

THE ASSOCIATION OF CORPORATE TREASURERS
Registered No. RC000859

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

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 2020

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 2020.

2020 has been a year of change and uncertainty, as we all know. Within this context the Council is proud of the achievements of the ACT, in terms of the value our membership has received throughout the year – whether it be through: our consistent care for our members’ wellbeing; our regular updates and insights on treasury matters that need efficient and expert attention specifically due to the current situation or crisis; ongoing support in terms of broad treasury issues as well as other external forces such as the impact of Brexit; our uninterrupted support of our students, through our online learning and assessment (the latter even moving to ‘on demand’ during 2020, for certain qualifications), our trainings which pivoted quickly to virtual and the re-working of residential elements of our qualifications which took place virtually; or indeed our events programme which shifted to virtual offerings of the highest standard as well as levels of engagement.

It has been a year of constant change and the ACT has focused on driving certainty out of uncertainty, so we could ensure we did not let COVID-19 impact us more than was absolutely unavoidable. Revenues clearly were hit, initially from the immediate disruption specifically in the area of events, and hence the hesitance of our stakeholders to engage when they thought this would be a short-term issue, and then ongoing in terms of the reduced income from virtual events which have an expectation of not costing much, if indeed anything, hence impacting income from both delegates and sponsors.

Our virtual International Treasury Week which we quickly launched in May, a feat in itself, and our Festival of Treasury Transformation in July brought together 6,000 treasury professionals from 100 countries, and ensured treasurers had access to the latest developments and thought leadership in the profession. Speakers such as Mark Carney and the Archbishop of Canterbury were well-received, and across our events we had over 80% conversion from registration to attendance, where the industry average is 50%. Our Annual Conference attracted a further 2,000 attendees and we went all-out in terms of platform, after assessing over 100 options. It gave the look and feel of a live event, had excellent networking capabilities with an exhibition hall and avatars of real people such as our Chief Executive, to make the experience engaging and not ‘another Zoom call’. Our Timeout Zone was really appreciated by attendees – again, demonstrating that the ACT cares about the wellbeing of its members and will do all it can to preserve that through these difficult times.

Our NOT the Annual Dinner! was also a huge success – combining technologies to really give an intimate atmosphere as people chatted in threes and listened to Louis Theroux amongst others, with live mentalist tricks interspersed throughout the evening and the opportunity to support our charity of the year Hand in Hand International. Behind the scenes engineers worked to make a total of 300 different ‘chats’ take place during the event, not including the guest-driven interactions at the end of the night in our ‘networking lounge.’

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Other highlights of the year were: our Educational Trust supporting training in Kenya as well as a number of UK BAME bursaries for the first time; our new Award in International Cash Management going live; as mentioned, our AwardICM and Certificate in Treasury Fundamentals exams being made available on demand as opposed to having to book within a certain time window; our Chief Executive's strategic insights podcasts available every week during the year, on our website but now also via Spotify and other apps; and an incredible response to our membership renewals push – with 91% versus the phenomenal and unprecedented 94% of 2019, this beat 2018 (which was 87%) by a good margin, despite COVID-19! We set up furlough rates as well as our usual unemployed rate, to further support our members in these times of potential financial difficulty.

The overall financial results of the year were of course impacted, but although we ate into reserves and missed budget, we met our revised target for the year with the support of the whole team who took an 80% reduction in hours and pay from August. With a bank loan of £1.5m under the government CBILS scheme, from NatWest, our cash position is healthy. We have a medium-term plan which is based on no physical events for the next 5 years (so very conservative) which will allow us to both repay the loan and build back reserves. And staff are back at 100% pay from February 2021.

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.

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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 our publications, including The Treasurer magazine. We promote the highest professional standards and support career development and wellbeing through our member resources.

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. 2020 promised to be a bumper year on the back of 2019 which was outstanding, until the COVID-19 crisis emerged and impacted us negatively (in terms of financials), along with most organisations around the world. The Association, at a high level and standing back from the financial 'blip' of 2020, has gone from strength to strength; it has 6,000 - 7,000 members and students at any one time, across 90+ countries. 82% 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 were available for the Certificate in International Cash Management in Hong Kong and Singapore, as well as the UK at the beginning of the year. This has somewhat changed after the initial January courses as everything went online after that, and this was in fact helpful as we had been planning to take out the residential course element so it accelerated that change by a

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year or so. Fortunately most of our offering was already virtual, so unlike some of the professional accountancy bodies we were able to make the necessary changes without any disruption to our programme and other work.

