



Leading the way
for charity finance

Survive to Thrive

**Charity Finance Group
Annual Report
and
Financial Statements 2023/24**

Registered Company number: 03182826



CFG INSPIRING FINANCIA

Charity Finance Group (CFG) is the charity and membership organisation that supports other charitable organisations to make the biggest difference possible.

We do this by helping them to make their money and resources go further, by putting financial leadership at the heart of their decision-making. Since CFG was founded in 1987, we have evolved to welcome all finance professionals working for charitable and social change organisations.

We also welcome non-finance professionals who recognise that we deliver greater impact when we are financially confident, trustworthy and dynamic.

Today, CFG's vibrant community manages more than one third of the UK's entire charity income. We are a diverse, inclusive and growing community that's passionate about delivering impact through financial leadership.

Together, we lead the way for charity finance.



For more
information, please
visit our website:
www.cfg.org.uk



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What is our purpose?

CFG is passionately committed to supporting other charitable and social purpose organisations. We do this through our services, resources, information and communities.

We place finance at the heart of every organisation by championing best practice, nurturing leadership and influencing policy makers.

To achieve this, and to meet our charitable objects, our work is focused on achieving three main outcomes:

OUTCOME 1

Well-developed skills, learning, knowledge and practice

OUTCOME 2

Effective governance and leadership, with finance at the heart of it

OUTCOME 3

A supportive and understanding operating environment

Organisations that are financially confident are more effective at driving social change. When finance is well managed and placed at the heart of decision-making, it has the power to transform organisations and increase their impact.”

- Caron Bradshaw OBE, CEO, CFG

A message from our Chair and CEO

A very warm welcome to our 2023/24 annual report. You will notice that this message comes to you from Kevin O'Brien and Caron Bradshaw. In December 2023, Gary Forster stood down after his lengthy stint as chair, which was extended to provide continuity during the pandemic and the subsequent recovery.



The theme of this year's annual report is Survive to Thrive. It feels very fitting to CFG's journey over the past 12 months. There has been a real sense in all we do that CFG has moved from survival mode into driving forward with courage, ambition and hope. As we said last year, constant change is just our state of being for the foreseeable future. Living with an unprecedented depth and pace of change has engendered in both CFG and the wider sector a shifting mindset: one that sees not just a challenge or problem to overcome, but an opportunity to do things differently.

At CFG, we haven't just turned a corner, we have embedded aspiration, flexibility, innovation and being progressive (elements of our dynamic value) into all that we do. We are delighted that the hard work of the staff team, with the support of charity members and corporate partners, generated sufficient surplus in 2023/24 to not only earmark a further £50,000 for systems transformation, but also to grow our team and expand capacity by welcoming five new members of staff.

We were delighted to have secured generous grant funding during the year, to undertake a fantastic refresh of our highly successful Gift Aid Awareness Day work, and a significant gift in-kind through JP Morgan's Force for Good initiative, which will help us to develop our flagship learning and development tool, The Finance Journey.

Although not in the 2023/24 financial year, it would be strange not to mention the General Election. The change of government brings with it new opportunities to drive forward both CFG and the wider sector. Whilst the world remains a tricky place, there are signs that there will be a renewed energy and a resetting of the relationships between state and sector, which can only be welcomed.

Finally, we extend our heartfelt thanks to everyone involved with CFG during the course of the financial year. These include: the many foundations who gave us financial support and helped us towards recovery and 'thrivability'; our corporate partners who yet again shared their expertise and resources to ensure the quality and timeliness of our offer remains class-leading; our talented staff, volunteers and trustees who make it all possible. And to you, our members, who make up this vibrant and supportive community.

Thank you.



Kevin O'Brien
Chair



Caron Bradshaw
CEO

Strategic goals for 2023/24 and beyond

Our three strategic goals for the year
2023/24 and beyond are:

1 Be the
'go-to'
body

2
Promote
and support
financial
leadership at
all levels

3 Use our position
to convene
powerful
networks



1.

Be the go-to body

Our priority is to maintain our position as a trusted and respected source of guidance across the UK charity sector on strong financial leadership, as well as governance and broader management issues, that will determine financial security.

We draw on our collective expertise and stature to be a bold, brave and confident advocate for the sector, both in partnership with other sector bodies and as an individual organisation. CFG also draws upon its learning and experience to continually improve.

We strive to be an 'exemplar' organisation and share, where relevant, our own knowledge and experience, recognising that we have common purposes and experiences with our members.



2.

Promote and support financial leadership at all levels

CFG promotes and supports the development of financial leadership skills of individuals working within the charity sector, irrespective of their background, aspirations or career stage.

We strive to be relevant to and inclusive of all those who wish to develop their financial skills, whether it be for the benefit of their organisation, their own professional development and/or the wider sector.



3.

Use our position to convene powerful networks

We use our position as a membership organisation to bring together different groups from within, and with, the sector. CFG connects individuals and organisations so that they can:

- support each other's learning and knowledge, leading to great social impact.
- position finance at the heart of decision making, to drive effective governance and sustainable operations.
- inform, instigate and shape better policy (regulation and legislation) and enhance public understanding in order to nurture a supportive environment.

Meeting and reporting on public benefit

The Trustees confirm 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'.



As volunteers, the Trustees do not receive any private benefit from being on the Board of CFG.

As of June 2024, there were 170,171 charities in England and Wales registered with the Charity Commission, plus many more exempted or excepted charities and a host of voluntary organisations, community organisations, social enterprises and faith groups which share a commitment to social purposes.

These charitable organisations work across a range of issues providing help to the vulnerable, delivering social change and making the world a better place to live, work and thrive.

To work effectively and achieve the greatest impact for their beneficiaries and communities, they need to be financially well-led and managed.

Through good financial leadership, management and performance, charitable organisations can make the best use of their resources.

It is accepted, across the charity sector and by regulators, that this enables them to better achieve their charitable purposes.

CFG provides public benefit by carrying out activities and providing services which improve financial management and leadership in the charity sector. We deliver a range of training, guidance and support for charity staff and trustees.

