

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

**The Involve Foundation**  
**Report and Audited Financial Statements**  
**31 March 2022**

## The Involve Foundation

### Reference and administrative details

For the year ended 31 March 2022

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

## The Involve Foundation

### Report of the trustees

#### For the year ended 31 March 2022

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The trustees, who are also directors under company law, present their report and financial statements for the year ended 31 March 2022.

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**.

To achieve this mission, our work focuses on delivering these **outcomes**:

- **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 building the case, and then 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. We have also established three strategic functions: Innovation & Practice, Advocacy & Communications, and Capacity Building & Standards.

Much of our innovation & practice work has been aimed at helping to solve the toughest and most complex challenges we face as a country, and we have continued to pioneer participatory processes that involve people in decisions that affect their lives. From exploring with citizens how democracy in the UK should work, and running a significant national Assembly in Scotland, to reimagining the civic data cooperative in Liverpool, we have demonstrated the role that the public can play in making better decisions.

## The Involve Foundation

### Report of the trustees

#### For the year ended 31 March 2022

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We have also been building our Advocacy & Communications and Capacity Building & Standards functions. We have collaborated widely to establish the UK's Democracy Network, which is now on a solid foundation, and we are helping to build capacity within local government through our heavily oversubscribed Local Climate Engagement programme.

The coronavirus pandemic has had a continuing impact on how we design and facilitate public participation, but we have been able to apply the learning and adaptations that we had already developed during the pandemic's first year. As we reported in 2020/21, 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. The uncertainties and shifts in the wider world, including geopolitical and economic shocks, also reinforce the need for a stronger and more robust democracy here at home.

#### **Activities, achievements and performance**

We put our new senior team in place in 2021/22, with a new CEO and Directors for each of our strategic functions: Advocacy & Communications, Capacity Building & Standards, and Innovation & Practice. We delivered some significant and high profile pieces of work during the year, and we have started to expand our work in Advocacy & Communications and Capacity Building & Standards. We also started an appropriately-staged return to delivering projects in person.

Throughout the year, Involve has worked with decision makers in all four nations of the UK to support the engagement of over **1,800 members of the public**. They have taken part in **tens of thousands of hours** of learning, deliberating, making recommendations and holding decision-makers to account. Alongside this, we have grown and strengthened advocates for participatory and deliberative processes; for example within the Climate Change Committee, among MPs and civil servants through Select Committees and All Party Parliamentary Groups, in the Scottish Government, local government in Northern Ireland, in local and central government departments, the research and innovation ecosystem, and across the wider democracy sector. These stakeholders have taken part in processes as advisors, observers, participants and experts, and have changed their views on how effectively the public can engage with tough challenges and reach consensus.

As part of this work, decision-makers and the public have worked together to tackle complex issues such as what to do about climate change in their local community, under what circumstances assisted dying should be allowed, and how different parts of our governments and health service use our data.

Here are some examples of how our projects and programmes during 2021/22 have delivered impacts; impacts which contribute to each of the outcomes we are seeking to achieve.

#### **Democratic norms**

##### **The UK Democracy Network: making UK democracy actors greater than the sum of their parts**

In 2021, Involve was awarded a three-year grant of £350,000 from the Joseph Rowntree Reform Trust, which included a contribution of £50,000 from the Joseph Rowntree Charitable Trust. This was to set up a Democracy Network, whose aim is to build a stronger UK democracy, which can help counter threats to democracy, meet the challenges of the digital world and increase equity and participation. To achieve this, it is working to better connect the people, projects and organisations working on issues of democracy, power, accountability and voice to increase the sector's collective effectiveness and influence.

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### Report of the trustees

#### For the year ended 31 March 2022

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We started this work in summer of 2021, with the appointment of a Coordinator for the Democracy Network. Since then we have achieved the following through the project:

- Connected across the democracy sector through **106 one-to-one relational meetings** with others in the sector;
- **Built a governance structure** of an Interim Steering Group of 16 people and a Council of Reference with between 25 and 30 organisations;
- Supported **215 hours of deliberation** on the Network's strategy by prospective members;
- Generated a wider subscriber **list of 447 people**; and
- Designed a programme of **16 events for our first year, with 131 attending our first four.**

This has built a solid foundation for the Network, and has placed Involve amongst peers in a vital connecting role in the democracy sector; an organisation ready and able to ensure we achieve our collective goals, together.

It is also an example of how Involve is starting to build on a strong existing culture of collaboration to develop collective, sector-wide efforts to strengthen our democracy.

#### Political support

##### **Climate Assembly UK One Year On: keeping the impact of Citizens' Assemblies in the public eye**

Funded by the European Climate Foundation, in September 2021 we held a series of events in the Houses of Parliament, attended by members of Climate Assembly UK, The Speaker of the House of Commons, MPs, stakeholders, and Sir David Attenborough.

The event was held to mark the one year anniversary of the Climate Assembly UK report, to allow participants to see the impact their work has had, and support them to have continued influence on government, MPs, stakeholders, and others. It built on developments across the year including the report of the BEIS Select Committee on the Government's response to the assembly, and the Government's response to the Committee's findings. The events were well attended and enabled assembly members to talk directly to key politicians, officials and stakeholders. They also served to keep the assembly in front of people's minds.

The assembly's anniversary events were covered across national press outlets, including a prime time piece on [Channel 4 news](#), and on the front page of the BBC News online.

We have also increased our proactive engagement with UK MPs through numerous channels, including supporting the All Party Parliamentary Group for Deliberative Democracy.

##### **Citizens Jury on Assisted Dying: public engagement unblocks moral and legislative stalemate**

The Government of Jersey appointed Involve to set up a Citizens Jury on Assisted Dying, after an e-petition in 2018, signed by 1,861 people, called for the States Assembly to amend Jersey law and allow for assisted dying.

The recommendations formed by the 23 members of the Jury led to the States Assembly becoming the first parliament in the British Isles to decide 'in principle' to allow assisted dying in November 2021. Further detailed legislation is planned for late 2022.

The project was covered in local and national media, ranging from BBC and ITV News, to the British Medical Journal and the Mirror.