The beauty of going fully online, also and in particular with our events, which was a big change, is that our international standing has increased dramatically, and we are seen now as the most international treasury content provider in the world. As well as the 8,000 attendees of our events in 2020, from 100 countries, we have continued to work closely with our Middle East, East Africa and Asia advisory panels on the ground, holding regular meetings as well as social events to support each other through the challenges. We were delighted that Matthew Hurn, Chair of our Middle East advisory panel was made an OBE in the Queen's New Year's Honours List, in part for his work to establish and grow the ACT in the region.

In June the ACT took over the support of its sister organisation in the US, the NACT, as their previous provider discontinued the relationship. The NACT fall conference was co-hosted on the same platform as our ACT conference in October and was deemed a great success. We held monthly roundtables with senior US treasurers through the second half of 2020, and the collaboration between the two organisations can only be good for our respective members.

Our Chief Executive continues to be Deputy Chair of both the EACT and IGTA, and is active in both of those groups, and has been given the honorary position of President of the NACT.

A useful publication was launched in September, with the support of one of our key relationships, Deutsche Bank: The ACT Guide to the First 100 Days – aimed at senior treasurers who have come into role without going through the traditional treasury route. HSBC continued their support of our annual dinner, with Slaughter & May also on board for another year, which was far-sighted in both cases as the evening is one that will go down in the treasury community's collective memory.

We also work with Global Trade Review (GTR) to increase our international presence in a low-risk manner.

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.

Highlights of 2020

Influencing and informing: - technical guidance

Keeping our Policy & Technical (P&T) team and their work at the heart of our organisation is part of our agreed strategy and more important than ever in COVID, LIBOR transition and Brexit times. We continued our technical briefings, webinars, P&T attendance at treasury

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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 now virtual events for treasurers. We worked as closely as ever with regulators, key decision-makers and other bodies to ensure the voice of the ‘real economy’ was heard in 2020, and our reach grew as we engaged with HM Treasury as well as continuing our strong collaboration with the Bank of England and the FCA on current developments. The team published a regular ‘COVID newsletter’ which contained to-the-point briefings and advice, for which we received excellent feedback. Our Chief Executive also ran a ‘bank and service provider briefing’ for a period of time, to ensure that key messages were being appropriately socialised within the treasury ecosystem.

Annual conference

Our flagship event was deferred to October, and in the end took place virtually, with delegates up 50% on prior year. Conversion (from registration to attendance) was at 82%, which is excellent. The Rt Hon William Hague spoke at the event, and we spread the content over four days to make it as impactful as possible, with a mix of pre-records and live sessions, and we allowed delegate access for a month after the event. We co-hosted the NACT conference on the same platform, which had the look and feel of a live event. We also hosted our Deals of the Year gala event on the platform and had some fantastic entries and winners this year. Our Timeout Zone was well-received, and the networking capability and analytics behind the platform enabled 5,000 leads for our 50 sponsors.

Middle East Treasury Summit

This event, which has been growing exponentially, had good numbers at 500, but the region does not engage as well in virtual events as physical, so we had to look carefully at how we could encourage and maintain engagement. We were honoured to have Sheikha Shamma bint Sultana bin Khalifa al Nahyan speak as a keynote, as well as a ministry official, and one of the top 100 women in tech, Raja al Masrouei. The great thing about virtual events is that there is often better availability of top speakers in the online world.

Award in International Cash Management and Certificate in International Cash Management

After some re-branding of the name of the Award, and a shift in educational levels for the two qualifications, derived from a piece of research carried out to assess the previous qualifications’ areas for improvement/areas to retain, Award launched in September, with Certificate following this January. A plan to move the residential course to online with other opportunities for in-person interaction was accelerated by COVID, though of course we have not been able to progress the in-person elements yet. This shift allows participation from all around the world, saves on carbon footprint and although there are still the challenges of different time zones we are now open to a much larger pool of possible students.

