

**Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2022
for
National Governance Association**

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

National Governance Association

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National Governance Association

Report of the Trustees for the Year Ended 31 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The National Governance Association (NGA) aims to improve the educational well-being of children and young people by promoting high standards in England's state funded schools and by improving the effectiveness of their governing boards. NGA is the school and trust governance expert organisation, which represents and supports governors, trustees and governance professionals from schools and academy trusts.

This is done by:

- Influencing and shaping the practice and culture of school governance and relevant policy in a way which strengthens accountability in order to improve the education of pupils
- Continuing to be the leading independent source of information, support and e-learning for all those involved in school governance
- Ensuring the voices of those involved in school governance are heard
- Being a trusted partner of school improvement organisations, school leadership organisations and local and regional governance support and training organisations
- Being a resilient, well-managed and successful organisation through effective internal operations, sound financial management, and the development of the organisation, its business and its people

Membership of the NGA is open to Governing Boards (at a standard and a GOLD rate) of individual schools and of multi academy trusts, to Associations of Governing Boards (normally covering a local authority area but independent of the local authority), to individual governors, trustees, clerks/governance professionals, and to public authorities and companies who have an interest in school governance.

At NGA we value: the voices of all; evidence, expertise, and our independence.

As well as embracing the Nolan Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; leadership) and the Framework for Ethical Leadership in Education (trust; wisdom; kindness; justice; service; courage; optimism) we champion fairness and opportunity for all young people, equality, diversity and inclusion for all, and the importance of place. We aim to be creative, visionary and agile.

Ensuring our work delivers our aims

We review our strategy, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at each of our strategic priorities and the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps the trustees to ensure that our strategy and activities remain focused on our stated purposes. We have referred the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

National Governance Association

Report of the Trustees for the Year Ended 31 March 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Key achievements and successes during the period include the following:

The annual survey of NGA members carried out in autumn 2021 showed again that the key elements of the standard membership package - the Knowledge Centre (membership area of the website), "Governing Matters" magazine, and the weekly e-newsletter sent to members each Friday during term-time - continue to be well received. Virtual events are rated well in the survey with webinars remaining a popular part of our offer. There is also continued high satisfaction with the priced publications, "Welcome to Governance", "The Chair's Handbook" and Welcome to a Multi- Academy Trust".

The number of calls to the GOLD advice line continues to increase as the number of GOLD members grows. Legal advice is given in partnership with the legal firm Browne Jacobson.

Webinars and online events have increased in volume this year and have continued to attract good sized audiences. The events schedule saw 57 webinars and online events. The post-event views of the webinars online provide a continuing audience. To date, we have seen almost 15,000 views on YouTube of all webinars compared to 6847 attendees for the live broadcast.

The Governing Chatters podcast audience is slowly growing, with more than 5,600 downloads since we started and more than 2,700 downloads this financial year. The podcast is now available on all major podcast apps which has helped to increase reach.

A reduced emphasis on COVID-19 in 2021/22 allowed us to devote more time resources to other areas and in particular renew our focus on governance professionals and building our substantial and wide collection of resources designed those governing at all levels in a MAT.

Over the course of 2021/22, numerous guidance, information and model documents have been developed and added to the new governance professionals' area of our website. Some of this content has been designed to cater for different types of governance professional role, as well as their role promoting effective governance practice, their CPD requirements and professional networking.

Other highlights amongst our new and significantly updated resources include relaunched questions and guidance for governing board self-evaluation, refreshed versions of our governor skills audits and a collection of resources designed to support governing boards to fulfil their role monitoring their school or trust's curriculum.

Some of our content has been the result of collaboration with partners in the sector, such as a suite of guidance on arts and cultural education with Arts Council England; careers guidance with the Careers and Enterprise Company; and headteacher development guidance with HeadsUp4HTs and a guide to parent engagement with Parentkind.

We undertook all our other usual business. In May we undertook the annual governance survey 2021, publishing three themed reports in the autumn. It forms the only significant data on the experiences of those who govern our schools and trust and is used by many others, including the Department for Education.

In November we held our annual conference and AGM face to face for the first time since 2019. It was wonderful to see our members again face to face.

NGA has continued to strive to be at the front of the curve on the conversation and practice of multi academy trust (MAT) governance, with a MAT project group meeting monthly and driving forwards key actions including new guidance, events and how we react to the needs of MAT trust boards specifically. We have written a joint publication on MAT mergers, and published a number of new MAT specific guidance pieces including MAT budgeting, management accounts, local governance and central leadership structures to name a few. We have also published a comprehensive, evidence based thought piece on local governance in MATs and been very influential in driving forwards the DFE's inclusion of the need for local governance in the schools white paper. Our virtual events for those volunteering continue to be well attended, for example, the MAT network has continued to gather MAT trustees, execs and governance professionals on a termly basis to hear updates from NGA and outside experts.

