

Company no. 5669443
Charity no. (England & Wales) 1130568
Charity no. (Scotland) SC047314

The Involve Foundation
Report and Audited Financial Statements
31 March 2021

The Involve Foundation

Reference and administrative details

For the year ended 31 March 2021

Company number	5669443
Charity numbers	1130568 and SC047314
Registered office and operational address	Oxford House Derbyshire Street London E2 6HG
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Claire Ainsley Edward Cox Kathryn Jones Julie Mellor Golam Morshed Paul Skidmore (retired 22 May 2021) Sharon Squires Hannah White Temidayo Eseonu (appointed 27 May 2021) Paul Braithwaite (appointed 27 May 2021)
Company secretary	Tim Hughes (retired 5 September 2021) Sarah Castell (appointed 6 September 2021)
Key management personnel	Tim Hughes (retired 5 September 2021) Sarah Castell (appointed 6 September 2021) Clive Mitchell (Director of Operations)
Bankers	Unity Trust Bank 9 Brindley Place Birmingham B1 2HB CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

The Involve Foundation

Report of the trustees

For the year ended 31 March 2021

The Trustees, who are also directors under company law, present their report and financial statements for the year ended 31 March 2021.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives

Our vision is of **a vibrant UK democracy, with people at the heart of decision making**. And our mission is to develop, support and campaign for new ways of involving people in the decisions that affect their lives.

We believe that democracy should be underpinned by the principles of:

- **Openness** - so that people can understand, influence and hold decision-makers to account for the actions and inactions of their governments;
- **Participation** - so that people have the freedom, support and opportunity to shape their communities and influence the decisions that affect their lives; and
- **Deliberation** - so that people can exchange and acknowledge different perspectives, understand conflict and find common ground, and build a shared vision for society.

We are seeking these **outcomes** from our work:

- **Democratic norms** – Participation and deliberation are recognised as essential features for a healthy modern democracy by the public, society and decision-makers;
- **Political support** – People in positions of power and influence across society and the political spectrum understand and actively support the use of participatory and deliberative decision-making;
- **Frequent use** – There is frequent use of participatory and deliberative processes supported by the right resources (people, budgets) both inside and outside of political institutions;
- **Evidence and practice** – There is an accessible and well-communicated body of evidence and practice that demonstrates the impact of our vision and how to achieve it;
- **Clear standards** – There are clear principles and standards that support good practice in delivering and embedding participatory and deliberative processes, which are widely understood and followed; and
- **Democratic innovations** – There is continuous learning and innovation to improve democracy and related practice.

Our vision and mission support our core charitable objectives, which are:

- To advance education for the public benefit in methods and processes of public participation; and
- To promote good citizenship for the public benefit by encouraging and facilitating participation by the public in democratic and decision-making processes, with an intended outcome of enabling people to develop their capacities, help meet their needs and participate more fully in society.

In shaping our objectives for the year, and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit.

During the past year we have focused on making the case for how the principles we advocate are fundamental to bridging the divisions in our society, overcoming the complex challenges we face, and giving people power over the decisions that affect them.

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We have continued to pioneer participatory processes that involve people in decisions that affect their lives. From working with citizens to help shape Scotland's response to climate change, to exploring whether assisted dying should be allowed in Jersey, we have demonstrated the role that the public can play in making better decisions.

All of our work in some way has been aimed at helping to solve the toughest and most complex challenges we face as a country. We have continued to champion public participation in decisions on issues such as climate change, the ethics of data use, and how we respond to the coronavirus pandemic. Our work shows how the public can be involved in shaping them in a responsible way.

The coronavirus pandemic has had a significant impact on how we design and facilitate public participation, and we outline some of the ways that we've been adapting to this in our programme highlights below. But the pandemic has not removed the need for a stronger democracy - on the contrary, as public bodies seek to navigate new and very challenging territory, involving citizens in the many critical and important decisions that are affecting all our lives has become more important than ever.

Activities, achievements and performance

Here are some of the highlights of our work and achievements in 2020/21.

Climate Assembly UK

We were commissioned by the House of Commons in 2019 to run Climate Assembly UK, an assembly of over a hundred citizens from across the country that considered how the UK can meet its legally binding target to get to net zero emissions of greenhouse gases by 2050. Funded by the House of Commons, the Esmée Fairbairn Foundation, and the European Climate Foundation, and working closely with partner organisations mySociety and the Sortition Foundation, Involve's role was to ensure we delivered a high quality citizens' assembly.

The coronavirus pandemic meant that we had to move the assembly online during April 2020, rapidly redesigning the meetings so that the assembly could continue to meet and deliberate remotely, using online conferencing technology. As a result we were able to successfully complete the assembly's work and produce its report and recommendations, which were published in September 2020.

Following publication of the report, over 800 politicians, civil servants and stakeholders attended briefings on the assembly's work. The Government has said that it "welcome[s] the report and will be considering its findings closely as we shape our approach to net zero."

Darren Jones MP, Chair of the Business, Energy and Industrial Strategy Select Committee, said "This is an extremely important contribution to the debate on how the UK reaches our net zero target and I hope it gives impetus to policy makers to take bold action to reduce our emissions. The range of voices within these pages reflect our population. The fact that assembly members have been able to arrive at clear recommendations whilst respecting each others' values and experiences sets an example for us all."

