THE ASSOCIATION OF CORPORATE TREASURERS

Registered No. RC000859

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

The Association of Corporate Treasurers
Registered No. RC000859

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FOR THE YEAR ENDED 31 DECEMBER 2022

Executive summary

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 2022.

2022 has seen the ACT rebounding from the challenges of 2020 and 2021, with the amazing come-back of in person events, which have been stronger than ever before in many aspects, including beating budget for all of the major events. The Annual Conference and the Middle East Summit saw stronger attendance than the same events in 2019, and the Annual Dinner, although moved twice due to rail strikes and finally happening in January 2023, brought over 1200 people together, which was very positive for a first year back especially considering the current economic backdrop. We held our first ESG conference in London in December 2022, and it was an acknowledged success, both in terms of delegates and financially. A technology-focused one-day event was held in Dubai in February, which although free-to-attend 'sold out' and was received extremely well by the UAE community. The event was instigated in order to bring back the treasury profession to an in-person event, as virtual is not popular in the region, and also as we needed to use a 'credit' from the COVID period with the Bulgari resort; the event has been repeated in February 2023, albeit at a different (cheaper) venue.

We launched our qualifications in China, in the Chinese language, agreed an MoU with Abu Dhabi Financial Markets to train 200 Emiratis, launched our first courses on FutureLearn (with more to follow), went live with an upgraded Learning Platform, and updated our treasury qualifications. Further work was done to facilitate apprenticeships being available for corporates, which we hope will come into effect in 2023. We went live also with a new CRM system, moved out of our old offices and set up a small hub in the City, and engaged with various relationships to acquire free meeting space for all-staff meetings and a Council meeting.

Membership renewal rates remain high and level with prior year at 93%.

We have continued to enhance our reach through the relationship with Global Trade Review, and we have closed down the NACT legal entity but continue to support the brand. We also have supported ACT Nigeria with appearances at their events, and are discussing other partnerships in other geographical regions where it is a situation of low risk and low effort versus high reward.

With the bank loan of £1.5m under the government CBILS scheme, from NatWest, our cash position remains healthy. We have further refreshed our medium-term plan which will allow us to both repay the loan and build back reserves.

THE ASSOCIATION OF CORPORATE TREASURERS
REPORT OF THE COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2022

Who we are

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 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 many organisations around the world. The Association, at a high level and standing back from the financial 'blip' of 2020, remains strong; it has 5,000 - 6,000 members and students at any one time, across 80+ 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.

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 2022

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 ACT Learning and sit their assessments remotely too. In 2022 all our education activities had no physical element, so there were no barriers at all to overseas students. This is something we continue to build on. We had been able to make the necessary changes in 2020 without any disruption to our programme and other work, and specifically our exam sittings, unlike other bodies who have been slated in the press, for example, for letting down students.

We have continued to work closely with our Middle East, East Africa and Asia advisory panels on the ground, holding regular meetings to support each other through the challenges. Matthew Hurn OBE, Chair of our Middle East advisory panel, stepped down in late 2021 although continues to be Honorary Chair and Lifetime Patron of the ACT Middle East Advisory Panel, and James Adams (Chalhoub Group) took on the role of Chair going forwards, and has been very active in 2022. We also appointed 'local' chairs of our Asia and East Africa advisory panels, previously chaired by the Chief Executive of the ACT, namely Veronique Lafon-Vinais and John Tumwine respectively.

Our Chief Executive continues to be Deputy Chair of IGTA, served as President of the NACT whilst it was a separate entity, stepped down in October as Deputy Chair of the EACT though remains on the Board and, as well as sitting on the Financial Markets Standards Board Advisory Panel, she is also a member of the Bank of England/Pay.UK Standards Advisory Panel, as well as the Pre-Emption Group. She retires from the ACT in April.

We rolled out an alternative to the biennial Handbook we collaborate on with HSBC Asset Management by creating a knowledge hub and series of events which will replace it, and they have confirmed they would like to continue this arrangement. We have a high number of new sponsors of our events and other offerings, and have agreed a third co-lead sponsor for the Annual Conference, having only two in 2022 as Deutsche Bank stepped down that year.