Member engagement

Our members continue to support us by volunteering in all kinds of ways, and this has continued through 2020. Our 91% renewal rate is fantastic, and we have been increasing significantly the level of re-engagement from members who had previously left us. Our

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programme of mental wellbeing initiatives which has formed a thread running through all that we do has been valued by members, but we still feel we need to do more to reach our more 'passive' members who potentially need us and might not be aware of all we offer, outside of the use of letters after their name. It was a delight to be able to connect with our retired members at the back end of the year, via Microsoft Teams, given the usual springtime lunch could not go ahead this year.

Publishing

The ACT Guide to the First 100 Days was a key publication which was received well, and it was accompanied by a webinar which included on the panel one of our Council members, Simon Neville, Group Treasurer of Reckitt Benckiser. The Guide included comment and quotes from a range of group treasurers, including many of our members.

Our Treasurer magazine needed also to pivot as COVID-19 took hold of the world, and the team did an amazing job in publishing the April/May edition as a 'Black Swan' edition – on-topic, on time and on-purpose! This re-framing, as events got changed and the environment developed, continued through the rest of the year.

We have built 'guides' on the various strategic skills necessary for the treasurer, and are poised to publish those in 2021, once we have secured sponsorship.

Online content has continued to be a big focus and our general newsletter, members' newsletter and ACT students' newsletter, as well as a wealth of other online offerings, have continued to provide our readership with everything they need in order to do their jobs well as well as develop their careers.

Brand and website

Our 40th anniversary ruby logo, that we loved, sadly had to go and we used it as an opportunity to look at our brand, 'tweak' the logo to give it more texture and character, and developed a new strapline 'treasury excellence as standard'.

The website was revamped in 2019 so 2020 was a year of consolidation. Our career hub has been a strong focus together with our mentor scheme, series of podcasts on strategic insights and all the content critical to supporting treasurers as they develop in their career, which includes proprietary content as well as third party expertise we access via a provider.

Our 2020 work with AML/Cicero to get our voice and brand into the public sphere has been successful, and we intend to build on this in 2021.

Partnerships

In 2020 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. Collaboration was more important than ever this year, and many members of other National Treasury Associations (NTAs) attended our events, and we offered the opportunity to them through making all willing NTAs our 'supporting partners' for content-led events, without charge.

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We also continued the relationship with the CFTE (Centre for Finance, Technology and Entrepreneurship), accrediting all their new courses, and our Chief Executive wrote an article for their white paper on education at the back end of the year, published in January. The relationship with GTR, mentioned above, was strengthened, firstly by our involvement in and attendance at their Lagos, Mumbai and Istanbul conferences (our Educational Trust sponsored some training for Lagos, alongside Standard Chartered Bank), and as we compared notes through the crisis and collaborated with them on their online events, as well as including them in ours. We invited the large accountancy bodies to become supporting partners of our events and, where possible, they all engaged. Our Commercial Director represented us at the inaugural Israeli Treasury Forum in February.

NOT the 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 we decided we would go ahead this year on a virtual platform, to provide our members with something they had been missing for a long time – an opportunity to let their hair down, have some fun and network within their community. We were not going to let COVID beat us! Bearing in mind that people were fatigued in terms of the plethora of Zoom calls to which they had been exposed over the year, we created something which was fresh and new and would meet the needs of our community at this very challenging juncture in time. In terms of our fundraising, we offered various options through the evening and in advance, to support Hand in Hand International, our chosen charity, and part of the proceeds went to support our Educational Trust.

The evening was a roaring success as people were rotated in groups of three to chat and catch up with peers and some feedback was as follows:

“Just to say thank you for a most enjoyable evening last night. I thought the event was really well planned and organised and the whole concept worked superbly. You must be very pleased that the ACT are at the forefront of such innovation and are way ahead of many other organisations.”

Jon Pyzer, Senior Adviser, Bank of England

“Just to say thank you very much for last night, best night I’ve had for a long long time. I really thought the interactive format worked well, to the point where you could meet more people than usual. It was also so rewarding to use the one to one conferencing later into the night and re-establish those relationships that are on the back burner.”

Gary Williams, Treasury Consultant

“Congratulations for pulling off a great event in the midst of a pandemic – as one of the speakers said, we just need to set our mindset to the possible! And you and your team have demonstrated that beautifully.”

