CFG INSPIRING FINANCIAL LEADERSHIP

FINANCE FOCUS

The magazine for CFG members August 2017

Charities and their auditor

Building an ideal relationship

ALSO THIS MONTH:

- THE ROLE OF THE COMMUNITY ACCOUNTANT
- WHY GETTING YOUR RECORDS IN ORDER MATTERS
- CHARITIES MUST NOT OPT-OUT OF DEBATE OVER BREXIT

CFG INSPIRING FINANCIAL LEADERSHIP

FINANCE COUNT INTELLIGENT FINANCIAL MANAGEMENT

How does your charity compare?

Are you looking to increase the efficiency of your finance function and pinpoint opportunities for improvement? If so, CFG's Finance Count can help.

Finance Count is a unique financial management benchmarking tool designed specifically for charities.

Following registration, you will be asked to complete a detailed questionnaire and identify those charities against whom you wish to benchmark.

The information you give us will be analysed, and CFG will send you a bespoke report that not only benchmarks your charity against your peers but also across the whole sector.

Throughout the process you will be able to attend free workshops where you can explore, alongside your peers, ways to improve your finance function's processes and performance.

Finance Count allows you to tap into a community of professionals in the sector to ensure your organisation is on track to having the strongest possible finance function.

What does it cost?

Thanks to the generous support of Crowe Clark Whitehill, CFG can offer Finance Count for just £100 per charity before Monday 2 October 2017 (after which it will be £250).

Find out more and register:
www.cfg.org.uk/resources/finance-count

Kindly supported by: Crowe Clark Whitehill

EDITOR'S NOTE

Is it time to move your audit away from the bottom line?

How would you rate your relationship with your auditors? While getting your accounts signed off is the bottom line, in this fast-changing regulatory environment, they can also provide you with the latest technical detail. But what if they could use their knowledge and insight to help your charity make even better decisions?

This month's cover story focuses on the relationship between finance directors and their auditors. Providing the charity perspective, on page 9, Richard Bray from Cancer Research UK says that while many are happy to be guided by their auditors on changes to the reporting framework – such as reporting matters of material significance – it's advisable for the charity themselves to be familiar not only with the regulations but also the guidance issued to auditors, as opinions can diverge.

On page 10, Pesh Framjee from, Crowe Clark Whitehill outlines findings from the Charity Auditor's Insight Report recently published by ICAEW which focuses on how charities can: demonstrate impact; retain public trust; be more resilient and maximise their resources. It is, he says, incumbent on the auditor to identify best practice and highlight areas for improvement.

Despite being in the midst of silly season, Brexit is never far away from our collective consciousness. You may have read about a report CFG published in July about the opportunities a 'clean' Brexit may bring the sector. Not everyone agreed. On page 11, Andrew O'Brien explains the rationale for the report and urges charities not to opt-out of the debate – like it or not, it's happening and we need to make sure the sector is heard.

Audit and reporting go hand-in-hand. On page 12, Charlotte Clements from UCL Institute of Education explores the importance of good record-keeping in improving efficiency and effectiveness. One story that went slightly more stellar than CFG's Brexit report was the BBC gender pay gap. The fallout is a timely reminder that charities with 250+ employees should now be reporting on six key gender pay gap figures. CFG's Anjelica Finnegan on page 13 explains all.

What does it take to get your Annual Report shortlisted for a Third Sector Excellence Award? Last year, Street League's report made the shortlist. Read about their approach and what it takes to deliver a stand-out annual report (page 14).

There are numerous pathways into charity finance and the one from the corporate sector is one well-trodden. Having trained as a chartered accountant at Price Waterhouse, Tom Beardmore-Gray left his job at De Beers to join the Girl's Day School Trust as Finance Director, bringing with him a commercial skills-set that, among other things, enables him to quickly appraise business opportunities (page 15).

Last but definitely not least, West Yorkshire Community Accounting Service (WYCAS) on page 16 discusses what keeps community accountants awake at night. Unsurprisingly, the long-term decline in local authority grants is high up the list. Claire Wellings, WYCAS's Leeds-area accountant describes a recent working day, showing that, for community accountants at least, there's no such thing as a typical day!

Finally, CFG's events programme is starting to gear up for the autumn. Don't forget our Large Charities Conference on 27 September, featuring Professor Martin Elliot from GOSH, Thea Dexter of Good Lab and Tracey Bleakley from Hospice UK.

Our VAT London conference on 19 September is now fully booked, but there are still places available on VAT Birmingham on 17 November. More details of these conferences and other events on page 17, or visit cfg.org.uk/events

Enjoy the last throes of summer and see you in September.

Kate Bines, Head of Marketing & Communications, Charity Finance Group

Contents

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Organisation of the month

Redthread

To mark International Youth Day 2017 we welcome Redthread as organisation of the month. Redthread strives to offer young people vital support through innovative and engaging health and education programmes.

Why did you join CFG?

When Redthread joined CFG, we were still a very small charity, and we joined in order to gain from the experience and advice of other finance professionals working in the not-for-profit sector; to be kept up to date with external events and changes to legislation that we needed to keep abreast of, and just to be able to network with organisations facing similar challenges.

What are your organisation's biggest achievements?

The development of a range of innovative services (our Youth Violence Intervention Programme, The Well Centre and London Gang Exit programmes) empowering young people to be healthy, safe and happy.
As we've grown we've built a network of supporters and stakeholders who support and enable us to get our work recognised and valued.

What is the largest source of support your organisation has gained from CFG membership?

Having a community of financial professionals to be able to network with and learn from at conferences and members' events organised throughout the year.

What is the biggest issue facing your sector right now?

At Redthread we know youth violence needs to be treated as a public health issue. A challenge facing youth work specifically around youth violence is that charities, hospitals, police departments and funders need to invest in programmes that take a public health approach to violence.

What positive changes has your organisation seen in your sector?

Meaningful collaboration is incredibly important in the third sector. This year, Redthread launched HIVE (Hospital-based Interrupting Violence Exchange) – the UK's network of hospital-based violence intervention programmes – to help promote the sharing of best practice across the sector. As part of the HIVE network, every four weeks, hospital based violence programmes across the UK take part in teleconferences, to discuss experiences during the month, and once a year they attend a symposium. Collaboration within youth work and within the third sector more widely is a crucial way to enable us to develop our expertise and improve our impact – so we can meet the needs of those who need our services.

What is the one piece of technology your organisation couldn't do without?

Our simple, online accounting software and other add ins that cut the headaches (and the spreadsheets!) out of the of process of budgeting and monitoring cash flow.

What outcomes has your organisation seen through its work?

Through our programmes and collaboration with our NHS colleagues, we have been able to integrate trauma-informed youth work into the health sector. By operating in these settings, whether it be in A&E or at The Well Centre, we are able to utilise a moment of self-reflection that we call the 'teachable moment'. Meeting young people at this unique time enables our youth workers to empower them to thrive as they navigate the challenging transition to adulthood.