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### Report of the trustees

#### For the year ended 31 March 2022

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This demonstrates how, when done well, public engagement can help unblock challenging moral issues and lead to a clear legislative path forward for decision-makers. We will be building on this argument to further increase political support throughout 2022/23.

#### Frequent use

##### **Scotland Climate Assembly: demonstrating new ways to hold government to account**

Following the report of the landmark Scotland Climate Assembly in 2021 – and the Scottish Government's response to the Assembly's recommendations – the Assembly was reconvened for its 8th weekend of deliberations in February 2022. This innovative 8th session was designed to enable Members to review the Scottish Government's response to their report together, and hold decision makers to account.

As with the original Assembly's work, Involve was commissioned (in partnership with The Democratic Society) to design, facilitate and deliver the Assembly's weekend 8.

Experts scored the Scottish Government's responses to each of the Assembly's recommendations, concluding that for 60 of the 81 recommendations the Government's policy has changed positively, in the direction of the Assembly's recommendations. However, members were more ambitious in their assessment, and expressed some disappointment in the response from government. Nevertheless, they also acknowledged that they were seeing clear links between some of their recommendations and policy development.

Following weekend 8, Involve has been awarded a small grant from the Scottish Government to continue working with the members of the assembly who want to work together to build a longer term way to hold the government to account for their recommendations. Members plan to work together to monitor the government's actions and to network with other climate assemblies, organisations working to tackle the climate emergency, the Scottish Parliament's Net Zero Committee and the Scottish Open Government Partnership Climate Network.

Additionally, two members of the assembly stood as candidates at the recent local government elections, directly because of their experience in the assembly, with one successfully elected.

This accountability stage marked a major innovation in deliberative processes in the UK, demonstrating the importance of decision-makers responding to all recommendations, and providing an opportunity for members to hold decision-makers to account on their response. It also raised an important question about how, and if, we should support some participants to continue to contribute to public life after the process is complete.

As part of the Scottish Government's response to the Assembly's recommendation, Rt Hon Nicola Sturgeon MSP First Minister of Scotland said the following:

*'These recommendations show strong support for leaders to act with urgency, and make the difficult decisions needed for Scotland to become a net zero nation. In the wake of COP26 in Glasgow, and the new Glasgow Climate Pact, it could not be more critical to hear from the people of Scotland. As the Scottish Government acted as a bridge between those outside of the negotiations, and those inside, so too can the Assembly provide a bridge between government and the rest of society.'*

*To the Assembly members – thank you.'*

The project was covered in local and national media, see [here](#) for an example in The Scotsman.

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### Report of the trustees

#### For the year ended 31 March 2022

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##### Evidence and practice

##### **Sciencewise: setting standard for science and tech public engagement, looking to the future**

Sciencewise is an internationally recognised public engagement programme which enables policy makers to develop socially informed policy with a particular emphasis on science and technology. It is the UK Government's exemplar of how to develop robust evidence on public views to inform policy development in areas of scientific and technological innovation. Established in 2004, the programme has supported over 50 public dialogue projects.

Sciencewise is led and funded by UK Research and Innovation (UKRI), with support from the UK Government's Department for Business, Energy, and Industrial Strategy. Involve runs the programme, on behalf of UKRI, providing expert advice, assurance, and support to the programme. Involve was recommissioned, in April 2021, to deliver this role for a further two years.

By continuing to run the Sciencewise programme Involve has been in a position to advise UKRI and others as to the best way to embed public voices in decision making; supporting UKRI to implement its public engagement strategy; and playing a key role in discussions about the future of public engagement in the science and innovation research ecosystem.

In the year 2021/22, Sciencewise completed 7 dialogues and 6 were underway. This equates to 700 public participants, 147 specialist participants, 39 stakeholder participants, 60 event hours and 42,000 participant hours. These dialogues included issues ranging from Newborn Screening for Genomics England to the Ethics of data location for the Geospatial Commission.

Through these dialogues, Involve has demonstrated that even highly complex, future-focused issues can benefit from quality public engagement. It has also helped continue to build the case that the public must be part of deciding how we use science and technology in years to come, particularly when there are major moral implications, such as use of data and genome-editing.

##### Clear standards

##### **Local Climate Engagement: Creating, consolidating and networking best practice in local public participation in climate decision-making**

Avoiding the worst effects of climate change will be the biggest challenge in human history. Local authorities and partnerships will play a key role both in getting the UK to net zero and ensuring their areas are ready for changing conditions. To do this in a way that is effective and fair, they will need to engage the public. That's why Involve, along with others, developed [Local Climate Engagement \(LCE\)](#) - a new programme that uses a combination of training, mentoring, peer-learning and hands-on support to assist local authorities in engaging their local communities.

The programme launched in late 2021, and 75 local authorities applied to take part, demonstrating the increasing support for public engagement in climate decision-making. Of these, 5 were selected for the Project Group to receive training, peer learning, and practical support to run a public participation process. 16 were selected for the Coaching Group who will receive training, peer learning, and mentoring to support them to run/commission their own public participation process. Of the 54 unsuccessful local authorities, 26 have since been back in touch asking for some form of further support throughout early 2022/23.

Initial analysis of the 75 applications we received shows an excellent spread across regions, geographies, the political spectrum and types of local authority.

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### **Report of the trustees**

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The programme has been developed by Involve and four partner organisations: Democratic Society, Shared Future, UK100, and Climate Outreach. The programme is funded by Calouste Gulbenkian Foundation (UK branch) and Esmée Fairbairn Foundation.

#### **Democratic innovations**

##### **Citizens' Assembly on Democracy in the UK: evidence of what the public want our democracy to be**

The Citizens' Assembly on Democracy in the UK was the first UK-wide deliberative process to ask the public to consider the future of their democratic system. It brought together 70 people from right across the UK for 6 weekends to explore, online, the big question: How should democracy in the UK work?

The Assembly was convened by the Constitution Unit at University College London (UCL) as part of its wider research project on attitudes to democracy in the UK today: Democracy in the UK after Brexit. The project as a whole, including the Assembly, was funded by the Economic and Social Research Council through its Governance after Brexit programme. Involve was commissioned by UCL to design and deliver the Assembly. The Assembly's final report was published in April 2022, and can be found [here](#).