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Our MAT related content published during this period included:

- A guide to MAT mergers for leaders and trustees
- A guide to MAT governance structures and the role of the local tier
- A guide to reviewing central leadership structures in a MAT
- A Chief Executive Officer (CEO) template job description (developed with ForumStrategy);
- A guide to budget setting and management accounts in a MAT
- A new edition of Welcome to a Multi-Academy Trust

Our termly Governance Leadership Forums have very much now become business as usual after a first successful year, providing governance and executive leaders in similar school structures with a format to share experiences and good practice, but also hear about key issues, such as sustainability or the move to trusts, as they affect their school's or trust's situation. Specific forums are provided for local authority maintained schools, single academy trust (SATs), MAT trustees, and Local academy committees.

NGA continued to highlight the important role of governance professionals through our work in this area this year. The research report, 'Governance professionals: 2021 and beyond' was published in June 2021 and launched at the summer term network meeting. The Outstanding Governance Awards received numerous high quality nominations for the new category of Lead Governance Professional and the winners are among many governance professionals involved in the work being undertaken to develop a career pathway. An area of the NGA website dedicated to governance professionals has been developed and contains guidance, templates and resources for those in the role. A suite of Learning Link induction modules has also been published: 'Introduction to clerking'; and additional further modules on clerking panels and clerking in different contexts.

Through our work we have been instrumental in informing and influencing policy, practice and guidance changes. NGA continues to be represented at many Department for Education (DfE) meetings, both at round-tables and bi-laterals. We are represented on several DfE stakeholder groups, including the Covid stakeholder advisory group, Exams and assessment Advisory Group, the Advisory Group on Governance, the School Academy Funding Group and the Academies Finance and Assurance Steering Group. We were represented on a number of DfE working groups including Flexible Working Advisory Group, Mental Health in Action Group, Governance Support Working Group. This work was only one strand of our work on making staff CPD a central plank of school improvement, which has been visible through our seminars, our magazine and new guidance.

NGA responded to all relevant formal consultations including on the School Teachers' Review Body (STRB) 2022, Ofqual: Arrangements for non-exam assessment and fieldwork requirements for students entering qualifications 2022, Keeping children safe in education 2021, Initial teacher training (ITT) market review 2021, Equality and Human Rights Commission, strategic plan for 2022-2025, Fair school funding for all: completing our reforms to the National Funding Formula - September 2021, proposed reforms to local authority school improvement funding and the Times Education Commission 2022.

We also work with a large number of partners to further the aims of our members and to improve the effectiveness of governing boards. We are working with Education & Employers to provide a copy of "Welcome to Governance" to newly appointed governors successfully matched with a school governing board by the DfE funded Inspiring Governance programme.

To improve awareness, knowledge and understanding of the role of governance in schools and trusts, the NGA relaunched its Visible Governance in Schools campaign to run throughout the 2021/22 academic year. The campaign celebrates the power of governance, the people that volunteer for the role and the value that good governance brings to the school system. It also aims to improve the education system's and public's knowledge and understanding of the role. We have invested in some consultancy to kick the campaign back off and have been working on a new animation drawing attention to the role of governors and trustees to raise awareness.

In September 2021 we held our biennial awards - the only national education awards to recognise the contribution of governors, trustees and governance professionals. These are an opportunity to share best practice in school and trust governance and demonstrate the positive contribution that good governance makes to the school system and the education of children and young people. The 2021 awards formed part of NGA's Visible Governance campaign. We were delighted to celebrate the exceptional practice and achievements of 23 governing boards and governance professionals at the awards ceremony in September at the House of Commons.

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Governing board diversity has been a priority for NGA for several years. This year we expanded the campaign to cover three strands: diversity and inclusion on boards; the board's role in ensuring diversity and inclusion in schools and trusts including for leaders, staff and pupils; and NGA's own internal approach to equality, diversity and inclusion (EDI). Most significantly this year, we conducted research and published a 'state of the nation' report in June on increasing participation in school and trust governance. This report explored volunteer recruitment and retention through the lens of the experiences and views of governors and trustees from Black, Asian or minority ethnic backgrounds and young volunteers (aged under 40) alongside data from the NGA annual survey 2021 and a review of research from other sectors. Alongside this report we updated resources including our 'right people around the table' guidance and our skills audit to provide practical ways of improving board diversity. We also led an update to the statement of intent on equality, diversity and inclusion in education, setting out our commitments to action alongside 18 other education sector organisations. We meet regularly with the other representative organisations in the sector to exchange learning and build on each other's impact.