Dorothea Arndt, CEO, Hand in Hand International

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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), had been added to the Financial Services Professional Apprenticeship standard (FSP). Work progressed during the year on developing the programme, and the 'launch' in collaboration with Kaplan happened in September. Our first cohort is ready to start the programme in May 2021.

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 2021 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).

Particular items of focus for 2021 to support these strategic objectives will be:

- looking at areas to simplify in terms of what we do and how we do it
- progressing our focus on how the ACT can become more recognised in the public sphere
- leveraging our work which identified the 'personas' of our target audience and carrying out research where possible to build pathways for each persona – which might involve new qualifications, new events, etc
- building our presence, albeit virtual, worldwide, and bringing together the treasury community to deliver our mission and vision.

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Results for 2020

The group's deficit for the year ended 31st December 2019 amounted to £749k (2019 surplus: £317k). Cash and investments sit at £2,928k (2019 £1,484k) and reserves at £655k (2019 £1,404k).

The deviation from budget is clear, and the ACT's reserves have been eroded, given the loss of events revenue, from physical events in particular.

2020 overall saw a challenging and volatile financial climate for ACT's major stakeholders, both corporates and financial institutions, as well as for the ACT itself. With significant effort by the leadership team, the ACT has continued to respond to external challenges by reviewing its business model to ensure it remains financially sustainable into the future. The ACT leverages its significant investment in professional standards and learning to maximize return and grow student numbers, and our international focus is key to this growth. Our shift to virtual events and trainings has ensured our impact on the treasury community is as strong as ever, and is in fact helping us reach more of the global community, which is hugely important during these challenging times for treasurers.

Fixed assets

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

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. Council members considered the target range for reserves and, given the experience of COVID, feel that providing slightly more headroom would be the right approach for the organisation in the future and the new target range the ACT is

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working towards is £1,000k-£1,400k (from £700k-£1,100k). At 31 December 2020 reserves were £655k (2019: £1,404k) and hence below the target range. The forward plan of the organisation ensures that reserves are brought back into target range and the bank loan is repaid, both within the next five years. The ACT Council acknowledges the current deficit, and the fact that reserves are intended to cover such situations, and supports the plan to build reserves up to the target level within a reasonable period of time after the crisis.

Council will continue to monitor reserves on an ongoing basis.

Going concern

The ACT Council has assessed the Association's ability to continue as a going concern throughout 2020 and again after year end, given the impact of COVID-19 on its circumstances. 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 its full review of the business model in November 2020 and the ensuing approved five-year forecast which has factored in a world with NO physical events nor trainings, hence taking a very prudent approach. Regular reviews of performance are carried out and also the statement of affairs is regularly refreshed. Council has considered key further risks that could negatively impact the Association going forwards, and through performance monitoring as well as horizon scanning is in a position to assess whether there are any real threats to the forecasts.

The COVID-19 pandemic had a significant impact on the Association's operations initially, but the organisation has recovered from that and is poised for a solid future, especially with the support of a CBILS loan to ensure ongoing liquidity. Our 91% membership renewal rate in 2020 is witness to the strong support from our members. The ACT's reputation is in fact at an all-time high.

After considering these factors, 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 and discussed with 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 continues to assess the impact of COVID-19 on its risk assessment and activities. The key risk for the Association was considered to be the disruption to the events programme, however 2021 and future years are all planned financially on the basis of virtual events only. Educational offerings have all transitioned to virtual. Contracts for venues have been negotiated and losses avoided. Given the strong membership loyalty we have experienced through 2020, the very positive feedback from our sponsors and partners, and

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our solid student numbers, Council believes that the COVID-19 risk has been mitigated and managed appropriately.

Disclosure of status and information to the auditor

The Association was incorporated by Royal Charter on 1 January 2013 and is governed by its bye-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.