Since its publication, events and press coverage have been carried out to ensure wider understanding of the public's views on part of our democratic system. This includes events with politicians, public events, and meetings with politicians and civil servants. See an example of in-depth coverage in Prospect magazine [here](#).

The subject matter and findings of the Assembly also contributed to building the case for public support for democratic renewal. Members, representing an informed public, called for honesty, transparency, openness, and integrity from politicians, and a balanced media which can scrutinise government. Deliberative innovations like Citizens' Assemblies overwhelmingly were seen as part of that renewal; but critically, Members saw them as advisory to governments, rather than binding decision makers or replacing representative democracy.

##### **Participatory local government in the Irish border region: capacity building for innovation**

Involve secured funding in 2021 from the Republic of Ireland's Department of Foreign Affairs to develop and run a programme of bespoke training on innovations in public participation for councils in the Irish border region. The programme has been developed in partnership with the Irish Central Border Area Network.

Through the project, we conducted 6 days of training for 21 council staff. Amongst other outcomes, this supported an increase in confidence among participants to undertake public participation after training compared with before training. For example, 100% of participants agreed with the statement, 'I am clear on my role and the role of other stakeholders when developing a public participation project' compared with 35% before training, and 89% agreed with the statement, 'I feel confident to identify the right people to engage with the participation I am planning' compared with 18% before training. This suggests a slowly growing group of decision-makers more comfortable to use and embed participatory and deliberative methods.

#### **Fundraising Practices**

Involve raises its funds through grant and consultancy funding, and to a much lesser degree from donations. We do not proactively solicit funding from members of the public, and we are not registered with the Fundraising Regulator.

## **The Involve Foundation**

### **Report of the trustees**

#### **For the year ended 31 March 2022**

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##### **Financial review**

2021/22 has been another successful year in terms of our funding. Significant sources of funding included Sciencewise, the Citizens' Assembly on Democracy in the UK, Devon Climate Assembly, the UK Democracy Network, and UK Parliament Restoration & Renewal.

At 31 March 2022 Involve had total funds of £717k (2021: £463k), of which £418k were general funds, with the balance being our designated funds of £138k and restricted funds of £162k. Historically, Involve's funding has come from a mix of contracts and restricted grants, with limited core funding. Our core funding, since 2017, has come from the Joseph Rowntree Charitable Trust, and in 2021 we successfully applied for a further three years of core funding from JRCT, of £150k. Most of our income continues to come from contracts and grants, and we expect this to continue.

Looking ahead, we plan to attract funding to further develop our Advocacy & Communications function, as well as driving growth in consultancy-led Innovation & Practice work and supporting new growth in Capacity Building & Standards.

##### **Reserves policy**

Involve's reserves comprise our general fund and two designated funds (advocacy & communications fund and stability fund). We aim to hold three to six months operating expenses (currently deemed to be £250k to £500k) in the general fund. We are therefore currently within our targeted reserves range. We have held the stability fund for some years now, and Trustees designated the advocacy & communications fund in 2020/21. Trustees will review the reserves strategy again in 2022/23, and this is likely to consider whether we need to hold a separate stability fund, given the policy in respect of our general fund reserve, and also to set the maximum intended level of our cash reserves.

##### **General fund**

We normally budget to make a modest surplus on the general fund each year. For 2021/22 trustees approved a break-even budget for the year. As it turned out, we exceeded our income targets, and our general fund had grown by financial year end. At 31 March 2022 the general fund stood at £418k compared to the balance brought forward at the start of the financial year of £267k - a surplus of £151k.

##### **Designated funds**

###### **Advocacy & Communications fund**

This fund, established in 2020/21, holds £80k and is designated to be used for investment in Involve's Advocacy & Communications function. We did not need to draw down on the fund in 2021/22. We plan to spend a significant proportion of the fund in 2022/23.

###### **Stability fund**

This fund is intended to enable Involve to weather income shocks, and to close down the organisation with honour if that were to become necessary. In our reserves review in 2020/21, trustees noted the fund was insufficient for both of these purposes, and resolved to grow the fund steadily over time, with an aim of holding £100k in the fund. At 31 March 2022 the stability fund stood at £58k (2021: £46k). We will continue to grow the fund during 2022/23.

We hold the stability fund 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 Involve Foundation

### Report of the trustees

#### For the year ended 31 March 2022

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##### Going concern

Trustees had given 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 and implemented a number of mitigating actions, including cash-flow scenario modelling, a shift to home working, and successfully adapting our projects to online delivery. Those actions enabled Involve to continue as a going concern, and indeed we had another busy year of programme delivery in 2020/21. And also, as noted in last year's trustees' report, the pandemic made more acute the need for government and organisations to give priority to listening to citizens.

We took the learning from that year forward into 2021/22 and, again, we had another successful year of securing funding to run a range of important programmes and projects.

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 2022 of £555k (the combined total of the general and designated funds);
- Cash flow projections indicate a positive cash balance for at least 12 months ahead;
- We are starting to return to in-person working, but we also have a successful model for operating our projects online. This gives us the agility to adapt our methodologies to circumstance, including if the UK governments were to implement any further lockdowns later in the year;
- We continue to win important commissions. For example, in 2021 we successfully bid for significant grant funding to run the Local Climate Engagement programme, which we will be delivering in partnership with others over the next two years;
- Involve's successful track record of securing and maintaining funding gives trustees some assurance that we will be able to continue to secure a pipeline of funding, and we continue to have opportunities in our pipeline. Trustees are also cognisant of the squeeze on public spending, and the risks that this presents to our future funding. Part of our funding strategy is to continue to build our capacity to originate work; we already do this well (for example, the Local Climate Engagement programme and continued recommissioning of the UKRI Sciencewise programme) and have plans to extend this further, in particular by focusing on thematic areas such as data and climate as well as on democratic innovation in general;
- We will manage any demands for increased capacity to deliver projects 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;
- We invested in new senior staff appointments in 2021: our new Chief Executive Officer, our Director of Advocacy & Communications, and a new Engagement Lead. We are very gradually growing the organisation, and are currently recruiting for a further Engagement Lead and some administrative support. Whilst these investments have increased our cost base, they also give us the much-needed capacity to originate funding and deliver our strategic objectives. Trustees approved a budget for 2022/23 that includes some challenging income targets, to match our growth. Trustees will be keeping our funding pipelines, as well as budget performance, under careful scrutiny through the year ahead;
- We have very well-established and real-time cash flow projections, which include trigger points to enable us to spot and manage any potential insolvency; and
- The Finance & Risk Subcommittee will continue to meet on a two-monthly cycle, mirroring the cycle for the main trustee Board, 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.