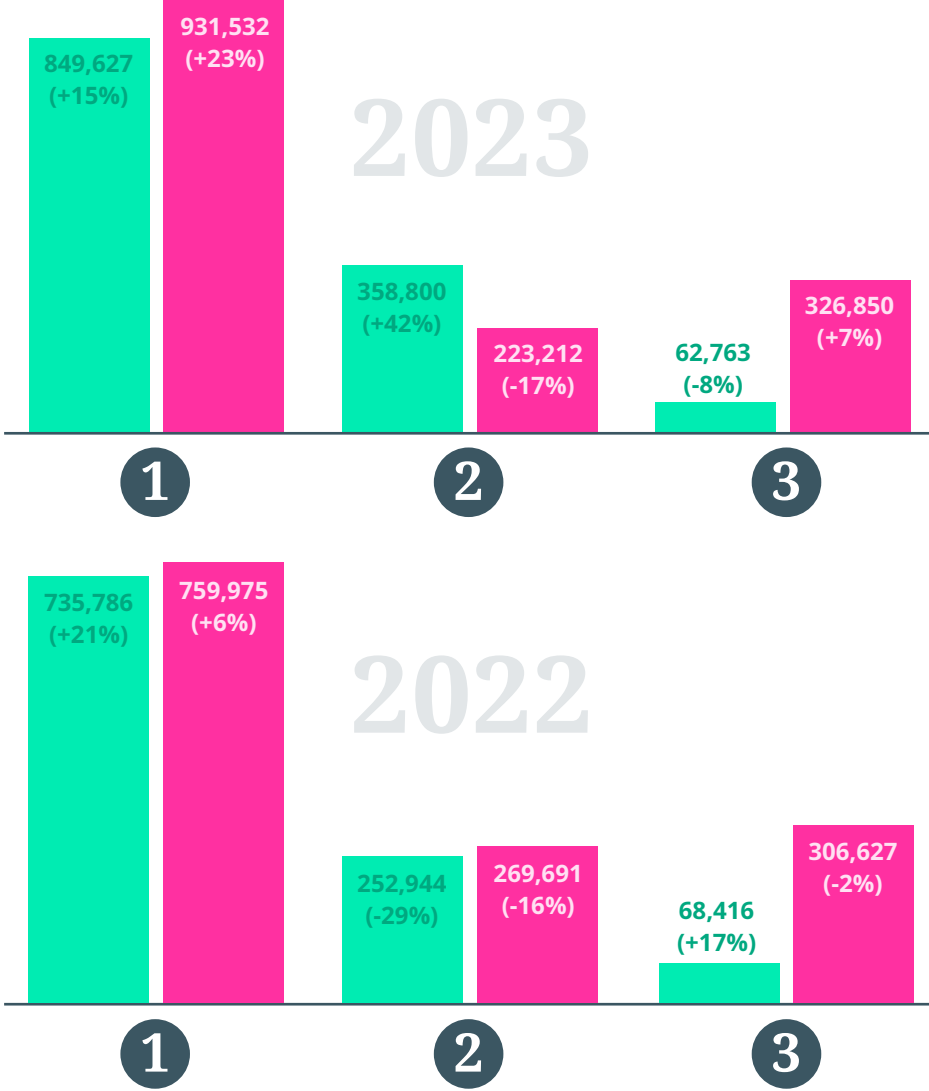
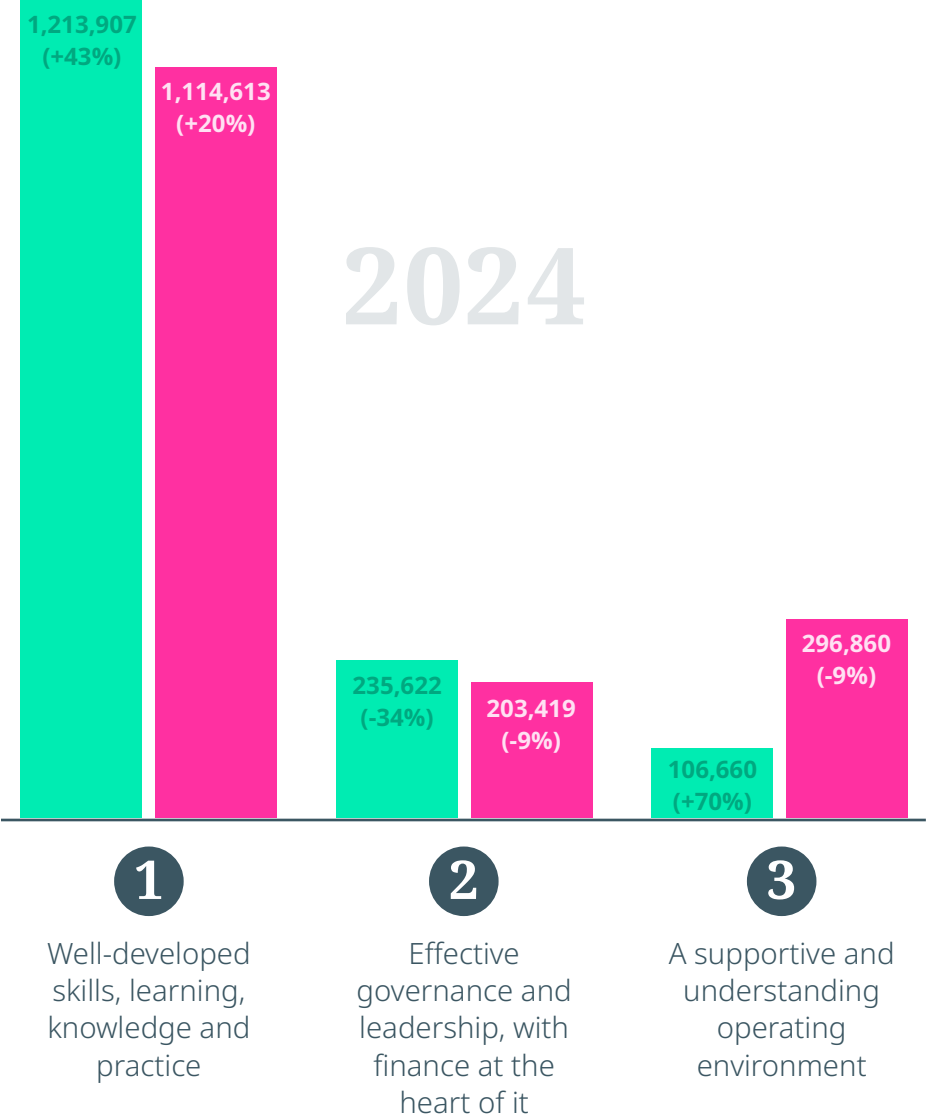
We also work to improve the operating and regulatory environment for charities so that they can carry out their missions effectively. And we inspire diversity in thinking about finance and its importance to charities' work.

CFG improves the effectiveness and work of charities and supports their sustainability in an often volatile and unpredictable environment. In this way, we are supporting millions of beneficiaries in the UK and around the world.

This report shares many of CFG's activities and achievements during the year, as set against our strategic aims and our plans for 2023/24.

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Financials at a glance

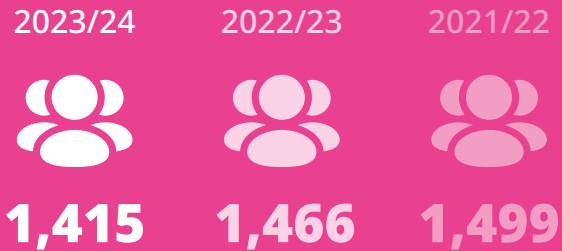




Performance at a glance

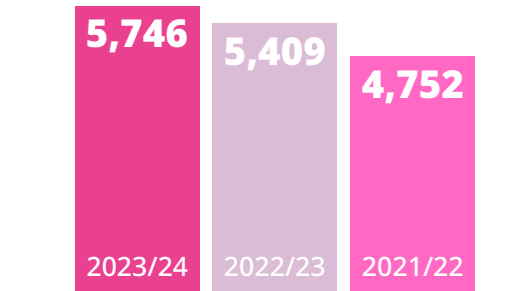
Charity membership

Number of charity members



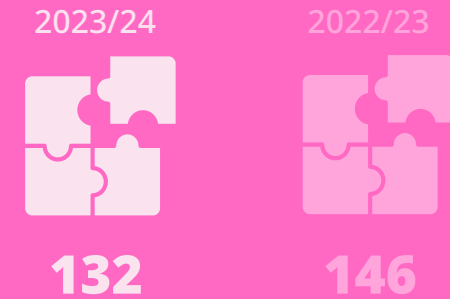
DIFFERENCE -51

Number of individual member contacts



DIFFERENCE +337

Charities joined for the first time



DIFFERENCE -14

Number of helplines



Number of special interest groups (SIGs)



Online discussion groups



In the months leading up to the spring 2024 renewal period, we had seen a slight decrease in the total number of our charity members. The majority of those choosing not to renew were small and micro charitable organisations (annual income < £1 million). This is likely due to the decision to provide more cost-free resources for smaller charities, following the closure of the Small Charities Coalition in March 2022 and the subsequent loss to small charities of the Foundation for Social Improvement in May 2023.

