities Evaluation Services | 5            | 5          | (10)         | -         | -             |
| Lloyds Bank Foundation for England and Wales: Rebalancing the Relationship                                            | 10           | -          | (10)         | -         | -             |
| Various: Public Trust                                                                                                 | 8            | -          | (1)          | -         | 7             |
| Esmee Fairbairn Foundation: Digital Content                                                                           | 6            | -          | (6)          | -         | -             |
| Leadership (legacy)                                                                                                   | 3            |            | -            |           | 3             |
| Esmee Fairbairn Foundation: Classifying the Register                                                                  | 3            |            | (2)          |           | -             |
| CSIS Charity Fund: Working for a Charity Bursaries                                                                    | 1            | -          | -            | -         | 1             |
| <b>Total</b>                                                                                                          | <b>248</b>   | <b>168</b> | <b>(326)</b> | <b>-</b>  | <b>90</b>     |

16 Movement in group funds (continued)

Those areas with restricted funds to be carried forward into 2021/22 are briefly described below:

• Digital Fund: The National Lottery Community Fund

A project to transform NCVO’s technology and digital services so that we can support more people in more organisations.

• Age-friendly and inclusive volunteering: Centre for Ageing Better

A project to embed and spread the concept and practice of age friendly inclusive volunteering.

• Governance Code

For the provision of ongoing stewardship of the Code.

• Public Trust

Work to preserve public trust and confidence in the sector.

• Leadership (legacy)

- Legacy for leadership (Winifred Tumim) and for music for people with learning difficulties (Diana Kurzman).

• CSIS Charity Fund: Working for a Charity bursaries

Bursaries for people who have worked in the public sector who wish to attend training courses in order to transfer their skills to the voluntary sector.

Other funds-agency

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

**The Leach Trust:** To pay the income and/or capital of the trust to such charities or for such charitable purposes as the settlor may from time to time direct.

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

**A M G and G Wyburd Trust:** To pay or apply the income and/or capital to such charities or for such charitable purposes as the settlors may from time to time direct.

NCVO acts as Trustee of and makes donations from these funds as directed by their settlors. The total value of the investments, which are held in a separate portfolio, stands at £170,000 (2022: £496,000). In addition, £229,000 (2022: £207,000) is held in a separate bank account. These funds are excluded from NCVO’s accounts.

The Bayldon Trust, LCC Workmen’s Dwelling Trust, Becontree, The Lady Hawke Trust, The N E F Montgomery Trust and Mr and Mrs E T Williams' Settlement are being wound up. We are in the process of making the final distributions from The Magnus Trust (we hold £149.203 at 31 March 2023) and then this will also be wound up.

# Notes to the financial statements (continued)

For the year ended 31 March 2023

## 17 Reconciliation of net income to net cash flow from operating activities

|                                                                                                   | 2023       | 2022         |
|---------------------------------------------------------------------------------------------------|------------|--------------|
|                                                                                                   | £'000      | £'000        |
| <b>Net income / (expenditure) for the year</b>                                                    | 169        | (718)        |
| Adjustments for:                                                                                  |            |              |
| Depreciation                                                                                      | 304        | 345          |
| Loss on disposal of fixed assets                                                                  | 7          | -            |
| Gain / (loss) on investments                                                                      | 84         | (248)        |
| Dividends and interest from investments                                                           | (99)       | (70)         |
| Interest on bank loan                                                                             | 63         | 37           |
| Non-cash difference between defined benefit pension contributions paid and amount charged to SOFA | (197)      | (171)        |
| Decrease in stocks                                                                                | -          | 2            |
| (Increase) / decrease in debtors                                                                  | (302)      | 363          |
| Increase / (decrease) in creditors                                                                | 227        | (341)        |
| <b>Net cash provided / (used) by operating activities</b>                                         | <b>256</b> | <b>(801)</b> |

## 18 Post-employment benefits

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

### a) Pension costs charge in the year

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

|                                          | Note     | 2023       | 2022       |
|------------------------------------------|----------|------------|------------|
|                                          |          | £'000      | £'000      |
| Defined contribution scheme costs        |          | 227        | 202        |
| Defined benefit scheme past service cost |          | -          | 55         |
| Defined benefit scheme expenses          |          | 110        | 75         |
| <b>Total cost</b>                        | <b>7</b> | <b>337</b> | <b>332</b> |



Notes to the financial statements (continued)

For the year ended 31 March 2023

18 Post-employment benefits (continued)

b) Defined benefit scheme

The employer operates a defined benefit scheme in the UK which is closed to new entrants and future accrual. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was completed as at 30 September 2019 and the results of this have been updated to 31 March 2023 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The actuarial valuation as at 30 September 2019 showed a deficit of £3,444,000. The employer has agreed with the trustees that it will aim to eliminate the deficit by 30 November 2026 by the payment of annual contributions of £498,623 for the period 1 April 2020 to 31 March 2021 and thereafter by annual contributions of £210,000, payable monthly and increasing by 3% at every subsequent 1 April.

In addition and in accordance with the actuarial valuation, the employer has agreed with the trustees that it will pay contributions in respect of the expenses of running the

Scheme of £90,850 per annum. The Pension Protection Fund levy will be paid separately by the employer.the employer.