Voice your views

Visit the CFG website for more information: Policy > Have Your Say > Consultations

CFG's Fraud Survey 2017

As part of CFG's 30th Anniversary we want to find out more about charities measures to prevent fraud and what vital work is done to prevent financial loss. The survey will play an integral part in shaping our work for the Counter Fraud Campaign and beyond as part of CFG's commitment to improving fraud prevention standards in the charity sector. The survey is open to all trustees and staff who are responsible, in any form, for their charity's fraud policy. Complete the survey at: **http://bit.ly/CFGfraudsurvey**

Small Charities Financial Capability Survey

CFG has launched the Small Charities Financial Capability Survey 2017 for small charities to find out more about their financial capability needs. The first survey in 2013 helped to produce the Making it Count report that was influential in developing CFG's Small Charities Programme. The survey is open to all trustees and staff responsible for any form of financial management in charities with an annual turnover of less than £1.5 million. If you would like to complete the survey please use: **http://bit.ly/smallcharitiessurvey**

Speaking Opportunities – Share your experiences

CFG holds a variety of events across the UK covering a range of topics such as risk, gift aid, investment, VAT and trading, IT and many more, reaching over 1,000 delegates annually. We encourage members to share their knowledge with delegates by presenting at events so that others can learn from their experiences. If you have knowledge on a particular topic or would like to share a particular experience and speak at one of our events, please contact Nadine: **Nadine.Cameron@cfg.org.uk**

Don't forget to sign up for the Counter Fraud Pledge!

As we approach fraud week, its important charities put in place processes to safeguard their income and send a clear signal out to donors that they're actively tackling fraud.

We have already had over 50 sign up to the pledge including our members:

"All organisations face the risk of fraud and corruption. Therefore investing in anti-corruption mechanisms promotes sustainable programmes and safeguards resources meant to help our beneficiaries." **Diana Isiye, Head of Counter Fraud, Oxfam GB**

"Charities have always had an important duty to protect the gifts and funds we are given and to ensure that all our resources are devoted to delivering public benefit. That duty has never been more important than it is today, so the anti-fraud pledge is a vital aspect of charities being trusted and trustworthy." **Kathy Evans, Chief Executive, Children England**

How to sign up

Find out all you need to know, as well as sign up to the pledge here **cfg.org.uk/fraudpledge**

You can also find out more information by emailing the Counter Fraud Campaign team at **Fraudpledge@cfg.org.uk**, who are more than happy to answer any questions you have.

Help shape the future of CFG and choose your next trustee before Monday 4 September

Only the primary contact from each member charity can vote in this election.

Electoral Reform Services will have emailed you on 24 July with your unique code to login and vote in our trustee elections.

If you can't locate the email or if you have any questions please contact vacancies@cfg.org.uk.

The six candidates are:

- **Laura Dawson**, Chair of Charity IT Leaders and CIO of British Council
- **Liz Fosbury**, COO, National Theatre
- **Simon Hopkins**, CEO, Turn2us
- **Hannah Leyro Diaz**, Head of Business Support, Prostate Cancer UK
- **Kevin O'Brien**, Director of Finance & Corporate Resources, CLIC Sargent
- **Arati Patel**, Director of Finance and Operations, Barts Charity

Skills survey winner!

The recent CFG's Annual Conference gave us a chance to survey both members and non-members, those who took part in the survey were entered into a prize draw for the chance to win a £50 John Lewis voucher. The lucky winner is Sue Goodliffe from The Bevern Trust, congratulations Sue!

A big thank you to all those that took part in CFG's Skills Survey at the Annual Conference, your feedback is invaluable and helps us to get a better idea of what skills and training are needed for everyone in your organisation from trustee to CEO.

This was a chance for your to tell us where our programme of events and training is falling short and what more we can do to support your whole organisation. It will help us make sure we are providing the right training and events for charities.

Get involved!

We want to reach as many charities as possible to enable us to better support the sector. So if you want to inform future events and training please email **events@cfg.org.uk.**

New members

- Women for Women International
- York Museums Trust
- Scottish Charity Finance Group
- Assessment and Qualifications Alliance
- Ben Uri Gallery and Museum
- Bone Cancer Research Trust
- Dorchester Agricultural Society
- Eden Arts Ltd
- English Pen
- Everton in the Community
- Games and Wildlife Conservation Trust
- Golf Foundation Limited
- Isabel Hospice Limited

Charity Money Laundering & Terrorist Financing Risk Assessment Survey

CFG has launched a survey to obtain information about how charities work to combat money laundering and terrorist financing risks in their organisations, as well as, how the law and interpretations of the law by others such as banks impact their work. We know that charities have come under scrutiny and that 'de-risking' by banks is making it harder for charities to do their work overseas. Charities have put in place risk management structures and policies to prevent their charities being abused by money launders and terrorists. These have not been sufficiently documented to date. If you would like to complete the survey please use: **http://bit.ly/moneylaunderingsurvey**

CONTACT US
Email policy@cfg.org.uk to contribute to any of our policy work

New on the CFG blog

The government is in danger of ignoring social issues in Brexit talks

Andrew O'Brien argues that it is important that charities stay awake to Brexit and the consequences of the negotiation.
http://bit.ly/brexitcfgblog

What can charities learn from the recent fraud cases?

Heather McLoughlin looks at how recent high profile fraud cases can help other charities to better fraud prevention methods.
http://bit.ly/fraudcfgblog

Probate fees for charities accessing legacies doesn't make sense

Andrew O'Brien argues against probate fees for access to estates in letters to The Times and the Minister for Courts.
http://bit.ly/charityprobatefees

News in brief...

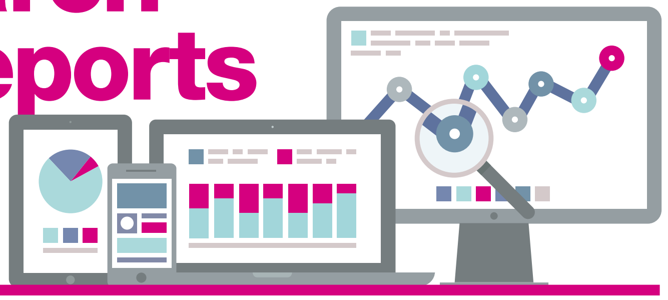
Charity Commission commits to further consultation on changes to the annual return

Following concerns on the Commission's plan to make charities declare any funding from overseas in the new annual return, the Commission has pledged to consult with the sector on further changes. CFG called for a public consultation on the proposed change, and the Commission has agreed to consult for inclusion in 2018, rather than implement the change into the 2017 annual return. The consultation is expected to launch in the autumn of 2017. The Commission had previously consulted on proposed changes to the annual return in March 2018.

Charity Commission says new SORP in January 2019 unlikely

Tentative plans to launch a new version of the Charities SORP has been scrapped, Nigel Davies, head of accountancy services at the Charity Commission, has confirmed. Davies, and his counterpart Laura Anderson at OSCR, the Scottish charity regulator, have announced that it is unlikely that a new SORP will be introduced in January 2019. This was after feedback from a committee that included representation from charity accountants. The Financial Reporting Council (FRC) had announced previously that they will not be making significant changes before 1 January 2019. The existing FRS 102 SORP will remain in place until the FRC announces any substantial changes.