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

Kerry Attwell Thomas (retired 30 April 2020)
Joanna Bonnett (appointed 1 May 2020)
Ian Chisholm (retired 30 April 2020)
Agnes Favillier
Katherine Horrell
Courtney Huggins
Karlien Porré
Charlotte Morgan
Simon Neville (appointed 1 May 2020)
Constantinos (Dino) Nicolaidis
Caroline Stockmann
Paul Wilde

Co-opted Council members:

Rob Alexander
Garance Choko (appointed 1 September 2020)
David Brent (retired 30 April 2020)
Peter Hahn
Thomas Davies

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 bye-laws and rules. Under those laws Council has elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable

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law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

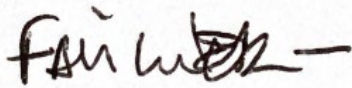
Under the elections they have made, Council will not approve the financial statements unless it is satisfied that the financial statements give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and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



Agnes Favillier
President



Caroline Stockmann
Chief Executive

Dated: 25 March 2021

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 ('the Association') and its subsidiaries ('the group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated and Company only Balance Sheets, Consolidated Cashflow statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and the Association's affairs as at 31 December 2020 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 group 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 Council's 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 Association's or the group'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 Council with respect to going concern are described in the relevant sections of this report.

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

Other information

The Council is responsible for the other information contained within the annual report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Council

As explained more fully in the Council's responsibilities statement set out on page 12, 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 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 Council are 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 Council either intend to liquidate the Association or 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Association and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Financial Reporting Standard applicable to the UK (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Association's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Association and the group for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Council and other management and inspection of regulatory and legal correspondence, if any.

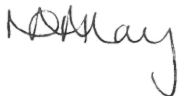
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Appointments, Remuneration and Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of this Report

This report is made solely to the Association's members, as a body, in accordance with the by-laws of the Association. 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.



Nicola May
Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP
Statutory Auditor

London

Date 29th March 2021

**THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £'000	2019 £'000
Income	2	4,287	6,527
Direct Costs	3	(1,756)	(2,931)
Gross surplus		<u>2,531</u>	<u>3,596</u>
Administrative expenses		(3,282)	(3,289)
Operating (deficit)/surplus	4	<u>(751)</u>	307
Interest receivable		2	10
(Deficit)/surplus on ordinary activities before tax		<u>(749)</u>	317
Tax	6	-	-
Group (deficit)/surplus for year	7 & 18	<u>(749)</u>	317
Retained earnings at start of year		1,404	1,087
Retained earnings at end of year		<u>655</u>	<u>1,404</u>
Group (deficit)/surplus for the year is recorded by:			
The Association of Corporate Treasurers		347	469
ACT (Administration) Limited		(1,096)	(152)
	18	<u>(749)</u>	<u>317</u>

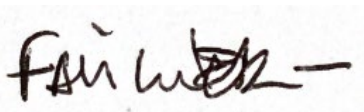
All the activities of the company are derived from continuing operations.

The accounting policies and notes on pages 22 to 33 form part of these financial statements.

**THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
Fixed Assets					
Intangible assets	8		88		102
Tangible assets	9		222		252
			<u>310</u>		<u>354</u>
Debtors: amounts falling due after one year*	11		171		171
Current assets					
Debtors: amounts falling due within one year*	12	617		1,182	
Investments	13	327		777	
Cash at bank & in hand	14	<u>2,601</u>		<u>707</u>	
			3,545		2,666
Creditors: amounts falling due within one year	15		<u>(1,848)</u>		<u>(1,683)</u>
Net current assets			<u>1,697</u>		<u>983</u>
Total assets less current liabilities			<u>2,178</u>		<u>1,508</u>
Creditors: amounts falling due after one year	16		(1,473)		(54)
Provision for liabilities	17		(50)		(50)
Total assets less liabilities			<u>655</u>		<u>1,404</u>
Reserves			<u>655</u>		<u>1,404</u>

The financial statements were approved by the directors on 25 March 2021.



Agnes Favillier
President



Caroline Stockmann
Chief Executive

Company Registration Number **RC000859**

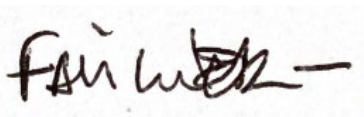
The accounting policies and notes on pages 22 to 33 form part of these financial statements.

* total debtors (current and non-current) are £788k (2019: £1,353k).

