



THE ASSOCIATION OF CORPORATE TREASURERS
Registered No. RC000859

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019



The Association of Corporate Treasurers
Registered No. RC000859

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THE ASSOCIATION OF CORPORATE TREASURERS

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2019

The Council of The Association of Corporate Treasurers has pleasure in presenting its report together with consolidated financial statements for the year ended 31st December 2019. The Council is pleased with the progress the Association has made during 2019 to meet our organisational objectives, in particular the improvement in financial performance compared to 2018 and our bottom-line surplus achievement which was well above budget. This, in conjunction with a number of significant strategic developments in its 40th anniversary year, positioned the ACT well going forwards, prior to the COVID-19 situation. The crisis clearly brings some uncertainty in terms of the future, specifically around the live events part of the organisation, and scenarios have been worked through to address those challenges, including postponement of events planned in the first half of the year, and the ramp-up of virtual events in their place. In terms of membership and relevance however, the ACT is busier than ever in the first months of 2020, given the critical role it plays in representing the 'real economy' to government and regulators.

The Association of Corporate Treasurers (ACT) is the only professional treasury body with a Royal Charter. We set the global benchmark for treasury excellence and lead the profession through our internationally recognised qualifications, by defining standards and by championing continuing professional development. We are the authentic voice of the treasury profession representing the interests of the real economy and educating, supporting and leading the treasurers of today and tomorrow.

Vision

Our vision is that treasury everywhere has the highest standards of professionalism, bringing success to organisations and creating strong economies through strategic balancing of financial risks and opportunities.

Mission

Our mission is to embed the highest standards of professionalism and integrity in the treasury world, and act as its leading advocate.

The Group and its activities

The Group comprises the Association of Corporate Treasurers and its wholly-owned subsidiary ACT (Administration) Limited. The ACT group enables and supports treasury professionals throughout their careers by:

- providing clear treasury leadership and a trusted dynamic global network of experts
- raising the profile of the profession, growing its influence and championing its success
- exercising high-level, 'real economy' influence with policy makers and regulators.

We educate through qualifications, training and in-company learning programmes, all underpinned by our comprehensive competency framework.

We grow networks and provide continuing professional development through events, conferences and our regional treasury networks.

We guide, inform and support through our policy and technical work, our webinars and publications (including The Treasurer magazine), as well as our membership services.

THE ASSOCIATION OF CORPORATE TREASURERS

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2019

History

The origins of The Association of Corporate Treasurers lie in the volatile financial markets of the 1970s. In January 1979, a small group of practitioners, convinced that the growing significance of treasury management made the need for a professional association paramount, met in the Selfridge Hotel in London and the ACT was formed.

By October 1979: 378 members had joined this fledgling body; committees had been established for membership, education and programmes; a yearbook had been planned and the Bank of England had asked the ACT to nominate a representative to join its new committee investigating the sterling deposit market.

These successes continued and in 2019 the ACT celebrated its 40th anniversary. The Association has gone from strength to strength and has 6,000 - 7,000 members and students at any one time, across 90+ countries. 85% of FTSE 100 companies are represented, and our events are recognised for their thought-leadership quality, inclusion and seniority of attendees.

The ACT has represented the profession in many key areas, including the simplification of share buy-backs, accounting standards and the development of a code of conduct for participants in the credit ratings industry, as well as more recently in the development of the Global FX Code and the UK Money Markets Code.

In 2013 the ACT was awarded a Royal Charter, making it the only professional treasury association to be recognised in this way. It continues to work in the public and profession's interest to raise awareness of, and to support professional standards in, treasury practice.

International focus

As the world's leading provider of treasury qualifications, the ACT is committed to supporting the development of the treasury profession worldwide. Anyone who has successfully completed the ACT qualifications can become a member, wherever they are located.

Students across the world can study for ACT qualifications online through the ACT Learning Academy and sit their assessments remotely too. In addition, tuition programmes are available for the Certificate in International Cash Management in Hong Kong and Singapore, as well as the UK.

We have welcomed members from around the world to our international events in Dubai, Nairobi and the UK, as well as our local events in many cities around the world, and we have supported many more through our webinars and online resources.

Benefiting members and promoting best practice

The objects of the Association, as set out in the Royal Charter, are to set the benchmark for treasury excellence, provide qualifications for those working professionally in the fields of treasury, risk and corporate finance, promote best practice, define and maintain standards and support the continuing professional development of its members and so promote the public interest.