Research and reports



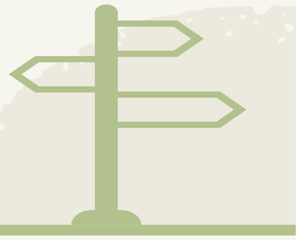
Volunteering falls by 10% since 2013/2014

The Community Life Survey, for the first year moved from the Cabinet Office to Department for Digital, Culture, Media & Sport, tracks individuals' involvement in communities across England. This is done by looking at volunteering and giving from August 2016 to March 2017. Giving remained stable, with the average amount given by adults to charities in a month was £22. Around 22% of adults said that they volunteered formally at least once a month, though this fell from 44% to 39%. Those who volunteered either formally or informally at least once a year fell from 70% to 63% in 2016/17. Read the report here
http://bit.ly/communitylifesurvey

DCMS spent £1.02bn on civil society in 2016–2017 annual report

The £1.02bn spent on civil society was more than DCMS spent on digital (£112m), culture (£757m), media (£100m) and sport (£463m). The largest spend for the department was on public service broadcasting (BBC) and accounted for £3.27bn, half of DCMS's annual budget. The Office for Civil Society (OSC) received £255.5m in 2016/17. This figure will fall in 2017/18 financial year to £246.2m, then rising again to be £343m by 2019/20. The largest area of spend within OCS budget is likely to be on the National Citizen Service (NCS). The NCS is also the reason for increase funding by 2019/20. Read DCMS's annual return here
http://bit.ly/DCMSAR

Guidance and support



Association of Charitable Foundations (ACF) launches Stronger Foundations Project

ACF, the membership body for the UK's endowed foundations and charitable grant-making trusts, have launched the Stronger Foundations Project to identify leading practice for foundations. This project has come about in response to the sector's desire to develop best practice in good grant-making, learning and impact, diversity, and transparency. ACF will be hosting a one-day scoping event in autumn 2017 of funders and beneficiaries to discuss developing good practice principles. More information on the Stronger Foundation Project can be found at **www.acf.org.uk**

ICSA: The Governance Institute publishes guidance for charities recruiting Trustees

The new guidance from the ISCA recommends that charities should put in place robust systems to recruit Trustees, such as auditing the skills, strengths and weaknesses of the board, ensuring that any recruitment method meets the charity's own governing document. Charities are also recommended to recruit new Trustees based on their experience, diversity, empathy and knowledge rather than relying on word of mouth. The guidance recommends that charities ensure Trustees are aware of the sufficient time and commitment needed for the role and that new Trustees should be given a full and tailored programme of induction.

What's the big issue?

Muddled thinking on the role of UK charities internationally

As so often happens in charity policy, it is a question of one step back and one step forward. There are over 6,000 charities that work internationally, not including the thousands of churches and unregistered organisations that carry out activities overseas. It is also impossible to quantify the number of charities that receive donations from overseas or funding from overseas partners to carry out their work. The UK charity sector, like the United Kingdom in general, is a global sector which reaches across the world. We should rightly be proud of this work.

The step backwards began in July with the surprise announcement from the Home Secretary that the Charity Commission will be introducing a requirement on charities to declare overseas funding sources. It was claimed that this would help fight extremism which the government claims has come from overseas. Following swift representations from the sector, led by Charity Finance Group, the Charity Commission has agreed to postpone the implementation of this measure and other parts of the annual return.

Like all charities, CFG wants to combat extremism, but it is important that the Charity Commission considers the impact not only on charities in the UK but around the world. The administrative burden could be considerable and this naturally springs to mind, but the UK's policy on charities has a global reach. In recent years, the UK government has raised concerns about the closing space for civil society in countries around the world. Only a few months ago, the Hungarian Government tried to introduce similar measures as part of an effort to restrict the work of human rights organisations and charities providing assistance to refugees. This is something that the UK government would not wish to encourage. Yet, the Charity Commission introducing this measure in the UK would merely strengthen this case and undermine our influence on civil society around the world.

It is critical that the Charity Commission doesn't ignore these issues and it is important that charities put forward their views on what the impact of this measure may be.

A step forward came at the start of August where the government agreed to introduce 'general licences' to support humanitarian aid in sanctioned countries, rather than the current, more complex specific licence regime. At present, organisations have to apply for individual licences to carry out activities that they know or believe may bring them into contact with sanctioned entities whether that is armed groups, companies or in some cases states. General licences, like those in the United States, give more flexibility and make clear that certain types of activities can be undertaken within certain parameters. One of the problems that banks face when working with charities is the uncertainty around the status of humanitarian activities in relation to sanctions. Despite regular communications from government that they are permitted, banks are still very risk-adverse. A more flexible regime and clearer licences, would give greater comfort to the banks and this will hopefully keep open banking channels for charities working in high-risk environments.

This follows continued efforts at CFG to lobby government to take this issue of banking access. We are hopeful that formal dialogue will begin between the government, charities and banks to resolve other issues associated with working overseas including guidance, due diligence and training in the sector. We will continue to update members about this work.

> *"We are hopeful that formal dialogue will begin between the government, charities and banks to resolve other issues*

The UK government needs to develop a more consistent policy on the role of the sector internationally. If it is serious about supporting our sector's work overseas, it must back charities to do the job. If the UK also wants to promote civil society abroad, as it should, then it needs to consider carefully domestic policy and how it may be perceived overseas. Charities need to consider these issues carefully.

Policy progress

Probate fees for charities accessing legacies doesn't make sense

CFG has signed a letter to The Times, along with 12 other charities and companies, to voice concern about proposals for increases to probate fees to access estates. The proposed change of grading probate fees according to estate value, rather than a fixed charge is seen by CFG as a stealth tax. The proposals would see individuals receiving tax relief for legacies, while charities would have to pay fees to access the very same legacies. These changes could cost charities £18m a year according to the Institute of Legacy Management. CFG also wrote to the new Minister for Courts, Dominic Raab, on their appointment to argue that charities should be exempt from any reintroduction of the probate fees proposals.

CFG produces *A Brexit that works for everyone* report

In *A Brexit* that works for everyone, CFG assess the risk and benefits of a 'clean' Brexit versus the UK remaining in the Single Market and customs union post March 2019. The report highlights that a 'clean' Brexit would give government more freedom to unlock financial resources and reduce red tape. Remaining within the Single Market and customs union would mean that the UK would be tied to EU tax policy, state aid, and procurement policy without the ability to influence and change it. CFG has developed a six-point plan that the government must follow to help make Brexit a success for the charity sector. CFG did not take a position during the Brexit referendum and we continue to be impartial on whether Brexit was a good or bad decision for the UK.

CFG's Small Charities Programme ends

August has seen the end of CFG's Small Charities Programme, which provided practical finance training and resources for charities with an income of £1m or less. The programme saw over 1000 face to face trainings delivered, and over 2000 people downloading resources for small charities. Small charities across England and Wales received training in five key areas of charity financial management to develop their knowledge and capabilities. CFG will continue to work in the future to support the financial confidence of small charities. The Small Charities Programme website at www.smallcharityfinance.org.uk will remain a place for small charities to receive the latest news and resources to support them.

Charities and their auditor

A charity's perspective

Richard Bray, Finance Regulatory & Taxes Manager, Cancer Research UK

Richard Bray from Cancer Research UK highlights what changes Finance Directors need to be aware of in the guidance given to auditors.

These days there seems to be so much to keep up with. For charity finance professionals, the pace of technical developments and what you are meant to know about something about can seem intimidating at times.

Faced with what seems like information overload, the great temptation is to bury our heads in the sand and hope that we can just get by. Another approach is simply to focus on the really key developments and rely on the experts for the rest. For accountants, that often means the auditors. Many charity auditors do a fine job of informing their clients on technical developments. But there are times when an auditors' perspective is inevitably different to the charity accountant and so there is a danger of being overly reliant on their view.