**THE ASSOCIATION OF CORPORATE TREASURERS
COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
Fixed Assets					
Investment in subsidiary	10		269		355
Debtors: amounts falling due after one year*					
	11		17		17
Current assets					
Debtors: amounts falling due within one year*	12	811		929	
Investments	13	268		268	
Cash at bank & in hand	14	<u>1,171</u>		<u>259</u>	
			2,250		1,456
Creditors: amounts falling due within one year					
	15		<u>(429)</u>		<u>(419)</u>
Net current assets					
			<u>1,821</u>		<u>1,037</u>
Total assets less current liabilities					
			2,107		1,409
Creditors: amounts falling due after one year					
	16		(1,452)		(5)
Total assets less liabilities					
			<u>655</u>		<u>1,404</u>
Reserves					
			<u>655</u>		<u>1,404</u>

The financial statements were approved by the directors on 25 March 2021.



Agnes Favillier
President



Caroline Stockmann
Chief Executive

Company Registration Number **RC000859**

The accounting policies and notes on pages 22 to 33 form part of these financial statements.

* total debtors (current and non-current) are £828k (2019: £946k).

**THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 DECEMBER 2020**

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
Net cash inflow/(outflow) from operating activities	19		7		227
Cash flows from investing activities					
Interest received			2		10
Purchase of tangible fixed assets	9	(43)		(103)	
Purchase of intangible fixed assets	8	(22)		(64)	
			(65)		(167)
Cash flows from financing activities					
New loan advance	15, 16	1,500		-	
Money market funds withdrawn	13	450		292	
			1,950		292
Increase /(decrease) in cash in the year			<u>1,894</u>		<u>362</u>
Cash at the start of period			707		345
Cash at the end of period	14, 19		<u>2,601</u>		<u>707</u>

THE ASSOCIATION OF CORPORATE TREASURERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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 ACT Council has assessed the Association's ability to continue as a going concern throughout 2020 and again after year end, given the impact of COVID-19 on its circumstances. 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 its full review of the business model in November 2020 and the ensuing approved five-year forecast which has factored in a world with NO physical events nor trainings, hence taking a very prudent approach. Regular reviews of performance are carried out and also the statement of affairs is regularly refreshed. Council has considered key further risks that could negatively impact the Association going forwards, and through performance monitoring as well as horizon scanning is in a position to assess whether there are any real threats to the forecasts.

The COVID-19 pandemic had a significant impact on the Association's operations initially, but the organisation has recovered from that and is poised for a solid future, especially with the support of a CBILS loan to ensure ongoing liquidity. Our 91% membership renewal rate in 2020 is witness to the strong support from our members. The ACT's reputation is in fact at an all-time high.

After considering these factors, 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.

THE ASSOCIATION OF CORPORATE TREASURERS NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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 is 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

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 ASSOCIATION OF CORPORATE TREASURERS NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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%

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 £250k in 2020 (2019: £248k). At 31 December 2020 contributions of £20k were outstanding (31 December 2019: £21k).

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.

THE ASSOCIATION OF CORPORATE TREASURERS NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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 £3,026k (2019: £1,371k) and Financial assets at fair value of £327k (2019: £777k) and Financial liabilities at amortised cost of £359k (2019: £248k).

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 2020 this provision is £99k (2019: £33k).

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.

	2020		2019	
	Income	Gross surplus	Income	Gross surplus
	£'000	£'000	£'000	£'000
Membership and educational activities	3,389	2,424	3,522	2,516
Conferences, publications and other activities	898	107	3,005	1,080
	<u>4,287</u>	<u>2,531</u>	<u>6,527</u>	<u>3,596</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.

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Operating deficit/surplus

Operating deficit/surplus is stated after charging:

	2020	2019
	£'000	£'000
Legal and professional charges	54	56
Fees payable to the company's auditor for audit of the company's annual accounts	18	20
Fees payable to the company's auditor for other services	9	8
Depreciation	73	71
Amortisation of Intangible Assets	36	51
Operating lease	162	162

5. Directors and employees

	2020	2019
	£'000	£'000
Wages and salaries	2,239	2,187
Social security costs	257	249
Other pension costs	250	248
	<u>2,746</u>	<u>2,684</u>

The average full-time-equivalent number of employees during the year was:

	2020	2019
	Number	Number
Membership and education	15	15
Conferences and publications	11	13
Finance and administration	14	16
	<u>40</u>	<u>43</u>

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 48 (2019: 47).

Only one Council member (in the role of Chief Executive) earned emoluments during the year and these totalled £221k (2019: £182k).