The trend of attracting more professionals from HR, IT and general charity leadership positions to CFG's events and programmes continued in 2023/24. We have also seen an increase in the number of member contacts on our database and this trend is set to continue. This is due to our efforts during the past three years to communicate that CFG charity membership is accessible to every individual in each member charity, from new starters to trustees and those with no finance experience or responsibility. This approach helps the whole organisation improve their understanding of the importance and functioning of finance and operations. This supports our vision of a 'world where financial excellence and leadership empowers every charitable and social purpose organisation and drives positive impact for the people and communities that they support'.

This year concluded the three-year phasing out of our regional pricing structure for membership fees. This meant that charity member organisations were moved onto a 'rolling membership'. We continue to invest in our database, systems and workflows so that we can improve member sign-up and make the experience as simple and seamless as possible. Investment in our IT systems is crucial to this aim. As of Q3 2024, we had made significant progress in implementing a new finance system and, as of Q4 2024, will be mid-way through a process to select and implement a new CRM. By streamlining our systems, we will be able to increase staff time and capacity to focus on having more in-depth conversations with our charity members. This will help us to respond more rapidly to their evolving needs.

In 2024, we stepped up our efforts to engage with members, asking them what they needed from CFG and what they most valued. This work has helped us to shape our products and services, and we will continue this work in 2025. Read on to find out how we have worked to improve our systems to 'get the basics right'.