This is especially the case with recent guidance that is being issued for charity auditors themselves. The first is from the charity regulators, "*Reporting* matters of material significance: guidance for auditors and examiners". These matters need to be reported directly to the Charity Regulators without recourse to the charity. This inevitably raises issues of client confidentiality and when it should be breached due to a regulatory need. So it is important that you have auditors whose judgment you trust especially when the regulators' advice is 'when in doubt, report it'. The second is proposed revision by the Financial Reporting Council (FRC) of "*Practice Note 11 The audit of charities in the United Kingdom*" – referred to more often as 'PN11'. This is a little like the Charities SORP for auditors. Many might say that this is material that is strictly for them. But auditors do not operate in a vacuum and what auditors do only makes sense in the context of their work with their clients i.e. you and me. So we need to know about some of these responsibilities.

> *An auditors' perspective is inevitably different to the charity accountant*

Reporting matters of significant importance now includes a qualified audit opinion (including an emphasis of matter) and conflicts of interest that have not been managed appropriately or where related party transactions have not been reported correctly. Other issues that need to be reported include serious breaches of internal controls, misapplication of funds, and various kinds of illegal activity. The requirement to report is not limited to financial matters and can include evidence of significant risk of abuse or mistreatment of beneficiaries that the auditor/examiner became aware of during their work.

There is a very useful 'Matters at a glance' section in the guidance on pages 8 & 9. This should be required reading for those responsible for preparing a charity's statutory accounts.

The revision of PN11 reflects changes since the guidance was last updated in 2011. This includes a new charities SORP based on FRS102, the reporting of material matters to the regulators (which I mentioned above) and the continuing fallout from the collapse of Kids Company.

For many of us an ISA is simply an investment vehicle, but to an auditor it is shorthand for an 'International Standard on Auditing'. The document is designed around a listing of extant ISAs and their charity specific application. The general consensus is that the proposed revisions have been well made. The document has also been shortened significantly from the previous version which is an achievement in this day and age.

With going concern, for example, it is very helpful to know what an auditor will be working to so that the best case can be made by a charity as to why it continues to be a going concern.

There is also a section on 'other reporting information' which covers the auditors' responsibilities in relation to the Trustees' Report. This could well be a topical area with changes in ISA requirements, and some suggesting that auditors' work in this area will increase with the potential for increased fees. This really should not happen.

Finally, PN11 lists in an appendix particular risk factors affecting charities. This is useful to know as you prepare for an audit.

For those of you who are thinking of changing auditors, questions to the guidance covered here will give you a good idea of both how a potential firm of auditors uses its professional judgement, and its understanding of the complexities of modern charity issues.

So when you have your next meeting with your auditors, why not take the front foot and ask them how these changes may affect their work? It could well give you an invaluable insight into how your auditors operate that you never had before.

An auditors perspective

Pesh Framjee, Partner, Head of Non Profits, Crowe Clark Whitehill LLP

Pesh Framjee, Head of Not for Profits at Crowe Clark Whitehill recently chaired a working group that produced a recent report by ICAEW. Pesh highlights the key issues raised and what charities can do to strengthen their relationship with auditors moving forward.

Charities are facing challenging times. Cost escalations, funding pressures, public trust, political uncertainty, increased demand all impact on what charities do. The Institute of Chartered Accountants in England and Wales (ICAEW) has recently focused on this and has published *The Charity Auditors Insights* report (**http://bit.ly/2vAi62C**).

This focuses on four areas:

1. How can charities demonstrate they are making a positive impact?
2. How can charities retain public trust?
3. How can charities become more resilient?
4. How can charities maximise their resources?

Auditors have the opportunity to do more than sign an audit report. We can go beyond the numbers and our involvement gives us unique perspectives and understanding of our clients, the areas of their work and the issues facing them and the sector in which they operate. It is incumbent on us to highlight and reflect on areas of good practice as well as providing insights into areas where improvement may be needed, and the Report tries to do this.

> *Auditors have the opportunity to do more than sign an audit report*

There are some important matters discussed in the Report and many of these have been talked about before, but hopefully the fact that the ICAEW and those of its members that work closely with charities is highlighting these issues will help provide more focus to these matters. Importantly, the comments and recommendations in the Report are directed not only at charities and their trustees but also at regulators/standard-setters, auditors, supporters/funders and commentators on the charity sector.

The Report highlights the disconnect between what charities do and how they are managed and operate, and what the public thinks they do and how they should be managed and operated. All of us have a critical role in bridging this gap by demonstrating how charities are delivering positive outcomes and impact.

Most charities recognise that they have to spend on infrastructure and make investment in areas such as IT, financial systems, skills, income generation processes and effective governance and management. However there seems to be a reticence about explaining this to different stakeholders. This means that concern about the ill-informed comment about "overhead costs" often leads to poor spending decisions and the myth that more and more can be done with less and less is perpetuated.

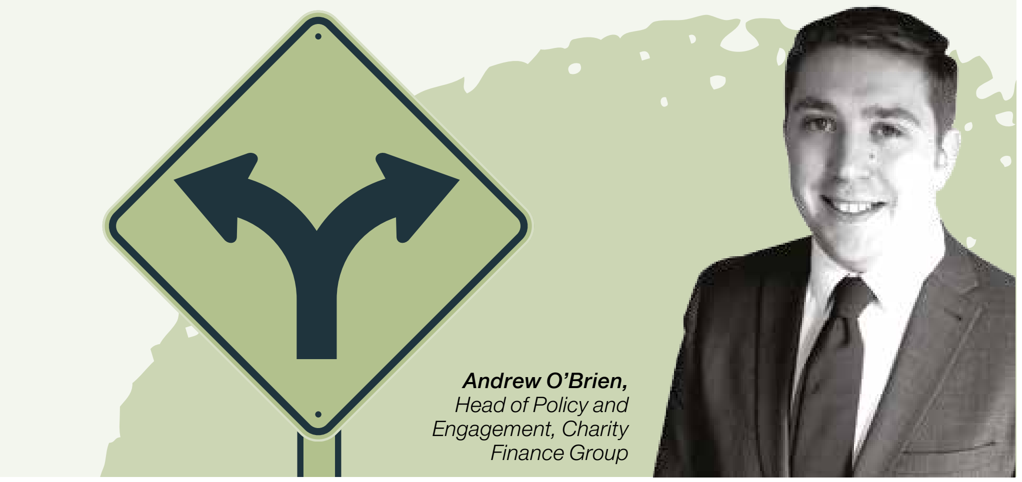
The Report explains that charities should be more forthcoming about explaining why they need to spend more on their infrastructure and support functions in order to improve their effectiveness. Investments in governance and leadership, monitoring and evaluation, internal systems and income generation are important as they can enable charities to improve their performance. Underinvesting in these important areas can lead to a deterioration in what charities are trying to achieve and the loss of resilience needed to sustain effective delivery. In addition, charities should tell their story in a way that helps funders and the public to understand and also support this investment.

The Report highlights that high-profile cases of charity failures are unrepresentative of the sector as a whole, but they do happen and building resilience and financial stability is important. This does not mean that charities should not be ready to take risks. Charities that are succeeding are not the ones avoiding risk but those seeking new opportunities and taking appropriate risks through effective risk management. They are examining aspects of their business model to identify new ways of maximising impact and increasing cost effectiveness. This is not always the same as cost cutting.

New fundraising and data protection regulations will lead to significant changes in how fundraising charities interact with the public. Most have recognised that this could lead to reduced income and/or increased fundraising costs. These factors, combined with demographic changes, economic pressures, increasing demand and general uncertainty have led many charities to conclude that the status quo is no longer a realistic option. All of us have an important role in helping to raise the bar in all the areas discussed in the Report.

Finance directors and their teams play an important role in all these areas and finance functions of the future will have to be even more multi-talented. The role is and will continue to get wider and finance teams need to be accountable not only for the charity's financial reporting, funder interactions, and regulatory requirements but also in delivering good governance and managing reputation and delivering impact.