## The Involve Foundation

### Report of the trustees

#### For the year ended 31 March 2022

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#### Principal risks and uncertainties

Involve has a risk register, integrated with our Business Plan, which is actively managed by both the management team and by trustees. The detailed strategic risk register is a standing item on the Finance & Risk Subcommittee's agenda, and is reported by exception to the full Board.

Our principal risks and uncertainties, and the steps we take to manage them, are outlined below:

- **Medium and longer term pressures on public spending** - given the extraordinary and unprecedented levels of public spending occasioned by the COVID-19 pandemic, the considerable on-going pressures on the cost of living, and wider global economic shocks, it is likely that there will be medium-term pressures on spending – and shifts in 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;
- **Funding a larger organisation** - we are now a bigger organisation, our cost base has grown, and we have some ambitious plans for delivering our strategy in 2022/23. We have set challenging targets for generating income and delivering efficiently in 2022/23. We think the targets are achievable, but trustees will be keeping this under close scrutiny in the year ahead;
- **Market changes** - Involve has played a central role in delivering some of the UK's major public deliberative events over the last 5 years, including the Citizens' Assemblies on Brexit and Social Care, the Citizens' Assembly for Northern Ireland, the Citizens' Assembly of Scotland, Scotland's Climate Assembly, and the Climate Assembly UK. The market for these major deliberative methodologies has been stable for some years but this may change in future. There are two key risks associated with this. The first is that they continue to increase in number, but the ability for quality supply to keep up with demand is limited, and the standard goes down over time. We are mitigating this risk through building our capacity building and standards function in particular, amongst other work. The second is that they decrease in number. We are mitigating this risk by building a more robust case for these processes in the UK, building support amongst decision makers, while also increasing our work using a wider variety of other methods to engage the public; and
- **Capacity to respond to demand, and deliver projects** - 2021/22 was another 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 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.

## **The Involve Foundation**

### **Report of the trustees**

#### **For the year ended 31 March 2022**

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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 strategy in recent years has been to build 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 also 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 2021/22 we continued to invest in new staff appointments to enable us to deliver our strategy, including our new Director of Advocacy & Communications, and the Coordinator for the UK Democracy Network. We also appointed our Head of Democratic Innovation as our Director of Innovation & Practice, and our Head of Engagement as our Director of Capacity Building & Standards. We are currently recruiting for an Engagement Lead who will work in our Capacity Building & Standards function. We are now well placed to continue to move forward on our strategic objectives.

In terms of Involve's confirmed programmes for 2022/23, these include the ongoing delivery of the Sciencewise programme for UK Research and Innovation, The UK Democracy Network, the Local Climate Engagement programme, UK Power Network's pilot People's Panel, The Engage Britain's People Panel, and Voice Matters with Cooperation Ireland.

#### **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 2022 there were 9 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. One trustee resigned from the Board in May 2021, having come to the end of their six year term. The company Secretary (who is Involve's Chief Executive Officer) 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 Sub-committee.

Responsibility for the day to day management of the organisation is delegated to the Chief Executive Officer. Sarah Castell, CEO, was appointed in September 2021, replacing Tim Hughes, the outgoing Director. We also appointed Calum Green, Director of Advocacy & Communications, in August 2021.

The CEO is supported by the senior management team, comprising:

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

## **The Involve Foundation**

### **Report of the trustees**

#### **For the year ended 31 March 2022**

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##### **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 Officer 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 2021/22, 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 16 in the attached notes to the financial statements provides details of related party transactions.

##### **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 2022.

## The Involve Foundation

### Report of the trustees

For the year ended 31 March 2022

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#### 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 £10 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.

#### 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 28 July 2022 and signed on their behalf by

*Edward Cox*

Ed Cox, Chair

*Golam Morshed*

Golam Morshed, Treasurer

## **Independent auditors' report**

**To the members of**

**The Involve Foundation**

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### **Opinion**

We have audited the financial statements of The Involve Foundation (the 'charity') for the year ended 31 March 2022 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 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; 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**

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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**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditors' report**

**To the members of**

**The Involve Foundation**

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### **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: 1 August 2022

**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 2022**

|                                    | Note | Restricted<br>£       | Unrestricted<br>£     | 2022<br>Total<br>£           | 2021<br>Total<br>£    |
|------------------------------------|------|-----------------------|-----------------------|------------------------------|-----------------------|
| <b>Income from:</b>                |      |                       |                       |                              |                       |
| Donations                          |      | -                     | 7,913                 | <b>7,913</b>                 | 566                   |
| Charitable activities              | 3    | <u>472,487</u>        | <u>1,430,360</u>      | <b><u>1,902,847</u></b>      | <u>1,662,144</u>      |
| <b>Total income</b>                |      | <u>472,487</u>        | <u>1,438,273</u>      | <b><u>1,910,760</u></b>      | <u>1,662,710</u>      |
| <b>Expenditure on:</b>             |      |                       |                       |                              |                       |
| Raising funds                      |      | -                     | 56,835                | <b>56,835</b>                | 44,000                |
| Charitable activities              |      | <u>375,397</u>        | <u>1,224,450</u>      | <b><u>1,599,847</u></b>      | <u>1,553,665</u>      |
| <b>Total expenditure</b>           | 4    | <u>375,397</u>        | <u>1,281,285</u>      | <b><u>1,656,682</u></b>      | <u>1,597,665</u>      |
| <b>Net income</b>                  |      | 97,090                | 156,988               | <b>254,078</b>               | 65,045                |
| Transfers between funds            |      | <u>(6,096)</u>        | <u>6,096</u>          | -                            | -                     |
| <b>Net movement in funds</b>       | 6    | 90,994                | 163,084               | <b>254,078</b>               | 65,045                |
| <b>Reconciliation of funds:</b>    |      |                       |                       |                              |                       |
| Total funds brought forward        |      | <u>70,763</u>         | <u>392,414</u>        | <b><u>463,177</u></b>        | <u>398,132</u>        |
| <b>Total funds carried forward</b> |      | <u><u>161,757</u></u> | <u><u>555,498</u></u> | <b><u><u>717,255</u></u></b> | <u><u>463,177</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 14 to the accounts.