THE ASSOCIATION OF CORPORATE TREASURERS

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2019

Highlights of 2019

Influencing and informing: - technical guidance

Keeping our Policy & Technical team and their work at the heart of our organisation is part of our agreed strategy. In 2019 the team continued to provide a wide range of support for our members, on topics as diverse as Brexit preparedness, LIBOR/risk-free rate replacement, green finance and FinTech. This support takes many forms: technical briefings, webinars, attendance at treasury network events, replying to technical queries, contributions to our publication *The Treasurer* (as well as online publications) and by working closely with programme managers to ensure relevant content in our world-renowned events for treasurers. In addition, we continue to work closely with regulators, key decision-makers and other bodies to ensure the voice of the 'real economy' is heard.

Annual conference

Our flagship event, the ACT Annual Conference, took place in May 2019 at the Manchester Exhibition Centre and had over 1,000 attendees. Jon Snow opened the event, and the two-day format continued to work well, with strong feedback as to the ongoing trend of highest quality content as well as new and refreshed formats. We were very pleased to welcome our new FCTs and Hon FCTs to the conference, in this our 40th anniversary year, and they were presented with their certificates at the gala dinner.

Middle East Treasury Summit

The Autumn Dubai conference witnessed a 32% increase in delegate numbers on previous year and external feedback from delegates, sponsors and speakers was very positive. Our strategy for the region is clearly working, and we thank our panel on the ground, chaired by Matthew Hearn of Mubadala, for their support and engagement.

Advanced Diploma in Treasury Management

In 2019 our masters-level qualification for treasurers, the Advanced Diploma in Treasury Management, was launched. This replaced what was formerly known as the 'MCT'. In early 2020 we are seeing our first finalists of the qualification coming through, including one overall distinction. The course materials, tutors and format have received very positive feedback.

Member engagement

Our members' commitment really is what makes us special as an association, with over 10% of our members acting as volunteers. Our member renewal rate of 94% was outstanding, compared with membership association benchmarks.

Publishing

The ACT provided technical and marketing support to two new sponsorship initiatives in the year. We collaborated with Herbert Smith Freehills to add value to their Annual Corporate Debt and Treasury Report, in terms of content as well as overall review, and the report was launched



THE ASSOCIATION OF CORPORATE TREASURERS REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2019

at the ACT Annual Conference, and we also contributed to HSBC's The Treasurer's Global Guide to Investing Cash, launched at our annual Treasury Forum, giving access to the guide for all ACT members.

Our Treasurer magazine was more closely aligned than ever with other activities and events during the year, and our Future Leaders in Treasury guest-edited one of the editions in the year. In general, the focus is more and more international, in response to feedback from our members.

Website

During the year we worked on a revamp of our main website, and this launched in the summer. The result was a very much improved site which is now mobile-friendly. Our 40th anniversary video took a fresh approach, and our ruby logo was distinctive and engaging.

Partnerships

In 2019 we continued to work closely with a number of national treasury associations and overarching bodies such as the European Association of Corporate Treasurers (EACT) and the International Group of Treasury Associations (IGTA), to ensure our qualifications, publications and events were accessible to all. Our Chief Executive remains Deputy Chair of both the EACT and IGTA.

We also formed a partnership with the Centre for Finance, Technology and Entrepreneurship during the year, and they kindly shared with us materials from their Around FinTech in 8 Hours course to use in our own learning materials. This means we can remain up-to-date on technological developments. We can also offer CFTE courses to our members at a discount. Work to accredit their online courses was completed in early 2020 and a press release went out in February.

At the end of 2019 a more comprehensive working agreement with the Global Trade Review was being put in place. This means the ACT will feature in more of their international events. In early 2020 we featured in their Lagos, Dubai and Istanbul programmes.

Annual Dinner

The ACT Annual Dinner held in November is the largest gathering of treasurers in the UK and the premier networking event in the treasury and corporate finance calendar. The 2019 dinner attracted 1,500 attendees, and our fundraising (for our charity of the year, Hand in Hand International) again exceeded expectations, raising £65k, in line with 2018 which in turn showed an increase of 30% on the prior year. Part of the proceeds go to support our Educational Trust which provides bursaries for students in developing countries.

Branding

In 2019 we changed the logo to celebrate the 40th anniversary of the ACT, an event that was reflected in all of our activity throughout the year. At the end of the year we took the opportunity to review the ACT branding and in 2020 and beyond we are using the new strapline

THE ASSOCIATION OF CORPORATE TREASURERS REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2019

of 'Treasury excellence as standard' which reflects both the ACT's commitment to excellence in treasury and that of our members, as we work together to achieve the ACT's mission of embedding the highest standards of professionalism and integrity in the treasury world, and acting as its leading advocate.

Assessment

2019 was the first year that the online assessments ran without issues since the change to remote invigilation a few years back, and we have had positive feedback from students, improved completion rates and higher volumes of students taking our exams, compared to previous years. This improvement has been significant in reinstating faith in our assessment process and allows the team to focus on further improvements and initiatives that can be made in the assessment space.