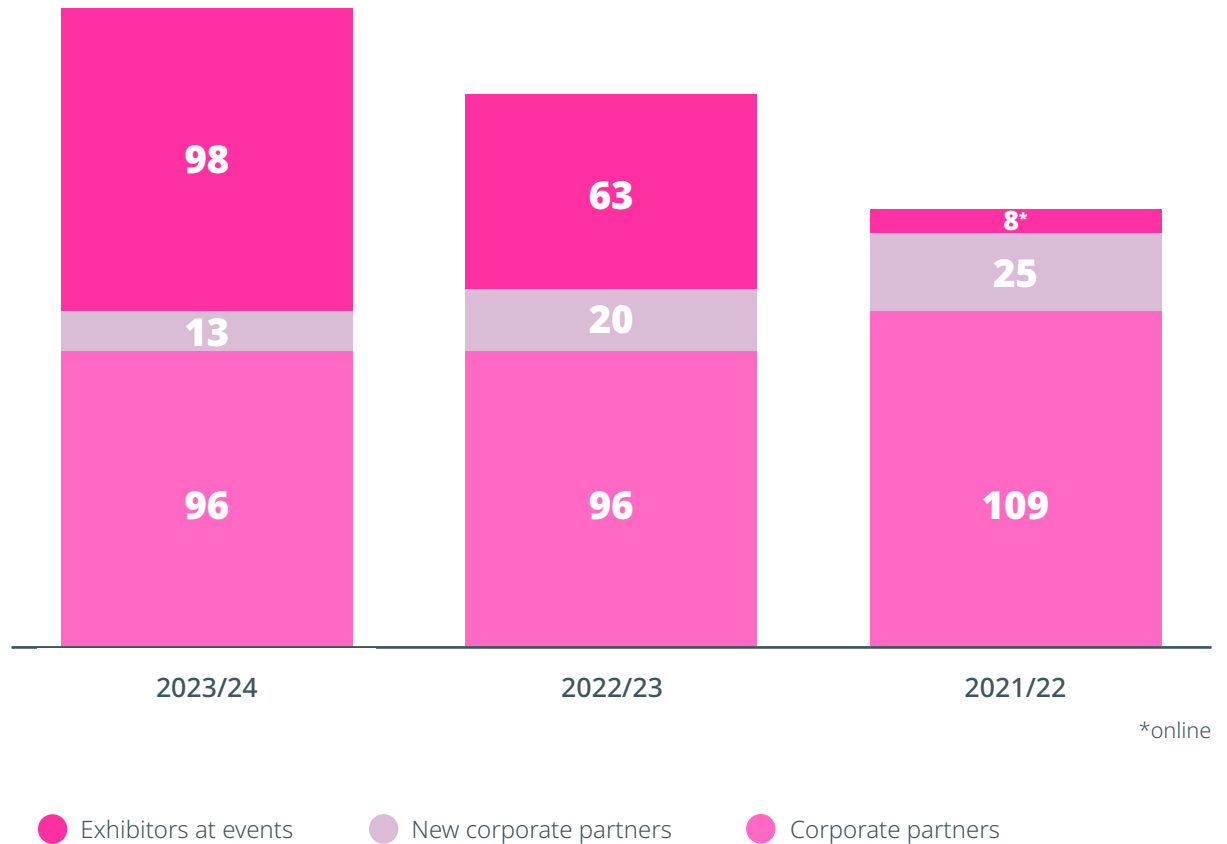


Corporate partnerships

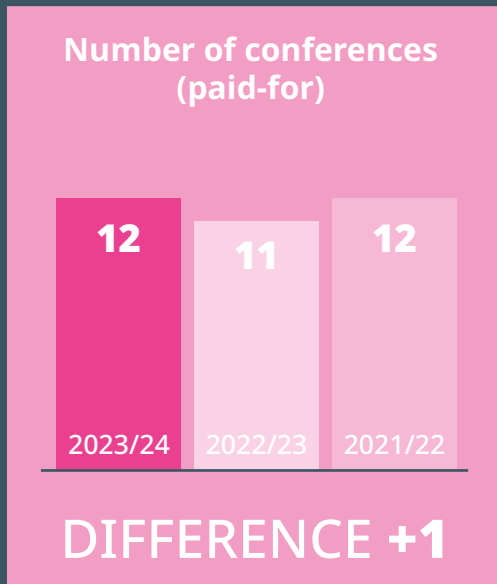
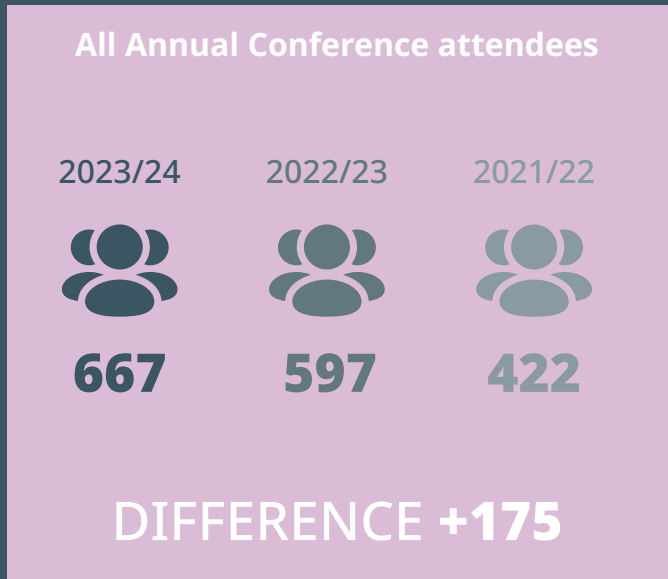
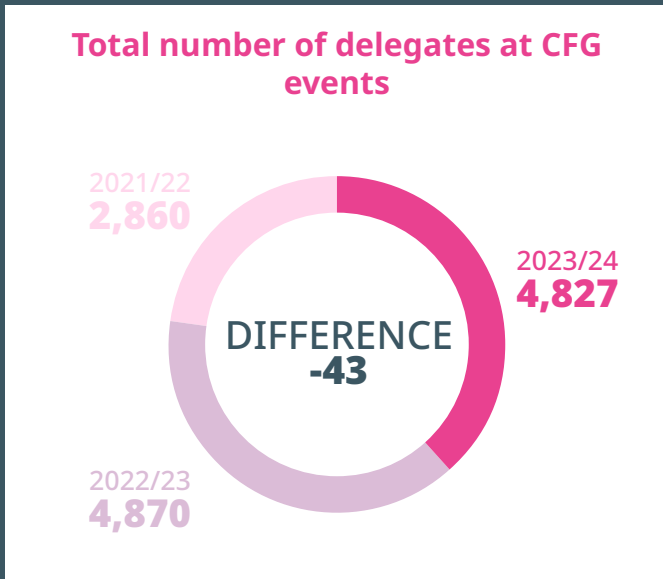
We maintained the same number of corporate partners in 2023/24. We headed into the financial year with a strong plan for renewals and recruitment which meant that we welcomed new corporate partners into the CFG community.

Showcasing expertise

There was great enthusiasm among our corporate partners to exhibit and showcase their expertise, services and products at our in-person and online events. We were delighted that so many joined us at our in-person Annual Conference in June 2023, and supported our full range of events, conferences and training programmes. This support is vital to the success of our conferences and events, and to CFG as a whole. At our Annual Conference 2023, we created more space to accommodate and welcome even more exhibitors.



Events and training

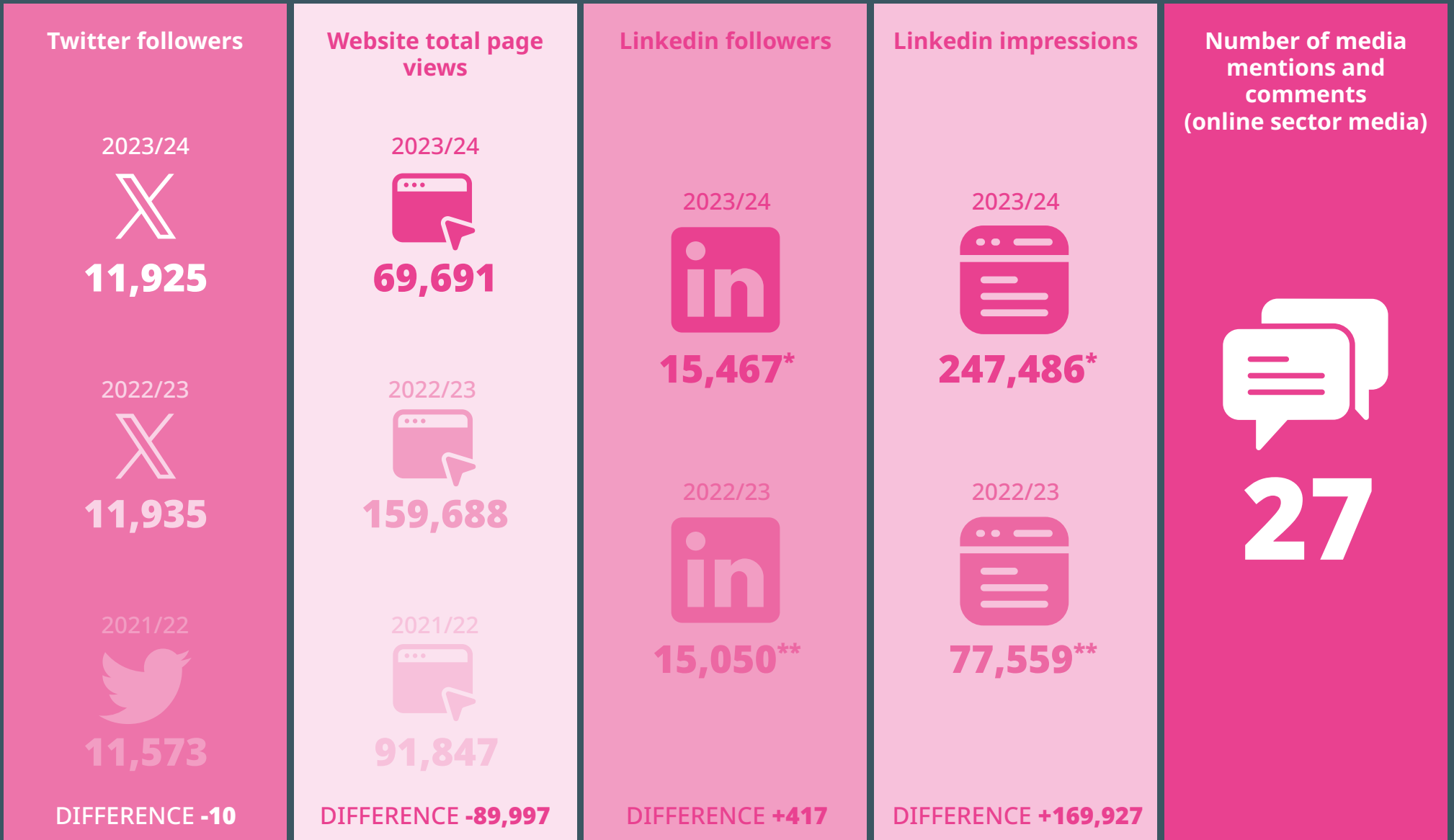


A focus on training

CFG wants to ensure members gain as much access to our community's collective knowledge as possible. The success of CFG's trainings programme went from strength-to-strength in 2023/24 as we developed new training courses whilst continuing to support our flagship Inspiring Financial Leadership (IFL) course. Although we ran fewer events in total, we enjoyed welcoming more people than ever before. In 2023/24 we continued to run a hybrid programme of both in-person and online events. We remained conscious of the cost of living crisis and once again we were delighted to be able to offer half of the events free of charge.



Media and other services



*Figure as of end of September 2024. Combines organic and sponsored impressions.

**Figure as of December 2023.

The Communications Team refined CFG's tone of voice as part of the brand refresh project, with the aim of further developing our voice as the 'go-to body' for charity finance. As a result, CFG is now recognised as a strong online influencer in the charity finance media space and a go-to for journalists requiring commentary on charity finance issues.

