



INSPIRING
FINANCIAL
LEADERSHIP

Inspiring, Influencing and Leading

Annual Report and Financial Statements 2014/15



Charity Finance Group (CFG) exists to raise the standards of charity and voluntary sector financial management. We believe that effective financial management is core to a healthy and resilient sector. Our vision and purpose is to inspire the development of a financially confident, dynamic and trustworthy charity sector.

With this aim in sight, CFG delivers services to its charity members and the sector at large which enable those with financial responsibility to develop and adopt best practice – including publications, guidance, training, conferences, peer support, helplines, forums, benchmarking and much more.

With more than 1,350 charities in membership, managing over £21 billion income, we are uniquely placed to work well with regulators to ensure that regulatory measures are appropriate and proportionate to ensure the effective use of charity funds.

For more information, please visit www.cfg.org.uk

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2%

INCREASE IN
CHARITY MEMBERS



1,362

CHARITIES IN MEMBERSHIP

VISION AND PURPOSE, OBJECTS AND AIMS

Our vision and purpose:

CFG is committed to inspiring the development of a financially confident, dynamic and trustworthy charity sector.

Our objects:

Our objects are for the benefit of the public to:

- 1. advance education in public benefit organisations;
- 2. promote the efficiency and effectiveness (including financial management) of public benefit organisations and in particular by:

(a) undertaking research to identify needs and establishing projects or policies to address those needs;

(b) providing training, conferences and seminars;

(c) building the capacity of organisations (including the effective use of resources) and enabling the exchange of information and best practice amongst finance advisers and public benefit organisations;

(d) the provision of a pro-active and accessible service offering practical help, advice and support;

(e) acting as a representative and intermediary for public benefit organisations, including in relation to government and other agencies and bodies;

(f) providing information to the press and the public in respect of the operation of or problems encountered by public benefit organisations. (“public benefit organisations” means charities (including their wholly owned subsidiaries), voluntary organisations, co-operatives, mutuals and other forms of social enterprises established for public and community benefit).

Our aims:

We had three interconnected and mutually supporting aims in 2014-15 that were central to achieving our vision and purpose, and the means by which we delivered our objectives. The achievement of our aims relies on our members’ and corporate supporters’ engagement and willingness to share knowledge. This helps us increase our reach into and across the sector and to grow our influence in matters core to the effective and efficient management of charities.

We will deliver our objectives by:

Advising, informing and developing those with responsibility for financial management and the sector more widely.

Connecting and supporting individuals and organisations to collaborate on creating solutions to sector challenges.

Understanding and representing the needs of the sector in matters which impact upon transparent, efficient and effective financial management.



FROM THE CHAIR AND CHIEF EXECUTIVE

Welcome to CFG's annual report for the year ending 31 March 2015; the first full year of our growth strategy aimed at reaching more of the sector. This year, we have developed a greater range of services and support, and have continued to improve our influence with government and regulators in all matters of charity finance.

It has been a year of considerable challenge, but also an incredibly rewarding one. We have had a real impact in areas of significant importance to CFG and our members. Whether it is pensions, de-risking by banks, the tax landscape, social investment or the development of the Statement of Recommended Practice (SORP), CFG has been at the heart of the conversations.

The pressure on the sector has not let up. We continue to see headlines questioning how charities raise and spend their income, and they show no sign of abating. Alongside this, the sector is grappling with what transparency truly means and how to best engage with supporters, beneficiaries and wider stakeholders whilst making the most effective use of precious, and limited, resources.

Internally, there has been a lot of change with new faces joining CFG in key roles, a governance review and considerable work on our processes and systems (with yet more to come). We have started to strengthen our IT infrastructure and have ambitious plans to improve customer service on our website and social media content.

The injection of new skills in the organisation, alongside a continued focus on embedding our change programme, has really started to pay off. We have seen an increase in the number of individuals engaging with CFG's work, and we have reversed the trend of declining numbers of organisations in CFG membership. We have also been highly successful at reaching out beyond our membership – nearly 1,900 individuals went through our SORP training programme – making it our most successful training initiative to date.

Our major change programme, funded through reserves in 2013/14, has had a significant impact on our financial performance. We have replenished our reserve position to our target range in 2014/15, rather than in the three years to 2017/18 originally envisaged. We have also generated sufficient funds to invest in an overdue improvement of our IT systems in 2015/16. This demonstrates how dipping into our reserves in an informed manner can produce the step-change required to significantly improve services for beneficiaries (as reflected in the 'at a glance' statistics that follow), ensuring the long-term sustainability of the charity.



We believe that by changing the way financial management is seen and positioned within organisations, and how it is communicated internally and externally, we will maximise charities' positive impact on their beneficiaries.

178

CHARITIES JOINED CFG AS MEMBERS FOR THE FIRST TIME IN 2014/15



We have taken further steps to better understand and articulate our impact. We believe that for the charity sector to transform and be as effective as it can, we need to inspire new thinking and not just increase the financial skills in practice. We believe that by changing the way financial management is seen and positioned within organisations, how it is communicated internally and externally, we will maximise charities' positive impact on their beneficiaries.

Charities need to be trustworthy, effective, transparent and accountable. Without this, the support the public generously give and the confidence of wider stakeholders in the work charities do is undermined. Policy makers and funders should be more eager to support effective charities, but the role that financial management plays in demonstrating that effectiveness is often given insufficient value.

Through understanding the difference we are trying to bring about, we can more effectively focus the resources we have on supporting the abilities and practices of those managing charities' finances, and on shaping the attitudes and culture of financial management. We can then ensure that the operating environment is conducive and the best resources are made available.

We hope that this report will give you a strong sense of the difference CFG makes, and the direction of travel that we aim to take our members and wider stakeholders towards: a sector that is financially confident, dynamic and trustworthy.

Ian Theodoreson
Chair of Trustees

Caron Bradshaw
Chief Executive



CFG is a really important organisation for our sector and has long been a key ally and 'friend' for DSC on many levels. We have worked really well together across numerous policy debates – from charity law and regulation, to the importance of grants, to promoting giving and philanthropy. CFG are the clear experts in some crucial areas for the charity sector – including taxation, pensions and banking, and play an invaluable role in advocating on these issues not just for finance managers but the sector as a whole.

Debra Allcock Tyler, Chief Executive of Directory of Social Change

2014/15 AT A GLANCE

CFG MEMBERSHIP PROFILE

1,362

CHARITIES IN MEMBERSHIP
(2% INCREASE)

MEMBERS MAPPED ACROSS THE UK:

192

NORTHERN
REGIONS

149

MIDLANDS

155

SOUTH WEST
& WALES

866

LONDON &
SOUTHEAST



CHARITIES JOINED CFG AS MEMBERS
FOR THE FIRST TIME IN 2014/15

BUILDING SKILLS AND DELIVERING PROFESSIONAL DEVELOPMENT

5,532

TOTAL EVENT
ATTENDEES
(+5%)

EXHIBITORS AT
OUR EVENTS

110

TOTAL NUMBER OF
EVENTS RUN (+15%)

100

1,895

ATTENDEES OF SESSIONS
ON THE NEW SORP

521

DELEGATES AT THE CFG
ANNUAL CONFERENCE

693

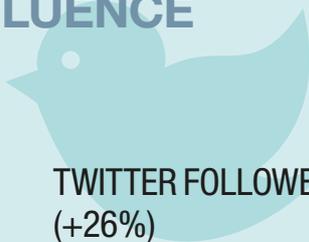
ANNUAL CONFERENCE
ATTENDEES (INCLUDING
SPEAKERS, SPONSORS
& EXHIBITORS)

NUMBER OF ATTENDEES AT CFG EVENTS



RAISING OUR PROFILE, INCREASING OUR INFLUENCE

4,873



TWITTER FOLLOWERS
(+26%)

27 BLOGS
PUBLISHED

3464 UNIQUE PAGEVIEWS OF
BLOG.CFG.ORG.UK

285,999

UNIQUE PAGEVIEWS OF CFG.ORG.UK



558 PEOPLE ARE INVOLVED WITH
THE CFG LINKEDIN GROUP

184 PEOPLE ARE INVOLVED IN THE
OVERSEAS SPECIAL INTEREST
LINKEDIN GROUP

11 NEW PUBLICATIONS
AND BRIEFINGS PUBLISHED

21 CONSULTATION RESPONSES SUBMITTED
ON KEY ISSUES FACING THE SECTOR

PARTNERSHIPS

15

↑ NEW CORPORATE
SUBSCRIBERS



VOLUNTEER HOURS

£247,470

GIFTS
IN KIND

(INCLUDING IN KIND VENUE HIRE AND CATERING, DONATED
MEDIA SPACE/ADVERTS AND DONATED PRIZES)



Spot on. Perfect pace
and well-pitched!
I learned a lot, thank
you for a great day.

Cyber Security
conference attendee

Excellent day which was well
organised, helpful staff, super
presenters, one of the best
conferences I have attended.

Attendee at 2014 CFG
Midlands Conference

Good selection of
sessions and relevant
opportunity to network.
Well run and organised.

Attendee at the 2014
CFG Midlands Conference

Wonderful conference with
speakers experienced in
their field. This has given
me some great ideas for our
organisation and also my
volunteer charity work.

Charities and Trading
training attendee

A very worthwhile
day out of the office
as always.

2014 South West and
Wales Conference Attendee

REPORT OF THE BOARD OF TRUSTEES

Advising, informing & developing those with responsibility for financial management and the sector more widely.

Professional Development

Inspiring Financial Leadership Programme

CFG believes that a financial leader goes beyond the numbers. A financial leader should be a strategic business partner, making creative and informative contributions to the success of an organisation.

This year saw the completion of the second Inspiring Financial Leadership course, and the start of a third series. Run in conjunction with Cass Business School and Sayer Vincent, the programme has been consistently successful. The third series was extended and developed to cover nine modules, with the option of additional modules which looked at motivating yourself and others, understanding and practicing further techniques to develop coaching styles, and identifying the key parts of high performing teams. These three additional modules have been added on to the London series of the course as standard, following positive feedback.