Apprenticeships

In June 2019 we announced the exciting news that the ACT qualifications, Diploma in Treasury Management (AMCT) and Certificate in International Cash Management (CertICM), have been added to the Financial Services Professional Apprenticeship standard (FSP). Work is progressing on developing the programme so that financial services organisations will be able to utilise the apprenticeship levy to fund their employees' development in 2020. Further work will also be undertaken in 2020 to review how non-financial corporates can access our qualifications via the apprenticeship levy.

Future view

We continue to review and adjust our activities in light of the impact of the ongoing COVID-19 pandemic but our key strategic objectives in 2020 continue to be:

- ensure that Policy & Technical is the 'heart' of the organisation, demonstrating thought leadership, and representing the first port of call for regulators and government. We will do this by creating an intellectual agenda, whilst offering practical guidance and advice; this is even more relevant in the current crisis
- engage our members and supporters more to ensure we stay relevant; COVID-19 has increased this engagement, naturally
- ensure the relevance and quality of all qualifications, as well as CPD/training products, in turn maintaining high professional standards in treasury
- build key senior relationships with sponsors and other stakeholders and leverage those to grow and innovate; again, the COVID-19 situation has meant the ACT is working even more closely with sponsors and stakeholders, providing a key role as intermediary between them and our treasury community
- focus on increasing sales in our target markets
- build appropriate and high quality management information for the organisation (financial, marketing, students, etc).

THE ASSOCIATION OF CORPORATE TREASURERS REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2019

Particular items of focus for 2020 to support these strategic objectives will be:

- working towards introducing a new Customer Relationship Management system by completing a project which was only partly implemented a few years back; given the current COVID-19 crisis we are reviewing the timing of this project
- looking at areas to simplify in terms of what we do and how we do it
- lending a particular focus on how the ACT can become more recognised in the public sphere
- identifying the ‘personas’ of our target audience and carrying out research where possible to build pathways for each persona – which might involve new events, new qualifications, etc
- reviewing our qualifications, specifically CertICM and completing a syllabus review of our treasury qualifications, to ensure they remain fit-for-purpose and support future learning needs

The focus of much of our policy and technical work is on supporting our members through this difficult time through knowledge sharing and advocacy, working closely in particular with the Bank of England and HM Treasury as well as other stakeholders and our treasurers themselves we have put in place back-up plans for our events which were due to take place in the first half of 2020, and developed an increased focus on virtual events including our International Treasury Week which takes place in May 2020; face-to-face training has been cancelled or replaced by virtual offerings, though most of our qualifications are taught online and we operate an established remote invigilation system, which means this area is not affected to any great extent.

Results for 2019

The group’s surplus for the year ended 31st December 2019 amounted to £317k (2018 deficit: £203k).

The 2019 year saw a tough financial climate for ACT’s major stakeholders, both corporates and financial institutions. With significant effort by the leadership team, the ACT has continued to respond to external challenges by reviewing its business model to increase its focus on profitable products whilst maintaining or reducing its cost base. The ACT continues to leverage its significant investment in professional standards and learning to maximize return and grow student numbers. Post year end the COVID-19 impact has its own challenges, but our scenario-planning including what is deemed a worst-case option demonstrates the viability of the organisation going forwards.

Fixed assets

Movements in fixed assets during the year are detailed in notes 8 to 10.

THE ASSOCIATION OF CORPORATE TREASURERS REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2019

Current asset investments and treasury policy

The Association's treasury policy is reviewed and approved by Council annually. Approved instruments are currently limited to treasury deposits, money market funds and UK Government securities.

Investments in money market funds are limited to £1.25m with any one fund, that abide by the IMMFA code (Institutional Money Market Funds Association), are rated AAAM by Standard & Poor's or another recognised rating agency, are sterling funds and are managed by a reputable firm. The Association's investment in a money market fund should never represent more than 5% of the total fund.

Investments in treasury deposits may only be made with institutions carrying a minimum rating for short-term funds of A-1+ or a minimum long-term rating of AA-, and deposits are limited to £0.5m with any one institution and a maximum of 12 months maturity.

Investments in sovereign debt issued by the UK Government must be denominated in sterling and have remaining maturities of less than 24 months. For such investments there is no upper limit on the amount, nor any credit rating threshold.

Reserves policy

It is the policy of The Association of Corporate Treasurers to hold reserves at a level such that its core activities can be maintained during periods of less favourable financial or economic conditions and that it can fulfil its obligations to its members and those completing examinations. As a result of the latest risk-based review, Council has set its target reserves range to between £700k and £1,100k. At 31st December 2019 reserves were £1,404k (2018: £1,087k) and so in excess of the target range. However, since the year end, the environment within which the Association operates has changed as a result of COVID-19. Revised forecasts, and a consideration of a range of likely scenarios, show the organisation to be a going concern, but that it is possible that reserves will drop below the desired range. The ACT Council acknowledges this, and the fact that reserves are intended to cover such situations, and a plan will be built to bring reserves up to target level within a reasonable period of time after the crisis.