Charities must not opt-out of debate over Brexit



Andrew O'Brien, Head of Policy and Engagement, Charity Finance Group

CFG's Head of Policy and Engagement, Andrew O'Brien, takes this chance to speak about the recent report Charity Finance Group has produced on Brexit.

So far the debate on Brexit has been firmly focused on trade and immigration. These are important issues, but they are not the only issues that should be considered.

Given the significant media attention that we have received for our report on Brexit, it would be remiss of me if I did not use this article to discuss with members our report and our thinking behind producing it.

As you may have read in the newspapers, Charity Finance Group has drafted a report on the potential opportunities and risks facing the charity sector on Brexit. We have considered the two main scenarios being considered at the moment, a Brexit deal which means that we remain in the Single Market and the customs union and a scenario where we leave the Single Market and customs union. We have based these scenarios on the EU's declared negotiating position, rather than the UK's position which remains fluid.

Weighing up the pros and cons on either side, our analysis indicates that there are significant risks to UK charities staying in the Single Market and customs union, if this leads to the continuation of EU rules on tax, public service regulations and state aid. Leaving the Single Market and customs union would give the UK government the flexibility to do something about these issues. CFG have had, and continue to have, no position on whether Brexit was the right decision but it is our responsibility to work for the best possible outcome for charities.

Charity Finance Group has been criticised from some quarters for producing this report. "Naïve", "self-serving", "stupid" and "wrong" are just some of the words that have been used to describe it. I respect that many people have strong views over Brexit and it is not a surprise that they have chosen to discuss this report with relatively strong language.

However, so far the debate on Brexit has been firmly focused on trade and immigration. These are important issues, but they are not the only issues that should be considered. The lack of confidence in the charity sector about its own position and relevance has to some extent been demonstrated by the reaction to our report. As a sector which employs more people than agriculture and which is critical to many of the most pressing issues facing Britain, protecting the interests of UK charities should be a priority, just as much as any other sector. It would be worrying if a Brexit deal was agreed on the basis of what worked for the City of London, but with no regard for the needs of charities and other social organisations.

Moreover, people are concerned that a Brexit deal is being crafted which is in the interests of 'elites' particularly big business and the wealthy. Charities are clearly on the side of their beneficiaries and a Brexit deal which supports charities is more likely to support their needs. We also encourage all charities to keep campaigning on behalf of their beneficiaries and ensure that their interests are directly addressed in any Brexit deal. But operational issues should be part of that discussion.

We understand that a Brexit deal which undermines our economy would undermine charities and their beneficiaries as well. It would also counter any potential benefits for charities that a Brexit deal may bring. But we cannot ignore the opportunities either. Otherwise, we may end up in the worst of both worlds where we face economic difficulty but there is no ability for the government to make reforms that benefit the sector and help us to help our beneficiaries.

It is ultimately for politicians to decide what kind of Brexit we see, but it is our role as representatives for the charity sector to give them the information that they need to make the right decisions.

Locking the sector into paying irrecoverable VAT and state aid rules need to be balanced with the benefits of immigration, EU funding streams and collaboration across borders. Our report has brought these issues to the fore. As always, we strive to enhance the operating environment for charities without fear or favour.

Whether people agree with CFG's analysis or not, the critical thing is that we must put the interests of the charity sector on the table. Every other sector will be doing the same thing. Politicians can only make decisions with the information that is presented to them. We would be failing our beneficiaries if we merely opt-out of the debate and say that what is good for business or trade will be good for charities, when we know that this is not necessarily the case given previous experience.

Despite criticism, CFG will continue to work in this space and I look forward to the contributions from members over the months and years ahead.

Read the report here:
www.cfg.org.uk/news/press-release

Why getting your records in order matters

Dr Charlotte Clements, Research Associate, UCL Institute of Education, British Academy project

We welcome back Dr Charlotte Clements from the British Academy Research Project * as she reiterates the importance of good record keeping for the voluntary sector and how charities are rising to the challenge.

Good record keeping in charities matters. I've written before about why record keeping is an often hidden but important part of good governance, accountability and risk management. But there are also very good practical reasons why having a system for keeping records is a good idea, and some frustrating but familiar consequences when this doesn't happen.

I have recently been working with a small community organisation with fewer than five staff, most of whom are part time. They have been in their current office since they opened 25 years ago and their records are in many rooms, even the attic. When I visited, they showed me the supermarket receipt for the first ever lunch club they provided for elderly people in the local community. What they couldn't find, however, were the deeds to the building. It took a member of staff three days to find them. Approximately one fifth of paid hours of the charity's staff that week went on locating one document.

One week later, the same charity suffered a ransomware attack. Luckily it didn't reach a brand new server that had been up and running less than one month. Unfortunately one staff member lost access to all work she had done since the new server was installed, as she had saved her work to her own computer which fell prey to the attack. She was unaware of the potential security issues or the computer setting she needed to change to have her work automatically backed up to the server. Quite simply, not knowing what to do with records has been costing this charity time and money and I am sure they are not alone in this.

Both these time consuming and expensive issues could have been avoided if they had implemented a proper system of record keeping. They could also make a lot more room in the office clearing out receipts for potatoes bought in 1992. Their experience goes to show that a system that tells you what to keep, where, and for how long, has many practical benefits and can help ensure the smooth day to day running of a small charity.

Childline, now part of NSPCC, is a positive example of what the well-kept records of a charity can achieve. Last year I went to an event where people associated with Childline, including its founder Dame Esther Rantzen and the volunteer who answered calls on its very first night spoke about the history of the organisations. While they have a strict policy on caller confidentiality, they have kept meticulous records of the phone calls they have received. This has proved to be an amazing evidence base for their wider policy and campaigning work. Analysing caller data from records going back over 30 years gives them a phenomenal evidence base for issues children have faced over that time, such as bullying or abuse. Their records have helped to shape the national agenda for youth social policy in Britain today.

> *"Both these time consuming and expensive issues could have been avoided if they had implemented a proper system of record keeping.*

Organisations will have varying levels of knowledge about record keeping practice, and different resources available for this work. Not all charities will have the abilities of Childline and the NSPCC. However, making and implementing sensible and proportionate record keeping policies to help improve record keeping can help charities save money, be more effective and evidence their impact.

Records Management in Charities: A Toolkit for Improvement

To encourage and support charities to improve their records management, CFG teamed up with Dr Charlotte Clements of *Digitising the Mixed Economy of Welfare in Britain* research team at UCL, to produce The Records Management in Charities: A Toolkit for Improvement.

The toolkit comes in two parts:

1) A self-assessment questionnaire which you can use to think about your organisations existing records management practices and what might need to change.

2) A step-by-step guide to putting together a records management improvement plan with additional resources.

By the end of the toolkit you should have a good idea of the things you need to do next, and in the longer term to improve your charity's record keeping.

To download your copy of Records Management in Charities: A Toolkit for Improvement, visit **http://bit.ly/recordstoolkit or email policy@cfg.org.uk.**

**Digitising the Mixed Economy of Welfare in Britain*

Charities are not immune to gender pay gap

Anjelica Finnegan, Policy and Research Manager, Charity Finance Group

Anjelica Finnegan, Policy and Research Manager at CFG, reflects on the increasing pressure to close the gender pay gap over the last 18 months, culminating in the recent publicity around the disparity in the pay between the BBC's highest earning men and highest earning women.