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Scotland's Climate Assembly

Commissioned by the Scottish Government, and partnering with The Democratic Society and the Sortition Foundation, Involve successfully delivered Scotland's Climate Assembly. The assembly brought together people from all walks of life across Scotland to learn about and discuss the question: "How should Scotland change to tackle the climate emergency in an effective and fair way?".

Meeting over seven weekends between December 2020 and March 2021, 101 citizens learnt about climate change, deliberated on the question above, and produced a series of goals and a statement of ambition that were set out in the assembly's interim report, which was laid in the Scottish Parliament on 24 March 2021. The full report of the Assembly, which contains detailed recommendations for how these goals should be achieved, was laid before the new Parliament in June 2021.

Susie, an assembly member from Dumfries and Galloway, said, "We've worked really hard. If you give ordinary people this evidence base, it is amazing what they can do in collaboration with each other. When I joined the Climate Assembly my daughter told me 'that's amazing, you're part of history!' It's democracy in action."

A democratic response to Covid-19

In many ways this has been a year like no other. The pandemic has affected our lives so much, and will continue to do so for years to come. Involve wanted to explore what these impacts mean for our democracy. What role can and should the public play in decisions about how the country responds to the pandemic?

In a joint project with the Centre for the Study of Democracy at the University of Westminster, Involve explored these questions in collaboration with our wider network of deliberative democracy practitioners. We collectively produced a handbook "Building Back With: a handbook for local government", intended to support local authorities working with their communities to develop their responses to and recovery from Covid-19.

We also curated a blog series on our website, from a wide range of contributors, on participation, democracy and Covid-19.

Building on this work, we will be publishing a book "Democracy in a Pandemic" in 2021, jointly authored with Professor Graham Smith from the University of Westminster.

Citizen participation in Jersey

In partnership with New Citizenship Project and the Sortition Foundation, we were commissioned by the Government of Jersey to run two major deliberative democracy projects in 2020/21: a Citizens' Assembly on Climate Change and a Jersey's Assisted Dying Citizens' Jury.

Citizens' Assembly on climate change

Following the declaration of a climate emergency in 2019, the States Assembly of the island of Jersey approved a carbon neutral strategy setting out a 'people powered' approach, giving islanders a real say over when and how Jersey should become carbon neutral. The convening of the Citizens' Assembly was a key part of this strategy. Comprising 45 citizens, the assembly met over 14 sessions between March 2021 and May 2021. The assembly's report will in due course be presented to the States Assembly.

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Assisted dying citizens' jury

In 2018 an e-petition was launched calling for the States Assembly to amend the legislation on assisted dying. In light of the public debate that took place following the launch of the petition, the Jersey Minister for Health and Social Services committed to establishing a citizens' jury to consider whether assisted dying should be permitted in Jersey.

The jury of 23 citizen jurors - selected randomly, and demographically representative of the island's population - met in a number of online sessions between March and May 2021. They considered the question: "Should assisted dying be permitted in Jersey and, if so, under what circumstances?". An independent advisory panel oversaw and scrutinised the delivery of this project. The jury's report will in due course be presented to the Minister of Health and Social Services.

Rethinking water citizens' juries

We rely on water every day and in many different ways. In a rapidly changing climate it is vital to ensure there is clean and plentiful water for everyone who lives, works and plays in an area, all without harming rivers, estuaries, lakes and seas. Working in partnership with the Sortition Foundation, Involve was commissioned by the Environment Agency (EA) to run three citizens' juries across the UK: in Lower Tyne, Ilkley, and Thames. Each jury took a local approach to what is a national issue, and each of them considered the question: "How do you connect with water in your local environment, and what needs to be changed in the future to benefit people and wildlife?".

Each jury brought together 22 randomly selected and demographically representative members of the public, and met online between January and March 2021. The juries' recommendations will be presented to the Environment Agency's Board, and will inform the development of EA's future water ambition and action plan for delivering improvements to water management. EA are also continuing to build the local partner relations that were developed through the local advisory groups to identify opportunities for joint action to deliver local catchment plans.

Financial review

2020/21 has been another successful year in terms of our funding. Significant sources of funding included the Scotland Climate Assembly, Sciencewise, and the Bristol Climate Assembly.

At 31 March 2021 Involve had total funds of £463,177 (2020: £398,132), of which £266,666 were general funds, with the balance being our designated fund of £125,748 and restricted funds of £70,763. Historically, Involve's funding has come from a mix of contracts and grants, with little or no core funding. In 2017 we received our first significant core-funding grant (£60,000 from the Joseph Rowntree Charitable Trust). In 2018 we successfully applied for further unrestricted core funding from the Joseph Rowntree Charitable Trust, amounting to £150,000 payable over a period of three years from January 2019. However, most of our income continues to come from contracts and restricted grants.

Looking ahead to the future, our longer-term strategy is to re-balance our sources of funding, to enable us to sustain focus on our new strategic goals. Our work is now focused in three areas:

- **Making the case** - demonstrating why participation and deliberation are essential features for a healthy modern democracy, and ensuring that those in positions of power and influence understand and support their use;
- **Embedding change** - building the capacity of public servants and practitioners, and developing the body of evidence, principles and standards that support participatory and deliberative practice; and

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- **Pioneering practice** - encouraging widespread uptake of participatory and deliberative processes, and promoting continuous learning and innovation to improve democracy and deliver lasting solutions in key policy areas.