The course aimed to give attendees an understanding of what makes an effective and inspirational leader; how to increase influence and impact; and teach strategies to engage and develop staff to achieve the charity's goals. **93% of respondents rated the course content as good or excellent and would recommend it to others.**

Inspiring Financial Leadership in the Midlands

We wanted to increase the reach of our popular Inspiring Financial Leadership programme outside London, and after careful consideration a condensed version of the course was created to be held in Birmingham, with the sessions running across three days. While good outcomes were achieved for delegates, the attendee numbers for this course were unfortunately lower than expected, so we have decided not to continue the regional course at this stage. In 2015/16 the course will be run in London again.

Involvement in the new Statement of Recommended Practice (SORP)

CFG supports members with the development of essential skills in order to encourage leadership among finance professionals in the sector.

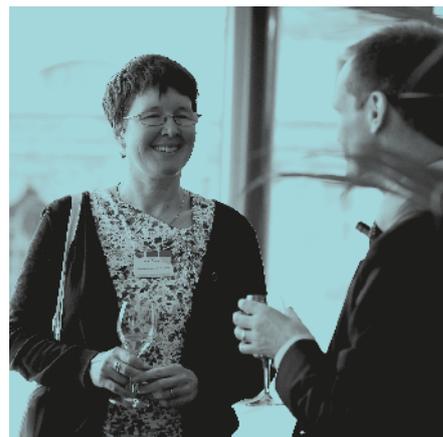
A key area of focus in the past year was the introduction of a new Charities SORP, which has affected the way charities report on their activities. CFG was heavily involved in the SORP consultations and has been engaging with members on the issue for some time.

CFG has worked with partner organisations, including our corporate partners and sector partners, to run a series of training courses to ensure charities are up-to-date with the latest SORP changes and to help charities to plan for its implementation. Ray Jones, former Head of Accounting Policy at the Charity Commission, was brought in as a SORP consultant to help develop and deliver the training and to share his expertise. Training courses were run across England and Wales, and SORP sessions were also included at our Annual Conference and at each of our regional Conferences. 1,895 delegates attended either a SORP workshop at a conference or a session as part of our dedicated SORP training programme in 2014/15 – which was almost double our already ambitious target.



The course gave me reflection time away from the day-to-day demands of the job. It gave me the opportunity to share and test ideas with colleagues and mentors on how to view and approach issues and problems, and the confidence to ask as well as lead the various teams within the organisation to resolve matters.

Inspiring Financial Leadership course attendee



98%

OF SORP TRAINING
EVALUATION
RESPONDENTS
AGREED THAT
SESSION AIMS
WERE WELL MET

But it is not just the number of attendees that we are proud of. Wider outcomes achieved have been very strong.

Survey respondents agreed or strongly agreed with the following statements:

- 98% – their knowledge and understanding of the new SORP has increased
- 98% – they understand the basics of what the new SORP means to their organisation and know where to go for further information
- 95% – they are more confident about implementing the new SORP or supporting it within their organisation
- 97% – they know the next steps they need to take
- 95% – the course met or exceeded expectations/objectives
- 98% – the session aims were well met

CFG are continuing to support the sector with SORP, and are running implementation training across the country in autumn 2015.

Developing our programme

New conferences were introduced throughout the year, responding to developments in the sector and member needs: new conferences covered social investment and cyber security. We changed our IT conference to focus more broadly on IT and Data Insight, reflecting the new focus on how information is used to inform decision-making, rather than the technology. New conferences were launched to complement our Special Interest Group work, and meet specific needs for Large Charities and Community Accountants. Both were successful and will be repeated in 2015/16.

Following the success of the above, even more new conferences and training courses are being piloted in 2015/16 – as well as new models of delivery for CFG, such as webinars and online training.

In 2014/15 we piloted in-house training – delivering bespoke training courses for one organisation. In response to demand, this is something that we plan to roll out and promote in 2015/16.

“

The course was exactly what I was looking for and gave me a good and thorough overview. Fantastic, very impressed.

Attendee on SORP training course



Informing and advising through publications and briefings

CFG has continued to lead the way in producing high quality publications and briefings on some of the most pressing issues facing charities; drawing on the experience of our members, the engagement of our policy team and the expertise of our corporate partners.

Sharing best practice, informing charities of the latest developments and supporting improved financial management in the charity sector through our publications remains one of CFG's primary objectives.

2014 saw CFG continue to lead the way in helping charities to grapple with the challenges in providing pensions without affecting their sustainability. In July, CFG launched its latest in a series of flagship publications on pensions, *Navigating the Charity Pension Maze 2014*. The publication aims to help charities steer through the complex changes in regulation and practice that have taken place over recent years, and provide support for charities in considering how to develop their own pension provision.

In October, in collaboration with Crowe Clark Whitehill and the Institute of Fundraising, we published a new guide for charities on how to use online giving platforms, *Making the most of digital donations: A practical guide to selecting and using online giving platforms*. Given the growing importance of digital donations as a source of revenue for charities – and following concerns from charities about the reliability of some platforms – guidance in this area was much needed. This publication follows CFG's approach of identifying gaps in support for charities and sharing our membership's expertise.

At the start of 2015, CFG (in collaboration with PwC and the Institute of Fundraising) published the latest in a series of reports on how the sector has coped with the economic downturn. *Managing in the New Normal* was well received and provided fresh insights into how charities are adapting to the financial changes that we have seen over recent years.

It also brought together the perspectives of finance professionals with those in fundraising, showing how income generation and resource generators were seeking to work together.

Over the course of the year, the policy team produced a range of briefings for charities to help them understand changes in government policy alongside set-piece events such as the Budget and General Election. CFG's briefings covered topics such as:

- The impact of bank de-risking on charities;
- Problems in the implementation of the Gift Aid Small Donations Scheme;
- How to use the new Social Investment Tax Relief; and
- The problems for charities in claiming business rate relief.

The briefings have helped members and charities to keep on top of policy changes whilst also advocating for reforms to make tax reliefs work better for the sector, and ensure that charities have fair access to financial services.

We have also continued to make important financial information available to members through our regular Economic Outlook Briefings, in collaboration with our corporate partners. These have helped members to plan for the future and consider how wider economic trends could impact on their ability to achieve their mission.



Good partnership working across different parts of the charity sector is vital to the work we do for our complementary memberships. CFG are a trusted partner that we are delighted to work with on a number of projects – being able to develop policy in collaboration by bringing the views of fundraisers and finance professionals together provides a strong platform for influencing government.

Peter Lewis, Chief Executive,
Institute of Fundraising



CFG's 'Making the most of digital donations' publication led to national media coverage and shed light on the issue of donating safely online.



Our membership of CFG has supported our work by providing in-depth and detailed information on financial issues, which has helped guide decisions that we've had to make.

The thing we most value about our membership of CFG is access to information, expertise and to people who know the answers to our queries. The membership has had a positive impact on our work by providing us with this extra knowledge – it's been really useful.

We really value the membership as a smaller organisation, but I know it also has benefits for larger charities too. It gives us access to information that we wouldn't otherwise have.

Henrietta Atkinson, Director of Business Support at CoppaFeel!

CONNECTING AND SUPPORTING

Connecting & supporting **individuals and organisations** to share skills and knowledge for their development and collaborate on creating solutions to sector challenges.

Growing our Membership

The number of charities that were CFG members increased from 1,338 in 2013/14 to 1,362 in 2014/15 – an increase of 2%, reversing the decline of recent years and creating a platform for growth. As well as increasing the number of charities in membership, we are also seeking to increase the number of individuals accessing benefits within charities.

In late 2014/15 we improved the structure of our membership scheme. This changed from individual membership (with one or two CFG contacts within an organisation) to an organisational membership, so that anyone in a member charity can now take advantage of member benefits as of April 2015. This will help us to reach more people and provide even more benefit to member organisations.

In April 2014 the Community Accountants National Network (CANn) formally became a part of CFG as a Special Interest Group, extending our support for their work.

Jobs Board

Following a review of member benefits – and based on feedback of member needs – we changed the CFG Jobs Board to partner with Third Sector Jobs in January. We negotiated special packages for CFG members, including significantly discounted advertising of jobs, and free advertising of treasurer and trustee vacancies. Following the change we have seen a substantial increase in the number of jobs advertised, supporting charities to recruit to important roles and supporting individuals to connect to development opportunities.

Strengthening partnerships with charities

The diversity of the sector's work, and the changing environment that we work in means that building new partnerships and strengthening existing relationships is more vital than ever.

This is particularly true in policy, where we often convene and bring together a range of membership bodies and charities to ensure that we draw on a range of expertise and experience – as well as building consensus behind policy change. Over the past year, we have worked closely with a range of organisations on key policy issues, including the National Council for Voluntary Organisations; the Association of Charitable Foundations; the Institute of Fundraising; Directory of Social Change and Charity Retail Association.

We also expanded our collaborative working and developed new partnerships for our events and related activity. We successfully partnered with the Institute of Risk Management on the CFG Risk Conference, Charity IT Leaders on the CFG IT & Data Insight Conference, and we have worked with the Small Charities Coalition to run a specific small charities members' meeting and email bulletin. We plan to continue these partnerships throughout the coming year, in particular expanding our regional presence, strengthening our events portfolio outside London

Connecting charities and experts

One of CFG's strengths is our ability to bring charities together with businesses that can provide expertise and support to the sector. They are crucial for our work in providing conferences, training, publications and sharing the latest best practice. We also draw on their expertise to ensure that we identify opportunities for improvements in charity policy.

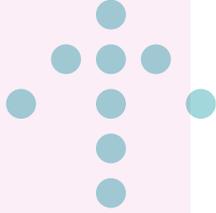


I value my CFG membership so much – it's brilliant for networking, and I have made professional friends for life through it. I can call them anytime for advice. The topics covered at the member's meetings are timely and the events are valuable – especially because the sessions are informative but short and snappy so you don't get bored!

Taina Teegan, Head of Finance, Variety – the Children's Charity



INCREASE IN
CFG MEMBER
CHARITIES
FROM 2013/14
TO 2014/15



Our core aims are to develop skills, learning, knowledge and practice to improve performance; to inspire financial leadership, ensuring finance is at the heart of effective decision making; and to encourage a supportive environment for charities to thrive. In order to effectively achieve these aims, we rely on the knowledge and support of our corporate subscribers, who advise charity clients on a daily basis. This includes donating time and expertise to deliver targeted sessions at conferences, meetings and seminars. Our corporate partners also benefit

from hearing about the issues and challenges that charities are facing at our meetings and exchanging ideas on solutions.