We have continued to deliver our training and consultancy services this year with a choice of remote or face to face delivery. We have been able to offer trustees and governors up and down the country access to our Leading Governance development programmes and other training sessions. This work continues to provide a useful insight to the guidance needed for governing boards to help them improve and for those who are joining or growing multi academy trusts.

This year, NGA were successful in winning the Department for Education tender to deliver the National Leaders of Governance service. By early autumn 2021 NGA successfully recruited over 60 National Leaders of Governance and began delivering NLG support to trust and governing boards as part of the programme.

We continue to deliver and continuously improve our e-learning service "Learning Link" to governors, trustees and governance. By the end of 2021/22 47% of schools (including academies) subscribed to Learning Link. We have 42,089 registered users, an increase of 6,231 on the previous year, and our income increased this year by over £100,000, much of which is reinvested in new module development and growing the Learning Link team, with the addition of a junior content development support officer in December.

As well as updating our current modules, 18 new modules were developed and released during 2021/22, including modules on Ethical leadership, Management of workload and wellbeing as well as 16 new modules to support clerks and governance professionals.

97% of users who have completed these new modules would recommend them to others, while 93% say that their governance knowledge has increased as a result of completing them.

Learning Link users were also surveyed in February this year. 97% of respondents reported they would be likely or very likely to recommend the service to others. 88% of respondents reported that their governance practices had improved as a result of using Learning Link.

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Report of the Trustees for the Year Ended 31 March 2022

Due to increasing number of members and Learning Link subscribers we were able to further increase our staff team with the addition of a Website Officer. We had our first full year with our Governance Development Team in post. NGA has continued to adapt our ways of working this year, adopting a flexible hybrid working model to deal with the ongoing challenges due to Covid 19, and a recognition that many staff desired a hybrid working model.

The board would like to thank the staff group for their continued hard work and support during a successful year. Staff continue to go above and beyond and have shown tremendous flexibility and adaptability this year as we moved into hybrid working. The board are also very proud of the support for governance within our staff team with many governing themselves.

FINANCIAL REVIEW

Principal funding sources

We should like to take this opportunity to thank those partners who promoted NGA membership and services alongside their own services during the year. NGA values these partnerships and is looking forward to continuing to work closely with our partners in the coming year.

Investment policy and objectives

The trustees have full powers under the Memorandum of Association to make investments on behalf of the charity. The trustees, having regard to the liquidity requirements NGA operations, have operated a policy of keeping available funds in short-term interest-bearing deposit accounts and seek to achieve the best available market return on such deposits, commensurate with the requirement for absolute security of capital.

Reserves policy

The National Governance Association has a reserves policy to help secure the Association's viability beyond the immediate future and to provide reliable services over the longer term. NGA has set a reserves policy based on a review of income, expenditure, projects and risks. The trustees have set the level of reserves required at £397,594. The Board reconsiders the level of any legal requirements in the event of any potential winding-up of the NGA on an annual basis.

As at 31 March 2022 the amount of reserves were £842,671 (compared to £540,119 at 31 March 2021) of which £811,199 were free reserves (compared to £513,358 at 31 March 2021). Free reserves are reserves which do not include restricted funds, or reserves tied up in tangible fixed assets of £30,647. At 31 March 2022, free reserves represented 26% of annual income. NGA have ringfenced surplus reserves for capital expenditure in the 2022-2023 financial year, setting a deficit budget. The ringfenced reserves will be used to improve overall services for NGA members.

Financial review

The Statement of Financial Activities for the year ended 31 March 2022 shows total incoming resources of £3,108,389 (2021 £2,694,690) and total resources expended of £2,805,837 (2021 £2,377,608), generating net incoming resources of £302,552 (2021 £317,082)

Membership subscriptions, our principle source of income, increased by 9.5% from £1,292,909 to £1,415,915. The increase was due to a combination of an increase in membership numbers during the year ended 31 March 2021 as well as an increase in the price of both individual and standard membership.

Our current fees, including for our e-learning, are considerably more affordable for schools than other national providers - this is important to us.

We have continued to have less expenditure on travel to attend face to face meetings for staff as well as board expenses as many meetings continue to be held remotely.

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Report of the Trustees for the Year Ended 31 March 2022

FUTURE PLANS

NGA will prioritise continuing to provide excellent support and services to existing members & Learning Link customers in order to retain members. While we wish to reach governing boards that are not currently engaged with our work in order to improve governance, this must be achieved in a way which is sustainable for the NGA as well as value for money for all types of schools and which does not detract from the services delivered to existing members.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The National Governance Association (NGA) is a company limited by guarantee (registered number 03549029) which was incorporated on 20 April 1998 and which achieved charitable status on 1 July 1998 (registered number 1070331).