Influencing and informing: technical guidance

Keeping our Policy & Technical (P&T) team and their work at the heart of our organisation continues to be part of our agreed strategy and more important than ever in post-COVID, LIBOR transition and post-Brexit times. We continued our technical briefings, webinars, P&T 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 live events for treasurers. P&T staff participate in the Financial Regulation Advisory Groups of the EACT and Business Europe. 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 2022, and our reach continued to grow as we maintained our strong collaboration with the Bank of England and the FCA on current developments, and took up further positions on key working groups and advisory panels. One example is Chair of the Sterling RFR Working Group on LIBOR transition.

Annual conference

Our flagship event was in person for the first time in three years, with corporate delegate numbers exceeding those of 2019. Conversion (from registration to attendance) was at 95%, which is excellent. General Sir Richard Sherriff provided our keynote speech, and his reflections were fascinating and relevant. He had last spoken for us in 2015 when he predicted Russia being the biggest threat going forwards, and that they would invade Ukraine. We had our gala dinner at Liverpool Cathedral, and the atmosphere that evening was incredible.

Middle East Treasury Summit
This event again exceeded expectations. We had even higher numbers of attendees than in 2019 when we had grown 33% year on year. The Madinat proved again to be a great location, although the awards ceremony at the end of the conference did not work so well, so when we return in October 2023 we will have a separate awards dinner again.

Certificate in Treasury Fundamentals, Certificate in Treasury and Diploma in Treasury Management
We refreshed all of our treasury pathway qualifications during the year, except for Advanced Diploma. Due to low numbers of students on this course we have paused it for 2023, but hope to use some of the content in our next iteration of the Diploma, as well as redeploying some of the leadership content in another form.

FCT upgrades
We have offered our Associate Members who have continued to work in a treasury related role for five years or more after completing the Diploma, the opportunity to upgrade to Fellowship (FCT), if they meet certain criteria. The uptake has been even stronger than anticipated, with almost 300 applications by year end.

Member engagement
Our members continue to support us by volunteering in all kinds of ways, and this has continued through 2022. Our 93% renewal rate is fantastic, and on a par with 2021, and we have continued to increase the level of re-engagement from members who had previously left us.

Publishing
Our Business of Treasury research was very useful in giving insight into how treasurers were working and feeling through the second year of COVID, and the report was well received. One key insight was around treasurers still feeling that lack of certain behavioural skills are a blocker for senior treasurers in terms of career progression, but that those earlier in their career are really worried about effective working practices.

We will be pausing the research for 2023, with the intention of making it a biennial publication from 2024, potentially with a sponsor.

Online content has continued to be a huge focus and our general newsletter, members' newsletter, The Treasurer 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.

Apprenticeships
We continue to work with the Institute for Apprenticeships (IFATE) to make the FSP apprenticeship standard accessible to corporate treasurers. This change has been welcomed and we are working with the trailblazer group to add a treasury route into the standard. Unfortunately, there has been a delay with the revised standard being launched (which was

out of our control) and the September launch did not happen, but we are working closely with IFATE to have it launch in 2023.

Future view

We continue to review and adjust our activities in light of the slowdown in student numbers and the uptick in events, but our key strategic objectives in 2023 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 environment
- engage our members and supporters more to ensure we stay relevant
- 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
- 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 2023 to support these strategic objectives will be:

- looking further at areas to simplify in terms of what we do and how we do it – in particular via the new CRM and new Learning System
- progressing our new relationships and initiatives – China, FutureLearn, ADGM, new conferences, KSA
- remaining ruthless in our focus on the big, critical priorities for the ACT.

Financial results for 2022

Income statement
The group’s deficit for the year ended 31st December 2022 amounted to £385k (2021: £511k). Cash and investments sit at £1,095k (2021: £1,794k) and reserves are negative by £241k (2021: +£144k).

The underlying improvement year-on-year has been strong, so it was frustrating that our Annual Dinner had to be postponed from November 2022 to January 2023 due to rail-strikes, with a resultant £300k impact on the deficit. The event went ahead successfully in January 2023, so this is simply a timing difference and reserves were quickly returned to a positive position. To be clear, had the dinner not shifted into 2023, reserves would be positive and we would have made a very small deficit – all in line with our forecast.