Throughout the year, our network of experts contribute content for various CFG publications and for our monthly member magazine, Finance Focus. Again, this enables us to deliver a service to our members that would otherwise be far more costly to gain access to. Our publications are available to download for free from the CFG website, and members are able to access these as and when they need

the information. Our online library includes valuable best practice guidance with white papers and templates donated by subscribers, members, and other sector experts.

In addition, CFG members can obtain free advice via helplines run by sector experts. The service currently offers advice on accountancy and tax, insolvency, property, investment and legal issues.



NAVCA really values the unrivalled expertise CFG provides. We always like working with CFG because they are so good at understanding the needs of all charities, including smaller organisations. They make sure all charities get the support they need and can get their views represented at a national level.

Neil Cleeveley, Chief Executive of NAVCA

UNDERSTANDING AND REPRESENTING

Understanding & representing the needs of the sector in matters which impact upon transparent, efficient and effective financial management.

Central to CFG's mission is understanding the challenges and opportunities that charities face. We need to understand the views of our members and the impact of policies on charities so that we can properly represent them and the interests of the charity sector as a whole. At a time when resources are tight, policy has an even bigger impact on charities than usual; changes to tax reliefs or regulations can have a significant knock-on effect. CFG is a leading voice in matters central to charity finance such as accounting, tax, reporting, pensions and sustainability.

Supporting good reporting

CFG has been engaged in a number of policy changes affecting charities in accounting and auditing. Over the course of 2014, CFG submitted responses to a number of consultations from the Charity Commission, Financial Reporting Council and Cabinet Office.

We highlighted the need for consistency and comparability for small charities following the new EU Accounting Directive in a consultation with the Financial Reporting Council, bringing together our members' experiences and expertise. We responded to the Charity Commission's consultation on the new Annual Return and raised a number of points regarding reporting campaigning and public sector income. We also supported the government's proposed increase in the audit threshold whilst maintaining the value of the audit for many charities, as well as informing government of the restrictions that face charities in the choice of assurance.

CFG has done a significant amount of work to support the implementation of the new SORP. But it is also important to shape its future, and in December 2014 our Chief Executive, Caron Bradshaw, was appointed to the SORP Committee. This will ensure that the views of charities are well represented in the continuing development of a high quality reporting framework for the sector.

A crucial part of this work has been working with our Technical Accounting Forum, which brings together charities, experts and corporates to look at how we can improve accounting and reporting for the sector.

Championing on tax issues

Taxation, in particular charitable tax reliefs, are central to charity finance. Over the year, CFG has been heavily engaged in discussions and debates around these issues.

Over the summer of 2014, CFG was central to building a coalition to prevent a new definition of 'charity' for tax purposes being implemented by the government. The proposal would have prevented new charities and foundations from being created and cost charities tens of millions in future income.

CFG remained active members of several important HMRC working groups including the Gift Aid Working Group; Gift Aid Small Donations Scheme Group; Corporate Tax Returns Group; Online Communications Group; Donor Benefits Group and Higher Rate Relief Working Group. CFG also sat on the HMRC Charity Tax Forum. These groups are vital for working with officials and policy makers on the future design of tax policy.

CFG was particularly active on issues around the Gift Aid Small Donations Scheme and Gift Aid reform. The Gift Aid Small Donations Scheme has so far not met expectations, and CFG put pressure on the government to reform it, and bring forward a review into the scheme. Working with NCVO and the Institute of Fundraising, we consulted with members on how to improve the scheme and created a briefing for government and charities on the problems with the scheme and opportunities for reform. We also worked with HMRC and HM Treasury to implement proposals to update Gift Aid for the digital age and improve the model Gift Aid Declaration which should be completed in 2015.



CFG's policy work contributed directly to HM Treasury reversing a proposal to redefine charities for tax purposes, saving the sector tens of millions of pounds.

On VAT, we raised concerns with government about the changes to VAT for direct mailing. We responded to the European Commission's consultation on the future of VAT exemptions in the public interest and the need to avoid complications which would put a greater burden on charities.

Putting pensions at the top of the agenda

CFG is committed to identifying key risks to the sector and leading the debate in how to tackle them. Over recent years, CFG has taken steps in raising the issue of pension deficits and pension provision and ensuring these are on the agenda. This has been supported by feedback from our members and corporates about the scale of the challenge facing charities. Alongside our events programme, CFG published Navigating the Charity Pension Maze 2014.

We also built links with experts, bodies such as the National Association of Pension Funds and the Pensions Regulator. We built strong links with the Department for Work and Pensions and the Minister for Pensions to push for reform of the pensions system. We developed a Pensions Manifesto to

highlight the key issues and lay out the options for reform. In early 2015, the Department for Work and Pensions began a call for evidence on section 75 reform, one of our central recommendations. Finally, we also engaged with the consultation on the future of the Pension Protection Fund to ensure that the unique position of charities is understood.

Defending access to financial services

Charities of all sizes need access to financial services in order to deliver their objectives. In 2014, CFG responded to the Payment Council's consultation on cheque imaging. Whilst welcoming the new technology, we encouraged a commitment to the future of cheques which continues to be an important payment mechanism for charities. The conclusion of the consultation saw a commitment to cheques being maintained by the Payment Council.

Over recent years charities have had to operate in fragile environments around the world and large fines for some banks for breaking counter-terrorism rules have led to some charities losing access to banking facilities. CFG worked with charities and attended numerous meetings on this important issue. Our Chief Executive attended a roundtable convened by HM Treasury, representing charities. We also produced a briefing on the scale of the problems facing charities and calling for national and international level dialogue.

Engaging with new sources of finance

The last five years have seen significant government intervention in the creation of a social investment market, of which charities are a central part. As well as holding a conference and sessions on how social investment works, CFG successfully campaigned for the threshold of the new social investment tax relief to be increased in order to enable more charities to access it – this was announced in the Autumn Statement 2014.

CFG also responded to the Law Commission's consultation on social investment, supporting the creation of a new power of social investment. CFG worked with the National Council for Voluntary Organisations to deliver training for small and medium sized charities on how to access the new social investment tax relief, a programme which was funded by the Cabinet Office.

Looking ahead towards financial sustainability

Throughout the 2014/15 financial year, CFG played a key role in debates over the future financial sustainability of charities. Alongside NCVO, the Institute of Fundraising, NAVCA, Locality and Small Charities Coalition, we participated in a review into the financial sustainability of the sector which considered the impact of the recession. The final report was launched in June 2015.

As a result of CFG's campaigning, DWP began a call for evidence on section 75 pension debt rules.



CFG has supported my work throughout the year with regular updates from the policy team which are useful, together with newsletters which help increase awareness of topical issues and news. Attendance at networking events is always really beneficial (I just wish I had the opportunity to attend more!).

Changing the membership structure has meant that more of my team are able to benefit from the work that CFG do – and importantly the outputs. I believe for a charity such as ours, this is hugely beneficial.

The CFG membership ensures that I am aware of current issues facing the sector, and has enabled me to be more knowledgeable in my leadership role within Action on Hearing Loss.

Peter Robson, Executive Director – Corporate Resources,
Action on Hearing Loss

2014/15 AIMS – PROGRESS SUMMARY

WE HAD THREE KEY AIMS FOR THE YEAR:

1

Advising, informing and developing those with responsibility for financial management and the sector more widely.

2

Connecting and supporting individuals and organisations to share skills and knowledge for their development and collaborate on creating solutions to sector challenges.

3

Understanding and representing the needs of the sector in matters which impact upon transparent, efficient and effective financial management.

Measuring our progress

Our progress towards delivering on our objectives across the year is summarised in the following tables, using colour coding to measure how we have performed against each objective.

COLOUR KEY:



OBJECTIVE 1

Advising, informing and developing those with responsibility for financial management and the sector more widely.

WE SET OUT TO:

Develop a professional development programme and resources to contribute to personal and organisational development to ensure CFG provides support in matters core to charity finance, namely:

- Accounting & Assurance
- Leadership in finance
- Risk management
- Tax
- Reporting
- Resource management
- Pensions
- Commercial (including social enterprise, trading, and public service delivery)

TARGETS	HOW WELL WE PERFORMED
Deliver at least 50 conferences, seminars, and training sessions to 2,000 people, with over 80% reporting their needs have been met.	65 conferences, seminars and training sessions were delivered to 3,210 people. However, these figures are exceptional due to the popularity of the SORP courses and we are unlikely to achieve the same numbers of attendees in 2015/16. 95% of training attendees and 87% of conference attendees reported that their needs have been met.
Increase the availability and use of online resources.	Although there has been some increase in the availability of online resources, we have had a number of technical problems with our website and an end of life server has left us unable to monitor the number of downloads of online resources; however the pages in our resources section received 31,083 pageviews. The website as a whole received 359,575 pageviews in financial year 14/15.
Launch at least four new briefings or publications providing information or guidance on core issues.	Four publications/major briefings were launched: <ul style="list-style-type: none"> • Managing in the New Normal (April) • Navigating the Pensions Maze 2014 (July) • Making the most of digital donations: A practical guide to selecting and using online giving platforms (Oct) • Budget briefing – impact on the sector (March) In addition, a number of other briefings were provided on specific issues.
Pilot new models of training delivery to look at alternate ways to meet needs.	In 2014/15 we piloted bespoke training programmes run within a single organisation. These were successful and we are looking to develop a wider programme in 2015/16. We had been planning to pilot online/webinar training but we did not secure the resources to develop our capacity in this area until the end of the year. With the support of funding from the Big Lottery Fund Big Assist programme we have now developed our skills and tools and will be launching our webinar programme in 2015/16

OBJECTIVE 2

Connecting and supporting individuals and organisations to share skills and knowledge for their development and collaborate on creating solutions to sector challenges.

WE SET OUT TO:

- Develop partnerships to reach a greater percentage of the sector;
- Bring together members and corporate subscribers to share expertise and learning;
- Work collaboratively with charity sector umbrella bodies and funders focusing on solutions to sector challenges.