## The Involve Foundation

### Balance sheet

As at 31 March 2022

|  | Note | £                | 2022<br>£      | 2021<br>£ |
|--|------|------------------|----------------|-----------|
| <b>Fixed assets</b>                          |      |                  |                |           |
| Tangible assets                              | 9    |                  | <b>3,700</b>   | 6,314     |
| <b>Current assets</b>                        |      |                  |                |           |
| Debtors                                      | 10   | <b>443,025</b>   |                | 398,503   |
| Cash at bank and in hand                     |      | <b>582,000</b>   |                | 475,280   |
|  |      | <b>1,025,025</b> |                | 873,783   |
| <b>Liabilities</b>                           |      |                  |                |           |
| Creditors: amounts falling due within 1 year | 11   | <b>(311,470)</b> |                | (416,920) |
| <b>Net current assets</b>                    |      |                  | <b>713,555</b> | 456,863   |
| <b>Net assets</b>                            | 13   |                  | <b>717,255</b> | 463,177   |
| <b>Funds</b>                                 | 14   |                  |                |           |
| Restricted funds                             |      |                  | <b>161,757</b> | 70,763    |
| Unrestricted funds                           |      |                  |                |           |
| Designated funds                             |      |                  | <b>137,748</b> | 125,748   |
| General funds                                |      |                  | <b>417,750</b> | 266,666   |
| <b>Total charity funds</b>                   |      |                  | <b>717,255</b> | 463,177   |

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 28 July 2022 and signed on their behalf by

*Edward Cox*

*Golam Morshed*

Ed Cox, Chair

Golam Morshed, Treasurer

**The Involve Foundation**

**Statement of cash flows**

**For the year ended 31 March 2022**

|   | <b>2022</b>      | 2021      |
|---|------------------|-----------|
|   | £                | £         |
| <b>Cash used in operating activities:</b>                             |                  |           |
| Net movement in funds   | <b>254,078</b>   | 65,045    |
| <i>Adjustments for:</i>   |                  |           |
| Depreciation charges  | <b>4,831</b>     | 5,608     |
| Decrease / (increase) in debtors                                      | <b>(44,522)</b>  | (196,054) |
| Increase / (decrease) in creditors                                    | <b>(105,450)</b> | 187,578   |
| <b>Net cash provided by / (used in) operating activities</b>          | <b>108,937</b>   | 62,177    |
| <b>Cash flows from investing activities:</b>                          |                  |           |
| Purchase of tangible fixed assets                                     | <b>(2,217)</b>   | (1,390)   |
| <b>Net cash provided by / (used in) investing activities</b>          | <b>(2,217)</b>   | (1,390)   |
| <b>Increase / (decrease) in cash and cash equivalents in the year</b> | <b>106,720</b>   | 60,787    |
| Cash and cash equivalents at the beginning of the year                | <b>475,280</b>   | 414,493   |
| <b>Cash and cash equivalents at the end of the year</b>               | <b>582,000</b>   | 475,280   |

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 2022

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#### 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, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### 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 2022

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#### 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) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors falling due within one year or after one year (as appropriate).

##### i) 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:

|                       | 2022  | 2021  |
|-----------------------|-------|-------|
| Raising funds         | 6.7%  | 7.1%  |
| Charitable activities | 93.3% | 92.9% |

##### j) 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 |

##### k) 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.

##### l) 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.

## The Involve Foundation

### Notes to the financial statements

For the year ended 31 March 2022

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#### 1. Accounting policies (continued)

##### m) 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.

##### n) 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.

##### o) 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.

##### p) 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.

##### q) 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(j).

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

2. Prior period comparatives

|                                   | Restricted<br>£ | Unrestricted<br>£ | 2021<br>Total<br>£ |
|-----------------------------------|-----------------|-------------------|--------------------|
| <b>Income from:</b>               |                 |                   |                    |
| Donations                         | -               | 566               | 566                |
| Charitable activities             | 135,199         | 1,526,945         | 1,662,144          |
| <b>Total income</b>               | <u>135,199</u>  | <u>1,527,511</u>  | <u>1,662,710</u>   |
| <b>Expenditure on:</b>            |                 |                   |                    |
| Raising funds                     | -               | 44,000            | 44,000             |
| Charitable activities             | 207,914         | 1,345,751         | 1,553,665          |
| <b>Total expenditure</b>          | <u>207,914</u>  | <u>1,389,751</u>  | <u>1,597,665</u>   |
| <b>Net income / (expenditure)</b> | (72,715)        | 137,760           | 65,045             |
| Transfers between funds           | 56,944          | (56,944)          | -                  |
| <b>Net movement in funds</b>      | <u>(15,771)</u> | <u>80,816</u>     | <u>65,045</u>      |

3. Income from charitable activities

|  | Restricted<br>£ | Unrestricted<br>£ | 2022<br>Total<br>£ |
|--|-----------------|-------------------|--------------------|
| Grant income*                                  | 472,487         | 50,000            | 522,487            |
| Consulting income                              | -               | 1,362,360         | 1,362,360          |
| Training                                       | -               | 18,000            | 18,000             |
| <b>Total income from charitable activities</b> | <u>472,487</u>  | <u>1,430,360</u>  | <u>1,902,847</u>   |
| <b>Prior period comparative:</b>               |                 |                   | 2021               |
|  | Restricted<br>£ | Unrestricted<br>£ | Total<br>£         |
| Grant income*                                  | 135,199         | 57,500            | 192,699            |
| Consulting income                              | -               | 1,467,705         | 1,467,705          |
| Training                                       | -               | 1,740             | 1,740              |
| <b>Total income from charitable activities</b> | <u>135,199</u>  | <u>1,526,945</u>  | <u>1,662,144</u>   |

\* Included within unrestricted grants is £50,000 (2021: £37,500) of funding received from the Joseph Rowntree Charitable Trust and £nil (2021: £20,000) from the Esmée Fairbairn Foundation as contributions to core costs.