The NGA was established under a Memorandum of Association which established the objects and powers of the NGA and is governed under its Articles of Association.

In the event of the NGA being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The governance of the company is the responsibility of the Directors who are elected and appointed under the terms of the Articles of Association. Under charity law the directors are deemed to be trustees of the charity.

The Board of Directors contains a maximum of nine elected Directors and up to four further co-opted Directors. The current Board will continue in office until the next Annual General Meeting of the NGA to be held in November 2022.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the NGA are set out in the notes to the financial statements.

Induction and training of new trustees

New board members undergo an induction training session before their first board meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the schedule and structure of meetings, board protocols and the organisation's strategic plan. This is usually led by the Chair of the NGA and its Chief Executive or the Company Secretary. During this session, which takes place at the NGA's office, new trustees meet the staff of the organisation and are briefed on their roles. A trustees' section of the NGA website contains past and forthcoming papers, relevant policies and other useful resources.

Organisational structure

Each December the Board of Directors appoints, from its members, four or five honorary officers: The Chair, one or two Vice-Chairs, a Treasurer and an Honorary Secretary. The officers' group acts as a staffing committee when necessary. The board's meeting are supported by the company secretary who has been externally appointed.

The Directors meet five times during the year as a full board to confirm a strategy to guide the organisation's work and to monitor its implementation. Operational implementation of the strategic objectives is delegated to a Chief Executive, Emma Knights, who is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. To facilitate effective operations, the Chief Executive also has authority, within terms of delegation approved by the Directors, for operational matters including finance, employment and service delivery.

National Governance Association

Report of the Trustees for the Year Ended 31 March 2022

Board development

In 2022, an annual Board Development Day has been added to the Trustees working calendar at the start of each autumn term. This step has been taken in recognition of the importance of regular whole board training to ensure trustees remain focussed on their core mission and have the necessary skills and knowledge to be effective in their role. The training will be provided by external experts in the charity governance field.

Increasing diversity

The NGA worked hard to increase the diversity of candidates standing for election to the board in autumn of 2021 with targeted communications to networks working on diversity as well as our own, and the communications worked well.

External Review of Governance

This year the Board has commissioned its 3 yearly External Review of Governance. As for any Board, this process was an excellent way to review what the Board does, how it does it and, most importantly, why it does it a particular way. The results of the review confirm that the Board continues to function effectively and provide both support and challenge to the organisation.

A specific challenge on making more space for generative governance within the Board's work has led to the addition of 2 new meetings to the Board's year. These meetings will differ from the formal board meetings referred to above and will present opportunities for looking to the longer term. The Board is also formalising performance management for Trustees and Board self-evaluation processes in the form of Annual Conversations. These will take place for individual trustees, the Chair, and the Board as a whole.

Key management remuneration

In the trustees' opinion, the key management personnel of the NGA responsible for the direction, control, running and operation of the NGA on a day to day basis consists of the Board of Trustees and the Chief Executive.

Key management personnel - trustees

All trustees give of their time freely and no trustee received remuneration during the year.

Details of trustees' expenses and related party transactions are disclosed in the financial statements. There were no trustees' remuneration or other benefits for the year ended 31 March 2022.

Key management personnel - chief executive

The pay of the NGA's senior staff is reviewed annually and normally increased based upon the position of the NGA's finances and the cost of living in general.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Chief Executive reviews the risk assessment at regular intervals and reports on any changes in this risk assessment to the Board.

Progress against the objectives in the strategic plan forms the basis of the exception reporting by the Chief Executive to each meeting of the Board. The annual budget, first considered before the start of each financial year, is agreed by the Board at its March meeting and is monitored through quarterly reports to trustees. Internal risks are minimised by sound financial procedures.

National Governance Association

Report of the Trustees for the Year Ended 31 March 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03549029 (England and Wales)

Registered Charity number

1070331

Registered office

4th Floor
36 Great Charles St
Birmingham
B3 3JY

Trustees

Tim Brock
Alastair Cowen
Howard Davies
Nigel Fitzpatrick MBE
Duncan Haworth MBE
Lynn Howard
Lawayne Jefferson
Anthea Kenna
Helen Stockill (resigned 4.10.21)
Bobby Thandi (appointed 27.11.21)
Rachel Wilson

Trustee attendance at Board Meetings

Lynn Howard – Attended 5 of 5.
Anthea Kenna – Attended 5 of 5.
Nigel Fitzpatrick – Attended 5 of 5.
Lawayne Jefferson – Attended 4 of 5. Apologies 1.
Duncan Haworth – Attended 5 of 5.
Alastair Cowen – Attended 5 of 5.
Howard Davies – Attended 4 of 5. Apologies 1.
Tim Brock – Attended 4 of 5. Apologies 1.
Rachel Wilson – Attended 4 of 5. Apologies 1.
Helen Stockhill – Attended 2 of 2.
Bobby Thandi – Attended 2 of 2.