TARGETS	HOW WELL WE PERFORMED
An increase in members' participation in meetings and online forums.	<p>There has been increased participation in online forums; at the end of 2014/15 there were 558 people in our main LinkedIn charity members discussion group, and 184 people in our Overseas Special Interest Group (OSSIG) LinkedIn group. We run the latter in partnership with MANGO. These groups have seen a range of interesting information shared and topics debated. We saw an increase in numbers attending SIGs or member meetings (1,964 compared to 1,750 in 2013/14) – although we held more meetings and two more conferences than in 2013/14, which contributed to the additional attendance.</p> <p>We are concerned about participation in regional member meetings and their viability, and we reduced the number of regional meetings during the year. Members reported that although the quality of the meetings is high, they can't afford the time, especially when needing to travel too. We will be supplementing the meeting with additional digital resources and webinars in future.</p>
Evidence of constructive working relationships with key sector bodies and funders	<p>Joint events with sector bodies:</p> <ul style="list-style-type: none"> • Small Charities Coalition: joint finance issues meeting and SORP training courses • Institute of Risk Management: Risk Conference • Charity IT Leaders: IT & Data Insight Conference <p>Publications with the Institute of Fundraising – <i>Managing in the New Normal</i> (with PwC) and <i>Making the Most of Digital Donations</i> guide. We also joined with NCVO, the Institute of Fundraising, NAVCA, Small Charities Coalition and Locality to undertake a review into the impact of the recession on the sector's financial sustainability.</p>
Pilot new mechanisms for engagement, and skills and knowledge sharing.	<p>We launched the new LinkedIn Groups but did not have the capacity to develop the mentoring scheme and webinars as planned – but are still exploring other mechanisms.</p>
Complete integration of the Community Accounting National Network into CFG.	<ul style="list-style-type: none"> • Successful conference in January 2015. • Running as a Special Interest Group. • Undertook a review of community accounting services in London. • Integrated into funding applications and will be part of the Small Charities Programme.

OBJECTIVE 3

Understanding and representing the needs of the sector in matters which impact upon transparent, efficient and effective financial management.

WE SET OUT TO:

- Constructively engage with charities on charity finance issues;
- Respond to relevant consultations, drawing on the experience and input of charities and other relevant experts;
- Engage with government and regulators which demonstrates understanding of the impact of policies and regulations;
- Ensure the narrative around charities is refocused on what charities are there to achieve and on the impact they have;
- Bring together charities, regulators and suppliers to improve understanding of needs and of issues.

TARGETS	HOW WELL WE PERFORMED
Consultations on matters of charity finance are responded to and responses are based on evidence received.	We responded to 21 consultations on key issues facing the sector from the EU accounting directive to the Law Commission's consultation on social investment. We also co-ordinated the sector's submission to Budget 2015 and regularly engaged with officials in communicating the views of members on matters concerning charity finance.
Invitations to meetings with decision-makers and ministers, and key decision-makers speaking at and engaging in CFG products and services.	CFG regularly met with decision makers and Ministers on a range of issues affecting charity finance. Our chief executive was asked to become a member of the Charity SORP Committee. CFG is also a member of key decision making groups such as the Gift Aid Working Group and HMRC Charity Tax Forum.
Representation of sector concerns on core finance issues, such as pensions.	CFG published the latest <i>Navigating the Charity Pensions Maze</i> to raise core issues affecting charities as well as a Pensions Manifesto. Our work on this issue encouraged the Department for Work and Pensions to undertake a call for evidence on section 75 employer debt rules. CFG also worked with other bodies to stop the government redefining charities for tax purposes. CFG has continued to engage with the government on key issues such as tax, pensions, and accounting.
Press coverage, parliamentary debate and Charity Commission annual reviews start to focus more on impact than on single issues (such as salaries and benefits, administration, and fundraising).	CFG had 112 press mentions in 2014/15 covering a range of issues such as pensions, gift aid, online fundraising and the SORP. CFG has been able to get across its core messages through the media. However, a significant level of press coverage has continued to focus on single issues such as administration and salaries. Parliamentary debates have also not focused on the wider issues facing the charity sector. Greater efforts will be needed to shift focus both in the media and in Parliament towards addressing the long term challenges that face charities.

OBJECTIVES FOR 2015/16

As part of the implementation of the 2014-17 organisational strategy, we sought to better articulate our work, and develop our outcomes framework and monitoring. In doing so, we have refocused our aims to better measure the impact of the work we do.

Our aim is: To maximise charities' positive impact on those they serve through improving the effectiveness of financial management. We will do this by:

1

Developing skills, learning, knowledge and practice to improve performance;

2

Inspiring financial leadership to place finance at the heart of effective decision-making;

3

Encouraging a supportive environment for charities to thrive.

In order to achieve these key outcomes, it is necessary to build on the priorities identified in the 2014-17 strategy, and ensure they are core to supporting a step-change in performance. The 2014-17 priorities are therefore also reflected in our plans and measurements:

- Growth in range of CFG activities/engagements – ensuring matters core to charity finance are provided to the sector.
- Growth in reach – to directly engage or seek out alliances, collaborations, partnerships and mergers to reach a greater proportion of the charity sector.
- Growth in influence – maximising evidence based and solution focused policy interventions.
- Growth in income – to generate sufficient funding from products, services and partnerships to ensure those who require it can access support.

We also have organisational development objectives to support this growth, which include:

- Developing/replacing ICT systems to be fit for purpose and support greater efficiency and expansion of activities.
- Developing our people, policies and procedures to meet new opportunities and challenges.

1 Developing skills, learning, knowledge and practice to improve performance

WHAT WE WILL SET OUT TO ACHIEVE	EXAMPLES OF HOW WE WILL ACHIEVE AND MONITOR IT
Improve skills and knowledge in those responsible for finance	Attendees at conferences, training and members/Special Interest Group meetings report improved knowledge and skills
Increase understanding and awareness of charity finance in non-finance staff and trustees	Launch Small Charities Programme and website to build resources and support awareness and performance improvement – and take up of resources
Improve understanding of performance and effectiveness in charities and foster continuous improvement	Launch a CFG benchmarking product and engage at least 100 charities to participate to better understand their performance
Raise standards and create greater awareness of best practice	Delegates report greater awareness of best practice through attending CFG conferences/training/meetings, reading CFG publications or engaging in discussion groups

2 Inspiring financial leadership to place finance at the heart of effective decision-making

WHAT WE WILL SET OUT TO ACHIEVE	EXAMPLES OF HOW WE WILL ACHIEVE AND MONITOR IT
Increase the understanding and value placed on strategic financial management with financial info seen as an enabler of the business and not a compliance tool	Annual Conference attendees report that attending will help them to be an enabler of the business
Increase organisational resilience as a result of more proactive and dynamic financial management – anticipating and responding to change	Participants in the Inspiring Financial Leadership programme report that they feel more confident of their leadership skills
Increase impact of finance communications and influence internally and externally	Members report a greater value placed on financial information and management and they are able to influence more positively

3 Encouraging a supportive environment for charities to thrive

WHAT WE WILL SET OUT TO ACHIEVE	EXAMPLES OF HOW WE WILL ACHIEVE AND MONITOR IT
Inform, instigate and shape policy and regulation and gain greater understanding and recognition from policy and decision-makers	Membership of key networks, meetings with officials and politicians, consultation responses
Enhance public understanding by supporting meaningful transparency and accountability and demonstration of effectiveness	Engagement of charities in influencing/policy work including responses to consultations, survey responses, attending policy forums and calls for evidence
Increase awareness of sources of support , infrastructure, providers and resources available to those that need them	Publications and briefings produced for members and wider charity sector on key issues in charity finance
Increase sector, funder and donor understanding of the importance and value of investing in financial management	Coverage of key message/priorities in media/ third party sources including partnerships Support for Community Accountants and increasing awareness of them/services available for charities in need of support

REVIEW OF FINANCIAL POSITION

CFG's Business Model

CFG derives its income from four main sources. We receive membership subscriptions from our members and our corporate partners. Members and non-members pay fees to attend our conferences and training events. We also receive fees, sponsorship and advertising income from our corporate partners and sell exhibition stands at our conferences and events. Finally, we hold a fundraising annual dinner in London with tables being hosted and paid for by our corporate partners.

More than half our total income (including donated goods and services) comes from our corporate partners, and this helps us to deliver our charitable objectives. It allows us to subsidise costs for charities to allow them to access the support they need at a low price, and supports our policy work to ensure we work towards an environment in which charities can thrive. However, it is not just the income from these sources that is so pivotal to CFG, but also the expertise and value that our partners add in participating in our activities and their support for charities.

Our funding model has been almost entirely earned income based, with profits in some areas financially supporting other areas of our charitable delivery. In 2014/15 we secured our first grants in recent years. We secured £7,000 from the Big Lottery Fund's Big Assist Programme, and just under £5,000 from the City Bridge Trust. Both of these were spent during the year on activities that would not otherwise have been affordable from current sources. Grants and other donations are income streams that we are looking to increase in the coming years in order to support a greater range of sector organisations and grow our impact further – in particular small charities, who are often in need of support but unable to afford the necessary investment in professional advice. Our current business model is predicated on the fact that corporate partners want to engage with charities that may purchase their products and services. Small charities on limited budgets therefore do not attract the same level of corporate funding and time from our partners, so we are pleased that we have been successful in securing the financial support from a major foundation to launch this important new programme of service delivery in 2015/16. We will be moving to a more mixed income model reflecting our service delivery needs and the outcomes we are aiming to achieve – but retaining the solid foundations of our membership and earned income.

Results for the year

In last year's annual report, we reported that CFG had invested a significant portion of its free reserves in undertaking a change programme in our staff structure, and the relocation of our offices, and that as a result our free reserves had decreased to £61,586. Implementing any change programme can be difficult, and we have experienced many of the normal issues that are to be expected when implementing a new strategy. Despite these issues, 2014/15 has been a very positive year and we have been able to recover our free reserves position earlier than anticipated. As of 31st March 2015, free reserves have increased to £184,271 which falls within the previously set reserves target of between £180,000 and £225,000. In addition, the Trustees have agreed to set up a designated fund of £110,000 to cover of the costs of much needed IT Development work planned to start in 2015/16. This will incorporate a move to the cloud and improvements to our Customer Relations Management database and financial systems so that we can provide improved support to our membership base.

Expenditure fell from £1,850,187 in 2013/14 to £1,561,021 in 2014/15 – a decrease of 16% reflecting a one-off investment in the change programme in 2013/14 and improved efficiency and better procurement in 2014/15. Savings were also achieved due to delays in the recruitment of some key roles. Despite the lack of capacity, many of our targets were exceeded including increasing outcomes and income.