The attention on employers' gender pay gaps is not going to be diverted anytime soon. Since April this year, employers with more than 250 staff are required by law to publish their gender pay gap figures – that is, the difference between the average earnings of men and women – annually on their own website as well as a government one.

There are six figures that your charity will need to make publicly available if you employ over 250 people. These are:

1) The average gender pay gap as a mean average.
2) The average gender pay gap as a median average.
3) The average bonus gender pay gap as a mean average.
4) The average bonus gender pay gap as a median average.
5) The proportion of males receiving a bonus payment and proportion of females receiving a bonus payment.
6) The proportion of males and females when divided into four groups ordered from lowest to highest pay.

Employers are not obliged to publish a narrative alongside these figures, but I would very much encourage charities to do so. This will enable you to either explain how you plan to eliminate your gender pay gap if your organisation has one, or if it doesn't, you can use this opportunity to tell supporters and potential employees what measures you have put in place.

> *Charities as employers undoubtedly have a role to play.*

Gender pay gap vs pay inequality

It is important to be clear about what we mean when talking about the gender pay gap and not conflate it with pay inequality. Under the Equality Act 2010, employers cannot pay men and women in the same employment and performing equal work differently.

So to comply with the Equality Act, your charity will have measures in place to ensure that men and women are paid the same for equal work. However, you may still have a gender pay gap. Where this occurs it is predominately because the majority of women in an organisation are employed in lower-paid jobs than men. Indeed, an often cited cause of the pay gap is the lack of women in the top jobs.

The charity sector is not immune to this. Whilst women make up 65% of the sector's workforce compared to just 40% in the private sector, the sector does suffer from a significant gender pay gap with some research putting it as high as 16.3%.

Is gender pay gap reporting going to solve the problem?

Gender pay gap reporting will work to effectively shine a light on the problem – this will encourage employers to think about what measures it can put in place to ensure that women are able to progress up the ladder.

If used well, charities could use the process of calculating and analysing the causes and effects of any gender pay gaps to assess levels of equality in the workplace, and how effectively they are maximising talent.

However, the causes of gender pay gaps are structural. For example, while women often bear the majority of a family's caring responsibilities (whether this is looking after children, grandchildren or elderly relatives), women are more likely to take part-time work which is generally lower paid.

My hope is that gender pay gap reporting will not only lead employers to change their practices, but will further demonstrate to government that more needs to be done to change societal expectations and attitudes towards women. Employers will certainly play a critical role in this, but the buck doesn't stop solely with them.

Charities have a role to play

I have written before about the difficult decisions charities have had to make in recent years to cut investment in staff development. This is because of increasing pressure from the media, government and the public, to ensure that as much money as possible is going to the front line, and as funders increasingly seek to fund the delivery of particular projects rather than core funding.

But charities, as employers, undoubtedly have a role to play – for a sector that prides itself on driving social change and tackling inequality, the dearth of women in senior positions, and the resulting gender pay gap, is an issue that shouldn't be ignored.

To help those charities that have to report their gender pay gap, or are choosing to do so, CFG has arranged a seminar to guide delegates through the new regulations in the wider context of gender equality in the workplace, including sex discrimination under the Equality Act and recent case law, as well as the rights of mothers and carers.

To find out more visit: **http://bit.ly/2tCP2qa**

Annual Report Case Study: Street League

STREET LEAGUE

Street League's 2016–16 annual report has been shortlisted for the Third Sector Excellence Awards. They share what positive changes they have made when reporting their impact.

It is vital that organisations are more open about their true impact, including what they don't get right so that supporters get a more balanced view of how they are performing and how effective they are.

We set out last year to produce an annual report with a difference, one that went beyond just celebrating success but instead kick-started a movement in the industry towards greater transparency. We chose to talk up-front about all the things we didn't get right, instead of only successes. The goal was to be bold and to encourage more charities to be transparent about challenges and how to learn from them.

The report was also underpinned by a social media campaign which challenged the sector to get behind a transparency revolution called #callforclarity. We publicly set out "three golden rules" that would help to provide greater transparency about true long-term change and encouraged others to do the same. The campaign was supported by 108 other organisations/individuals in the industry and many have already pledged to follow these golden rules within their organisations.

In addition to reporting on the financial health of the organisation, the aim of the report was to open the debate on transparency in the sector and share some simple, actionable guidelines that all charities (regardless of size or resources) could implement.

By talking openly about what we didn't get right, we hoped to pave the way for others to do the same. Our staff are committed and very effective, but it is difficult work so we can't always get it right. We wanted to acknowledge that charity work should be difficult and so we should be taking risks in terms of the people we work with.

We wanted our impact to be viewed by more people than ever, including both current and future stakeholders. With a limited budget for printing and social media advertising, to reach the most people we knew we needed a bold, innovative approach that was inherently social and PR-led.

It was important to us to recognise the invaluable support of our staff, funders, employers and partners both within the report and in our distribution and campaigning. The goal was to make all staff feel valued and hopefully open the door for more future partners.

What was the impact of the report?

We received an overwhelmingly positive response to opening the debate on charity transparency and for our Three Golden Rules.

As well as being shortlisted for the Third Sector Excellence Awards for this annual report (the winners will be announced in September 2017) we also saw record social media support with 1.8million impressions and reaching 770,000 individuals. Support from the industry included organisations such as Department for Digital, Culture, Media & Sport, Sport England, England Netball, British Rowing, Leap and Stonewall.

> *By talking openly about what we didn't get right, we hoped to pave the way for others to do the same.*

Our approach to transparency has also opened up new opportunities, with CEO speaking opportunities at Clore Social, Blackbaud Inspiring Impact, London Regional Impact Network and Creative Collisions Youth Sector Conference as well as being elected to the Guardian Public Leaders Editorial Advisory Board 2017.

What next for this year's report?

This year we want to take this transparent approach further by focusing on two key themes – firstly the journey young people take through our programmes, and secondly the key learning they can take from these journeys to improve what they are doing. All of this is working towards the goal of continuous improvement for the organisation.

Additionally, we are moving our reporting forward with:

- A more integrated approach with both social impact and financial analysis combined together
- Moving from annual reporting to online quarterly reporting with public dashboards
- Opening up the debate on a shared set of impact measurement principles via an industry roundtable event.

Our next regional members' meeting in Manchester and Birmingham both focus on Annual Reports. Secure your place now at **www.cfg.org.uk/events/members-meetings**

An accountants journey from the corporate world to the charity sector

Tom Beardmore-Gray,
Finance Director,
Girls' Day School Trust

From training as a chartered accountant at Price Waterhouse, to switching sectors and becoming Finance Director at the Girls' Day School Trust Tom Beardmore-Gray shares his journey.

What were the main reasons for training as a chartered accountant?
My father is a chartered accountant. He encouraged me to qualify on the basis that it was a springboard for anything I wanted to do in business. He was right!

Why did you choose not to pursue a career as a chartered accountant?
I have always been more interested in the business and commercial aspects than the more technical aspects of accounting. I had a great time doing my qualification at Price Waterhouse but I always knew I would never want a career in the profession so I left a year after qualifying. I felt that I wanted to experience industry from the other side.

When and why did you move from the corporate world to the charity sector?
After qualifying with Price Waterhouse I spent almost 20 years in large scale businesses first with Pepsi and then with De Beers. I thoroughly enjoyed my time with both these companies. After leaving De Beers I wanted a role that involved less business travel and where I could apply my commercial skills to make a difference.