Further cost-cutting measures were introduced in 2022, and we have further savings planned for 2023 including the full year savings from the office move, however growing student numbers will be the key focus over the next months, when we hope some of our new initiatives will bear fruit.

Fixed assets
Movements in fixed assets during the year are detailed in notes 8 to 10. There were two significant pieces of capital expenditure in the year: a new Customer Relationship Management (CRM) system (£241k) and a refresh of our treasury pathway qualifications (£131k).

Policies and governance matters

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 £2,000k with any one fund, and funds must abide by the IMMFA code (Institutional Money Market Funds Association), and be rated AAAm by Standard & Poor's or Aaa-mf/MR1 by Moody's, or AAAmmf/F1 by Fitch, and are sterling funds 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 we should continue to provide the greater headroom agreed last year, so the target range the ACT is working towards remains at £1,000k-£2,000k. At 31 December 2022 reserves were negative £241k (2020: positive £144k) 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 four years. The ACT Council acknowledges the current situation, and supports the plan to build reserves up to the target level within a reasonable period of time after being hit so hard by the crisis.

Council recognises that measuring net reserves is only one indicator and includes fixed assets that could not easily be converted to cash. Hence it focuses much of its effort on monitoring the group cash and current asset/liability position. Cash and investments at 31 December 2022 were £1,095k (2021: £1,795k).

Council will continue to monitor reserves and cash on an ongoing basis.

Going concern

The ACT Council has assessed the Association's ability to continue as a going concern throughout 2022 and again after year end, given the continuing 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 regular reviews of performance and ensuring the statement of affairs is regularly refreshed and reviewed. 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, and this has continued for a further couple of years, with events now bouncing back but qualifications taking a downturn which we believe is related. The organisation has taken action, and with a lower cost base from redundancies, changed working hours, and the closing of its office premises, the ACT is poised for a solid future, especially with the support of the CBILS loan to ensure ongoing liquidity in the short term. Our 93% membership renewal rate again in 2022 is witness to the strong support from our members. The ACT's reputation and level of delivery to members remains 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, and also feeds into the assessment of risk and horizon-scanning.

The Council continues to assess the impact of COVID-19 and the current economic downturn on its risk assessment and activities. The key risk for the Association in 2022 was reducing student numbers. Events have made an impressive come-back, and sponsors are engaged, with an increase in new business. Given the strong membership loyalty we have experienced through 2022, the very positive feedback from our sponsors and partners, and our focus on improving student numbers, Council believes that the COVID-19 risk and that of the current economic environment have 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 charter, 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:

Joanna Bonnett
Alan Chitty
Malcolm Cooper (appointed 19 January 2023)
Agnes Favillier (resigned 16 March 2023)
Katherine Horrell (term ended 30 April 2022)
Courtney Huggins
Tariq Kazi (appointed 1 May 2022)
Simon Neville (resigned 3 October 2022)
Constantinos (Dino) Nicolaides
Derek O'Neill (appointed 1 May 2022)
Karlien Porré (term ended 30 April 2022)
Caroline Stockmann
Harriet Warr (appointed 1 May 2022)
Paul Wilde (term ended 30 April 2022)

Co-opted Council members:
Rob Alexander
Garance Choko
Peter Hahn (resigned 31 December 2022)
Huy Nguyen Trieu (resigned 5 January 2023)

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 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

C.A. Stockmann

Constantinos (Dino) Nicolaides
President

Caroline Stockmann
Chief Executive

Dated: 5 April 2023
Registered Office: 150 Minories, London, EC3N 1LS

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 2022 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 2022 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.

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 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 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.

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 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.