270%

**INCREASE IN
INCOME LEVELS
FROM ANNUAL
FUNDRAISING
DINNER, WITHOUT
ANY MAJOR
INCREASES
IN COSTS**

Total incoming resources increased from £1,689,612 to £1,806,454 – an increase of 7%, reflecting the success of the new strategy. There was increase in attendance at, and income from, our conferences, training and events. Membership and subscriber numbers also saw an increase, with income increasing by nearly 8% (c£50,000). The Annual Fundraising Dinner was a major success, with a 27% increase in income levels without any major increases in costs.

Over 51% of our income came directly from corporate partners in the form of annual membership subscription fees, sponsorship, exhibition stands and in-kind donations of venues and refreshments. Without this significant support we would not be able to provide our wide range of value-for-money services to charities. We agreed 18 longer term packages (12 in 2013/14) of support with corporate subscribers, securing their commitment to the delivery of CFG activities throughout the year.

Reserves policy

During the year the Finance and Audit committee considered the existing reserves policy and agreed that the current reserve target range of between £180,000 and £225,000 for our total general unrestricted reserves was still appropriate. It was noted that this would be reviewed again as part of the 2016/17 budget planning cycle.

CFG's reserves policy is set bearing in mind the predominant risks to the organisation and its standard working capital requirements.

Our total unrestricted reserves as at 31 March 2015 were £208,921 (2014: £90,938) and our free reserves were £184,271 (2014: £61,586). The free reserves were calculated as per the table below:

	2015	UNRESTRICTED FUNDS
General reserves as at 31 March	208,921	90,938
Less: fixed tangible assets	(24,650)	(29,352)
Free reserves	184,271	61,586

Investment policy

CFG receives income on an annual basis through membership subscriptions, sponsorship, grants and other sources. It plans activities over a three-to-five-year time horizon and budgets to expend all anticipated income, except for retaining a prudent amount in reserves. It has no permanent endowment and provides for capital expenditure within the budget. The only funds of CFG that are not expendable within 12 months of receipt are reserves and any grants or contracts for activities over a longer period.

Consequently the Board of Trustees does not consider that it is prudent to invest income for the longer-term. Its policy is therefore to retain funds as cash and place them on bank deposit at the best rate obtainable. As a result it considers that it is not appropriate for CFG to adopt an ethical investment policy at this time.

Despite the fact that we do not have a dedicated ethical investment policy, our wider ethical policy states that:

- We should always pay at least the living wage (including interns).
- When tendering for professional services we should always give consideration to ethical and sustainable suppliers.
- We should ensure that our banks have an ethical policy and we obtain copies of these.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

Charity Finance Group (CFG) was incorporated by guarantee on 29 March 1996, changing its name from the Charity Finance Directors' Group on 20 March 2015, it has been trading as CFG since 2012. It was decided to formally change the name in 2014 to embed the change in our strategy to support the whole charity, rather than just finance directors, and changes were made to support other public benefit organisations, not just registered charities. We have no share capital and the guarantee is limited to £1 per member. The governing document is the Memorandum and Articles of Association of the company, which was amended on 6 November 2014 following a Group Members' Special Resolution.

The Board of Trustees are the directors of the company, and we have one wholly-owned trading subsidiary, CFDG Trading Limited, which carries out all trading activities for CFG. See note 2 to the financial statements.

Board

The Board consists of up to ten Trustees, all able to serve two terms of three years. Up to seven are required to be CFG members, and the Board may appoint three non-member Trustees in order to bring in wider necessary skills and experiences. Member Trustees are elected by their fellow members. Non-member Trustees are appointed after an open recruitment process. The Chair and officers of the Board are appointed by the Trustees from among their number. The Board meets four times a year and holds additional strategy planning sessions.

Sub-committees and ad hoc task and finish sub-groups of the Board are convened to expedite the execution of duties. Current sub-committees (Nomination Committee, Remuneration Committee and Finance and Audit Committee) are governed by their own terms of reference and delegated duties are approved by the full Board. Sub-committees are served by Trustees and co-opted independent appointees.

Special Advisors and expert forums provide support and advice to the Board and staff. Current forums are the Banking Forum and the Technical Accounting Forum.

Members are supported across England and Wales in four regions: London and the South East; Midlands; Northern; and the South West and Wales, through the use of regional engagement forums which were introduced in 2013. Each forum is composed of up to nine charity members, drawn from the relevant region, including a representative of the CFG Board of Trustees, where possible.

Board induction and conduct

Trustees sign a code of conduct and complete a register of interests (reviewed annually). Induction support and a Trustee handbook are provided to new trustees by the staff team and Chair. The handbook includes a copy of relevant policies, procedures, governance information and role descriptions.

Management

Day-to-day management of CFG is delegated to the CEO. Performance and risk is monitored against strategic objectives. CFG's headcount is currently, as at 25 August 2015, 18 full time positions and 1 part time position. The use of fixed term and freelance contractors has been reduced due to permanent roles being created and filled, as part of the reshaping of the organisation to support our strategy.

Risk management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems or procedures have been established to manage those risks. The Board of Trustees are satisfied that reasonable steps are being taken to limit the probability and the impact of these risks.

CFG aims to embed active risk management that considers opportunities as well as threats throughout the organisation. Risk management has evolved to be linked to the overarching key performance indicators for CFG. The senior management team review the risks on a regular basis, especially when considering changes to plans or new opportunities. The Trustees review the risk register at Finance & Audit Committee and Board meetings once or twice a year in order to monitor the progress made by the executive team in managing and mitigating the predominant risks. Key changes in risk items will also be reported to the Board as required and it is a standing agenda item at every board meeting.

As well as the normal day to day risks, key risks identified at the moment include on-going staff recruitment challenges and vacancies, which could impact on the organisation's ability to continue to meet key performance targets, and any failure to successfully implement the vital system changes.

The risk framework and approach will be reviewed in mid 2015/16 to more closely align it to our outcomes framework.

Our governance around remuneration

How we decide how much to pay our staff CFG is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

In accordance with the Charities SORP, the Companies Act 2006, and the Charities Act 2011, CFG discloses the following:

- All payments made to Trustees (no Trustees receive 'pay' although they are entitled to claim for appropriate expenses)
- The number of staff in receipt of more than £60,000 (in bands of £10,000)
- Pensions and other benefits

In addition CFG has considered the recommendations set out in the NCVO 'Report of the Inquiry into Charity Senior Executive Pay' published in April 2014, and has followed these where appropriate.

CFG has a Remuneration Committee, which meets annually, and is comprised of the CFG Chair, Vice-Chair, Treasurer and one other Trustee (who shall be appointed by the Chair), which sets the pay for all staff. The CEO is in attendance for the meeting (leaving for the discussion regarding the CEO's remuneration) and no members of the executive are members of the Committee.

The main responsibilities of the Committee are to:

- Review the CFG salary banding against an agreed market benchmarking tool and make sure amendments are appropriate to ensure that CFG salaries remain competitive
- Determine the remuneration package of the CEO
- Approve the annual percentage increase in the payroll for all staff (which can be zero) taking into account RPI as at 31 December for the previous year
- Approve any consolidated pay awards and staff salary increases outside of the annual review process as recommended from time to time by the CEO
- Approve any non-consolidated pay awards (bonus) as recommended by the CEO
- Determine pension arrangements, and
- Ensure that contractual terms on termination are fair to the individual and the charity, that poor performance is not rewarded and a duty to mitigate loss is recognised.

Our remuneration policy

In determining CFG's remuneration policy the Remuneration Committee takes into account all factors which are deemed necessary. The objective of the policy is to ensure that the CEO and staff team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Charity. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with other charities ensuring CFG remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower – medium point within a band, providing scope to be rewarded for excellence. We do not employ interns without pay and we pay the living wage for all our staff.

Delivery of CFG's charitable vision and purpose is primarily dependent on our staff, which is the largest single element of charitable expenditure. In 2014-15 CFG awarded staff a 1% cost of living uplift in salary. One member of staff earned more than £60,000 in the year. The Chief Executive Officer, Caron Bradshaw, is the highest paid member of staff. Her salary during the year was £91,967. Further information on pension arrangements and on the salary costs for the year with comparisons to the previous year are presented in the notes to the financial statements in note 5 on page 34.

Valuing volunteers

CFG relies on the voluntary input of finance professionals and experts. Time given as speakers, trainers, helpline advisers and in other ways supporting CFG's work enables us to provide a wide range of services to members and the sector; often free at the point of use. Value attributed to volunteer time (4,366 volunteer hours valued at £72 per hour) would come to £314,352 (2014 – £281,260, being 4,018 volunteer hours valued at £70 per hour). This value is not recognised as either income or expenditure in the Statement of Financial Activities.

Donated resources

We also value the donated resources that our corporate sponsors and other third parties make towards helping CFG achieve its objectives. We could not deliver our events without the support of our corporate partners.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Strategic Report, the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

£247,470

GIFTS IN KIND

(INCLUDING IN KIND VENUE HIRE AND CATERING, DONATED MEDIA SPACE/ADVERTS AND DONATED PRIZES)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees.

The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Trustees have confirmed that, so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Meeting and reporting on public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The structure of the Trustees' Annual Report allows us to report on each of our strategic aims, CFG's activities and achievements during the year and our plans for 2015/16 within each of these areas. We have embedded examples of how CFG meets the public benefit requirement throughout our report.

By supporting those in the charity sector with financial responsibility via a range of activities and services, which can be accessed in a variety of ways including through membership, we are able to help all charities to maximise the use of their resources and make a greater impact for all their beneficiaries.