We renewed our partnership with Good Finance UK which means that we continue to serve additional data-rich and timely content to our social media followers, whilst benefiting from a new source of income.

Our social media strategy for 2023/24 continued to focus on informing, discussing and learning across all our platforms. We continued to see an increase in the number of professional audiences gravitating towards LinkedIn and we have grown the number of followers on the platform.

Some charitable organisations and individuals closed their X accounts in 2023/24 following changes to the platform. As a result, we have seen a slight fall in our number of followers. However, there has been no noticeable impact on our levels of reach and engagement. Like many other charitable organisations in 2024, we began to consider our longer-term use of X as a platform through which to engage, campaign and amplify.

We also continued to enjoy a good relationship with the sector press and were invited to comment on a wide range of news events and topics, several of which were non-finance related. For the first time, we are including data on our online media coverage. It's important to note that this figure does not include any broadcast and print media mentions or appearances in our partners' publications. We continue to contribute guest articles, including to *Charity Times* and the Association of Independent Museum's magazine. Currently, we are unable to consistently and accurately track and measure all media mentions.

In late 2023, the Communications Team began laying the foundation for the development of a new website (CMS), alongside a new customer relationship management (CRM) system. We also began a project to digitise our learning and development tool, The Finance Journey. Read on to learn more about this work.



**View our 2022/23
Trustees' Annual
Report**

Report of the Board of Trustees

2023/24 AIMS – PROGRESS SUMMARY

The year 2023/24 presented a mixed picture of challenges and opportunities for CFG, our charity members, corporate partners and the wider sector. As the financial year began, many of the organisations we work with remained depleted of resources, whilst trying to manage an increase in demand for their services, coupled with a sharp rise in inflation. This picture continued throughout the year.

Although the rate of inflation started to fall back towards more historic levels during early 2024, this did not mean we saw prices falling to pre-crisis levels. We predict that the long tail of the cost of living crisis will be evident among people and communities for some years to come, and that demand for support from charities will continue to be high.

Alongside the economic challenges, it was clear that we would be heading into a general election during 2024 or at the very start of 2025. Charities campaigning for systemic change to alleviate hardship and improve living standards, health and housing faced the extra pressure of engaging not just with the government but with opposition parties in efforts to shape policy. CFG's policy work focused on shaping a more supportive operating environment for the charitable sector and relationship-building across the political spectrum.

Yet, despite the difficult economic and political outlook, there were many bright spots during the year. CFG's Board and staff team were energised by the Annual Conference in June 2023, along with a growing number of opportunities to meet our community in person and online. We have taken time to reflect on the challenges we face in sustaining and supporting our community of charity members and corporate partners, which feeds into our business model, while also making sure that our activities continued to help the wider charitable sector survive and thrive.

All our achievements have been underpinned by effective leadership, governance and sound financial management.

One of our main objectives for 2023/24 was to eliminate CFG's deficit. It is testament to the hard work of the leadership and staff teams that we can report that we have achieved this goal. We have again been most generously supported by five grantmakers, all of whom gave us the resources we needed to reach out to many more organisations and individuals during the year. Their belief in our purpose empowered us to deliver our high-quality programmes to members.

As reported in our 2022/23 Trustees' Annual Report, we continued to invest in our greatest resource – our people. The Board accepted the recommendations of our Remuneration Committee and increased staff pay by 6% in April 2023, recognising the significant impact inflation was having. Based on forecasts during the year, the Board also accepted the Remuneration Committee's recommendations for a cost of living increase to staff salaries of 4.2% from April 2024, reflecting the continued upward pressure on living costs during 2023/24.

We predict that the long tail of the cost of living crisis will be evident among people and communities for some years to come, and that demand for support from charities will continue to be high.

Pay is just one factor in sustaining an engaged and healthy workforce. Wellbeing breaks were taken again in August 2023 and January 2024, giving everyone a chance to pause and return refreshed. We have continued to invest in training Mental Health First Aiders and ensuring 24/7 mental health support is available for those staff members who need it. Personal development training continued, with staff undertaking a range of external courses and internal training sessions.

By investing in our digital tools and upskilling our people, the organisation continues to increase productivity and create new commercial opportunities, with a digital-first approach at the heart of it. Providing our teams with the digital tools and training they need helps them to work more efficiently and contributes to staff engagement; it also frees up time to focus on our strategic priorities and where we can make the most impact.

We took the decision in 2022 to move out of our permanent, London-based office where CFG had a home for more than a decade.

Recognising that it is still important to have a place where the team can gather, but without the need for permanent desk spaces for the full staff team, we moved to a dedicated civil society workspace in November 2023. We are now part of a thriving community of over 50 charities, not-for-profits and social enterprises, including some of our charity members.

We were delighted to welcome new trustees during the year: Anna Bennett and Tony Wells. Hugh Wallace moved from being a co-opted trustee to being an appointed trustee. We also said thank you and farewell to Gary Forster, who had served as a trustee and chair. Through sharing his energy, skills and experiences so generously, Gary made tremendous contributions to CFG. We would also like to thank and acknowledge the long service and support from Stella Smith, who stood down as a trustee in July 2024.

As ever, we thank CFG's staff team, volunteers, charity members and corporate partners for providing so many highlights during the year. We are grateful to our funders and donors for their generosity, and our sector peers and external stakeholders who engage so willingly and supportively. The charity finance community is characterised by energy, professionalism and mutual support, and we are thankful that CFG contributes to that community, not only surviving but thriving.

We are now part of a thriving community of over 50 charities, not-for-profits and social enterprises, including some of our charity members.

**How did
we do?**



Be the go-to body

OUR STRATEGIC GOAL

Be the go-to body:

Our priority is to maintain our position as a trusted and respected source of guidance across the UK charity sector on strong financial leadership, as well as governance and broader management issues, that will determine financial security.

We draw on our collective expertise and stature to be a bold, brave and confident advocate for the sector, both in partnership with other sector bodies and as an individual organisation. CFG also draws upon its learning and experience to continually improve.

We strive to be an 'exemplar' organisation and share, where relevant, our own knowledge and experience, recognising that we have common purposes and experiences with our members.

KEY ACHIEVEMENTS/OUTPUTS

Our knowledge hub, conferences and events, trainings, special interest groups and discussion forums have continued to grow in response to demand.

Our staff have contributed to external conferences, events and publications to share CFG's expertise and thought leadership. We responded to regular media enquiries and further developed relationships with sector and national journalists.

We supported ongoing work on SORP engagement and contributed to the IFR4NPO project as the UK Country Champion.

We listened to our members and partners, and used our expertise to submit responses to government consultations impacting charities and charity finance. We continued to work closely with sector partners, including through the Civil Society Group. This has strengthened the profile of our work and membership. Our campaigning on audit thresholds, banking and Gift Aid has been widely recognised.

Ahead of the 2024 General Election, we collaborated with sector colleagues through the Civil Society Group and the Future Economy Alliance to engage across the political spectrum.

We shared our own experiences and learning with our members and external audiences.

WHAT WE LEARNED

CFG's voice is trusted. This was evident through the work we did with members, partners and peers to develop our brand.