Senior Statutory Auditor

David Williams FCA FCCA

Auditors

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Company secretary

Lara Angell-Wood

National Governance Association

Report of the Trustees for the Year Ended 31 March 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Chief executive

Emma Knights OBE

Bankers

HSBC Bank
130 New Street
Birmingham
West Midlands
B2 4JU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of National Governance Association for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Locke Williams Associates LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 6 October 2022 and signed on its behalf by:

Lynn Howard - Trustee

**Report of the Independent Auditors to the Members of
National Governance Association**

Opinion

We have audited the financial statements of National Governance Association (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.



TRUSTED ACCOUNTING SOLUTIONS



Registered number: OC350146
Registered in England and Wales.
Katrina Williams FCA CTA TEP
David Williams FCA FCCA

Locke Williams Associates LLP
Blackthorn House, St Pauls Square
Birmingham B3 1RL T: 0121 262 3980

**Report of the Independent Auditors to the Members of
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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' 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 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 financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to these risks, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We concentrated on those laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP (FRS 102 and UK tax legislation). Our audit tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management and with third parties, where relevant.



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National Governance Association**

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and checking the authorisation of expenditure as part of our substantive testing, using analytical review to identify any significant or unusual transactions and evaluating whether there was evidence of bias by the trustees or management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

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

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 auditors' 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.

David Williams FCA FCCA (Senior Statutory Auditor)
for and on behalf of Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Date:



TRUSTED ACCOUNTING SOLUTIONS



Registered number: OC350146
Registered in England and Wales.
Katrina Williams FCA CTA TEP
David Williams FCA FCCA

Locke Williams Associates LLP
Blackthorn House, St Pauls Square
Birmingham B3 1RL T: 0121 262 3980

National Governance Association

**Statement of Financial Activities
for the Year Ended 31 March 2022**

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	4				
Charitable activities		2,691,479	394,589	3,086,068	2,675,438
Other trading activities	2	21,530	-	21,530	17,867
Investment income	3	791	-	791	1,385
Total		2,713,800	394,589	3,108,389	2,694,690
 EXPENDITURE ON					
Charitable activities	5				
Charitable activities		2,412,073	393,764	2,805,837	2,377,608
 NET INCOME		301,727	825	302,552	317,082
 RECONCILIATION OF FUNDS					
Total funds brought forward		540,119	-	540,119	223,037
 TOTAL FUNDS CARRIED FORWARD		841,846	825	842,671	540,119

The notes form part of these financial statements

National Governance Association

Balance Sheet 31 March 2022

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
FIXED ASSETS					
Tangible assets	13	30,647	-	30,647	26,761
CURRENT ASSETS					
Stocks	14	6,870	-	6,870	4,691
Debtors	15	375,851	-	375,851	450,091
Cash at bank and in hand		<u>1,021,902</u>	<u>825</u>	<u>1,022,727</u>	<u>926,761</u>
		1,404,623	825	1,405,448	1,381,543
CREDITORS					
Amounts falling due within one year	16	(593,424)	-	(593,424)	(868,185)
NET CURRENT ASSETS		<u>811,199</u>	<u>825</u>	<u>812,024</u>	<u>513,358</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>841,846</u>	<u>825</u>	<u>842,671</u>	<u>540,119</u>
NET ASSETS		<u>841,846</u>	<u>825</u>	<u>842,671</u>	<u>540,119</u>
FUNDS	18				
Unrestricted funds				841,846	540,119
Restricted funds				<u>825</u>	<u>-</u>
TOTAL FUNDS				<u>842,671</u>	<u>540,119</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 6 October 2022 and were signed on its behalf by:

Alastair Cowen - Trustee

National Governance Association

**Cash Flow Statement
for the Year Ended 31 March 2022**

	Notes	31.3.22 £	31.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>116,652</u>	<u>279,209</u>
Net cash provided by operating activities		<u>116,652</u>	<u>279,209</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(21,477)</u>	<u>(13,056)</u>
Interest received		<u>791</u>	<u>1,385</u>
Net cash used in investing activities		<u>(20,686)</u>	<u>(11,671)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		95,966	267,538
Cash and cash equivalents at the beginning of the reporting period		<u>926,761</u>	<u>659,223</u>
Cash and cash equivalents at the end of the reporting period		<u>1,022,727</u>	<u>926,761</u>