Assumptions

|                                         | 2023 | 2022 |
|-----------------------------------------|------|------|
|                                         | %    | %    |
| Rate of increase in salaries            | 2.93 | 3.52 |
| Rate of increase in pensions in payment | 2.85 | 3.08 |
| Discount rate                           | 4.87 | 2.78 |
| Inflation assumption (CPI)              | 2.93 | 3.21 |

The mortality assumptions adopted at 31 March 2023 imply the following life expectations:

|                         | 2023  |
|-------------------------|-------|
|                         | Years |
| Male retiring in 2023   | 22.2  |
| Female retiring in 2023 | 24.4  |
| Male retiring in 2043   | 23.8  |
| Female retiring in 2043 | 25.9  |

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

|                                             | 2023     | 2022     |
|---------------------------------------------|----------|----------|
|                                             | £'000    | £'000    |
| Fair value of plan assets                   | 21,891   | 30,344   |
| Present value of defined benefit obligation | (22,518) | (29,730) |
| Effect of asset ceiling                     | -        | (614)    |
| Deficit in scheme and liability recognised  | (627)    | -        |

Notes to the financial statements (continued)

For the year ended 31 March 2023

18 Post-employment benefits (continued)

| Reconciliation of opening and closing balances of the defined benefit obligation |               |               |
|----------------------------------------------------------------------------------|---------------|---------------|
|                                                                                  | 2023          | 2022          |
|                                                                                  | £'000         | £'000         |
| Defined benefit obligation at start of period                                    | 29,730        | 32,393        |
| Interest expenses                                                                | 815           | 670           |
| Benefits paid and expenses                                                       | (811)         | (950)         |
| Actuarial loss on changes in financial and demographic assumptions               | (7,216)       | (2,772)       |
| Experience gain on liabilities                                                   | -             | 389           |
| <b>Total</b>                                                                     | <b>22,518</b> | <b>29,730</b> |

| Reconciliation of opening and closing balances of the fair value of scheme assets |               |               |
|-----------------------------------------------------------------------------------|---------------|---------------|
|                                                                                   | 2023          | 2022          |
|                                                                                   | £'000         | £'000         |
| Fair value of scheme assets at start of period                                    | 30,344        | 29,664        |
| Interest income                                                                   | 835           | 615           |
| Expenses                                                                          | (110)         | (75)          |
| Return on assets excluding interest income                                        | (8,674)       | 789           |
| Contributions by the employer                                                     | 307           | 301           |
| Benefits paid and expenses                                                        | (811)         | (950)         |
| <b>Total</b>                                                                      | <b>21,891</b> | <b>30,344</b> |

| Actuarial (loss) / gain recognised in the SOFA                                                                                  |              |              |
|---------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
|                                                                                                                                 | 2023         | 2022         |
|                                                                                                                                 | £'000        | £'000        |
| (Loss) / gain on scheme assets                                                                                                  | (8,674)      | 789          |
| Experience loss arising on the scheme liabilities                                                                               | (1,410)      | (389)        |
| Gain as a result of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities | 8,626        | 2,772        |
| Gain from the change in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)         | 634          | -            |
| Effect of asset ceiling                                                                                                         | -            | (614)        |
| <b>Total actuarial (loss) / gain recognised in SOFA</b>                                                                         | <b>(824)</b> | <b>2,558</b> |

18 Post-employment benefits (continued)

Scheme assets

|                    | 2023   | 2022   |
|--------------------|--------|--------|
|                    | £'000  | £'000  |
| Equity type assets | 738    | 4,435  |
| Bonds              | 10,849 | 13,722 |
| Property           | 1,882  | 2,203  |
| Other              | 8,422  | 9,984  |
| Total assets       | 21,891 | 30,344 |

TPT Retirement Solutions has informed NCVO of a review of historic scheme benefit changes that it is undertaking. The content of these accounts makes no allowance for, or reference to, the potential outcome of that review.

19 Contingent liabilities

The charity was notified by the trustee of the charity’s defined benefit pension scheme of a possible liability that existed at 31 March 2023. This relates to potential further benefits payable to members of the scheme derived from the way benefits have been changed and how the scheme’s rules are interpreted. As is normal practice in these circumstances, the pension scheme trustee is seeking clarification through the courts to confirm if and when the impact of changes would have created additional benefits payable. An estimation of the liability, should it be payable, is in the region of £4.2million.

20 Taxation

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

21 Related parties

The charity owns 100% of the issued share capital in NCVO Trading Limited. The results of the trading company are shown in note 22 to the accounts.

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

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



Notes to the financial statements (continued)

For the year ended 31 March 2023

22 Subsidiary and parent company results

The charity owns 100% of the issued share capital in NCVO Trading Limited. The company made a profit of £923,000 for the year ended 31 March 2023 (2022: £389,000). The investment at cost is £1.

|                                                | 2023  | 2022  |
|------------------------------------------------|-------|-------|
|                                                | £'000 | £'000 |
| Summary profit and loss account                |       |       |
| Turnover                                       | 1,561 | 814   |
| Cost of sales                                  | (601) | (404) |
| Gross profit                                   | 960   | 410   |
| Expenditure                                    | (37)  | (21)  |
| Net profit from operations                     | 923   | 389   |
| Payable to NCVO under deed of covenant         | (923) | (389) |
| Summary balance sheet                          |       |       |
| Debtors                                        | 264   | 165   |
| Cash at bank and in-hand                       | 320   | 395   |
|                                                | 584   | 560   |
| Creditors: amounts falling due within one year | (584) | (560) |
| Creditors: amounts falling due after one year  | -     | -     |
| Net assets                                     | -     | -     |



Registered charity number  
225922  
Design: Steers McGillan Eves