This new strategic focus will have implications for our funding streams: we are likely to move towards greater reliance on grant funding.

We have reorganised Involve's senior leadership team, to enable delivery of our new strategic goals. From 2021/22 the senior team will comprise:

- Chief Executive
- Director of Advocacy & Communications
- Director of Capacity Building & Standards
- Director of Innovation & Practice
- Director of Operations

Reserves policy

Involve's reserves comprise our general fund and two designated funds.

We normally budget to make a modest surplus on unrestricted funds each year. For 2020/21, in light of the uncertainties at that time around funding streams during the coronavirus pandemic, Trustees approved a break-even budget for the year. As it turned out, our income streams during the pandemic have held up remarkably well, not least because we made a successful transition to running participation events online. As a result our unrestricted funds had grown by financial year end. At 31 March 2021 unrestricted funds stood at £392,414, compared to the balance brought forward at the start of the financial year of £311,598 - a surplus of £80,816.

Trustees reviewed Involve's reserves during 2020/21. Given the healthy position in the general fund, and the introduction of our new strategic goals and senior leadership team, Trustees committed to allocating £80,000 of the general fund to pay for some of our Advocacy & Communications work in 2021/22.

Involve has a 'stability' designated fund, which we hold as a reserve. We hold this in a deposit account with the CCLA, which is a charity fund manager that invests its clients' funds in various ways. Other than the CCLA account, Trustees have decided not to have any investments. The purpose of the stability fund is to enable Involve to weather shocks and remain resilient, and (if necessary) close the organisation with honour.

Trustees recognised that the amount held in the stability fund, whilst sufficient to close down the organisation, was insufficient to meet its other intended purpose: weathering income shocks. Trustees resolved to gradually grow the fund over time to £100,000 (equivalent to approximately two months worth of operating expenses). At 31 March 2021 the stability fund stood at £45,748 (2020: £40,748).

Going concern

Trustees gave very careful consideration at the start of 2020/21 to the impact that the COVID-19 pandemic would have on Involve's current and future financial position. They identified the key risks as follows:

- The risk that some of our projects might have been delayed till later in the year, or cancelled;

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- The implications of not being able to run in-person participation events, and uncertainty around when these could start up again; and
- Whether we would need to furlough any of our staff.

But given the profound impact of the pandemic on public sector organisations, and their likely appetite to engage citizens in adapting their policy responses, we recognised that there was likely to be an on-going demand for good quality participation work.

Trustees implemented a number of mitigating actions to address these risks:

- The Finance & Risk Subcommittee was reconstituted, and started meeting fortnightly (and subsequently monthly) from April 2020. This enabled Trustees to keep a very close watch over the financial impacts of the pandemic;
- Trustees reviewed the anticipated funding streams on all projects and identified the at-risk projects. We modelled cash flow scenarios, including the worst-case (that all at-risk projects are cancelled). The worst-case scenario, if realised, would have had a significant, but not critical, impact on our projected cash balances;
- We actively reviewed all at-risk projects with their commissioners;
- We continued to make use of our very well-established cash flow projections, which include trigger points to enable us to manage any potential insolvency;
- We kept the option of staff furloughs (and other government support options) under very close review, and we deferred our VAT payment (for Q4 of 2019/20) for six months. We did not need to furlough any staff during the year;
- Involve starts 2021/22 with a significant balance in unrestricted funds (our highest ever brought-forward balance) which gives the organisation a cushion to help manage financial pressures;
- We continued, as before, to actively pursue a range of funding opportunities. Involve has a successful track record of winning bids and attracting funding;
- We were proactive and agile in re-shaping our projects to enable them to continue to operate online. For example, we were able to successfully complete Climate Assembly UK (a complex set of deliberations involving over 100 participants and around 25 staff), despite having to cancel the final Assembly weekend in March 2020 due to the risks of coronavirus transmission. And we were also able to attract further grant funding to enable us to complete the Climate Assembly. We learnt a great deal from the shift to online deliberation and were able to apply this learning to our other projects in 2020/21. As a result we have successfully delivered a range of major projects and programmes this last year, notwithstanding that this has all had to be done online; and
- In respect of staff safety, we moved to working from home the week before the government's mandated lockdown in March 2020. We have always been a geographically dispersed team, and our cloud-based systems have meant that we were able to quickly shift to working from home. We also took additional steps to support our team's mental health during lockdown.

The Trustees consider that Involve will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved, for the following reasons:

- Involve holds unrestricted reserves at 31 March 2021 of £392,414 (the combined total of the general and designated funds);
- Cash flow projections indicate a positive cash balance for at least 12 months ahead;
- The COVID-19 pandemic will continue to affect how we work, probably for some time to come. It is not clear at this stage when we'll be able to return to holding in-person events. However, we now have a workable and effective model for operating online;
- Involve's successful track record of securing funding gives Trustees some assurance that we will be able to continue to secure a pipeline of funding;

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- We continue to win important commissions. For example, we successfully retendered to deliver the Sciencewise programme for UK Research and Innovation, worth £440,000 for the next two years. We will be delivering Devon County Council's Climate Assembly over the summer;
- The opportunities and bids in our funding pipeline continue to hold up well in comparison with previous years;
- We will manage any demands for increased capacity in ways that minimise the on-going liability for costs, for example by engaging additional staff on short-term contracts or by drawing on our pool of associates. Our pool of associates has grown over the last year, and this has enabled us to successfully deliver another busy year of projects and programmes;
- Trustees approved a break-even budget for 2021/22, as well as a new Business Plan which details how we will fund our new strategic goals; and
- The Finance & Risk Subcommittee will continue to meet on a two-monthly cycle, and will keep a close overview of Involve's financial health.

The Trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(b) to the financial statements.

Principal risks and uncertainties

Involve has a risk register which is actively managed by both the management team and by Trustees. Our principal risks and uncertainties, and the steps we take to manage them, are outlined below.

- **COVID-19** - many of the risks, mitigations and opportunities related to the pandemic have already been covered in the sections above, but the principal risks relate to the risk of our staff becoming ill, the uncertainties about the return to in-person events, and the longer-term sustainability of online deliberation. We now understand these risks much better than we did 12 months ago, and they are now more manageable for us. We have conducted risk assessments for limited use of our offices by staff, where permitted by law. We will continue to reassess the risks from COVID-19 throughout 2021;
- **Capacity to respond to demand, and deliver projects** - notwithstanding the uncertainties associated with COVID-19, 2020/21 was a busy year for us, and on-going programmes of work and future opportunities mean that we may have acute peaks in demands for staff capacity. We are familiar with this risk and we manage it in several ways: by paying careful attention to the way we manage staff and the way we support their development and career progression, by regularly reviewing capacity and matching this to opportunities, by making temporary appointments to manage peaks in demand, and by working with our Associates and partnering with other organisations where appropriate;
- **Future Involve** - we are starting to implement our plans for reshaping the organisation to deliver our new strategic goals. A new senior leadership team is now in place, and we will be building our capacity this year in advocacy, communications, and in embedding good practice. Whilst the changes will be relatively gradual, it will be a period of change for our staff team and for Involve's wider public profile. We will continue to pay close attention to supporting and working closely with our staff during these changes, and in managing the impacts of a stronger public voice for Involve; and
- **Medium and longer term pressures on public spending** - given the extraordinary and unprecedented levels of public spending occasioned by the COVID-19 pandemic, it is likely that there will be medium-term pressures on spending by public sector bodies. And given that a significant proportion of Involve's work is with the public sector, this is likely to affect us. We will be keeping a close watch on how public spending patterns change and, where appropriate, will look to diversify our funding streams further, including building on our strong track record of attracting funding from grant-making trusts and foundations.

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Report of the trustees

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Future plans

There is a growing recognition that our current model of democracy is not fit for purpose, and people are increasingly looking for ways to make it better. Our work demonstrates how. Over the coming years we plan to accelerate the work we have started to demonstrate how a different type of democracy is possible. We want to seize the current malcontent and channel it into creating change in a positive direction.

We have long had a reputation for designing and delivering world class participatory and deliberative decision-making processes, but we are clear that this is not enough to achieve the scale of change that is required. Our 2017 strategy identified the need for us to significantly increase our advocacy and communications capacity, and to build external networks, in order to shift the narrative about democracy and embed the principles of openness, participation and deliberation within institutions. We have since broadened our strategy to cover capacity building and standard setting so that organisations and practitioners are helped to make that shift to a better democracy.

During 2020/21 we continued to work on refining our strategy and developing our plans and business models for reshaping the organisation. Our new organisational structure is now in place from 2021/22, and our Business Plan for 2021/22 sets out how we will achieve our strategic goals of: Making the case, Embedding change, and Pioneering practice.

In terms of Involve's confirmed programmes for 2021/22, these include the ongoing delivery of the Sciencewise programme for UK Research and Innovation, Devon County Council's Climate Assembly, further work on data ethics in Scotland in partnership with Carnegie UK and funded by the Scottish Government, building local authority capacity across the Northern Ireland / Republic of Ireland border (funded by the Irish Department of Foreign Affairs), the People's Panel on Health and Care in partnership with Engage Britain and The Democratic Society, and a citizens' assembly on democracy after Brexit in collaboration with the Constitution Unit at University College London. We will be building our work on advocacy & communications this year, as well as extending the work we do to build capacity and set standards around participatory and deliberative practice.

Structure, governance and management

Involve is a charitable company limited by guarantee. It was incorporated on 9 January 2006 and registered as a charity on 15 July 2009. We also registered as a charity with the Office of the Scottish Charity Regulator on 10 April 2017. Involve's Memorandum of Association establishes the objects and powers of the charitable company, which is governed under its Articles of Association.

Involve has a Board of Trustees who meet every two months and are responsible for the strategic direction, finances and policy of Involve. Our Articles of Association allows us to have up to 15 Trustees. At 31 March 2021 there were 8 Trustees, with a range of experience, skills and knowledge relevant to Involve's mission. Two new Trustees were appointed to the Board in May 2021. The company Secretary (who is Involve's Director) also sits on the Board, but has no voting rights. Other staff also attend the Board as required. The Board has one sub-committee, a Finance & Risk Subcommittee.

Responsibility for the day to day management of the organisation is delegated to the Director. The Director is supported by a management team, which in 2020/21 comprised:

- Tim Hughes, Director;
- Clive Mitchell, Head of Operations;
- Sarah Allan, Head of Engagement; and
- Kaela Scott, Head of Democratic Innovation.