NMay

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

London

Date 12 April 2023

THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £'000	2021 £'000
Income	2	4,758	4,114
Direct Costs	3	(2,090)	(1,592)
Gross surplus		2,668	2,522
Administrative expenses		(3,062)	(3,033)
Operating deficit	4	(394)	(511)
Interest receivable		9	-
Deficit on ordinary activities before tax		(385)	(511)
Tax	6	-	-
Group deficit for year	7 & 17	(385)	(511)
Retained earnings at start of year		144	655
Retained earnings at end of year		(241)	144
Group (deficit)/surplus for the year is recorded by:			
The Association of Corporate Treasurers		495	487
ACT (Administration) Limited		(880)	(998)
	17	(385)	(511)

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

The accounting policies and notes on pages 20 to 30 form part of these financial statements.

THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
Fixed Assets					
Intangible assets	8		168		74
Tangible assets	9		361		214
			529		288
Current assets					
Debtors: amounts falling due within one year	11	1,115		1,105	
Investments	12	88		1,072	
Cash at bank & in hand	13	1,007		723	
			2,210		2,900
Creditors: amounts falling due within one year	14		(2,130)		(1,844)
Net current assets			80		1,056
Total assets less current liabilities			609		1,344
Creditors: amounts falling due after one year	15		(850)		(1,150)
Provision for liabilities	16		-		(50)
Total assets less liabilities			(241)		144
Reserves	17		(241)		144

The financial statements were approved by the directors on 5 April 2023.

Constantinos (Dino) Nicolaides
President

C.A. Stockmann

Caroline Stockmann
Chief Executive

Company Registration Number **RC000859**
The accounting policies and notes on pages 20 to 30 form part of these financial statements.

THE ASSOCIATION OF CORPORATE TREASURERS
COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
Fixed Assets					
Investment in subsidiary	10		591		271
Current assets					
Debtors: amounts falling due within one year	11	461		207	
Investments	12	84		978	
Cash at bank & in hand	13	146		534	
			691		1,719
Creditors: amounts falling due within one year	14		(673)		(696)
Net current assets			18		1,023
Total assets less current liabilities			609		1,294
Creditors: amounts falling due after one year	15		(850)		(1,150)
Total assets less liabilities			(241)		144
Reserves	17		(241)		144

The financial statements were approved by the directors on 5 April 2023.

C.A. Stockmann

Constantinos (Dino) Nicolaides
President

Caroline Stockmann
Chief Executive

Company Registration Number **RC000859**
The accounting policies and notes on pages 20 to 30 form part of these financial statements.

TREASURY EXCELLENCE AS STANDARD

THE ASSOCIATION OF CORPORATE TREASURERS
CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
Net cash inflow/(outflow) from operating activities	18		(35)		(999)
Cash flows from investing activities					
Interest received			9		-
Purchase of tangible fixed assets	9	(243)		(71)	
Purchase of intangible fixed assets	8	(131)		(13)	
			(374)		(84)
Cash flows from financing activities					
Loan repayment		(300)		(50)	
Money market funds investment	12	-		(745)	
Money market funds withdrawn	12	984		-	
			684		(795)
Increase /(decrease) in cash in the year			284		(1,878)
Cash at the start of period			723		2,601
Cash at the end of period	13, 18		1,007		723

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. 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 2022 and again after year end, given the continuing 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 regular reviews of performance and ensuring the statement of affairs is regularly refreshed and reviewed. 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, and then this has continued for a further couple of years, with events now bouncing back but qualifications taking a downturn which we believe is related. The organisation has taken action, and with a lower cost base from redundancies, changed working hours, and the closing of its office premises, the ACT is poised for a solid future, especially with the support of the CBILS loan to ensure ongoing liquidity in the short term. Our 93% membership renewal rate again in 2022 is witness to the strong support from our members. The ACT's reputation and level of delivery to members remains 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.

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 it is 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 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 £251k in 2022 (2021: £255k). At 31 December 2022 contributions of £22k were outstanding (31 December 2021: £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.

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 £1,712k (2021: £1,547k) and financial assets at fair value of £88k (2021: £1,072k) and financial liabilities at amortised cost of £258k (2021: £350k).

Accounting estimates and judgements
The Association's policy is to review all debts which are over 180 days old as at the Balance Sheet date, and make a provision where deemed necessary. At the end of 2022 this provision is £144k (2021: £16k). £53k of this provision is against deferred income (2021: nil).