Council will continue to monitor reserves on an ongoing basis.

Going concern

The Association meets its ordinary working capital requirements through the course of its ordinary activities. The Council has assessed the Association's ability to continue as a going concern, and revisited this assessment taking into account the changed circumstances and resulting impact of the coronavirus outbreak. The Council has considered several factors when forming its conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements, including a review of updated forecasts to September 2021 and a consideration of the key risks (including the impact of coronavirus) that could negatively impact the Association.

THE ASSOCIATION OF CORPORATE TREASURERS REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2019

The COVID-19 pandemic has not had a significant, immediate impact on the Association's operations, but the Council is aware that if the current situation becomes prolonged then this may change. This has been assessed through a consideration of a variety of scenarios and their impact on reserves and liquidity. The key impact noted is to the events programme and, as detailed above, alternative arrangements are being established to run key events at a later date as well as add or accelerate the delivery of virtual events.

After considering these factors, the Council has concluded that the Association has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and has continued to prepare the financial statements on the going concern basis.

Risk

The group's executive team regularly reviews operational and financial risk through a process of formal and informal meetings. Major risks are reported to Council on a regular basis, with an assessment of the implications for the group and planned responses. The Appointments, Remuneration and Audit Committee (ARAC) receives an annual presentation on the group's risk management process and outcomes.

The Council has assessed the impact of the coronavirus outbreak on its risk assessment and activities. The key risk for the Association is considered to be the disruption to the events programme. Contract reviews have taken place, as well as establishing alternative arrangements for live events with an increased focus on 'virtual' events. The Association already has experience of running live-streamed events such as the Future of Finance held in January 2020, and this experience and technology is being used in the development of additional virtual events in the coming months. Major events have been rescheduled to later in the year where appropriate, and the virtual International Treasury Week has been brought forward to May 2020. The majority of ACT training is already held virtually and the remaining face-to-face training for qualifications has been replaced with virtual offerings, alongside a small number of cancellations (of public training courses).

Disclosure of status and information to the auditor

The Association was incorporated by Royal Charter on 1 January 2013 and is governed by its by-laws and rules. Although it is not required to have an annual audit, Council has opted to have financial statements prepared under the requirements of the Companies Act 2006, audited and presented to its members. These are not, however, filed with Companies House.

So far as Council is aware there is no relevant audit information of which the group's auditor is unaware and Council has taken all steps that it ought to have taken to make itself aware of any relevant audit information, and to establish that the auditor is aware of that information.

THE ASSOCIATION OF CORPORATE TREASURERS REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2019

Council members who served during the year, and/or at the time of signing the financial statements, are listed below:

Kerry Attwell Thomas
Ian Chisholm
Agnes Favillier
Peter Goshawk (retired 30th April 2019)
Katherine Horrell (appointed 1 May 2019)
Courtney Huggins (appointed 1 May 2019)
Karlien Porré (appointed 1 May 2019)
Charlotte Morgan
Constantinos (Dino) Nicolaides
Joseph Peka (retired 30th April 2019)
Paul Reynolds (retired 30th April 2019)
Caroline Stockmann
Neil Wadey (retired 30th April 2019)
Peter Walker-Smith (retired 30th April 2019)
Paul Wilde

Co-opted Council members:

Rob Alexander
David Brent
Peter Hahn (appointed 2nd August 2019)
Thomas Davies (appointed 23rd September 2019)

Statement of Council Responsibilities in Respect of the Report of Council and the Financial Statements

The Council is responsible for preparing the Report of Council and the financial statements in accordance with applicable law and regulations.

The Association was incorporated by Royal Charter on 1 January 2013 and is governed by its by-laws and rules. Under those laws they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under the elections they have made, Council will not approve the financial statements unless it is satisfied that the financial statements give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, Council is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent



THE ASSOCIATION OF CORPORATE TREASURERS REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2019

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations or have no realistic alternative but to do so.

Council is responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company. They are responsible 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Council is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of Council

Handwritten signature of Paul Wilde in black ink.

Paul Wilde
President

Handwritten signature of Caroline Stockmann in black ink.

Caroline Stockmann
Chief Executive

Dated: 29 April 2020

Registered Office: 69 Leadenhall Street, London, EC3A 2BG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF CORPORATE TREASURERS

Opinion

We have audited the financial statements of the Association of Corporate Treasurers for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Only Balance Sheets and, Consolidated Cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 Association's affairs as at 31 December 2019 and of its deficit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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 Association 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Council is 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 we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF CORPORATE TREASURERS

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.