Ian Theodoreson
Chair



FINANCIAL STATEMENTS

Consolidated statement of financial activities

For the year ended 31 March 2015 (Incorporating the income and expenditure account)	UNRESTRICTED FUNDS		RESTRICTED	TOTAL	TOTAL RESTATED
	NOTES	2015	2015	2015	2014
INCOMING RESOURCES	1				
Incoming resources from generated funds					
Annual Fundraising Dinner		£134,912	-	£134,912	£106,350
Investment income		£1,950	-	£1,950	£1,382
Incoming resources from charitable activities					
Membership subscriptions		£724,463	-	£724,463	£672,687
Advising, informing & developing		£327,278	-	£327,278	£282,994
Connecting & supporting		£496,152	£31,227	£527,379	£504,993
Understanding & representing		£86,019	-	£86,019	£111,043
Other incoming resources		£4,453	-	£4,453	£10,163
TOTAL INCOMING RESOURCES		£1,775,227	£31,227	£1,806,454	£1,689,612
RESOURCES EXPENDED					
Cost of generating funds		(£74,137)	-	(£74,137)	(£78,898)
Charitable activities					
Advising, informing and developing		(£582,110)	-	(£582,110)	(£651,235)
Connecting and supporting		(£618,148)	(£16,950)	(£635,098)	(£764,369)
Understanding and representing		(£197,958)	-	(£197,958)	(£286,143)
Governance costs		(£71,718)	-	(£71,718)	(£69,542)
TOTAL RESOURCES EXPENDED	3	(£1,544,071)	(£16,950)	(£1,561,021)	(£1,850,187)
NET INCOME FOR THE YEAR	4	£231,156	£14,277	£245,433	(£160,575)
TOTAL FUNDS BROUGHT FORWARD AT 1 APRIL		£90,938	-	£90,938	£251,513
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH	10	£322,094	£14,277	£336,371	£90,938

There are no recognised gains or losses other than those in the statement of financial activities. Therefore no statement of total recognised gains or losses has been prepared.

For Companies Act purposes, total income is £1,558,984 (2014: £1,484,685) and total expenditure is £1,313,551 (2014: £1,645,260), which is total incoming resources and total resources expended as shown above, both net of gifts in kind of £247,470 (2014: £204,927). All the above amounts relate to continuing activities.

The parent company's incoming resources are £1,789,045 (2014: £1,673,730) and its resources expended are £1,543,612 (2014: £1,834,305).

All operations are continuing. There was a reclassification of the charitable activities in the year as this was felt to be a more appropriate representation of the costs incurred.

Balance Sheets

As at 31 March 2015 Company no. 3182826	NOTES	2015		2014	
		GROUP	CHARITY	GROUP	CHARITY
FIXED ASSETS					
Tangible Assets	6	£24,650	£24,650	£29,352	£29,352
Investments	7	-	£10,000	-	£10,000
TOTAL		£24,650	£34,650	£29,352	£39,352
CURRENT ASSETS					
Debtors	8	£693,653	£249,044	£749,863	£300,251
Short term deposits		£378,265	£378,265	£176,747	£176,747
Cash at bank and in hand		£258,147	£203,541	£222,720	£161,680
TOTAL		£1,330,065	£830,850	£1,149,330	£638,678
LIABILITIES					
Creditors: amounts falling due within one year	9	(£1,018,344)	(£529,129)	(£1,087,744)	(£587,092)
NET CURRENT ASSETS		£311,721	£301,721	£61,586	£51,586
TOTAL ASSETS LESS CURRENT LIABILITIES		£336,371	£336,371	£90,938	£90,938
FUNDS					
Unrestricted funds	10				
Free Reserves		£184,271	£184,271	£61,586	£61,586
Fixed Asset Reserves		£24,650	£24,650	£29,352	£29,352
Total unrestricted funds		£208,921	£208,921	£90,938	£90,938
Designated Funds					
ICT Development		£110,000	£110,000	-	-
Inspiring Financial Leadership		£3,173	£3,173	-	-
Total designated funds		£113,173	£113,173	-	-
Restricted funds					
Community Accountants Network		£14,277	£14,277	-	-
TOTAL		£336,371	£336,371	£90,938	£90,938

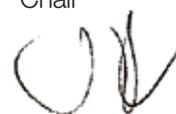
The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 28 to 39 form part of these accounts.

The Report of the Board of Trustees, incorporating the Strategic Report was approved and authorised for issue by the Board of Trustees on 15 September 2015 and signed on their behalf by:



Ian Theodoreson
Chair



Kevin Barnes
Treasurer

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and comply with the Companies Act 2006. The financial statements have been prepared in accordance with Statement of Recommended Practice (SORP), Accounting and Reporting by Charities, published in March 2005 (revised May 2008) and applicable accounting standards.

The company has taken advantage of the exemption under Financial Reporting Standard No 1 "Cash Flow Statements" not to prepare a cash flow statement as the Directors believe the company is "Small" under the Companies Act 2006.

Consolidation

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and of its subsidiary undertaking, namely CFDG Trading Limited.

The results of the subsidiary are consolidated on a line-by-line basis.

The charity has availed itself of paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA or income and expenditure account has been presented for the charity alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of CFG. Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, including where appropriate a fair allocation of management and support costs. Our designated funds have been earmarked at the discretion of the Trustees for a particular projects.

Recognition of income

All income (including grants) is accounted for as soon as CFG has entitlement to the income, there is certainty of receipt and the amount is quantifiable.

Donated facilities

Donated facilities, as described in note 4b, are included at the value to CFG i.e. the value CFG would have paid in the open market. Although SORP 2005 recommends that the value of donated facilities is included in voluntary income, they are included under the relevant category of income for charitable activities because CFG considers this gives a fairer presentation.

Members' subscriptions and events & conferences and deferred income

Subscriptions and events income are accounted for in the year to which they apply. Subscription income received during the year that relates to a subsequent financial accounting period is carried forward as a creditor in the balance sheet and shown as deferred subscriptions income.

Pensions

Contributions to our defined contribution group personal pension scheme are charged to revenue according to the period to which they relate.

£184,271

THE EASILY REALISABLE UNRESTRICTED RESERVES OF CFG AT THE YEAR-END

Resources expended

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing CFG to the expenditure. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expenses headings on the basis of time spent.

Governance costs consist of costs incurred in ensuring compliance with constitutional and statutory requirements and in ensuring public accountability.

Cost of generating funds is the cost of the Annual Fundraising Dinner and covers direct expenditure on the dinner together with the appropriate allocation of staff and support costs. It also includes time spent on generating voluntary income such as grant applications.

Charitable activities include expenditure associated with the operation of CFG and the provision of our services.

Operating leases

Rentals paid under operating leases are charged to revenue on a straight-line basis over the terms of the leases. In accordance with UITF Abstract 28 operating lease incentives and SSAP 21, the rent free period incentive on the lease of 15/18 White Lion Street, London, N1 9PG, has been spread over the term to the first break in the lease i.e. three years.

Going concern

The easily realisable unrestricted reserves of CFG at the year-end amount to £184,271. Through consideration of the business plan to 2017, with balanced budgets for the next two financial years, the Trustees consider there is a reasonable expectation that the CFG group has adequate resources to continue in operational existence for the foreseeable future. The Trustees are also satisfied with the controls in place for monitoring and flexing the budget throughout the year. Accordingly we continue to adopt the going concern basis in preparing this annual report and financial statements.

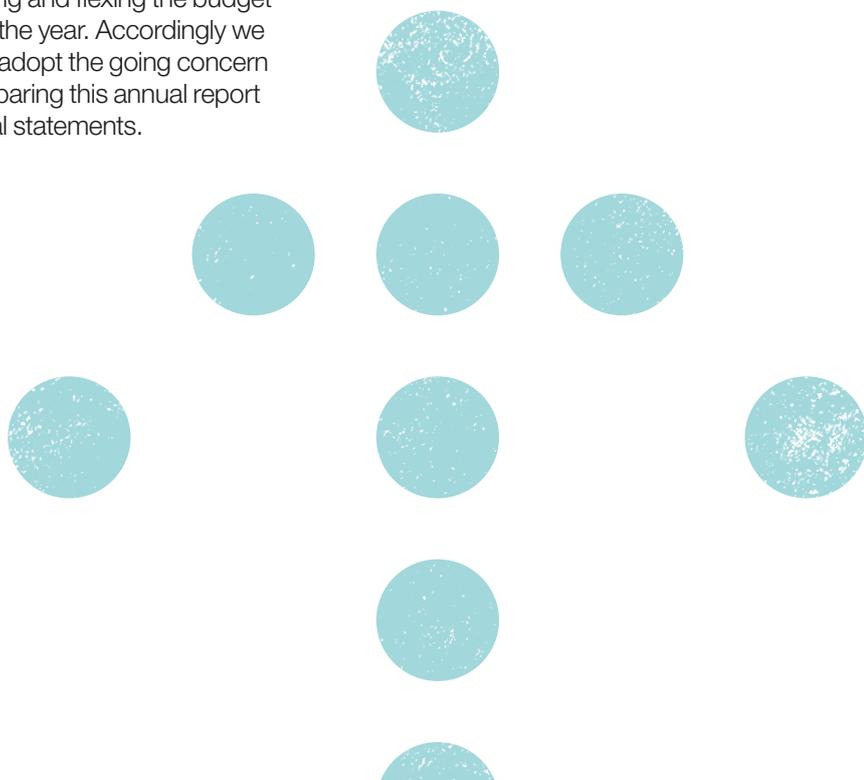
Fixed assets

Fixed assets are stated at historical cost less depreciation. Assets with a cost in excess of £2,000 and which are intended to be of ongoing use to CFG in carrying out its activities are capitalised as fixed assets.

Depreciation is charged on all tangible fixed assets at 25% of cost per annum, so as to write them off over their expected useful lives.

Investments

The investment in the subsidiary CFGD Trading Limited is valued at cost.



2. Results from the trading activities of the subsidiary

	2015	2014
CFDG Trading Limited		
Turnover	£554,477	£581,991
Cost of Sales	(£152,765)	(£161,308)
Gross Profit	£401,712	£420,683
Audit Fee	(£2,794)	(£2,557)
Operating Surplus	£398,918	£418,126
Interest receivable	£56	£65
Profit before tax and Gift Aid donation	£398,974	£418,191
Fund balance brought forward	-	-
Charitable donation to shareholder	(£398,974)	(£418,191)
Retained in subsidiary	-	-
Balance sheet		
Current Assets	£594,138	£662,965
Current liabilities	(£584,138)	(£652,965)
Net assets	£10,000	£10,000
Share capital	£10,000	£10,000
Reserves	-	-
TOTAL FUNDING	£10,000	£10,000

The charity has one wholly owned subsidiary which is incorporated in Great Britain. CFGD Trading Limited was incorporated on 5th February 2009 to raise funds via commercial activities and sponsorship for CFG. CFGD Trading Limited donates its taxable profits to CFG under Gift Aid subject to its working capital requirements being maintained.