The notes form part of these financial statements

National Governance Association

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2022**

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

	31.3.22 £	31.3.21 £
Net income for the reporting period (as per the Statement of Financial Activities)	302,552	317,082
Adjustments for:		
Depreciation charges	17,590	12,334
Interest received	(791)	(1,385)
(Increase)/decrease in stocks	(2,179)	2,897
Decrease/(increase) in debtors	74,240	(38,135)
Decrease in creditors	(274,760)	(13,584)
Net cash provided by operations	<u>116,652</u>	<u>279,209</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	<u>926,761</u>	<u>95,966</u>	<u>1,022,727</u>
	<u>926,761</u>	<u>95,966</u>	<u>1,022,727</u>
Total	<u>926,761</u>	<u>95,966</u>	<u>1,022,727</u>

The notes form part of these financial statements

National Governance Association

Notes to the Financial Statements for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the NGA, rounded to the nearest £1.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The expected level of income and expenditure is sufficient with the level of reserves for the NGA to be able to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Where entitlement is not met the income is deferred.

Income from trading activities includes income earned from activities to raise funds for the NGA. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from charitable activities includes membership fees, project, training and consultancy work undertaken and the sale of publications.

Income from government and other grant making bodies are recognised at fair value when the charity has entitlement after any performance conditions have been met.

Investment income is earned through holding assets such as cash on deposit. It includes interest receivable. Interest income is recognised using the effective interest rate method and is recognised as the NGA's right to receive payment is established.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Expenditure is categorised under the following headings.

- Expenditure on charitable activities.
- Other expenditure representing those items not falling into the above categories.

Support costs are those that assist with the work of the NGA but do not directly represent charitable activities and include office costs, governance costs and other administrative costs.

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Items of equipment and fixtures and fittings individually costing in excess of £500 are capitalised and carried in the balance sheet.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Creditors and provisions

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

Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2020 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

Contributions to the personal pension schemes of certain employees are charged to the Statement of Financial Activities in the period in which they relate. The assets of these personal pension schemes are held separately from those of the NGA in independently administered funds.

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Employee benefits

When employees have rendered service to the NGA, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Termination benefits are recognised immediately as an expense when the NGA is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2. OTHER TRADING ACTIVITIES

	31.3.22	31.3.21
	£	£
Advertising	<u>21,530</u>	<u>17,867</u>

3. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Bank interest receivable	<u>791</u>	<u>1,385</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.22	31.3.21
Activity	£	£
Membership fees	1,415,915	1,292,909
Project income	26,027	181,499
Training and consultancy income	1,325,081	1,162,667
Publications income	48,120	21,767
Grants	7,713	15,061
Miscellaneous income	4,510	1,535
NLG income	258,702	-
	<u>3,086,068</u>	<u>2,675,438</u>

Grants received, included in the above, are as follows:

	31.3.22	31.3.21
	£	£
HMRC - coronavirus job retention scheme	<u>7,713</u>	<u>15,061</u>

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activities	<u>2,145,370</u>	<u>660,467</u>	<u>2,805,837</u>

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable activities	<u>628,916</u>	<u>31,551</u>	<u>660,467</u>

Support costs, included in the above, are as follows:

Management

	31.3.22 Charitable activities £	31.3.21 Total activities £
Salaries	156,482	235,109
Social security	18,220	26,159
Pensions	10,634	16,391
Office rent and services	153,198	136,854
Marketing and publicity	33,342	23,218
Insurance	5,851	6,620
Professional development	19,930	5,157
Office expenses	101,832	89,444
IT equipment and expenses	104,090	82,128
Bank charges	8,928	6,508
Office improvements	-	5,596
(Recoverable)/Irrecoverable VAT	(1,181)	(4,242)
Depreciation of tangible and heritage assets	<u>17,590</u>	<u>12,334</u>
	<u>628,916</u>	<u>641,276</u>

Governance costs

	31.3.22 Charitable activities £	31.3.21 Total activities £
Trustees' expenses	2,688	-
Auditors' remuneration	4,920	4,740
Professional fees	3,947	6,984
Board expenses	12,196	2,196
Clerk to the Board	<u>7,800</u>	<u>7,800</u>
	<u>31,551</u>	<u>21,720</u>

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.22	31.3.21
	£	£
Auditors' remuneration	4,920	4,740
Depreciation - owned assets	<u>17,591</u>	<u>12,334</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

During the year ended 31 March 2022 8 trustees (2021 - none) were directly reimbursed £2,688 for expenses incurred such as travel, subsistence and telephone whilst performing duties on behalf of the NGA (2021 - £nil).