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Report of the trustees

For the year ended 31 March 2021

Tim Hughes stood down in September 2021, and the senior leadership has been reorganised. From 2021/22 the new management team will be:

- Sarah Castell, Chief Executive;
- Clive Mitchell, Director of Operations;
Calum Green, Director of Advocacy & Communications;
- Sarah Allan, Director of Capacity Building & Standards; and
- Kaela Scott, Director of Innovation & Practice.

Recruitment and appointment of Trustees

The directors of the company are also charity Trustees for the purposes of charity law and under the company's articles are known as the Trustees. Trustees are appointed for an initial period of three years by resolution of the Trustees. This is renewable for a further term of three years. Trustees who have served six continuous years must leave and remain out of office for a period of one year unless the Trustees resolve that it is in the best interests of Involve for that person to continue to serve as a Trustee.

Due to the nature of Involve's work, which is oriented towards participation, advocacy, democratic practice, and building capacity, the Trustees have agreed that suitably experienced individuals are required to exercise adequate governance. Trustees identify potential new Board members through relevant networks and contacts and by open recruitment, followed by interview. When appointing new members, Trustees look for a commitment to Involve's vision and mission and attempt to achieve a balance of skills and experience on the Board.

One of our Trustees came to the end of their six-year term in May 2021. We undertook a round of Trustee recruitment at the start of 2021 and appointed two new Trustees in May 2021.

Trustee induction and training

All new Trustees are provided with a pack of information about governance, management and the work of Involve. This pack includes key financial and governance documents. In addition, all new Trustees attend a short training session with the Chief Executive or Director of Operations. The purpose of this session is to familiarise them with the charity, its purpose, structure, financing and activities, as well as the role of a Board member.

Related parties and relationships with other organisations

Involve is a small organisation and, although we have a strong set of skills and experiences amongst our staff and Associates, we partner with other organisations and individuals on a significant proportion of our work. This partnering includes work where we are the lead organisation in a partnership as well as subcontracting by us or to us.

A full list of our funders in 2020/21, and details of our Associates and partner organisations, is available on our website: <https://www.involve.org.uk/>.

Involve has an established conflicts of interest policy for Trustees. Trustees, and senior management staff, are required to complete an annual declaration of interests. Declaring interests is a standing item at the start of all Board and subcommittee meeting agendas. The policy outlines how any interests are then handled at the meeting, guided by the overall principle that Trustees should not be able to unduly influence decision-making on issues where they have an interest. Note 17 in the attached notes to the financial statements provides details of related party transactions.

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Report of the trustees

For the year ended 31 March 2021

Remuneration policy for key management personnel

Involve's pay policy and pay scales are approved by Trustees. We will be reviewing our pay policy and pay scales in 2021. We reviewed our staff development and appraisal process, and introduced a new process, in 2018/19.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the income and expenditure of the charity 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

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For the year ended 31 March 2021

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 12 October 2021 and signed on their behalf by

Edmond R Cox

Ed Cox, Chair

Golam Morshed

Golam Morshed, Treasurer

Independent auditors' report

To the members of

The Involve Foundation

Opinion

We have audited the financial statements of The Involve Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cashflows and the related 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, including Financial Reporting Standard 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 charity's affairs as at 31 March 2021 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; and
- have been prepared in accordance with the requirements of the Charities and Trustees Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 auditor's report 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.

Independent auditors' report

To the members of

The Involve Foundation

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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 charity 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 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.

Independent auditors' report

To the members of

The Involve Foundation

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing 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 regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Independent auditors' report

To the members of

The Involve Foundation

Use of our report

This report is made solely to the charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 18 October 2021

**Alison Godfrey FCA
(Senior Statutory Auditor)**

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The Involve Foundation

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations		-	566	566	6,135
Charitable activities	3	135,199	1,526,945	1,662,144	1,856,531
Investments		-	-	-	248
Total income		<u>135,199</u>	<u>1,527,511</u>	<u>1,662,710</u>	<u>1,862,914</u>
Expenditure on:					
Raising funds		-	44,000	44,000	41,795
Charitable activities		<u>207,914</u>	<u>1,345,751</u>	<u>1,553,665</u>	<u>1,664,003</u>
Total expenditure	5	<u>207,914</u>	<u>1,389,751</u>	<u>1,597,665</u>	<u>1,705,798</u>
Net income / (expenditure)		(72,715)	137,760	65,045	157,116
Transfers between funds		<u>56,944</u>	<u>(56,944)</u>	-	-
Net movement in funds	7	(15,771)	80,816	65,045	157,116
Reconciliation of funds:					
Total funds brought forward		<u>86,534</u>	<u>311,598</u>	<u>398,132</u>	<u>241,016</u>
Total funds carried forward		<u><u>70,763</u></u>	<u><u>392,414</u></u>	<u><u>463,177</u></u>	<u><u>398,132</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 15 to the accounts.