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.

	2022		2021	
	Income	Gross surplus	Income	Gross surplus
	£'000	£'000	£'000	£'000
Membership and educational activities	2,897	2,129	3,125	2,311
Conferences, publications and other activities	1,861	539	989	211
	4,758	2,668	4,114	2,522

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 deficit
Operating deficit/surplus is stated after charging:

	2022	2021
	£'000	£'000
Legal and professional charges	29	40
Fees payable to the company's auditor for audit of the company's annual accounts	20	19
Fees payable to the company's auditor for other services	4	4
Depreciation	96	79
Amortisation of Intangible Assets	37	27
Operating lease	115	160

5. Directors and employees

	2022 £'000	2021 £'000
Wages and salaries	2,056	2,105
Social security costs	248	239
Other pension costs	251	255
	2,555	2,599

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

	2022 Number	2021 Number
Membership and education	15	15
Conferences and publications	11	11
Finance and administration	12	14
	38	40

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 42 (2021: 44).

During the year, the group made payments in respect of staff leaving the group of £4k (2021: £19k) including redundancy payments. All amounts were accounted for in the year and there were no amounts outstanding at 31 December 2022.

Only one Council member (in the role of Chief Executive) earned emoluments during the year and these totalled £203k (2021: £181k). (Note the lower amount here and in the aggregate remuneration figure below for the 2021 comparator relates to certain staff taking 80% pay for part of the year.)

Chief Executive emoluments:

	2022 £'000	2021 £'000
Wages and salaries	177	157
Other pension costs	26	24
	203	181

Key management of the group consists of the Chief Executive supported by 7 (2021: 7) directors of departments. The aggregate remuneration figure (including employer's national insurance and pension contributions) totalled £952k (2021: £895k) for the year.

6. Tax

Total tax expense recognised in the income and expenditure account:

	2022 £'000	2021 £'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	-	-

	2022 £'000	2021 £'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	-	-

	2022 £'000	2021 £'000
Reconciliation of effective tax rate		
Surplus / (deficit) for the year	(385)	(511)
Tax using the UK corporation tax rate of 19% (2021: 19%)	(73)	(97)
Tax exempt revenues	(246)	(250)
Change in tax rate on deferred tax balances	(46)	(623)
Fixed Assets permanent differences	-	1
Non-deductible expenses	172	158
Current year deficits for which no deferred tax asset was recognised	193	811
Under/(over) provided in prior years	-	-
Total tax expense included in surplus or deficit	-	-

7. Surplus after tax

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 £495k (2021: surplus £487k).

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 2022	103	126	588	817
Additions	131	-	-	131
At 31 December 2022	234	126	588	948
Amortisation				
At 1 January 2022	58	97	588	743
Provided in the year	30	7	-	37
At 31 December 2022	88	104	588	780
Net book amount				
At 31 December 2022	146	22	-	168
At 31 December 2021	45	29	-	74

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 2022	199	32	149	212	65	111	768
Additions	-	-	2	-	-	241	243
Disposals/write-offs	(199)	(32)	-	-	-	-	(231)
At 31 December 2022	-	-	151	212	65	352	780
Depreciation							
At 1 January 2022	169	29	110	212	34	-	554
Provided in the year	30	3	15	-	13	35	96
Disposals/write-offs	(199)	(32)	-	-	-	-	(231)
At 31 December 2022	-	-	125	212	47	35	419
Net book amount							
At 31 December 2022	-	-	26	-	18	317	361
At 31 December 2021	30	3	39	-	31	111	214

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 (company number 01713927) at 150 Minories, London EC3N 1LS. In the year, the Association of Corporate Treasurers purchased a further 120,000 shares of 10p each in ACT (Administration) Limited for an aggregate consideration of £1,200k.

ACT (Administration) Limited had net assets of £591k at 31st December 2022 (2021: £271k). Its net assets increased as a result of a £880k deficit for the year offset by the issue of shares to the Association of Corporate Treasurers.

The Association of Corporate Treasurers' investment in ACT (Administration) Limited has been written down to its net asset value of £591k, resulting in an impairment charge of £880k (2021: £998k) being recognised in its Income and Expenditure account.