What were the main challenges you faced during this transition?
You have to accept that people working in the charity sector often have different motives to those working in the corporate world.

> *It means that you can assess a commercial opportunity or a business situation very quickly.*

Ideas that might seem obvious in business are not always readily accepted in the charity sector. You have to spend more time actively consulting, collaborating and building trust with stakeholders prior to implementing change.

How has training as a chartered accountant helped you in your current role?
It has helped me to anchor the analyses of issues in facts and numbers. If you can start by getting to grip with both of these, you can normally find a resolution to the problem you are trying to solve. The funny thing is that I'm not that technically skilled, but it's just made me quick with numbers. It means that you can assess a commercial opportunity or a business situation very quickly.

What does a typical day look like?
My day is hugely varied. It's a very collegiate environment, that's one of the joys of working in education. I have a finance team of between 25 and 30 and another 15 in the IT team. There's a lot of planning; one of the curious things about schools is that they're not there for 17 weeks of the year, so you have to plan quite carefully. I try to get out to schools as much as I can, ideally I'd spend at least a day a week out at schools and I wish I could get out there more. In this role I've got visibility of the whole organisation and if I see an area that I think I can improve then I can do something about it quite quickly, which is very satisfying.

The role of the community accountant

COMMUNITY ACCOUNTING WYCAS
West Yorkshire Community Accounting Service

WYCAS (West Yorkshire Community Accounting Service) shines a light on the brilliant work carried out by community accountants; helping 500 different community organisations.

We all like to feel that doing our job makes a difference. For a community accountant this involves filling an important gap in knowledge and understanding within our local communities – skills and confidence in finance.

What does a community group do if they don't have someone who is comfortable with 'the numbers', don't know a friendly accountant to help them or can't afford to engage a commercial accountancy firm? How do they effectively manage their finances and comply with any relevant regulatory requirements? This is where the community accountant steps in!

Each year WYCAS helps more than 500 different community organisations – the majority (75%) are small with less than £100k income per annum, a significant number of which are purely voluntary. However, we also support larger organisations generally up to £1m typically through our annual accounts service and increasingly with bespoke assignments and projects especially on budgeting. A particular area of growth is the licencing and support of QuickBooks online accounting systems.

Whilst available to all, in practice, our services are focused in the most disadvantaged communities where specialist finance support is generally less accessible and which we monitor using established measures of deprivation.

The span of organisational structure support is wide. In addition to both unincorporated and incorporated charities, amongst others this includes unincorporated associations, subsidiary trading companies, a growing number of community interest companies (CICs) and the odd community benefit society.

The WYCAS community accountant's workload can be very varied for example, our Leeds area accountant Claire Welling carries out the following activities:

- Classroom based training – on topics such as bookkeeping using a WYCAS developed template, budgeting, gift aid etc
- One-to-one bespoke training and support on a broad range of financial management and related governance issues
- Preparation and/or independent examination of annual accounts
- Tutoring and administering our accredited E-learning Finance course for community groups
- Providing telephone/email advice and support for finance queries.

A recent day involved:

8:30AM
On site at a charity premises – helping to resolve their QuickBooks payroll and pension recording issues.

MID-MORNING
Back in the office, meeting another charity helping them to best use the QuickBooks functionality to support the production of management accounts.

POST (A BRIEF!) LUNCH
Providing email support on a range of issues including advice on recruiting a finance member of staff, information and booking arrangements about forthcoming training workshops etc.

MID AFTERNOON
Finishing the preparation of a set of charity accounts and sending on with working papers for technical review.

LATE AFTERNOON TO 5PM
Return to emails (and phone calls) to address queries on bookkeeping and arrange records for accounts clients to be dropped in to the office.

Community accountancy can often feel likea pressured environment particularly when trying to meet Companies House and/or Charity Commission accounts filing deadlines or other needs such as AGMs. Some organisations can be very late in submitting their records, which may not always be complete either – the unidentified plastic bag with incomplete records dropped off unannounced at our office is not an urban myth! We will always go the extra mile but sometimes it just isn't possible.

The emerging issues can often be problematic both practically and technically. It really is the sharp end, from receiving cheque books with pre-signed cheques, to unravelling the financial and governance issues between a charity and its trading subsidiary.

With finance and related governance concerns a frequent feature of Charity Commission reports and continued financial pressures within the sector, the need for practical support to help organisations has arguably never been greater.

> *The key challenge is managing a long term decline of local authority grant funding*

From a broader perspective the ever present organisational focus remains on achieving the ongoing financial sustainability of WYCAS. The key challenge is managing a long term decline of local authority grant funding – which allows us to provide subsidised and free services to the smallest groups – with the need to generate greater fee income from larger community organisations. WYCAS is also trying to build a regular contribution from charitable grant funders.

Community accounting service coverage across the country is sporadic. Whilst WYCAS is one of the larger and more established providers, in some areas – if there is any service – it may often be just an individual working as part of the local Council for Voluntary Service (CVS) body.

CFG's community accounting specialist interest group is an important mechanism for bringing community accountant colleagues together for professional development and mutual support. The Annual Conference is an important event providing an all too brief opportunity to share good practice and service developments before returning again to the coal-face!

Risk & Sustainability Conference 2017

Tuesday 28 November, *London*

Secure your place at cfg.org.uk/risk17

CFG is pleased to announce our Risk & Sustainability Conference 2017, bringing together leading sector experts who will show you how to map and manage risk, and push the boundaries in a risk-averse sector.

Innovation, lean and agile working aren't just for the corporate digital world – these business principles have proven to be key to adding value, using scant resources more effectively, and, moreover, to being sustainable.

In theory, therefore, ideal for charities! But what about risk? In a traditionally risk-averse sector where governance, regulation and reputation create a fear of failure that can stifle innovation, is there anything we can do?

This year's Risk & Sustainability Conference brings together leading sector experts Kate Sayer, Sayer Vincent and Ian Singer, PKF Littlejohn and Rosie Chapman, who oversaw the development of the new Charity Governance Code. They are joined by Jim Beirne MBE, Chief Executive at Live Theatre and Naziar Hashemi, Crowe Clark Whitehill.

Together they will show you how to map and manage risk, tackle the GDPR, assess your sustainability, diversify your income streams to become more resilient, manage your reserves to invest in innovations, and create a culture among your staff and board that is more open to risk – all of which can improve the resilience and sustainability of your charity.

Don't miss the opportunity to take the lead for your charity, secure your early bird place at **cfg.org.uk/risk17**.

Large Charities Conference 2017

Wednesday 27 September, *London*

Last chance to book!

We've shaken up this year's Large Charities Conference and are delighted to welcome Prof Martin Elliot from Great Ormond Street Hospital, Thea Dexter of Good Lab and Tracey Bleakley from Hospice UK.

Designed to unlock strategic thinking, the conference will focus on parallel challenges and transferable lessons, both from within and outside of the sector. We'll also be exploring innovation and risk taking within the sector, and merging for growth.

Join other senior finance professionals for a day of networking and inspiration. This is one Large Charities Conference you don't want to miss!

Book now at cfg.org.uk/lcc17.

CFG Conference: Cardiff 2017

Wednesday 22 November, *Cardiff*

Early bird available until 31 August cfg.org.uk/cardiff17

CFG's flagship event in the South West and Wales returns to Cardiff, and this year we're on a mission to encourage charities to look to the future.

We are delighted to have Anna Nicholl, Director of Strategy and Sector Development, WCVA as our keynote speaker, presenting key findings from WCVA's Shape Your Future report and looking at how you can confidently plan for your organisation's future.