3. Resources expended

a) Analysis of total resources expended

	STAFF COSTS	SUPPORT COSTS	OTHER DIRECT COSTS	TOTAL 2015	TOTAL RESTATED 2014
Cost of generating funds	£21,788	£5,943	£46,406	£74,137	£78,898
Charitable Activities					
Advising, informing & developing	£266,639	£76,983	£238,488	£582,110	£651,235
Connecting & supporting	£266,673	£75,989	£292,436	£635,098	£764,369
Understanding & representing	£112,502	£32,442	£53,014	£197,958	£286,143
Governance	£35,602	£10,404	£25,712	£71,718	£69,542
TOTAL RESOURCES EXPENDED	£703,204	£201,761	£656,056	£1,561,021	£1,850,187
Total resources expended 2014	£900,735	£276,468	£672,984		

Within total resources expended the 'Other direct costs' column includes costs of £247,470 (2014: £204,927) relating to services donated to CFG that were not incurred by CFG (see note 4b). Had these services not been donated CFG would have incurred this cost. There was a reclassification of the charitable activities in the year as this was felt to be a more appropriate representation of the costs incurred.

b) Analysis of support costs

SUMMARY	TOTAL CHARITABLE ACTIVITY	GENERATING FUNDS	GOVERNANCE	TOTAL 2015	TOTAL 2014
Employee related costs	£30,374	£974	£1,704	£33,052	£25,839
Premises	£63,251	£2,027	£3,549	£68,827	£109,716
Communications & IT	£43,209	£1,385	£2,424	£47,018	£57,806
Postage & Printing	£5,501	£176	£310	£5,987	£9,698
Financial Costs	£34,783	£1,115	£1,952	£37,850	£69,874
Depreciation	£8,296	£266	£465	£9,027	3,535
TOTAL	£185,414	£5,943	£10,404	£201,761	£276,468

CHARITABLE ACTIVITY	ADVISING, INFORMING & DEVELOPING	CONNECTING & SUPPORTING	UNDERSTANDING & REPRESENTING	TOTAL 2015	TOTAL 2014
Employee related costs	£12,611	£12,448	£5,315	£30,374	£24,031
Premises	£26,262	£25,922	£11,067	£63,251	£102,036
Communications & IT	£17,940	£17,709	£7,560	£43,209	£53,759
Postage & Printing	£2,284	£2,254	£963	£5,501	£9,018
Financial Costs	£14,442	£14,255	£6,086	£34,783	£64,983
Depreciation	£3,444	£3,401	£1,451	£8,296	£3,288
TOTAL	£76,983	£75,989	£32,442	£185,414	£257,115

All support costs are allocated on the basis of staff time. Staffing support costs have not been analysed as the majority of CFG staff work directly on activities and the amount that can be allocated to support is therefore not material.

c) Analysis of governance costs

	2015	2014
Legal and professional fees	£12,970	£6,649
Audit fees	£6,136	£6,047
Non-audit fees	£1,250	£2,785
Costs of AGM, Trustee travel, recruitment & training	£4,001	£3,967
Appointment of staff and support costs	£47,361	£47,088
TOTAL GOVERNANCE COSTS	£71,718	£66,536

4. Net ingoing resources

a) These are stated after charging :

	2015	2014
Auditor's remuneration		
Audit – current year	£6,136	£6,047
Non-audit services	£1,250	£2,825
Depreciation	£9,027	£3,535
Operation lease premises (see note below)	£41,850	£72,445
Operating lease photocopier (see note below)	£445	£2,689

Operating lease commitments

The minimum payments, which CFG is committed to make in the coming year under operating leases, are as follows:

	PROPERTY		PHOTOCOPIER	
	2015	2014	2015	2014
Leases which expire:				
Within one year	-	-	-	672
Within one to two years	45,640	-	-	-
Within two to five years	-	45,640	-	-
TOTAL	45,640	45,640	0	672

b) Valuation of donated resources

Donated facilities are included at the value to CFG. These are largely made up of meeting and training venues, audio-visual equipment and refreshments.

	2015	2014
Connecting & supporting	£75,877	£62,191
Advising, informing & developing	£144,612	£110,399
Understanding & representing	£22,570	£24,303
Governance & support	£4,411	£8,034
TOTAL	£247,470	£204,927

5. Trustees and employee information

a) Trustee information

No remuneration was paid to or waived by any Trustee during the year (2014: £Nil). Expenses of £4,001 for travel were reimbursed to five trustees during the year (2014: £2,962 to six trustees).

b) Employee information

EMPLOYEE NUMBERS	2015	2014
The average full time equivalent number of staff employed during the year was:	17	17
The average headcount during the year was:	17	19
Employee costs during the year were :		
Salaries	£563,976	£642,651
Social Security	£57,798	£61,017
Pension	£29,312	£44,797
Subtotal salaried staff	£651,086	£748,465
Contractors	£52,118	£151,956
Other Costs	0	£314
TOTAL EMPLOYEE COSTS	£703,204	£900,735

As can be seen from the table above, there was a decrease in employee costs in the year compared to the previous year due to delays in recruitment.

The number of employees whose total pay amounted to £60,000 or above for the year is as follows:

	2015	2014
£60,001 – £70,000	-	1
£80,001 – £90,000	-	1
£90,001 – £100,000	1	-

Total pay for this purpose includes gross salary but excludes expenses. Systems are in place for the management of expenses.

The one member of staff included in the above bandings for 2015 has benefits accruing under CFG's group personal pension arrangement. The employer contributions into the group personal pension scheme during the year on behalf of this member of staff amounted to £9,197 (2014: £13,593 for two people).

There were seven active members of staff in total accruing benefits under the group personal pension scheme as at 31 March 2015 (2014: six).

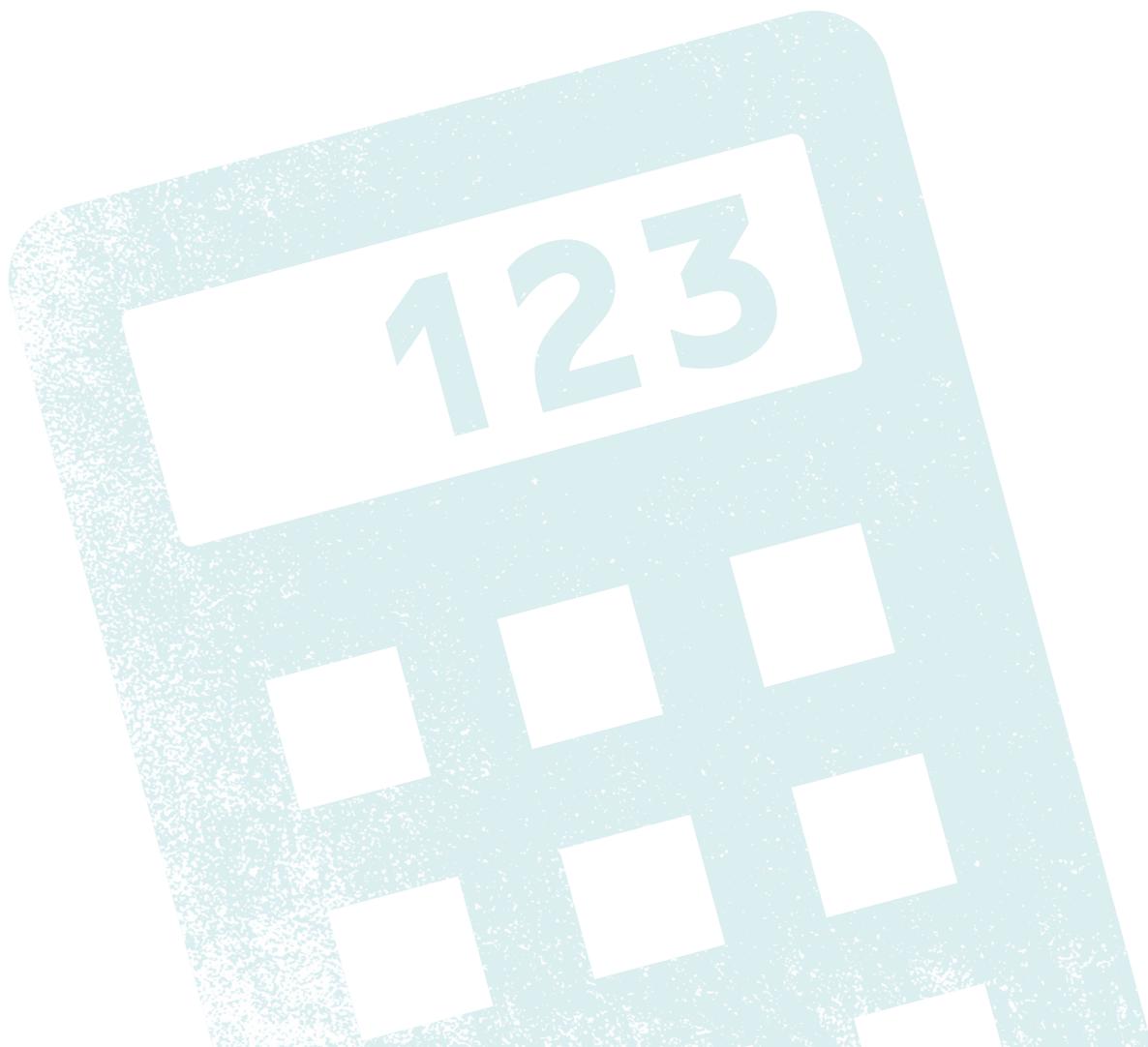
c) Pensions

CFG offers eligible staff a group personal pension scheme which is currently administered and managed by Aegon. CFG pays twice the percentage that the employee contributes up to a maximum of 10%. The amount of outstanding contributions at 31 March 2015 was £4,048 (2014: £3,397).

6. Tangible fixed assets - Group and Charity

	OFFICE FURNITURE	COMPUTERS	TOTAL
Cost			
At 1 April 2014	£17,666	£26,867	£44,533
Additions	£2,000	£2,325	£4,325
Disposals	-	(£2,744)	(£2,744)
At 31 March 2015	£19,666	£26,448	£46,114
Depreciation			
At 1 April 2014	(£1,840)	(£13,341)	(£15,181)
Charge for the year	(£4,750)	(£4,277)	(£9,027)
Disposals	-	£2,744	£2,744
At 31 March 2015	(£6,590)	(£14,874)	(£21,464)
Net book value			
At 31 March 2015	£13,076	£11,574	£24,650
At 31 March 2014	£15,826	£13,526	£29,352

The above fixed assets are used to support all of CFG's activities. At 31st March 2015 CFGD Trading Limited had no fixed assets.