We benefited from our investment in helping external stakeholders understand charity finance, which we believe contributes to higher levels of trust in charitable organisations and the wider sector.

Collaboration with a diverse range of organisations means that we have been able to share expertise and gain new insights, which benefits our members and partners, and the wider sector. We can achieve change more effectively when we speak with one voice. Collaboration leads to stronger results and more lasting impact.

Our policy work is valued by many stakeholders including members, partners and other infrastructure bodies. The demand for our specialist knowledge remains high.

Promote and support financial leadership at all levels

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CFG promotes and supports the development of financial leadership skills of individuals working within the charity sector, regardless of their background, aspirations or career stage.

We strive to be relevant to and inclusive of all those who wish to develop their financial skills, whether it be for the benefit of their organisation, their own professional development and/or the wider sector.

KEY ACHIEVEMENTS/OUTPUTS

Our Inspiring Financial Leadership and peer mentoring programmes continued to be over-subscribed, demonstrating a clear demand for skills development.

Our network and discussion groups have continued to thrive, connecting people at every stage of their charity finance career for peer support, learning and leadership development.

We renewed our successful partnership with the Association of Independent Museums, bringing more charities into membership from the cultural sector and supporting the development of financial leadership in this area.

The content on our knowledge hub has grown significantly, bringing expertise and thought leadership to our audiences alongside technical know-how and practical advice.

Developing The Finance Journey tool is an opportunity to understand our members and their needs in more depth, and to create a practical resource that helps charity finance to be used as a powerful, transformative lever.

We have made additional progress on inclusion, including speaking out against racism and providing BSL interpreters for our Annual Conference.

WHAT WE LEARNED

There is an appetite for connection and community, and they can find this through CFG. There is a lot of interest in CFG supporting and facilitating discussion groups and peer communities, and this demand creates opportunities for volunteer engagement.

Our digital first mindset has helped us support and develop networks for finance leaders at every stage of their career, but we can do more to understand our members and their needs with better data capture and analysis.

Our digital transformation project for 2024/25 includes a new CRM which will significantly improve data capture and analysis, and in turn will shape our member offer. We will also be using data to evolve The Finance Journey.

We will continue to strive to be inclusive and foster a sense of belonging across our whole community.

Use our position to convene powerful networks

OUR STRATEGIC GOAL

Use our position to convene powerful networks:

We use our position as a membership organisation to bring together different groups from within, and with, the sector. CFG connects individuals and organisations so that they can:

Support each other's learning and knowledge, leading to great social impact.

Position finance at the heart of decision making, to drive effective governance and sustainable operations.

Inform, instigate and shape better policy (regulation and legislation) and enhance public understanding in order to nurture a supportive environment.

KEY ACHIEVEMENTS/OUTPUTS

We have convened and contributed to many working groups and forums that cut across sectors and topics. Our networks mean we can easily reach out to a wide range of contacts for insight, support and engagement.

We are a partner in the Civil Society Group (CSG), our CEO commenced as co-convenor for 12 months in February 2024. We work with infrastructure colleagues on engagement with policy makers and decision takers, as well as influencing the CSG's programme of work. We have contributed to thinking and discussions on a range of issues, including wider political and societal issues.

We have supported a range of research, including work by Nottingham Trent University directed at understanding the current pressures on civil society.

We continue to respond to media enquiries on a wide range of topics. Our reach through our newsletter, Finance Focus and website continues to grow. Our podcast relaunch has also been well received.

WHAT WE LEARNED

Our insight and member engagement means we are uniquely placed to shape policy in relation to charity finance. External stakeholders value our input and the chance to engage with our members and audiences.

We have much information to share and stories to tell but have not been able to maximise this during 2023/24. Investing in our Policy and Communications teams in 2024/25 will mean we are better able to use opportunities to share our work.

There is high demand for CFG's unique blend of technical information, shared learning and thought leadership. We need to balance the demands of our members and the support we provide for the wider sector (our beneficiaries), to ensure that we remain financially resilient and able to meet needs.

Fit for the future

Caron Bradshaw OBE shares how CFG has turned a corner to a brighter future.

Good fortune has its roots in disaster, and disaster lurks in good fortune. Who knows how to separate the two since there is no clear dividing line between them. ~ Lao Tzu

At the time of writing this piece, I am feeling an enormous sense of hope for the future, interspersed with some trepidation.

The country has just witnessed shocking scenes of numerous racist and Islamophobic riots in towns and cities across England. There's no excuse for the behaviour of those who set about to threaten the peace, safety and livelihoods of others. These scenes leave me dismayed and sad. Yet, as the theory goes, every action has an equal and opposite reaction.

Just hours later, thousands of people took to the same streets to push back, in every sense. It showed courage and hope, and those positive and peaceful scenes reminded us once again of the power of civil society and collective action. Such actions swell my sense of hope and positivity.

The case for change

One thing we can be certain of is that we continue to live in volatile and changing times. None of us knows, with any certainty, what the future holds. Last year, I spoke of the volume and frequency of change increasing.

We can now add another factor – complexity. Familiar models and theories of change can't always be neatly or easily applied to these challenges. I'm aware that I'm in danger of sounding like a broken record from one annual report to the next, but it cannot be overstated: change is difficult, even when it is necessary. And the roadmap to whole systems transformation demands even more from us.

I believe there is a shared sense across the sector that systemic transformation, agility and a new approach is needed – in our organisations, in our communities and in the corridors of power. It's the only thing that can breed resilience in the face of uncertainty. Since the end of our financial year there has, of course, been a general election. Whilst early indications are that the tone and approach is very different, we will need to ensure that warm words are matched by substantive action.

Transforming futures

This annual report presents a positive year for CFG. We didn't just turn a corner in 2023/24 – we accelerated out of the bend! We did this because we tackled change head-on, transforming how we do things.

We eliminated the structural deficit – one of our operational objectives for the year – and we ended the year with a surplus. This means that we've not only been able to bring our reserves back into range but also invest more in our essential resources, including our digital systems and staff team.

Readers of our previous annual reports will know that many of our planned activities were paused or scaled back when we entered the pandemic and cost of living crisis. It was frustrating because we know that these activities – some of which are entirely new products, and others that involve a significant scaling up of existing programmes – will support our charity members during difficult times.

For the first time in a long time, we can now set our sights on the future and make far greater strides towards our longer-term vision and goals. By ending the year with more financial confidence, and a strong sense of what we want to achieve in the next three to five years, we're setting out a realistic roadmap.

Of course, within this optimism we also need to keep in mind the current financial fragility of the sector and how we respond to that, to ensure that we continue to provide support.

It remains tough out there. Individuals are leaving the sector because they cannot afford to stay, some significant charities have closed, and financial difficulties are exercising charities too.

In the face of this adversity, it could be tempting to batten down the hatches in anticipation of another storm. But CFG is taking a different approach. By looking for the opportunity in risk, by turning a problem on its head to find a positive, we've been able to shift our mindset.

Fit for the future

I believe, either by coincidence or by design, that this mindset is summed up by this report's theme and that of our 2023 Annual Conference – Survive to Thrive. By focusing on our operational objectives of eliminating the structural deficit, getting the basics right, and adopting a 'digital first' approach to everything we do, we've survived the worst the pandemic and cost of living crisis threw at us.