Responsibilities of the Council

As explained more fully in the statement of Council responsibilities set out on page 10, the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determines 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 Council is responsible for assessing the Association'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 Association either intend to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSOCIATION OF CORPORATE TREASURERS

Use of this Report

This report is made solely to the members of the Association as a body, in accordance with the bye-laws of the Association, in accordance with our agreed terms of engagement. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Nicola May', is written over a light blue horizontal line.

Nicola May

Senior Statutory Auditor, for and on behalf of Crowe U.K. LLP, Statutory Auditor

St. Brides House,
10 Salisbury Square,
London, EC4Y 8EH

Date: 30 April 2020

**THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £'000	2018 £'000
Income	2	6,527	6,038
Direct costs	3	(2,931)	(2,591)
Gross surplus		3,596	3,447
Administrative expenses		(3,289)	(3,656)
Operating surplus	4	307	(209)
Interest receivable		10	6
Surplus/(deficit) on ordinary Activities before tax		317	(203)
Tax	6	-	-
Group surplus/(deficit) for year	7 & 18	317	(203)
Retained earnings at start of year		1,087	1,290
Retained earnings at end of year		1,404	1,087
Group surplus / (deficit) for the year is recorded by:			
The Association of Corporate Treasurers		469	480
ACT (Administration) Limited		(152)	(683)
	18	317	(203)

All the activities of the company are derived from continuing operations.

The accounting policies and notes on pages 19 to 29 form part of these financial statements.

THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED BALANCE SHEET
AS AT 31ST DECEMBER 2019

	Notes	2019		2018	
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	8		102		89
Tangible assets	9		252		215
			354		304
Debtors: amounts falling due after one year *	11		171		172
Current assets					
Debtors: amounts falling due within one year*	12	1,182		825	
Investments	13	777		1,069	
Cash at bank & in hand	14	707		345	
			2,666		2,239
Creditors: amounts falling due within one year	15		(1,683)		(1,497)
Net current assets			983		742
Total assets less current liabilities			1,508		1,218
Creditors: amounts falling due after one year	16		(54)		(81)
Provision for liabilities	17		(50)		(50)
Total assets less liabilities			1,404		1,087
Reserves			1,404		1,087

The financial statements were approved by the directors on 29 April 2020.



Paul Wilde
Director



Caroline Stockmann
Director

Company Registration Number **RC000859**

The accounting policies and notes on pages 19 to 29 form part of these financial statements.

* total debtors (current and non-current) are £1,353k (2018: £997k).

**THE ASSOCIATION OF CORPORATE TREASURERS
COMPANY BALANCE SHEET
AS AT 31ST DECEMBER 2019**

	Notes	2019		2018	
		£'000	£'000	£'000	£'000
Fixed assets					
Investment in subsidiary	10		355		507
Debtors: amounts falling due after one year *					
	11		17		17
Current assets					
Debtors: amounts falling due within one year*	12	929		321	
Investments	13	268		613	
Cash at bank & in hand	14	259		55	
			<u>1,456</u>		<u>989</u>
Creditors: amounts falling due within one year					
	15		(419)		(418)
Net current assets					
			<u>1,037</u>		<u>571</u>
Creditors: amounts falling due after one year					
	16		(5)		(8)
Total assets less liabilities					
			<u>1,404</u>		<u>1,087</u>
Reserves					
			<u>1,404</u>		<u>1,087</u>

The financial statements were approved by the directors on 29 April 2020.



Paul Wilde
Director



Caroline Stockmann
Director

Company Registration Number **RC000859**

The accounting policies and notes on pages 19 to 29 form part of these financial statements.

* total debtors (current and non-current) are £946k (2018: £338k).

**THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED CASH FLOW STATEMENT
AS AT 31ST DECEMBER 2019**

	Notes	2019		2018	
		£'000	£'000	£'000	£'000
Net cash inflow/(outflow) from operating activities	19		227		(68)
Cash from investing activities					
Interest received			10		6
Purchase of tangible fixed assets	9	(103)		(39)	
Purchase of intangible fixed assets	8	(64)		(57)	
			(167)	(96)	
Money Market Funds withdrawn	13		292		45
Increase /(decrease) in cash in the year			362	(113)	
Cash at the start of period			345		458
Cash at the end of period	14		707	345	

THE ASSOCIATION OF CORPORATE TREASURERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

1. Accounting policies

Basis of accounting

These group and parent company financial statements were prepared in accordance with the Financial Reporting Standard applicable to the UK (FRS 102) as issued in August 2014. The group comprises the Association of Corporate Treasurers and its wholly-owned subsidiary ACT (Administration) Limited. In addition, ACT 2013 Limited (a dormant company) is considered to be a subsidiary as the Association is deemed to have the power to exercise dominant influence, however this subsidiary is not consolidated on the grounds of immateriality. The parent company is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12 and has elected for the exemptions for the parent company not to include a separate Cash Flow Statement with related notes nor to produce a separate Profit and Loss Account.