7. Investments

		SHARES IN SUBSIDIARY UNDERTAKING	CHARITY
At historic cost:			
At 1 April 2014		10,000	£10,000
Additions		-	-
At 31 March 2015		10,000	10,000
Principal Subsidiary Undertakings	Registered in	Percentage of capital held	No of £1 ordinary shares held
CFDG Trading Limited	England & Wales	100%	10,000

8. Debtors

	2015		2014	
	GROUP	CHARITY	GROUP	CHARITY
Trade debtors	£609,978	£71,843	£617,398	£40,212
Other debtors	£9,561	£9,561	£16,780	£16,780
Prepayments & accrued income	£74,114	£72,716	£115,685	£90,946
Amounts owed by subsidiary	-	£94,924	-	£152,313
	£693,653	£249,044	£749,863	£300,251

9. Creditors

AMOUNTS FALLING DUE WITHIN ONE YEAR	2015		2014	
	GROUP	CHARITY	GROUP	CHARITY
Trade Creditors	£63,400	£63,400	£141,448	£141,448
Deferred subscriptions income	£673,120	£238,664	£616,412	£190,012
Deferred events income	£147,573	£94,573	£169,179	£97,484
Pension contributions outstanding	£4,048	£4,048	£3,397	£3,397
Taxation & social security creditors	£93,958	£93,993	£87,188	£87,188
Other creditors and accruals	£36,245	£34,451	£70,120	£67,563
	£1,018,344	£529,129	£1,087,744	£587,092

All deferred income brought forward at the beginning of the year was released to income during the year (2014: same).

10. Funds – Group and Charity

	OPENING BALANCE	INCOME	EXPENDITURE	TRANSFERS	CLOSING BALANCE
General Reserves	£90,938	£1,775,227	£1,544,071	(£113,173)	£208,921
Designated Funds					
ICT	-			£110,000	£110,000
Inspiring Financial Leadership	-			£3,173	£3,173
	£90,938	£1,775,227	£1,544,071	-	£322,094
Restricted Funds					
BLF Big Assist	-	£7,000	£7,000	-	-
City Bridge Trust	-	£4,950	£4,950	-	-
Community Accounting	-	£19,277	£5,000	-	£14,277
	-	£31,227	£16,950	-	£14,277
TOTAL	£90,938	£1,806,454	£1,561,021	-	£336,371

During the year the Board of Trustees agreed to set up a Designated Fund to cover the costs of some major IT Development work. In addition, a designated fund was created from the net surplus from our Inspiring Financial Leadership Programme to fund continuing work in this area.

The Big Lottery Fund Big Assist grant was for a project to develop webinar and online training capabilities – and included consultancy and training.

The City Bridge Trust grant was for a review of the provision of community accounting support services to small charities in London.

The Community Accounting fund represents the transferred assets of the former Community Accounting National Network and is to be used in furtherance of the objects of the former organisation.

Analysis of net assets between funds

	DESIGNATED FUNDS	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS
Tangible Fixed Assets	-	24,650	-	24,650
Current Assets	113,173	1,202,615	14,277	1,330,065
Current Liabilities	-	(1,018,344)	-	(1,018,344)
TOTAL NET ASSETS	113,173	238,921	14,277	336,371

11. Capital commitments

At 31 March 2015 there were no capital commitments (2014: none).

12. Related party transactions

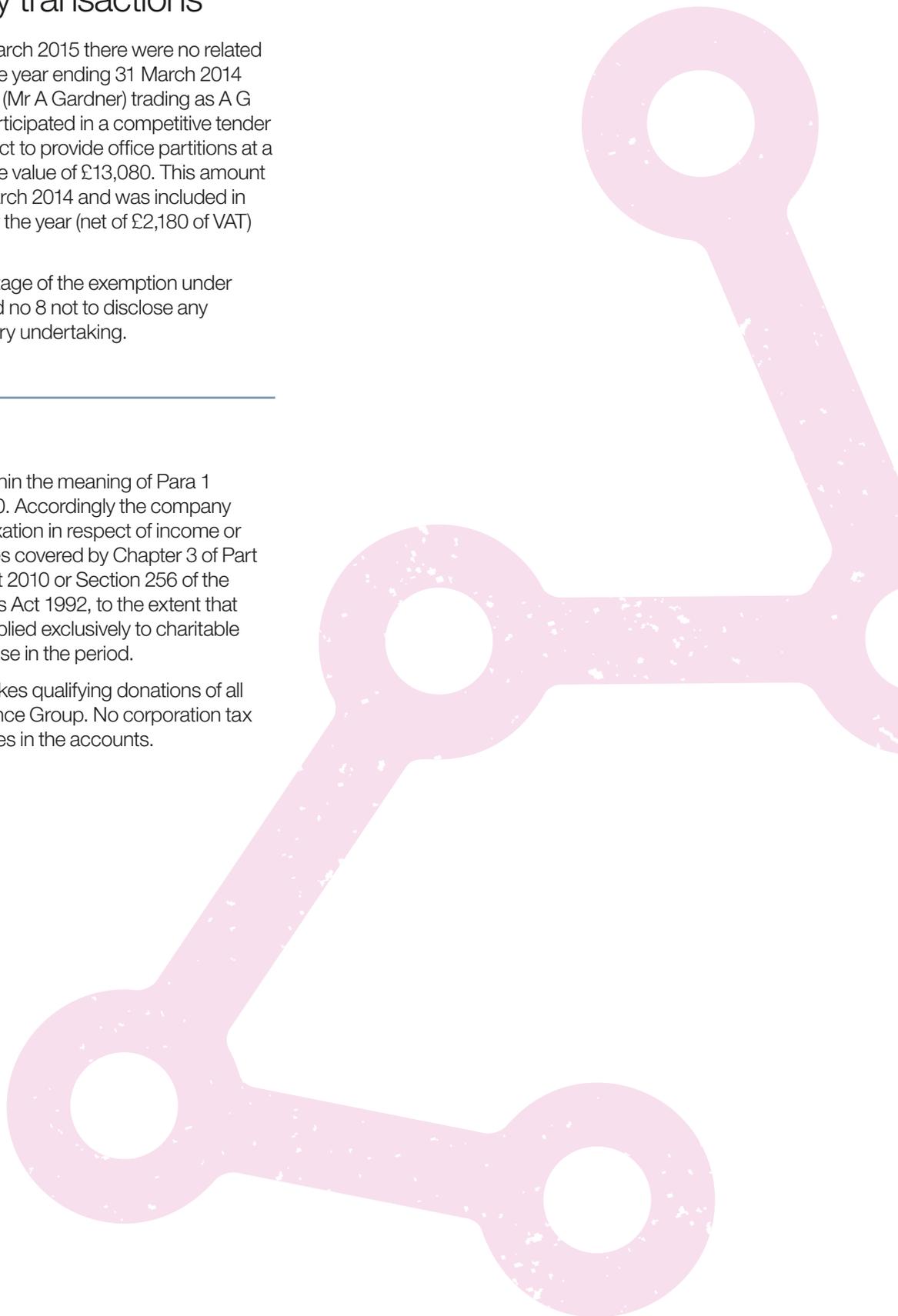
During the year ending 31 March 2015 there were no related party transactions. During the year ending 31 March 2014 the Chief Executive's brother (Mr A Gardner) trading as A G Commercial Interiors Ltd, participated in a competitive tender and was awarded the contract to provide office partitions at a highly competitive price to the value of £13,080. This amount was outstanding as at 31 March 2014 and was included in both fixed asset additions for the year (net of £2,180 of VAT) and in trade creditors.

The charity has taken advantage of the exemption under Financial Reporting Standard no 8 not to disclose any transactions with its subsidiary undertaking.

13. Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

The subsidiary company makes qualifying donations of all taxable profit to Charity Finance Group. No corporation tax liability on the subsidiary arises in the accounts.



INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of Charity Finance Group for the year ended 31 March 2015 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees and members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2015, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Trustees, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Board of Trustees.

Andrew Stickland, Senior Statutory Auditor for and on behalf of BDO LLP, Statutory Auditor

Gatwick, West Sussex
United Kingdom

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

TRUSTEES, OFFICERS AND ADVISORS

Board of Trustees

Ian Theodoreson (Chair)

Gill Gibb (Deputy Chair)
(until 9 Sept 2014)

Diane Bassett (Deputy Chair)
(from 9 Sept 2014)

Mark Hilton
(Treasurer, until 15 Sept 2015)

Kevin Barnes
(Treasurer from 15 Sept 2015)

Rosie Chapman

Kevin Curley CBE
(until 22 Sept 2014)

Nicki Deeson

Gary Forster
(from 15 Sept 2015)

Samantha Husband
(from 15 Sept 2015)

Sally O'Neill
(until 15 Sept 2015)

Kerry Shea
(from 15 Sept 2015)

Uday Thakkar
(until 27th June 2015)

John Tranter
(from 15 Sept 2015)

Finance & Audit Committee

Mark Hilton (Chair)

Kevin Barnes

Rosie Chapman

Martin Hughes

Mark Cornish
(from 1st December 2014)

Nominations Committee

Sally O'Neill (Chair)

Nicki Deeson

Rodney Buse

Julia Oliver

Remuneration Committee

Ian Theodoreson (Chair)

Diane Bassett

Mark Hilton

Uday Thakkar

Special Advisor

Pesh Framjee

Chief Executive Officer

Caron Bradshaw

Head Office and Registered Office

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15-18 White Lion Street
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N1 9PG

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Fax: 0845 345 3193
Registered charity no. 1054914
Company no. 3182826

Auditors

BDO LLP
2 City Place
Beehive Ring Road
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West Sussex
RH6 0PA

Solicitors

Russell-Cooke Solicitors LLP
2 Putney Hill
Putney
London
SW15 6AB

Bankers

Unity Trust Bank PLC
Nine Brindleyplace
4 Oozells Square
Birmingham
B1 2HB

Royal London Cash Management Ltd
55 Gracechurch Street
London
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