Think about how you can evolve your HR function as Ann Kiceluk, People Director, RSPB discusses how RSPB developed a new and successful performance strategy, including a remuneration strategy based on an employee's contribution to the organisation.

The closing plenary will focus on Brexit and drill down into what charities need to be wary of and what you can do to ensure your organisation is in the best position possible as we move into a post-Brexit Britain.

Delegates will also get an update on the current regulatory landscape from sector experts, sessions including:

- **Richard Newton,** Fundraising Regulator representative for Wales – Fundraising regulations update
- **HMRC Charities Outreach Team** – Gift Aid Donor Benefits
- **Guy Biggin,** Audit Partner, Crowe Clark Whitehill – GDPR

An exhibition will run throughout the day and give delegates an opportunity to meet exhibitors working in a range of service areas and to discuss your charity's needs.

View the full programme and secure your place before 31 August at **cfg.org.uk/cardiff17.**

Kindly sponsored by Crowe Clark Whitehill.

Gift Aid Conference 2017

Wednesday 4 October, *Manchester*

CFG is pleased to announce this year's regional Gift Aid Conference is coming to Manchester.

Getting the most out of Gift Aid is essential to increasing you charity's fundraising income and maximising the value of donations.

This half-day conference will provide attendees with a good understanding of:

- Gift Aid Small Donations Scheme
- Memberships and Gift Aid
- Fundraising Events and Auctions
- Online Giving and Intermediaries
- Data Management and Gift Aid

The conference will also include troubleshooting sessions to give attendees a chance to put your Gift Aid questions to the expert speakers.

Don't miss the opportunity to improve your knowledge and stay up to date on all things Gift Aid. Secure your early bird place for just £81 at **cfg.org.uk/GA17.**

Counter Fraud Conference

Thursday 26 October, *London*

Friday 27 October, *Bristol*

As part of CFG's 30th anniversary we have launched the Counter Fraud Campaign, focusing on one of the biggest current and future issues facing the charity sector.

Fraud is a constantly-evolving criminal threat that is estimated to cost the sector £1.9bn every single year. While some charities lead the way with robust counter fraud policies, many struggle to stay ahead of the tactics used by fraudsters.

The Counter Fraud Conference puts fraud, in all its forms, under the microscope and delves into how charities can fully embed a culture that will develop a proactive approach to fraud, and help safeguard them from fraud in the future.

Key topics covered for the day include:

- Cultivating a fraud culture
- Internal fraud
- External fraud
- Fundraising and fraud

The conference will end with a troubleshooting session where you can quiz the expert speakers and have your questions answered.

Full details and book online **http://cfg.org.uk/fraudconf**

Kindly hosted by Brewin Dolphin.

More training dates announced

CFG's programme of training enables finance professionals in the charity sector to develop leadership and financial management skills, develop their understanding of topical finance issues, and network and share knowledge with peers.

See more training at cfg.org.uk/events

Procurement training

Wednesday 11 October, *London*

A one-day course exploring the procurement and tender process.

Key topics: Writing tenders, procurement methods, designing award criteria, tender evaluation, contract performance and more.

Who should attend? Charity finance professionals who have a responsibility for procurement.

Full details and book online at cfg.org.uk/procurement.

Delivered in association with 2buy2.

Finance for non-finance managers

Wednesday 8 November, *Birmingham*

Explaining charity finance for those from a non-financial background.

Key topics: Background of charity accounting, statutory and management accounts, cash flow implications, managing risk.

Who should attend? Managers new to budget holding, fundraisers and project managers in charities.

Full details and book online at cfg.org.uk/nonfinmanagers.

Delivered in association with Sayer Vincent.

Events at a glance

For further information on all CFG events or to book, please visit **www.cfg.org.uk/events** or email **events@cfg.org.uk**

Conferences

Large Charities Conference
27 September
London

Gift Aid Conference
4 October
Manchester

Counter Fraud Conference
26 October
London
27 October
Bristol

VAT Conference
14 November
Birmingham

CFG Conference: Cardiff 2017
22 November
Cardiff

Risk & Sustainability Conference 2017
28 November
London

Members' meetings

LONDON & THE SOUTH EAST
14 September
London
17 October
London
16 November
London

THE NORTH
12 October
Manchester

MIDLANDS
28 September
Birmingham

Training

Foundation Charity Finance
12 September
Bristol
26 September
Manchester
28 September
Birmingham
18 October
London

Cloud Computing and Cyber Security
10 October
London

Procurement Training
11 October
London

Transforming Your Finance Function
12 October
London

Preventing Fraud
31 October
Birmingham

Advanced Charity Finance
1 November
Birmingham
21 November
London
28 November
Manchester
5 December
Bristol

Advanced Investment Training
8 November
London

Finance for Non-Finance Managers
8 November
Birmingham

Audit Committee Training
8 November
London

For more information or updates on events, follow CFG on twitter **@CFGtweets**

Need a summer temp with charity finance expertise? Ask our specialists.

Summer holiday season may soon be over but if your team are still swapping spreadsheets for sandals we have some great temps who can fill their shoes.

Because we specialise purely in charity and not for profit finance, our temporary and interim candidates have the sector-specific skills and experience to slot straight in and keep things running smoothly.

We can provide high quality staff for anything from a few days to a few months, at short notice and all levels from junior assistants to senior executives.

To ensure you only receive the very best candidates who are fully eligible and ready to work, we have a thorough and robust vetting process which covers:

- Telephone screening
- Verifying right to work
- Full referencing and compliance
- Face to face meetings with all candidates
- Complete DBS checks where required

So if you have any temporary or interim staffing needs over the next few weeks (or any other time), sit back and let our charity finance specialists resolve them.

Sam Kondic 020 7820 7310
sam.kondic@harrishill.co.uk

Simon Bascombe 020 7820 7311
simon.bascombe@harrishill.co.uk

We recruit for permanent, temp and interim roles in charity finance, including

Finance Director
Finance Manager
Head of Finance
Management Accountant
Finance Business Partner
Financial Controller
Finance Officer
Finance Assistant
Director of Finance & IT
Financial Accountant
International Accountant
Purchase Ledger
Payroll Manager
Financial Analyst
Credit Controller

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CFG INSPIRING FINANCIAL LEADERSHIP

COUNTER FRAUD CAMPAIGN
TACKLING FRAUD TOGETHER

Whether it's online or offline, fraud is a constantly-evolving criminal threat that is estimated to cost the sector £1.9bn every single year – money which is being siphoned off from charities and the beneficiaries they serve.

While some charities lead the way with robust counter fraud policies, many struggle to stay ahead of the tactics used by fraudsters.

This year is CFG's 30th anniversary. As well as looking back, we are also mindful of what's ahead for the charity sector. That is why we're launching this major campaign to tackle one of the biggest current and future threats to charities.

We're calling for all charities to take action and commit to joining us to combat fraud. We'll provide you with resources and tools so that together we can tackle fraud.

TAKE THE COUNTER FRAUD PLEDGE Show your beneficiaries, funders and supporters that you are tackling fraud by taking the Counter Fraud Pledge.

To take the Counter Fraud Pledge visit cfg.org.uk/fraudpledge and:

1. Read the Counter Fraud Pledge on CFG's website cfg.org.uk/fraudpledge
2. Sign up to the Counter Fraud Pledge and get the tools you need to be proactive in tackling fraud.
3. Once your charity has taken the Counter Fraud Pledge, CFG will email you a badge which you can use on your website, newsletters and printed materials.

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