The Involve Foundation

Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Fixed assets				
Tangible assets	10		6,314	10,532
Current assets				
Debtors	11	398,503		202,449
Cash at bank and in hand		475,280		414,493
		873,783		616,942
Liabilities				
Creditors: amounts falling due within 1 year	12	(416,920)		(229,342)
Net current assets			456,863	387,600
Net assets	14		463,177	398,132
Funds	15			
Restricted funds			70,763	86,534
Unrestricted funds				
Designated funds			125,748	40,748
General funds			266,666	270,850
Total charity funds			463,177	398,132

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 12 October 2021 and signed on their behalf by



Ed Cox, Chair



Golam Morshed, Treasurer

The Involve Foundation

Statement of cash flows

For the year ended 31 March 2021

	2021 £	2020 £
Cash used in operating activities:		
Net movement in funds	65,045	157,116
<i>Adjustments for:</i>		
Depreciation charges	5,608	4,492
Dividends, interest and rents from investments	-	(248)
Decrease / (increase) in debtors	(196,054)	2,845
Increase / (decrease) in creditors	<u>187,578</u>	<u>76,298</u>
Net cash provided by / (used in) operating activities	<u>62,177</u>	<u>240,503</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	-	248
Purchase of tangible fixed assets	<u>(1,390)</u>	<u>(6,007)</u>
Net cash provided by / (used in) investing activities	<u>(1,390)</u>	<u>(5,759)</u>
Increase / (decrease) in cash and cash equivalents in the year	60,787	234,744
Cash and cash equivalents at the beginning of the year	<u>414,493</u>	<u>179,749</u>
Cash and cash equivalents at the end of the year	<u><u>475,280</u></u>	<u><u>414,493</u></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Involve Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. Despite the impact of the ongoing Covid-19 pandemic, the charity holds unrestricted reserves of £392k and a cash balance of £475k at 31 March 2021. The charity also has significant confirmed funding for 21/22 and a positive cash flow forecast for the next 12 months. On this basis the trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of consultancy services is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time spent on activities:

	2021	2020
Raising funds	7.1%	7.0%
Charitable activities	92.9%	93.0%

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Website	3 years straight line basis
Computer and office equipment	3 years straight line basis

j) 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.

k) Cash at bank and in hand

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

l) Creditors

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.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

n) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

o) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1(i).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

2. Prior period comparatives

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations	-	6,135	6,135
Charitable activities	642,994	1,213,537	1,856,531
Investments	-	248	248
Total income	642,994	1,219,920	1,862,914
Expenditure on:			
Raising funds	-	41,795	41,795
Charitable activities	657,400	1,006,603	1,664,003
Total expenditure	657,400	1,048,398	1,705,798
Net income / (expenditure)	(14,406)	171,522	157,116
Transfers between funds	4,925	(4,925)	-
Net movement in funds	(9,481)	166,597	157,116

3. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £
Grant income*	135,199	57,500	192,699
Consulting income	-	1,467,705	1,467,705
Training	-	1,740	1,740
Total income from charitable activities	135,199	1,526,945	1,662,144
Prior period comparative:			
Grant income*	642,994	62,500	705,494
Consulting income	-	1,148,937	1,148,937
Training	-	2,100	2,100
Total income from charitable activities	642,994	1,213,537	1,856,531

* Included within unrestricted grants is £37,500 (2020: £62,500) of funding received from the Joseph Rowntree Charitable Trust and £20,000 (2020: £nil) from the Esmée Fairbairn Foundation as contributions to core costs.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

4. Government grants

The charitable company receives government grants, defined as grant funding from NHS trusts, local authorities and government departments to fund charitable activities. The total value of such grants in the period ending 31 March 2021 was £nil (2020: £230,000). There are no unfulfilled conditions or contingencies attaching to these grants.

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Direct costs	-	1,030,123	-	1,030,123
Staff costs (note 8)	20,311	267,186	167,047	454,544
Other staff costs	-	-	9,080	9,080
Premises costs	-	-	17,373	17,373
Office and IT costs	-	-	19,410	19,410
Other costs	4,201	-	57,784	61,985
Trustee meeting costs	-	-	150	150
Audit fees	-	-	5,000	5,000
Sub-total	24,512	1,297,309	275,844	1,597,665
Allocation of support and governance costs	19,488	256,356	(275,844)	-
Total expenditure	44,000	1,553,665	-	1,597,665

Total governance costs were £14,997 (2020: £14,003).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

5. Total expenditure (continued)

Prior period comparative	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Direct costs	-	1,052,963	-	1,052,963
Grants payable (note 6)	-	123,488	-	123,488
Staff costs (note 8)	18,257	244,489	170,578	433,324
Other staff costs	-	-	5,979	5,979
Premises costs	-	-	20,086	20,086
Office and IT costs	-	-	17,936	17,936
Other costs	5,388	-	40,396	45,784
Trustee meeting costs	-	-	1,438	1,438
Audit fees	-	-	4,800	4,800
	<u>-</u>	<u>-</u>	<u>4,800</u>	<u>4,800</u>
Sub-total	23,645	1,420,940	261,213	1,705,798
Allocation of support and governance costs	<u>18,150</u>	<u>243,063</u>	<u>(261,213)</u>	<u>-</u>
Total expenditure	<u><u>41,795</u></u>	<u><u>1,664,003</u></u>	<u><u>-</u></u>	<u><u>1,705,798</u></u>

6. Grants payable

	2021 £	2020 £
<i>Grants paid to institutions:</i>		
RSA	-	53,900
The Democratic Society	-	12,900
SocietyWorks Ltd	-	21,450
Cambridge County Council	-	6,493
Dudley Metropolitan Borough Council	-	15,358
Test Valley Borough Council	-	13,386
	<u>-</u>	<u>123,488</u>

All grants paid in 2020 were for the Innovation in Democracy project. No support costs have been allocated to grants payable.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

7. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	5,608	4,492
Operating lease payments	16,254	17,807
Trustees' remuneration	-	3,000
Trustees' reimbursed expenses	-	666
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	5,000	4,800
▪ Other services	8,011	6,165
	<u>8,011</u>	<u>6,165</u>

Trustees' remuneration in the prior year relates to Julie Mellor's facilitation services at the Climate Assembly UK. No trustee was paid for their role as trustee. Trustees' reimbursed expenses in the prior year relate to payments made to 3 trustees for reimbursed meeting, accommodation and travel expenses.

8. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	395,813	377,757
Social security costs	36,765	36,469
Pension costs	21,966	19,098
	<u>454,544</u>	<u>433,324</u>

No employee earned more than £60,000 during the year.

The key management personnel of the charitable company comprise the Director and the Director of Operations. The total employee benefits of the key management personnel were £92,478 (2020: £91,326).

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

	2021 No.	2020 No.
Average head count	<u>11.3</u>	<u>11.1</u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

10. Tangible fixed assets

	Website £	Computer and office equipment £	Total £
Cost			
At 1 April 2020	10,471	6,007	16,478
Additions in year	-	1,390	1,390
	<u>10,471</u>	<u>7,397</u>	<u>17,868</u>
At 31 March 2021			
Depreciation			
At 1 April 2020	4,945	1,001	5,946
Charge for the year	3,490	2,118	5,608
	<u>8,435</u>	<u>3,119</u>	<u>11,554</u>
At 31 March 2021			
Net book value			
At 31 March 2021	<u><u>2,036</u></u>	<u><u>4,278</u></u>	<u><u>6,314</u></u>
At 31 March 2020	<u><u>5,526</u></u>	<u><u>5,006</u></u>	<u><u>10,532</u></u>

11. Debtors

	2021 £	2020 £
Trade debtors	290,224	176,373
Prepayments	3,602	1,786
Accrued income	104,677	23,100
Other debtors	-	1,190
	<u>398,503</u>	<u>202,449</u>

12. Creditors : amounts due within 1 year

	2021 £	2020 £
Trade creditors	192,141	141,234
Accruals	92,666	21,275
Other taxation and social security	97,679	39,847
Deferred income (see note 13)	27,500	21,667
Other creditors	6,934	5,319
	<u>416,920</u>	<u>229,342</u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

13. Deferred income

	2021 £	2020 £
At 1 April 2020	21,667	1,000
Released during the year	(21,667)	(1,000)
Deferred during the year	<u>27,500</u>	<u>21,667</u>
At 31 March 2021	<u><u>27,500</u></u>	<u><u>21,667</u></u>

Deferred income comprises consultancy income received in advance of work being delivered.

14. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	6,314	6,314
Current assets	70,763	125,748	677,272	873,783
Current liabilities	-	-	(416,920)	(416,920)
Net assets at 31 March 2021	<u><u>70,763</u></u>	<u><u>125,748</u></u>	<u><u>266,666</u></u>	<u><u>463,177</u></u>
Prior period comparatives				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	10,532	10,532
Current assets	86,534	40,748	489,660	616,942
Current liabilities	-	-	(229,342)	(229,342)
Net assets at 31 March 2020	<u><u>86,534</u></u>	<u><u>40,748</u></u>	<u><u>270,850</u></u>	<u><u>398,132</u></u>

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

15. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
MH:2K Mental Health Project					
- Round 2	5,812	-	(7,200)	1,388	-
Coalition for Deliberative Democracy	35,177	-	(12,956)	-	22,221
Climate Assembly UK	6,863	56,000	(117,288)	50,425	(4,000)
Distributed Dialogue on data sharing	36,209	-	(18,419)	-	17,790
Practitioners' Network on Citizens' Assemblies	2,473	-	(6,311)	3,838	-
Climate Change and Deliberative Democracy - Calouste Gulbenkian Foundation	-	20,000	(17,778)	-	2,222
University of Westminster					
- Democratic response to Covid	-	8,928	(10,221)	1,293	-
Forum for the Future Just Transitions	-	8,123	(6,924)	-	1,199
UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute	-	-	(268)	-	(268)
Public Participation Capacity Building (Cross-border)	-	21,168	(1,090)	-	20,078
Climate Assembly UK Legacy					
- European Climate Foundation	-	6,667	(7,333)	-	(666)
Climate Assembly Evaluation					
- European Climate Foundation	-	14,313	(2,126)	-	12,187
Total restricted funds	86,534	135,199	(207,914)	56,944	70,763
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	40,748	-	-	5,000	45,748
Advocacy and communications	-	-	-	80,000	80,000
<i>Total designated funds</i>	40,748	-	-	85,000	125,748
General funds	270,850	1,527,511	(1,389,751)	(141,944)	266,666
Total unrestricted funds	311,598	1,527,511	(1,389,751)	(56,944)	392,414
Total funds	398,132	1,662,710	(1,597,665)	-	463,177

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

15. Movements in funds (continued)

Purposes of restricted funds

MH:2K Mental Health Project -
Round 2

An innovative, youth-led approach to influencing decision-making around youth mental health prevention, support and services, in four areas in England. The project was funded by Wellcome and the four local authority areas.