9. STAFF COSTS

	31.3.22	31.3.21
	£	£
Wages and salaries	1,468,191	1,283,756
Social security costs	140,742	122,055
Other pension costs	<u>94,697</u>	<u>86,079</u>
	<u>1,703,630</u>	<u>1,491,890</u>

The average monthly number of employees during the year was as follows:

	31.3.22	31.3.21
	<u>49</u>	<u>41</u>
Management and administration		

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.22	31.3.21
	<u>1</u>	<u>1</u>
£70,001 - £80,000		

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Charitable activities	2,660,377	15,061	2,675,438
Other trading activities	17,867	-	17,867
Investment income	<u>1,385</u>	<u>-</u>	<u>1,385</u>
Total	2,679,629	15,061	2,694,690
EXPENDITURE ON			
Charitable activities			
Charitable activities	2,357,547	20,061	2,377,608
	<u> </u>	<u> </u>	<u> </u>
NET INCOME/(EXPENDITURE)	322,082	(5,000)	317,082
RECONCILIATION OF FUNDS			
Total funds brought forward	218,037	5,000	223,037
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u><u>540,119</u></u>	<u><u>-</u></u>	<u><u>540,119</u></u>

11. FUNDS RECEIVED AS AGENT

As part of the contractual arrangements with the DfE, to design and deliver a programme to implement the recommendations for NLG Reform, the charity administers funds under the contract for payment to suppliers. The charity does not have discretion about the use to which these funds received are put and acts only in accordance with the instructions or directions of the DfE.

Therefore to present the appropriate substance of these transactions, these funds are not included as income or expenditure in the Statement of Financial Activities.

Under the terms of the arrangement, there is a timing difference between the receipt and payment of these funds, details of which are:

	31.3.22
	£
Funds received as agent in the year	127,349
Funds paid out in the year	<u>(22,599)</u>
Funds held at 31 March 2022 (included in accruals in note 16)	<u><u>104,750</u></u>

12. PENSION COMMITMENTS

The NGA contributes to the individual pension plans of certain employees. The assets of these schemes are held separately from those of the Association in independently administered funds.

Total contributions for the year ended 31 March 2022 amounted to £95,972 (2021 - £88,079) and outstanding contributions as at 31 March 2022 amounted to £11,989 (2021 - £10,601).

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2021	4,495	44,296	48,791
Additions	<u>-</u>	<u>21,477</u>	<u>21,477</u>
At 31 March 2022	<u>4,495</u>	<u>65,773</u>	<u>70,268</u>
DEPRECIATION			
At 1 April 2021	3,486	18,544	22,030
Charge for year	<u>268</u>	<u>17,323</u>	<u>17,591</u>
At 31 March 2022	<u>3,754</u>	<u>35,867</u>	<u>39,621</u>
NET BOOK VALUE			
At 31 March 2022	<u>741</u>	<u>29,906</u>	<u>30,647</u>
At 31 March 2021	<u>1,009</u>	<u>25,752</u>	<u>26,761</u>

All assets are used in direct furtherance of the Charity's objects.

14. STOCKS

	31.3.22	31.3.21
	£	£
Books and publications for resale	<u>6,870</u>	<u>4,691</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade debtors	289,940	356,793
Other debtors and accrued income	6,202	12,383
Prepayments	<u>79,709</u>	<u>80,915</u>
	<u>375,851</u>	<u>450,091</u>

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade creditors	159,010	150,522
Social security and other taxes	52,911	36,400
Other creditors	10,787	9,399
Accruals	154,639	84,464
Deferred income	<u>216,077</u>	<u>587,400</u>
	<u>593,424</u>	<u>868,185</u>
 Deferred income		
Deferred at 1 April	587,400	643,969
Released to income in the year	(552,400)	(491,329)
Additionally deferred in the year	<u>181,077</u>	<u>434,760</u>
Deferred at 31 March	<u>216,077</u>	<u>587,400</u>
 Deferred income comprises:		
Membership income deferred to commence on 1 April	95,160	99,972
Learning Link income deferred to commence on 1 April	24,977	156,647
Training income deferred - performance during 2022/2023	34,704	20,694
Leading Governance income deferred - performance during 2022/2023	35,000	308,837
Self funded clerks/chairs - performance during 2022/2023	23,731	-
Other income deferred - events taking place during 2022/2023	<u>2,505</u>	<u>1,250</u>
	<u>216,077</u>	<u>587,400</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.22	31.3.21
	£	£
Within one year	89,613	87,007
Between one and five years	<u>136,540</u>	<u>226,153</u>
	<u>226,153</u>	<u>313,160</u>

Leasing commitments are mostly in respect of the charity's office premises.