We did not do this alone, far from it. We did it with the ongoing support of those who share our vision, whether they're our charity members and volunteers, our corporate partners or our generous grant makers.



As we head into 2024/25, we are asking ourselves, how can we now thrive so that we can support others to thrive too? In 2024, we adjusted our operational objectives to build in more resilience. We've replaced our 'digital first' objective as we've successfully embedded a digital first mindset and approach in CFG's culture. This doesn't mean that the work on digital transformation stops here!

We're now able to invest in improved digital systems so that we can maximise our members' experiences and provide more opportunity for digital engagement, connection and learning. These systems will require buy-in, learning and adjustment, so one of our new objectives is to support our people through change.

I believe that if you give people the support and space they need to grow, we will help them to become more resilient, agile, progressive, flexible and innovative, reflecting CFG's value of dynamism – a value and practice I see every single day at CFG.

By giving everyone the opportunity to learn, grow and innovate, we are ensuring that the financial health of our sector continues to improve.

As part of our continuing focus on getting the basics right in summer 2023, we started to take a closer look at CFG's identity and asked our members, volunteers and others how they viewed the CFG brand, our community and the work we do. The message that came through loudest was that we needed to be bolder and louder.

Our visual identity, language and strapline have therefore evolved. It deliberately aims to capture how we 'lead the way' on charity finance issues. But it's even more than that: it clearly demonstrates something we've always known – that a community that is inclusive and diverse is also strong and resilient. By giving everyone the opportunity to learn, grow and innovate, we are ensuring that the financial health of our sector continues to improve.

Finally, we know that we must continue to generate sufficient income to continue investing in the services, support and representation that we provide our diverse community of finance professionals. So, we've made generating sufficient income to meet that growing need an area of operational focus.

Gratitude and optimism

I'm extremely proud of the work of the leadership team and our Board of Trustees, the achievements of our staff team, and of the incredible support that we continue to enjoy from our members, volunteers, partners, grant makers and many others within the sector. My thanks go to you all.

I hope you enjoy reading about the highlights and challenges within this annual report. They show that from the crisis and potential disaster we've faced that success really can flow. While we remain alert to potential dangers, I have an enormous sense of hope and optimism about what is yet to come.

Member voice

In times of crisis

Iain McSeveny, Director of Finance and Operations at Medical Aid for Palestinians (MAP), explains how he is steering the charity's work on the front line of humanitarian crisis and why the CFG community is important to him and his team.

These are challenging times for overseas charities, but for those with operations in volatile regions and conflict zones, there's rarely any let-up. When the siege and assault on Gaza intensified in late 2023, Medical Aid Palestinians (MAP) began scaling up its operations in Gaza, West Bank, and Lebanon, as well as in the UK.

The charity works in collaboration with Palestinian communities, local partners, UN agencies and hospitals for the health and dignity of Palestinians living under occupation and as refugees.

As a non-political charity, it delivers medical and humanitarian aid in an impartial manner to those most vulnerable and at risk. In recent years, the charity's projects and programmes have focused on emergency response, disability, women's and children's health, mental health and psychosocial support, and advocacy.

An emergency footing

Iain McSeveny joined MAP in 2014 to lead its finance and operations. During the past decade, he has stepped twice into the role of interim CEO. His most recent stint began shortly before MAP's CEO Melanie Ward was elected to UK Parliament in May 2024.

"This year, MAP has moved very rapidly from being a development organisation to a humanitarian one," explains Iain. "We've had to put most of our development and community health programmes in Gaza on hold and we're doing a lot of things we've never done before, such as work in infection control, malnutrition, and supporting the recent polio vaccination programme in Gaza.

"At the same time, development work with local partners in Gaza and West Bank has been severely hampered, and many have had their premises damaged or destroyed. We have been unable to get to our own office in Gaza city for some time now. We know it is damaged, but not how badly.

"Almost all our local staff have been displaced from their homes. And we're just trying to get supplies from wherever we can. Right now, I'm working with the team to procure assistive devices for the horrendous number of children who have lost limbs."

Between 2022 and 2024, MAP increased its income from £8m to £40m, mainly due to increased donations, and the number of staff has trebled, from 80 to more than 240. At the time of writing, Iain had just signed another seven contracts for staff working in MAP's 20 medical points in Gaza.

Now back in his role of Director of Finance and Operations, Iain is focusing on numerous strands of work, including recruitment, retention, wellbeing and safety. Alongside the finance and HR functions, Iain is also responsible for IT, internal audit and legal. Iain says he is looking forward to supporting his team more closely and getting stuck into the work. "We've been through a huge transformation and the area of operations that will need to change the most is probably mine because we're the support function for everything else," states Iain.

"We'll be recruiting to the finance team and supporting the team's growth, as well as focusing on sustaining the HR team because of the large increase in staff.

"We also need to develop the IT team with a need for more support staff on the ground in Gaza. Another priority will be rationalising, working out the gaps and converting temporary contracts to permanent ones."

Looking to the future

MAP's growth isn't stopping any time soon and the charity was fortunate enough to receive pro bono advice from a well-known consultancy firm recently. Iain says he is feeling positive about the future but finding the right external support in all forms will continue to be vitally important.

"We have a plan, and we all know the things we have to do. We're now trying to carefully prioritise. We've got a really good team of people, and we just need to keep adding to them, slotting in new people to support us."

Iain admits that, in many ways, these are exciting times for him and the MAP team but, as he says, soberingly, "for all the wrong reasons."

Finding the right support

Iain became a CFG member in 2007 when he worked for Greenpeace UK. Today, he's a board member for his former employer and is currently involved in the charity's governance review. He says he's hoping to find support not only for his day job, but for that role too.

In the coming year, Iain plans to step up his participation in CFG programmes and says he's keen to see his growing team take advantage of membership too. He explains: "CFG helps me to scan the horizon and find where the gaps are. It highlights the things that I don't know and has helped me to keep up to date on the technical side. The events themselves, the topics and learning, are so useful.

"But for me, just being in a room with people, having conversations, making new contacts, that's the really good bit! I'll be going along to CFG's OSSIG (Overseas Special Interest Group) meeting with three HR colleagues soon. I'm keen to make it everyone's membership. It's not just mine."



Almost all our local staff have been displaced from their homes. And we're just trying to get supplies from wherever we can.