Chief Executive emoluments:

	2020	2019
	£'000	£'000
Wages and salaries	192	158
Other pension costs	29	24
	<u>221</u>	<u>182</u>

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Key management of the group consists of the Chief Executive supported by 7 (2019: 7) directors of departments. The aggregate remuneration figure (including employer's national insurance and pension contributions) totalled £1,017k (2019: £928k) for the year.

6. Tax

Total tax expense recognised in the income and expenditure account:

	2020	2019
	£'000	£'000
Current tax		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Change in tax rate	-	-
Total deferred tax	-	-
Tax expense (income) relating to changes in accounting policies and material error	-	-
Total tax	-	-

	2020	2019
	£'000	£'000
Analysis of current tax recognised in income and expenditure		
UK corporation tax	-	-
Double taxation relief	-	-
Foreign tax	-	-
Total current tax recognised in income and expenditure	-	-

	2020	2019
	£'000	£'000
Reconciliation of effective tax rate		
Surplus / (deficit) for the year	(749)	317
Tax using the UK corporation tax rate of 19% (2019: 19%)	(142)	60
Tax exempt revenues	(245)	(240)
Change in tax rate on deferred tax balances	(166)	3
Fixed Assets permanent differences	1	1
Non-deductible expenses	181	152
Current year deficits for which no deferred tax asset was recognised	371	24
Under/(over) provided in prior years	-	-
Total tax expense included in surplus or deficit	-	-

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 £337k (2019: surplus £469k).

8. Intangible fixed assets

	Advanced Dip TM £'000	International Certificate in Cash Mgt £'000	Qualification certificates/ Dip TM £'000	Total £'000
Cost				
At 1 January 2020	103	91	588	782
Additions	-	22	-	22
Disposals/write-offs	-	-	-	-
At 31 December 2020	103	113	588	804
Amortisation				
At 1 January 2020	16	76	588	680
Provided in the year	21	15	-	36
Disposals/write-offs	-	-	-	-
At 31 December 2020	37	91	588	716
Net book amount				
At 31 December 2020	66	22	-	88
At 1 January 2020	87	15	-	102

**THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Tangible fixed assets

	Lease- hold improve- ment £'000	Fixtures & fittings £'000	Computer equip & software £'000	Database system £'000	Website Develop- ment £'000	CRM project £'000	Total £'000
Cost							
At 1 January 2020	199	32	114	212	65	32	654
Additions	-	-	35	-	-	8	43
Disposals/write-offs	-	-	-	-	-	-	-
At 31 December 2020	199	32	149	212	65	40	697
Depreciation							
At 1 January 2020	85	18	79	212	8	-	402
Provided in the year	42	4	14	-	13	-	73
Disposals/write-offs	-	-	-	-	-	-	-
At 31 December 2020	127	22	93	212	21	-	475
Net book amount							
At 31 December 2020	72	10	56	-	44	40	222
At 1 January 2020	114	14	35	-	57	32	252

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.

The Association of Corporate Treasurers purchased 100,000 shares of 10p each for an aggregate consideration of £1,000k.

ACT (Administration) Limited had net assets of £269k at 31st December 2020 (2019: £355k). Its net assets reduced by £86k as a result of a £1,086k deficit for the year offset by the issue of shares.

The Association of Corporate Treasurers investment in ACT (Administration) Limited has been written down to its net asset value of £269k, resulting in an impairment charge of £1,086k (2019: £152k) being recognised in its Income and Expenditure account.

	2020	2019
	£'000	£'000
Opening investment at 1 January 2020	355	507
Additional investment through share issue	1,000	-
Investment impairment in current year	(1,086)	(152)
Closing investment at 31 December 2020	269	355

THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Debtors: amounts falling due after one year

Amounts falling due after one year are £171k for the group (2019: £171k), and £17k for the Company (2019: £17k), relating to the rent deposit for 69 Leadenhall Street, held under a lease.

12. Debtors: amounts falling due within one year

	2020		2019	
	Group £'000	Company £'000	Group £'000	Company £'000
Trade debtors	294	111	471	112
Amounts owed by subsidiary	-	692	-	637
Other debtors	-	-	358	132
Prepayments and accrued income	323	8	353	48
	<u>617</u>	<u>811</u>	<u>1,182</u>	<u>929</u>

13. Current asset investments

At 31 December 2020, funds of £327k (2019: £777k) were invested by the group in money market funds.