Coalition for Deliberative Democracy

Building a coalition of supporters of participatory and deliberative democracy to advocate for its adoption. Funded by the Esmee Fairbairn Foundation.

Climate Assembly UK

The first UK-wide citizens' assembly on climate change took place in early 2020, bringing together 110 citizens from across the UK, randomly selected to be representative of the national population. The Assembly was commissioned by six select committees of the House of Commons, and looked at how the UK can meet its target of net zero greenhouse gas emissions by 2050. The work was funded by the UK parliament, the Esmee Fairbairn Foundation and the European Climate Foundation.

Distributed Dialogue on data sharing

Funded by Wellcome and the London Borough of Camden (and initially by the Scottish Government), this project will pilot models of distributed, community-based dialogue, which will explore how the data sharing debate can be widened and sustained.

Practitioners' Network on Citizens'
Assemblies

This grant from the Network for Social Change helped to establish a growing network of engagement practitioners to share learning and build capacity for deliberative democracy, including learning from recent citizens' assemblies.

Climate Change and Deliberative
Democracy - Calouste Gulbenkian
Foundation

This grant from the Calouste Gulbenkian Foundation has enabled Involve to maximise the impact of Climate Assembly UK, including retaining external advocacy and media expertise and capacity.

University of Westminster
- Democratic response to Covid

This grant from the University of Westminster enabled Involve to develop a 'Build Back With' guide for local government, in collaboration with our wider practitioners' network, and also to curate a blog series on our website on participation, democracy and Covid-19.

Forum for the Future Just
Transitions

This grant from Friends Provident Charitable Foundation, sub-granted to Involve from Forum for the Future, will enable us to work with Forum for the Future to support local economies by demonstrating community-led fair transitions to net zero in two pilot locations

UK Citizens' Jury on Genome
Editing - Wellcome Sanger Institute

This grant from the Wellcome Sanger Institute will enable Involve to run a citizens' jury in the UK, as part of a global series of deliberations on genome editing.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2021

15. Movements in funds (continued)

Public Participation Capacity Building (Cross-border) This grant from the Republic of Ireland's Department of Foreign Affairs will enable Involve to help build capacity in public participation amongst local authorities on both sides of the Ireland / Northern Ireland border.

Climate Assembly UK Legacy - European Climate Foundation This grant from the European Climate Foundation has enabled Involve to maximise the impact of Climate Assembly UK, including retaining external advocacy and media expertise and capacity.

Climate Assembly Evaluation - European Climate Foundation This grant from the European Climate Foundation will enable Involve to commission some additional evaluation of Climate Assembly UK, to complement the evaluation commissioned separately by the UK Parliament.

Purposes of designated funds

Stability fund This fund enables Involve, if necessary, to close down the organisation in an orderly and honourable manner.

Advocacy and communications This fund will be used to invest in Involve's Advocacy & Communications work, as part of Involve's new strategic focus.

Transfers between funds

Transfers made from general funds serve the purpose of covering overspend from restricted funds.

Funds in deficit

All funds in deficit comprise restricted funds which have been spent in advance of the receipt of further income. All deficits are expected to be recovered in 2021-22.

The Involve Foundation

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For the year ended 31 March 2021

15. Movements in funds (continued)

Prior period comparatives

	At 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2020 £
Restricted funds					
Ministry of Justice					
- Teeside Reform Prisons	1,523	-	(2,343)	820	-
MH:2K Mental Health Project					
- Round 2	6,555	-	(743)	-	5,812
Coalition for Deliberative Democracy	35,683	-	(506)	-	35,177
Citizens Convention on UK Democracy	2,254	-	(5,380)	3,126	-
Innovation in Democracy	50,000	230,000	(280,979)	979	-
Climate Assembly UK	-	360,000	(353,137)	-	6,863
Distributed Dialogue on data sharing	-	45,270	(9,061)	-	36,209
Practitioners' Network on Citizens' Assemblies	-	7,724	(5,251)	-	2,473
Total restricted funds	96,015	642,994	(657,400)	4,925	86,534
Unrestricted funds					
<i>Designated funds:</i>					
Stability fund	40,500	248	-	-	40,748
<i>Total designated funds</i>	<i>40,500</i>	<i>248</i>	<i>-</i>	<i>-</i>	<i>40,748</i>
General funds	104,501	1,219,672	(1,048,398)	(4,925)	270,850
Total unrestricted funds	145,001	1,219,920	(1,048,398)	(4,925)	311,598
Total funds	241,016	1,862,914	(1,705,798)	-	398,132

16. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2021 £	2020 £
Amount falling due:		
Within 1 year	14,176	4,548
Within 1 - 5 years	5,907	-
	20,083	4,548

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17. Related party transactions

Claire Ainsley, a trustee, was also a Director of the Joseph Rowntree Foundation until April 2020, from whom Involve received £26,000 of income in the year (2020: £67,489).

Julie Mellor, a trustee, is also a trustee of The Young Foundation. Involve had a lease agreement with The Young Foundation for rental of office space until 15 January 2021. During the year, Involve paid rent of £8,591 to The Young Foundation (2020: £15,347) and £10 in sundry expenses (2020: £nil).

Paul Braithwaite, a trustee, is a senior employee of Community Foundation for Northern Ireland, from whom Involve received £5,000 of income during the year. Paul became a trustee in May 2021, some time after the funding was agreed.