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

4. Total expenditure

|   | Raising<br>funds<br>£ | Charitable<br>activities<br>£ | Support and<br>governance<br>costs<br>£ | 2022 Total<br>£         |
|---|-----------------------|-------------------------------|---|-------------------------|
| Direct costs                                  | -                     | 858,929                       | -                                       | <b>858,929</b>          |
| Staff costs (note 7)                          | 25,976                | 363,384                       | 273,827                                 | <b>663,187</b>          |
| Other staff costs                             | -                     | -                             | 7,341                                   | <b>7,341</b>            |
| Premises costs                                | -                     | -                             | 28,550                                  | <b>28,550</b>           |
| Office and IT costs                           | -                     | -                             | 23,413                                  | <b>23,413</b>           |
| Other costs                                   | 3,871                 | -                             | 65,924                                  | <b>69,795</b>           |
| Trustee meeting costs                         | -                     | -                             | 67                                      | <b>67</b>               |
| Audit fees                                    | -                     | -                             | 5,400                                   | <b>5,400</b>            |
| <b>Sub-total</b>                              | <b>29,847</b>         | <b>1,222,313</b>              | <b>404,522</b>                          | <b>1,656,682</b>        |
| Allocation of support and<br>governance costs | <u>26,988</u>         | <u>377,534</u>                | <u>(404,522)</u>                        | <u>-</u>                |
| <b>Total expenditure</b>                      | <b><u>56,835</u></b>  | <b><u>1,599,847</u></b>       | <b><u>-</u></b>                         | <b><u>1,656,682</u></b> |

Total governance costs were £17,174 (2021: £12,976).

| Prior period comparative                      | Raising<br>funds<br>£ | Charitable<br>activities<br>£ | Support and<br>governance<br>costs<br>£ | 2021 Total<br>£         |
|---|-----------------------|-------------------------------|---|-------------------------|
| Direct costs                                  | -                     | 1,030,123                     | -                                       | 1,030,123               |
| Staff costs (note 7)                          | 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<br>governance costs | <u>19,488</u>         | <u>256,356</u>                | <u>(275,844)</u>                        | <u>-</u>                |
| Total expenditure                             | <b><u>44,000</u></b>  | <b><u>1,553,665</u></b>       | <b><u>-</u></b>                         | <b><u>1,597,665</u></b> |

## The Involve Foundation

### Notes to the financial statements

For the year ended 31 March 2022

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#### 5. Grants payable

|                                     | 2022           | 2021     |
|-------------------------------------|----------------|----------|
|                                     | £              | £        |
| <i>Grants paid to institutions:</i> |                |          |
| The Democratic Society              | 44,111         | -        |
| Shared Future CIC                   | 38,658         | -        |
| UK100                               | 21,762         | -        |
| Climate Outreach                    | 11,264         | -        |
|                                     | <u>115,795</u> | <u>-</u> |

Grants payable are included within direct costs (note 4). No grants were paid to individuals, and no support costs have been allocated to grant-making activities.

#### 6. Net movement in funds

This is stated after charging:

|                                   | 2022         | 2021         |
|-----------------------------------|--------------|--------------|
|                                   | £            | £            |
| Depreciation                      | 4,831        | 5,608        |
| Operating lease payments          | 8,622        | 16,254       |
| Trustees' remuneration            | Nil          | Nil          |
| Trustees' reimbursed expenses     | 67           | Nil          |
| Auditors' remuneration:           |              |              |
| ▪ Statutory audit (excluding VAT) | 5,350        | 5,000        |
| ▪ Other services                  | 5,400        | 8,011        |
|                                   | <u>5,400</u> | <u>8,011</u> |

Trustees' reimbursed expenses in the current year relate to payments made to 3 trustees for reimbursed meeting, accommodation and travel expenses (2021: nil).

## The Involve Foundation

### Notes to the financial statements

#### For the year ended 31 March 2022

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#### 7. Staff costs and numbers

Staff costs were as follows:

|                       | <b>2022</b>           | 2021                  |
|-----------------------|-----------------------|-----------------------|
|                       | £                     | £                     |
| Salaries and wages    | <b>579,798</b>        | 395,813               |
| Social security costs | <b>55,484</b>         | 36,765                |
| Pension costs         | <b>27,905</b>         | 21,966                |
|                       | <b><u>663,187</u></b> | <b><u>454,544</u></b> |

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

The key management personnel of the charitable company comprise the Director, their predecessor, and the Director of Operations. The total employee benefits of the key management personnel were £65,649 (2021: £92,478).

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

|                    | <b>2022</b>        | 2021               |
|--------------------|--------------------|--------------------|
|                    | No.                | No.                |
| Average head count | <b><u>16.0</u></b> | <b><u>11.3</u></b> |

#### 8. Taxation

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

#### 9. Tangible fixed assets

|                         | Website<br>£    | Computer<br>and office<br>equipment<br>£ | Total<br>£           |
|-------------------------|-----------------|--|----------------------|
| <b>Cost</b>             |                 |  |                      |
| At 1 April 2021         | 10,471          | 7,397                                    | <b>17,868</b>        |
| Additions in year       | <u>-</u>        | <u>2,217</u>                             | <b><u>2,217</u></b>  |
| At 31 March 2022        | <u>10,471</u>   | <u>9,614</u>                             | <b><u>20,085</u></b> |
| <b>Depreciation</b>     |                 |  |                      |
| At 1 April 2021         | 8,435           | 3,119                                    | <b>11,554</b>        |
| Charge for the year     | <u>2,036</u>    | <u>2,795</u>                             | <b><u>4,831</u></b>  |
| At 31 March 2022        | <u>10,471</u>   | <u>5,914</u>                             | <b><u>16,385</u></b> |
| <b>Net book value</b>   |                 |  |                      |
| <b>At 31 March 2022</b> | <b><u>-</u></b> | <b><u>3,700</u></b>                      | <b><u>3,700</u></b>  |
| At 31 March 2021        | <u>2,036</u>    | <u>4,278</u>                             | <u>6,314</u>         |