At 31 December 2020, funds of £268k (2019: £268k) were invested by the company in money market funds.

14. Cash and cash equivalents

	2020		2019	
	Group £'000	Company £'000	Group £'000	Company £'000
Cash at bank and in hand	<u>2,601</u>	<u>1,171</u>	<u>707</u>	<u>259</u>

15. Creditors: amounts falling due within one year

	2020		2019	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank loan	50	50	-	-
Trade creditors	281	6	164	9
Other creditors	118	9	84	28
Taxation and social security	233	5	130	-
Accruals and deferred income	1,166	359	1,305	382
	<u>1,848</u>	<u>429</u>	<u>1,683</u>	<u>419</u>

The bank loan is secured by a fixed and floating charge over the assets of the company dated 13 October 2020.

THE ASSOCIATION OF CORPORATE TREASURERS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16. Creditors: amounts falling due after one year

	2020		2019	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank loan	1,450	1,450	-	-
Accruals and deferred income	23	2	54	5
	<u>1,473</u>	<u>1,452</u>	<u>54</u>	<u>5</u>

Accruals and deferred income relate to the rent accrual for the operating lease for 69 Leadenhall Street.

Loan maturity analysis:

	2020		2019	
	Group £'000	Company £'000	Group £'000	Company £'000
Debt due:				
in one year or less	50	50	-	-
in more than one year but not more than two years	300	300	-	-
in more than two years but not more than five years	900	900	-	-
in more than five years	250	250	-	-
	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>-</u>

The bank loan is secured by a fixed and floating charge over the assets of the company dated 13 October 2020.

The bank loan dated 13 October 2020 has a term of six years and is repayable by 60 monthly instalments of £25k per month from November 2021. Prepayments are permitted in whole or in part at any time. The bank loan is supported by the Coronavirus Business Interruption Loan Scheme, and for the first twelve months no interest is payable. From October 2021, interest is payable at a rate of 2.68% until October 2025 and then at 2.96% over base rate.

17. Provision for liabilities

There is a provision for dilapidation costs on the leasehold offices of £50k (2019: £50k) with nil (2019: nil) provision for the company. These dilapidation costs relate to the provisions within the lease which have a break clause in 2022.

18. Reserves

	2020		2019	
	Group £'000	Company £'000	Group £'000	Company £'000
At 1 January	1,404	1,404	1,087	1,087
(Deficit)/surplus for the year	(749)	337	317	469
Impairment of subsidiary	-	(1,086)	-	(152)
At 31 December	<u>655</u>	<u>655</u>	<u>1,404</u>	<u>1,404</u>

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19. Group cash flow statement

	2020	2019
	£'000	£'000
Reconciliation of operating surplus to net cash inflow from operating activities		
Operating (deficit)/surplus	(751)	306
Depreciation	73	66
Amortisation of development costs	36	51
Decrease/(increase) in debtors	565	(356)
Increase in creditors	84	160
	7	227
	2020	2019
	£'000	£'000
Reconciliation of cashflow to movement in net debt		
Increase in cash	1,894	362
Repayment of loan	-	-
New loan advance	(1,500)	-
Movement in net debt	394	362
Net debt at 1 January	707	345
Net debt at 31 December	1,101	707
	2020	2019
	£'000	£'000
Analysis of net debt		
Cash	2,601	707
Debt due within one year	(50)	-
Debt due after more than one year	(1,450)	-
Net debt at 31 December	1,101	707

20. Contingent liabilities

There were no contingent liabilities for the group or the company at 31 December 2020 or 31st December 2019.

21. Capital commitments

There were no capital commitments for the group or the company at 31 December 2020 or 31 December 2019.

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22. Operating lease commitments

	2020		2019	
	Group £'000	Company £'000	Group £'000	Company £'000
Within one year	192	19	193	19
Between two and five years	137	14	329	33
	329	33	522	52

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 (2019: £nil).

During the year a company, Redbridge Debt & Treasury Advisory, for which a Council Member (Dino Nicolaides) is the UK Managing Director sponsored the ACT with income totalling £3k being received by the group during the year. No amounts were outstanding at 31 December 2020.