	2022 £'000	2021 £'000
Opening investment at 1 January	271	269
Additional investment through share issue	1,200	1,000
Investment impairment in current year	(880)	(998)
Closing investment at 31 December	591	271

11. Debtors: amounts falling due within one year

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
Trade debtors	699	241	654	21
Amounts owed by subsidiary	-	217	-	154
Other debtors	5	1	171	17
Prepayments and accrued income	411	3	280	15
	1,115	461	1,105	207

12. Current asset investments

At 31 December 2022, funds of £88k (2021: £1,072k) were invested by the group in money market funds.

At 31 December 2022, funds of £84k (2021: £978k) were invested by the company in money market funds.

13. Cash and cash equivalents

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
Cash at bank and in hand	1,007	146	723	534

14. Creditors: amounts falling due within one year

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank loan	300	300	300	300
Trade creditors	139	-	241	2
Other creditors	119	-	109	10
Taxation and social security	106	8	114	7
Accruals and deferred income	1,466	365	1,080	377
	2,130	673	1,844	696

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

15. Creditors: amounts falling due after one year

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank loan	850	850	1,150	1,150
	850	850	1,150	1,150

Loan maturity analysis:

	2022		2021	
Debt due:	Group £'000	Company £'000	Group £'000	Company £'000
in one year or less	300	300	300	300
in more than one year but not more than two years	300	300	300	300
in more than two years but not more than five years	550	550	850	850
in more than five years	-	-	-	-
	1,150	1,150	1,450	1,450

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 was payable. From October 2021, interest was payable at a rate of 2.68% until October 2025 and thereafter will be at 2.96% over base rate.

16. Provision for liabilities

There are no provisions for liabilities at 31 December 2022. At 31 December 2021 there was a group provision for dilapidation costs on leasehold offices of £50k with nil provision for the company.

	2022	
	Group	Company
	£'000	£'000
At 1 January 2022	50	-
Utilised in the year	(40)	-
Released in the year	(10)	-
At 31 December 2022	-	-

17. Reserves

	2022		2021	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
At 1 January	144	144	655	655
(Deficit)/surplus for the year	(385)	495	(511)	487
Impairment of subsidiary	-	(880)	-	(998)
At 31 December	(241)	(241)	144	144

18. Group cash flow statement

	2022	2021
	£'000	£'000
Reconciliation of operating surplus to net cash inflow from operating activities		
Operating (deficit)/surplus	(394)	(511)
Depreciation	96	79
Amortisation of development costs	37	27
Decrease/(increase) in debtors	(11)	(317)
Increase/(decrease) in creditors	237	(277)
	(35)	(999)

	2022	2021
	£'000	£'000
Reconciliation of cashflow to movement in net debt		
Increase/(decrease) in cash	285	(1,879)
Repayment of loan	300	50
Movement in net debt	585	(1,829)
Net debt at 1 January	(728)	1,101
Net debt at 31 December	(143)	(728)

	2022 £'000	2021 £'000
Analysis of net debt		
Cash	1,007	722
Debt due within one year	(300)	(300)
Debt due after more than one year	(850)	(1,150)
Net debt at 31 December	(143)	(728)

19. Contingent liabilities

There were no contingent liabilities for the group or the company at 31 December 2022 or 31st December 2021.

20. Capital commitments

The group had no capital commitments at 31 December 2022 (2021: £163k).

There were no capital commitments for the company at 31 December 2022 or 31 December 2021.

21. Operating lease commitments

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
Within one year	-	-	137	14
Between two and five years	-	-	-	-
	-	-	137	14

22. 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 (2021: £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 £5k (2021: £4k) being received by the group during the year. No amounts were outstanding at 31 December 2022 (2021: £nil).

Caroline Stockmann, Chief Executive of the group, was also an officer and board member of the National Association of Corporate Treasurers (NACT), a not-for-profit corporation, registered in the District of Columbia USA. In the year, the group charged £18k (2021: £64k) to the NACT. No amounts were outstanding at 31 December 2022 (2021 £44k).