## The Involve Foundation

### Notes to the financial statements

For the year ended 31 March 2022

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#### 10. Debtors

|                | 2022<br>£      | 2021<br>£      |
|----------------|----------------|----------------|
| Trade debtors  | 382,487        | 290,224        |
| Prepayments    | 2,232          | 3,602          |
| Accrued income | 57,791         | 104,677        |
| Other debtors  | 515            | -              |
|                | <u>443,025</u> | <u>398,503</u> |

#### 11. Creditors : amounts due within 1 year

|                                    | 2022<br>£      | 2021<br>£      |
|------------------------------------|----------------|----------------|
| Trade creditors                    | 143,021        | 192,141        |
| Accruals                           | 40,810         | 92,666         |
| Other taxation and social security | 100,856        | 97,679         |
| Deferred income (see note 12)      | 19,900         | 27,500         |
| Other creditors                    | 6,883          | 6,934          |
|                                    | <u>311,470</u> | <u>416,920</u> |

#### 12. Deferred income

|                          | 2022<br>£     | 2021<br>£     |
|--------------------------|---------------|---------------|
| At 1 April 2021          | 27,500        | 21,667        |
| Released during the year | (27,500)      | (21,667)      |
| Deferred during the year | 19,900        | 27,500        |
|                          | <u>19,900</u> | <u>27,500</u> |
| At 31 March 2022         | <u>19,900</u> | <u>27,500</u> |

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

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

13. Analysis of net assets between funds

|                                    | Restricted<br>funds<br>£ | Designated<br>funds<br>£ | General<br>funds<br>£ | Total<br>funds<br>£ |
|------------------------------------|--------------------------|--------------------------|-----------------------|---------------------|
| Tangible fixed assets              | -                        | -                        | 3,700                 | 3,700               |
| Current assets                     | 161,757                  | 137,748                  | 725,520               | 1,025,025           |
| Current liabilities                | -                        | -                        | (311,470)             | (311,470)           |
| <b>Net assets at 31 March 2022</b> | <b>161,757</b>           | <b>137,748</b>           | <b>417,750</b>        | <b>717,255</b>      |

Prior period comparatives

|                                    | Restricted<br>funds<br>£ | Designated<br>funds<br>£ | General<br>funds<br>£ | Total funds<br>£ |
|------------------------------------|--------------------------|--------------------------|-----------------------|------------------|
| Tangible fixed assets              | -                        | -                        | 6,314                 | 6,314            |
| Current assets                     | 70,763                   | 125,748                  | 677,272               | 873,783          |
| Current liabilities                | -                        | -                        | (416,920)             | (416,920)        |
| <b>Net assets at 31 March 2021</b> | <b>70,763</b>            | <b>125,748</b>           | <b>266,666</b>        | <b>463,177</b>   |

**The Involve Foundation**

**Notes to the financial statements**

**For the year ended 31 March 2022**

**14. Movements in funds**

|   | At 1 April<br>2021<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>between<br>funds<br>£ | At 31 March<br>2022<br>£ |
|---|-------------------------|----------------|------------------|------------------------------------|--------------------------|
| <b>Restricted funds</b>   |                         |                |                  |                                    |                          |
| Coalition for Deliberative Democracy  | 22,221                  | -              | (13,189)         | (9,032)                            | -                        |
| Climate Assembly UK   | (4,000)                 | 4,000          | -                | -                                  | -                        |
| Distributed Dialogue on Data Sharing  | 17,790                  | -              | (365)            | -                                  | <b>17,425</b>            |
| Climate Change and Deliberative Democracy - Calouste Gulbenkian Foundation                | 2,222                   | -              | (2,222)          | -                                  | -                        |
| University of Westminster - Democratic Response to Covid                                  | -                       | 4,134          | (2,841)          | (1,293)                            | -                        |
| Forum for the Future Just Transitions   | 1,199                   | 47,865         | (49,064)         | -                                  | -                        |
| UK Citizens' Jury on Genome Editing - Wellcome Sanger Institute                           | (268)                   | 32,947         | (1,578)          | -                                  | <b>31,101</b>            |
| Public Participation Capacity Building (Cross-border)                                     | 20,078                  | -              | (12,851)         | -                                  | <b>7,227</b>             |
| Climate Assembly UK Legacy - European Climate Foundation                                  | (666)                   | 1,666          | -                | (1,000)                            | -                        |
| Climate Assembly Evaluation - European Climate Foundation                                 | 12,187                  | -              | (1,204)          | (5,125)                            | <b>5,858</b>             |
| April and May - European Climate Foundation   | -                       | 15,292         | (16,279)         | 987                                | -                        |
| June and September - European Climate Foundation  | -                       | 34,456         | (43,823)         | 9,367                              | -                        |
| Network for Democracy - Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust | -                       | 132,127        | (62,612)         | -                                  | <b>69,515</b>            |
| Local Engagement on Climate Change  | -                       | 200,000        | (169,369)        | -                                  | <b>30,631</b>            |
| <b>Total restricted funds</b>   | <b>70,763</b>           | <b>472,487</b> | <b>(375,397)</b> | <b>(6,096)</b>                     | <b>161,757</b>           |