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

18. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	540,119	301,727	841,846
Restricted funds			
ASCL - joint publication	-	825	825
TOTAL FUNDS	<u>540,119</u>	<u>302,552</u>	<u>842,671</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,713,800	(2,412,073)	301,727
Restricted funds			
HMRC - coronavirus job retention scheme	7,713	(7,713)	-
DfE - National Leaders of Governance (NLG) support	386,051	(386,051)	-
ASCL - joint publication	825	-	825
	<u>394,589</u>	<u>(393,764)</u>	<u>825</u>
TOTAL FUNDS	<u>3,108,389</u>	<u>(2,805,837)</u>	<u>302,552</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	218,037	322,082	540,119
Restricted funds			
Arts Council - Cultural Learning e- module	5,000	(5,000)	-
TOTAL FUNDS	<u>223,037</u>	<u>317,082</u>	<u>540,119</u>

National Governance Association

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,679,629	(2,357,547)	322,082
Restricted funds			
Arts Council - Cultural Learning e-module	-	(5,000)	(5,000)
HMRC - coronavirus job retention scheme	15,061	(15,061)	-
	<u>15,061</u>	<u>(20,061)</u>	<u>(5,000)</u>
TOTAL FUNDS	<u>2,694,690</u>	<u>(2,377,608)</u>	<u>317,082</u>

Purpose of funds

General fund.

This fund represents the free funds of the Association that have not been designated for particular purposes.

Restricted fund : Arts Council - Cultural Learning e-module

This fund represents a grant from the Arts Council to develop an e-learning module for governors on "School improvement: Arts and Cultural Education" and to host this module on NGA's e-learning platform.

Restricted fund : HMRC coronavirus job retention scheme

This fund represents grants claimed under the Government's covid-19 job retention scheme for employees who required being placed on furlough during the year.

Restricted fund : DfE - National Leaders of Governance

This fund represents the income and associated expenditure on staff costs and overheads in carrying out the contractual arrangements with the DfE, to design and deliver a programme to implement the recommendations for NLG Reform.

ASCL - joint publication

This fund represents income to be spent in funding a joint publication on the three Pillars of Leadership.

19. ULTIMATE CONTROLLING PARTY

The NGA is controlled by the trustees as listed in the Report of the Trustees.

National Governance Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

National Governance Association

Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	31.3.22 £	31.3.21 £
INCOME AND ENDOWMENTS		
Other trading activities		
Advertising	21,530	17,867
Investment income		
Bank interest receivable	791	1,385
Charitable activities		
Membership fees	1,415,915	1,292,909
Project income	26,027	181,499
Training and consultancy income	1,325,081	1,162,667
Publications income	48,120	21,767
Grants	7,713	15,061
Miscellaneous income	4,510	1,535
NLG income	258,702	-
	3,086,068	2,675,438
Total incoming resources	3,108,389	2,694,690
EXPENDITURE		
Charitable activities		
Salaries	1,311,709	1,048,647
Social security	122,522	95,896
Pensions	84,063	69,688
Training and consultancy expenses	354,431	285,194
Project costs	85,816	5,970
Conferences and regional meeting expenses	24,696	24,069
Members' magazine expenses	146,232	160,617
Other publication costs	12,912	24,022
Representation expenses	425	432
Business development costs	2,564	77
	2,145,370	1,714,612
Support costs		
Management		
Salaries	156,482	235,109
Social security	18,220	26,159
Pensions	10,634	16,391
Office rent and services	153,198	136,854
Marketing and publicity	33,342	23,218
Insurance	5,851	6,620
Professional development	19,930	5,157
Office expenses	101,832	89,444
IT equipment and expenses	104,090	82,128
Bank charges	8,928	6,508
Carried forward	612,507	627,588

This page does not form part of the statutory financial statements

National Governance Association

Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	31.3.22 £	31.3.21 £
Management		
Brought forward	612,507	627,588
Office improvements	-	5,596
(Recoverable)/Irrecoverable VAT	(1,181)	(4,242)
Depreciation of fixtures & fittings	267	267
Depreciation of computer equipment	<u>17,323</u>	<u>12,067</u>
	628,916	641,276
 Governance costs		
Trustees' expenses	2,688	-
Auditors' remuneration	4,920	4,740
Professional fees	3,947	6,984
Board expenses	12,196	2,196
Clerk to the Board	<u>7,800</u>	<u>7,800</u>
	<u>31,551</u>	<u>21,720</u>
 Total resources expended	<u>2,805,837</u>	<u>2,377,608</u>
 Net income	<u><u>302,552</u></u>	<u><u>317,082</u></u>