Going concern

The Association meets its ordinary working capital requirements through the course of its ordinary activities. The Council has assessed the Association's ability to continue as a going concern, and revisited this assessment taking into account the changed circumstances and resulting impact of the coronavirus outbreak. The Council has considered several factors when forming its conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements, including a review of updated forecasts to September 2021 and a consideration of the key risks (including the impact of coronavirus) that could negatively impact the Association.

The COVID-19 pandemic has not had a significant, immediate impact on the Association's operations, but the Council is aware that if the current situation becomes prolonged then this may change. This has been assessed through a consideration of a variety of scenarios and their impact on reserves and liquidity. The key impact noted is to the events programme and, as detailed above, alternative arrangements are being established to run key events at a later date as well as add or accelerate the delivery of virtual events.

After considering these factors, the Council has concluded that the Association has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and has continued to prepare the financial statements on the going concern basis.

Recognition of income and expenditure

a) Member subscriptions

Annual membership subscriptions are recognised over the period to which they relate.

b) Publications

All income arising from the group's publications is accounted for in the year in which the publication sales are made. All related expenditure arising from the printing and publication of the group's publications is accounted for in the period of publication. No value is placed on copies of the group's publications remaining unsold at the end of the accounting year.

c) Conferences

Income and expenditure arising from conferences, seminars and similar events are recognised wholly within the accounting period in which they started. Any fees received relating to conferences taking place post year end are included within deferred income.

THE ASSOCIATION OF CORPORATE TREASURERS NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2019

d) Educational activities

Income arising from educational activities consists of course fees, assessment fees, seminars and residential course fees. Expenditure relates to the cost of setting and holding examinations, preparation of course material and holding student meetings, seminars and residential courses. Income from learning programmes are recognised either when invoiced, over a period of study or in the month of a relevant residential school depending on which best reflects the period or activity generating the right to the related earned income. Income from Assessments are recognised in the month of the assessment.

Operational costs of the courses i.e. costs for online course delivery, production and distribution of course content, and the cost of the assessment setting and marking of papers, are recognised as they arise.

Intangible assets

The cost of developing new study material for the Association's professional qualifications are classified as an intangible asset. These costs are amortised over three years commencing on the date that the new material is used within the learning programme. At least every five years, but no more than every three years, a full review of each syllabus is carried out and the further development costs arising from this review are also classified as an intangible asset and amortised over three years commencing from the date that revised course material is issued to students. The cost of annual technical revisions to each syllabus is recognised in the year in which they are incurred.

Interest

Deposit and investment income interest are accounted for on an accruals.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets by equal annual instalments over their expected useful economic lives.

The rates used are:

Leasehold Improvements	20%	(Or over the life of the lease, if shorter)
Fixtures and Fittings	20%	
Computer Equipment and software	20%	
Website development costs	20%	
Development of Qualifications	20%	

THE ASSOCIATION OF CORPORATE TREASURERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

Leased assets

All leases currently in operation are regarded as operating leases and the total payments made under them are charged to the income and expenditure account on a straight line basis over the lease term.

Contributions to pension fund

The company's wholly owned subsidiary, ACT (Administration) Limited, operates a defined contribution scheme. Contributions are charged in the income and expenditure account as they become payable in accordance with the rules of the scheme, amounting to £248k in 2019 (2018: £215k). At 31st December 2019 contributions of £21k were outstanding (31st December 2018: £19k).

Investments

Current asset investments are held at fair value.

Taxation

The Association of Corporate Treasurers is liable to United Kingdom corporation tax on its income and expenditure to the extent that it is not derived from membership subscriptions. Its subsidiary, ACT (Administration) Limited, is liable to corporation tax as a normal trading company. Tax on the surplus or deficit for the year comprises current and deferred tax.

Tax is recognised in the income and expenditure account except to the extent that it relates to items recognised directly in reserves, in which case it is recognised directly in reserves. Current tax is the expected tax payable or receivable on the taxable income or deficit for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Interest receivable and interest payable

Interest payable and similar charges includes interest payable and net foreign exchange losses. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains. Interest receivable and interest payable are recognised in the income and expenditure account as they accrue, using the effective interest method.

Foreign Currency transactions

Transactions in foreign currencies are initially recorded in sterling by applying the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Income Statement.

Financial instruments

The Association 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors.

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

Investments held as part of an investment portfolio are held at fair value at the balance sheet date, with gains and losses being recognised with income and expenditure.

At the balance sheet date, the group held financial assets at amortised cost of £1,371k (2018: £1,046k) and Financial assets at fair value of £777k (2018: £1,069k) and Financial liabilities at amortised cost of £248k (2018: £241k).