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued)

|  | At 1 April<br>2021<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>between<br>funds<br>£ | At 31 March<br>2022<br>£ |
|--|-------------------------|------------------|--------------------|------------------------------------|--------------------------|
| <b>Total restricted funds (from above)</b> | <u>70,763</u>           | <u>472,487</u>   | <u>(375,397)</u>   | <u>(6,096)</u>                     | <u>161,757</u>           |
| <b>Unrestricted funds</b>                  |                         |                  |                    |                                    |                          |
| <i>Designated funds:</i>                   |                         |                  |                    |                                    |                          |
| Stability fund                             | 45,748                  | -                | -                  | 12,000                             | <b>57,748</b>            |
| Advocacy and communications                | <u>80,000</u>           | <u>-</u>         | <u>-</u>           | <u>-</u>                           | <u>80,000</u>            |
| <i>Total designated funds</i>              | <u>125,748</u>          | <u>-</u>         | <u>-</u>           | <u>12,000</u>                      | <u>137,748</u>           |
| General funds                              | <u>266,666</u>          | <u>1,438,273</u> | <u>(1,281,285)</u> | <u>(5,904)</u>                     | <u>417,750</u>           |
| <b>Total unrestricted funds</b>            | <u>392,414</u>          | <u>1,438,273</u> | <u>(1,281,285)</u> | <u>6,096</u>                       | <u>555,498</u>           |
| <b>Total funds</b>                         | <u>463,177</u>          | <u>1,910,760</u> | <u>(1,656,682)</u> | <u>-</u>                           | <u>717,255</u>           |

**Purposes of restricted funds**

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.

## The Involve Foundation

### Notes to the financial statements

#### For the year ended 31 March 2022

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#### 14. Movements in funds (continued)

##### Purposes of restricted funds (continued)

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 Esmée 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.

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.

## The Involve Foundation

### Notes to the financial statements

#### For the year ended 31 March 2022

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#### 14. Movements in funds (continued)

##### Purposes of restricted funds (continued)

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.

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.

April and May - 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.

## The Involve Foundation

### Notes to the financial statements

#### For the year ended 31 March 2022

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#### 14. Movements in funds (continued)

##### Purposes of restricted funds (continued)

June and September - European Climate Foundation

This grant from the European Climate Foundation has enabled Involve to maximise the impact of Climate Assembly UK, particularly in respect of engagement with key parliamentary stakeholders.

Network for Democracy - Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust

This grant from Joseph Rowntree Reform Trust and Joseph Rowntree Charitable Trust is enabling Involve to work collaboratively with a wide range of stakeholders to build a stronger UK democracy.

Local Engagement on Climate Change

This grant from the Esmee Fairbairn Foundation and the Calouste Gulbenkian Foundation (UK Branch) is enabling Involve to work with partner organisations to support local authorities to engage their communities around climate change.

##### 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 between restricted funds are carried out only where funders have given express permission for the repurposing of restricted funds, where projects have changed significantly in scope. Transfers made from general funds serve the purpose of designating funds for the Stability and Advocacy funds.

## The Involve Foundation

### Notes to the financial statements

#### For the year ended 31 March 2022

#### 14. Movements in funds (continued)

##### 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 2022-23.

##### Prior period comparative

|  | At 1 April<br>2020<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>between<br>funds<br>£ | At 31 March<br>2021<br>£ |
|--|-------------------------|----------------|------------------|------------------------------------|--------------------------|
| <b>Restricted funds</b>  |                         |                |                  |                                    |                          |
| 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                   |
| <b>Total restricted funds</b>  | <b>86,534</b>           | <b>135,199</b> | <b>(207,914)</b> | <b>56,944</b>                      | <b>70,763</b>            |

The Involve Foundation

Notes to the financial statements

For the year ended 31 March 2022

14. Movements in funds (continued) - prior period comparative

|  | At 1 April<br>2020<br>£ | Income<br>£             | Expenditure<br>£          | Transfers<br>between<br>funds<br>£ | At 31 March<br>2021<br>£ |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|--------------------------|
| <b>Total restricted funds (from above)</b> | <u>86,534</u>           | <u>135,199</u>          | <u>(207,914)</u>          | <u>56,944</u>                      | <u><b>70,763</b></u>     |
| <b>Unrestricted funds</b>                  |                         |                         |                           |                                    |                          |
| <i>Designated funds:</i>                   |                         |                         |                           |                                    |                          |
| Stability fund                             | 40,748                  | -                       | -                         | 5,000                              | 45,748                   |
| Advocacy and communications                | -                       | -                       | -                         | 80,000                             | 80,000                   |
| <i>Total designated funds</i>              | <u>40,748</u>           | <u>-</u>                | <u>-</u>                  | <u>85,000</u>                      | <u>125,748</u>           |
| General funds                              | <u>270,850</u>          | <u>1,527,511</u>        | <u>(1,389,751)</u>        | <u>(141,944)</u>                   | <u>266,666</u>           |
| <b>Total unrestricted funds</b>            | <u>311,598</u>          | <u>1,527,511</u>        | <u>(1,389,751)</u>        | <u>(56,944)</u>                    | <u>392,414</u>           |
| <b>Total funds</b>                         | <u><u>398,132</u></u>   | <u><u>1,662,710</u></u> | <u><u>(1,597,665)</u></u> | <u><u>-</u></u>                    | <u><u>463,177</u></u>    |

## The Involve Foundation

### Notes to the financial statements

#### For the year ended 31 March 2022

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#### 15. Operating lease commitments

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

|                     | <b>2022</b>          | 2021                 |
|---------------------|----------------------|----------------------|
|                     | £                    | £                    |
| Amount falling due: |                      |                      |
| Within 1 year       | <b>38,522</b>        | 14,176               |
| Within 1 - 5 years  | <u>-</u>             | <u>-</u>             |
|                     | <b><u>38,522</u></b> | <b><u>14,176</u></b> |

#### 16. Related party transactions

Ed Cox, a trustee, is the Executive Director for West Midlands Combined Authority (WMCA). WMCA have joined a project that Involve are running, and during the year WMCA paid £6,500 to Involve to provide training and coaching (2021: £nil). The full amount was outstanding at year end.

Julie Mellor, a trustee, is also a trustee of Engage Britain. During the year, Involve worked as subcontractors to the Democratic Society on a project funded by Engage Britain and were paid £65,990 (2021: £nil). At year end, £35,750 was outstanding.

Sharon Squires, a trustee, is the Chair of Panels for the Home Office. The Home Office paid Involve £14,775 (2021: £38,550) for consultancy and project work under the terms of the contract. There were no amounts outstanding at year end.