Accounting estimates and judgements

The Association's policy is to provide for debts which are over 180 days old as at the Balance Sheet date, adjusted for any payments received up until the accounts are completed. At the end of 2018 this provision is £33k (2018: £45k).

2. Income and Gross Surplus

Income comprises subscriptions from members, income from educational activities including training courses and seminars, as well as income from conferences and sales of the group's publications.

Group	2019		<i>2018</i>	
	<i>Income</i>	<i>Gross surplus</i>	<i>Income</i>	<i>Gross surplus</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Membership and educational activities	3,522	2,516	3,163	1,859
Conferences, publications and other activities	3,005	1,080	2,875	1,588
	<u>6,527</u>	<u>3,596</u>	<u>6,038</u>	<u>3,447</u>

3. Direct Costs

Direct costs comprise the costs of the delivery of education, running of conference and training courses and the printing and distribution of the company's publications.

4. Operating Surplus

	2019	<i>2018</i>
	£'000	<i>£'000</i>
Operating surplus is stated after charging:		
Legal and professional charges	56	59
Fees payable to the company's auditor for audit of the company's annual accounts	20	17
Fees payable to the company's auditor for other services	8	3
Depreciation	66	71
Amortisation of Intangible Assets	51	210
Operating lease	162	162

THE ASSOCIATION OF CORPORATE TREASURERS
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FOR THE YEAR ENDED 31ST DECEMBER 2019

	2019	<i>2018</i>
	£'000	<i>£'000</i>
5. Directors and employees		
Wages and salaries	2,187	1,989
Social security costs	249	227
Other pension costs	248	215
	2,684	2,431

	2019	<i>2018</i>
	Number	<i>Number</i>
The average full-time-equivalent number of employees during the year was:		
Membership and education	15	14
Conferences and publications	13	12
Finance and administration	16	17
	44	43

This average full-time-equivalent is calculated by including part-time employees as a proportion of full-time employees, based on the number of actual days worked per week.

The average headcount for the year was 47 (2018: 45). Only one Council member (in the role of Chief Executive) earned emoluments during the year and these totalled £182k (2018: £178k)

	2019	<i>2018</i>
	£'000	<i>£'000</i>
Chief Executive emoluments	158	155
Wages and salaries	24	23
Other pension costs	24	23
	182	178

Key Management of the group consists of the Chief Executive supported by 7 directors of departments. The aggregate remuneration figure (including employer's national insurance and pension contributions) totalled £928,426 (2018: £885,646) for the year.

THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

6. Tax

Total tax expense recognised in the income and expenditure account

	2019	<i>2018</i>
Current tax		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Change in tax rate	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Tax expense (income) relating to changes in accounting policies and material error	-	-
Total tax	<u><u>-</u></u>	<u><u>-</u></u>

Analysis of current tax recognised in income and expenditure

	2019	<i>2018</i>
UK corporation tax	-	-
Double taxation relief	-	-
Foreign tax	-	-
Total current tax recognised in income and expenditure	<u><u>-</u></u>	<u><u>-</u></u>

Reconciliation of effective tax rate

	2019	<i>2018</i>
Surplus / (Deficit) for the year	317	<i>(203)</i>
Tax using the UK corporation tax rate of 19% (2018: 19%)	60	<i>(38)</i>
Tax exempt revenues	(240)	<i>(241)</i>
Reduction in tax rate on deferred tax balances	3	<i>13</i>
Fixed Assets permanent differences	1	<i>6</i>
Non-deductible expenses	152	<i>150</i>
Current year deficits for which no deferred tax asset was recognised	24	<i>110</i>
Under/(over) provided in prior years	-	-
Total tax expense included in surplus or deficit	<u><u>-</u></u>	<u><u>-</u></u>

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

7. Surplus after taxation

The Association of Corporate Treasurers has not presented its own income and expenditure account as permitted by the companies act 2006. The Association of Corporate Treasurers' surplus for the year was £469k (2018: surplus £480k).

8. Intangible fixed assets

	Advanced Dip TM £'000	International Cash Mgt Certificate £'000	Qualification Certificates / Diploma £'000	Total £'000
Cost				
At 1st January 2019	39	91	588	718
Additions	64	-	-	64
Disposals/write-offs	-	-	-	-
At 31st December 2019	103	91	588	782
Amortisation				
At 1st January 2019	0	68	561	629
Provided in the year	16	8	27	51
Disposals/write-offs	-	-	-	-
At 31st December 2019	16	76	588	680
Net Book Amount				
At 31st December 2019	87	15	-	102
At 31st December 2018	39	23	27	89

THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

9. Tangible fixed assets

	Leasehold Improvement	Fixtures & fittings	Computer equipment & software	Database system	Website Development	CRM Project	Total
Cost	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1st January 2019	199	30	103	212	24	-	568
Additions	-	2	11	-	58	32	103
Disposals/write-offs	-	-	-	-	(17)	-	(17)
At 31st December 2019	199	32	114	212	65	32	654
Depreciation							
At 1st January 2019	45	14	69	212	13	-	353
Provided in the year	40	4	10	-	12	-	66
Disposals/write-offs	-	-	-	-	(17)	-	(17)
At 31st December 2019	85	18	79	212	8	-	402
Net Book Amount							
At 31st December 2019	114	14	35	-	57	32	252
At 31st December 2018	154	16	34	-	11	-	215

10. Fixed Asset investment in subsidiary

The Association of Corporate Treasurers owns 100% of the issued share capital of ACT (Administration) Limited which is registered in England and Wales at 69 Leadenhall Street, London EC3A 2BG.

ACT (Administration) Limited had net assets of £355k at 31st December 2019 (2018: £507k). Its net assets reduced by £152k as a result of the deficit for the year

The Association of Corporate Treasurers investment in ACT (Administration) Limited has been written down to its net asset value of £355k, resulting in an impairment charge of £152k (2018: £683k) being recognised in its Income and Expenditure account

	2019	<i>2018</i>
	£'000	£'000
Opening Investment at 1 st Jan 2019	507	1,190
Additional investment through share issue	0	0
Investment impairment in current year	(152)	(683)
Closing Investment at 31st Dec 2019	355	507

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

11. Debtors: amounts falling due after one year

Amounts falling due after one year are £171k for the group (2018: £172k), and £17k for the Company (2018: £17k), relating to the rent deposit for 69 Leadenhall Street, held under a lease.

12. Debtors: amounts falling due within one year

	2019		2018	
	Group £'000	Company £'000	Group £'000	Company £'000
Trade Debtors	471	112	503	45
Amounts owed by subsidiary	-	637	-	260
Other Debtors	358	132	27	-
Prepayments and Accrued income	353	48	296	16
	1,182	929	825	321

13. Current asset investments

At 31st December 2019, funds of £777k (2018: £1,069k) were invested by the group in money market funds.

At 31st December 2019, funds of £268k (2018: £613k) were invested by the company in money market funds.

14. Cash and cash equivalents

	2019		2018	
	Group £'000	Company £'000	Group £'000	Company £'000
Cash at bank and in hand	707	259	345	55

15. Creditors: amounts falling due within one year

	2019		2018	
	Group £'000	Company £'000	Group £'000	Company £'000
Trade Creditors	164	9	181	4
Amounts owed to subsidiary	-	-	0	0
Other Creditors	84	28	60	18
Taxation and Social Security	130	0	94	0
Accruals and deferred income	1,305	382	1,162	396
	1,683	419	1,497	418

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

16. Creditors: amounts falling due after one year after one year

Amounts falling due after one year amount to £54k for the Group (2018: £81k), and £5k for the Company (2018: £8k). This relates to the rent accrual for the operating lease for 69 Leadenhall Street.

17. Provision for liabilities

There is a provision for dilapidation costs on the leasehold offices of £50k (2018: 50k) with nil (2018: nil) provision for the company. These dilapidation costs relate to the provisions within the lease which have a break clause in 2022.

18. Reserves

	2019 Group £'000	2019 Company £'000	<i>2018 Group £'000</i>	<i>2018 Company £'000</i>
At 1st January	1,087	1,087	1,290	1,290
Surplus / (deficit) for the year	317	469	(203)	480
Impairment of Subsidiary	-	(152)	-	(683)
At 31st December	<u>1,404</u>	<u>1,404</u>	<u>1,087</u>	<u>1,087</u>

19. Group cash flow statement

	2019 £'000	<i>2018 £'000</i>
Reconciliation of operating surplus to net cash inflow from operating activities		
Operating (deficit)/surplus	306	(209)
Depreciation	66	71
Write-off of fixed assets	-	8
Amortisation of development costs	51	210
Decrease/(increase) in debtors	(356)	129
(Decrease)/increase in creditors	160	(277)
	<u>227</u>	<u>(68)</u>

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

20. Contingent liabilities

There were no contingent liabilities for the group or the company at 31st December 2019 or 31st December 2018.

21. Capital commitments

There were no capital commitments for the group or the company at 31st December 2019 or 31st December 2018.

22. Operating lease commitments

	2019	2019	<i>2018</i>	<i>2018</i>
	Group	Company		
	£'000	£'000	<i>£'000</i>	<i>£'000</i>
Within one year	193	19	156	15
Between two and five years	329	33	522	52
	522	52	<i>678</i>	<i>67</i>

23. Related parties

No Council members received any remuneration from the ACT during the year except the Chief Executive who was paid for her executive role (see note 5) but received no remuneration for her activities on Council (2018: £nil).