CFG NEWS AND
HIGHLIGHTS

SPRING/
SUMMER
2023

CFG collaborates on CC14 updates

CFG's policy team were invited by the Charity Commission to collaborate on its proposed updates to CC14. Richard Sagar, Head of Policy, CFG, said: "CFG has long argued that CC14 needed to be updated, to provide greater clarity on investment approaches. We're pleased to be invited by the Charity Commission to work with them." [+](#)

CFG responds to HMRC consultation on VAT relief

CFG calls on the government to reinstate VAT energy saving materials relief following member consultation. Richard Sagar, Head of Policy, CFG, comments: "At a time of persistent high inflation, stagnating income and increased demand for their services, any tax relief is to be welcome. We found that for many of our member charities, any additional financial incentive could encourage them to install ESMs (energy saving materials) that they otherwise wouldn't. In other cases, it would speed up a charity's ability to install ESMs by reducing the amount of expenditure needed." [+](#)

CFG comments on Children England's closure

CFG's CEO, Caron Bradshaw OBE, writes: "Different political choices, longer-term thinking, and root and branch redesign is required from all political colours. What Children England and CFG have in common is that we're infrastructure bodies. We know from personal experience that demonstrating our contributions to the economy and society is even more difficult than for frontline charities because we exist to support and facilitate the work of others." [+](#)

CFG responds to government's business rates avoidance and evasion consultation

The government's consultation acknowledges that the 'vast majority of those who engage with the business rates system do so honestly and transparently' and says there is a 'small minority' exploiting the business rates system. In response, CFG says that the proposal could be like using a 'sledgehammer to crack a nut', adding: "there is a likelihood that charities and CASCs making genuine use of the 'next in use' exemption would be adversely affected and hit with additional business rate costs, should the exemption be removed and no mitigating arrangements put in place. It could penalise those genuinely making use of measures such as the EPR 'next in use' exemption." [+](#)

CFG publishes sector's 'asks' ahead of Autumn Statement

As part of the Civil Society Group, CFG urges the Chancellor to support the charitable sector and the vulnerable people and communities it exists to serve. CFG asks the Chancellor to introduce an 'Essentials Guarantee' in the social security system, ensure public bodies have the resources they need to deliver public services and streamline and review the charity tax and compliance systems. +

In the press

Government urged to reinstate energy saving materials tax relief for charities
(civilsociety.co.uk) +

Regulators urge banks to improve 'inadequate' services for charities (civilsociety.co.uk) +



Turning a corner towards recovery

By Rui Domingues, Director of Finance and
Operations, CFG



After a few years that were certainly extremely challenging, CFG has weathered the storms of the pandemic and cost of living crisis, and we have emerged with a robust financial foundation. Whilst challenges remain, for us as an organisation and for the wider charity sector, we are increasingly optimistic about the future.

During the pandemic years, we adopted Gartner's three stage recovery model as a framework to guide our response. Whilst the boundaries between the phases of respond, recover and renew are fluid, and it's certainly possible to be in two stages at once, the stages can be useful to highlight the progress we have made.

Exiting survival mode

People say that reserves are there for a rainy day, and during Covid it was pouring. Initially, we focused on immediate survival tactics, pivoting our operations to adapt to the new reality and these challenges are reflected in previous reports.

Utilising our reserves has also been crucial in our response to challenges. Whilst we went below our reserves target range during the pandemic, we're now looking at our changing risk profile and our reduced costs to calculate what our reserves need to be going forward.

We've been working towards recovery, by rebuilding and stabilising our operations. Our latest financial results show a significant milestone as we transition from deficit to surplus. This financial health provides a strong foundation for the next stage of our journey.

The loyalty of our members and corporate partners has been essential. They've really grasped the value of the support, information and knowledge we provide, and we're very thankful that our members have stayed with us.

We are also incredibly grateful to our grant funders who supported us throughout the pandemic. Grants for infrastructure bodies like us were always difficult to come by, but the funding we received from grant makers during those years has been essential.

Though we are seeing a move back to those traditional funding streams, with less support for our core activity, we still received £123,491 worth of grants throughout the financial year. We are thankful that there has been investment in projects such as our Charity Investment Governance Principles (CIGP), which will develop a set of principles for trustees to use when making decisions about their charity investments.

Another vital aspect of our recovery has been the decision made last year to close our London office and move to remote-first working. Whilst we are still renting three desks from a co-working social enterprise, we have been able to save £80-90,000 annually by removing the fixed cost of our old White Lion Street office.

Whilst we went below our reserves target range during the pandemic, we're now looking at our changing risk profile and our reduced costs to calculate what our reserves need to be going forward.

We're also continuing to see the outsourcing of part of our finance function really pay dividends. SKS have provided a great service, and it has also been key for us to have strong dialogue with them, understanding what's on the horizon and what we need them to support us with.

A key focus across our commercial services has been to enhance operational flexibility. By adopting a more agile approach, we aim to align our cost base with growth, avoiding disproportionate increases in expenditure. This strategy has been successfully implemented within finance, property, and other departments. We are actively working to introduce similar flexibility within other areas of operations.

Getting the basics right

Another essential part of our recovery has been our focus on 'getting the basics right', and this covers every aspect of what we do. For example, on the governance side, we have brought in a flexible resource to help with our capacity. This approach has enabled us to address fluctuating workloads efficiently.

Concurrently, we have initiated a comprehensive evaluation of our digital infrastructure, including Teams and SharePoint, to identify necessary enhancements. The timing of these upgrades is being carefully considered to avoid overburdening our team during core system implementations.

One of the challenges for the team and for me this year was our IT manager Chris Brown retiring at the end of 2023. Chris has been a wonderful colleague for so many years. We were delighted that Chris is able to assist us with our transition to new customer relationship management (CRM) and content management (CMS) systems.

Building on our recovery, we're investing in our team and exploring the technological changes which will allow us to grow. We are undertaking a major systems upgrade, transitioning to a dedicated finance system, CRM platform, and our new CMS. This strategic investment will optimise our operations, strengthen customer relationships, and position us to capitalise on new opportunities within the sector.

We're concentrating on making focused improvements where they're needed most. This means carefully choosing which projects to tackle first and making sure we have the right people in place to get the job done. We also recognise the importance of being open about our reward and benefits packages, and we're working hard to improve this area.

Building on our recovery, we're investing in our team and exploring the technological changes which will allow us to grow. We are undertaking a major systems upgrade, transitioning to a dedicated finance system, CRM platform, and our new CMS.

Our people

Since the move to remote-working we have implemented quarterly away days to foster collaboration and team building and we have certainly witnessed the value of in-person interaction. These dedicated periods have proven effective in facilitating creative problem-solving and strategic thinking. By combining focused work sessions with opportunities for social interaction, we have created a dynamic environment that encourages innovation and strengthens employee relationships.

We have found that people have really enjoyed these away days, and it's been great to see people in a different light, watching staff throw a dart at a dartboard rather than just tapping away at a computer.

A recent staff away day provided an opportunity to reflect on the strength of our organisation. A room filled with colleagues engaged in lively discussion, served as a powerful reminder of the exceptional talent within CFG.

The quality and dedication of our team is our greatest asset, driving our ability to deliver exceptional results for the sector. While strategic initiatives such as our new finance system are important, it is the strength of our people that truly defines our organisation.

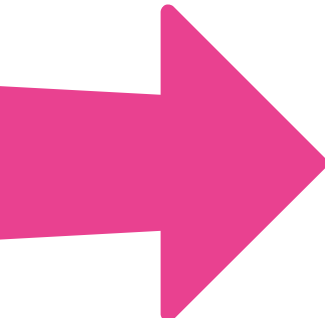
We are pleased to report significant progress in addressing longstanding capacity challenges across several teams. Strategic recruitment in 2023/24 has allowed us to strengthen our workforce and enhance our ability to meet the growing demands of our organisation. The successful onboarding of new talent positions CFG for continued growth and success.

There is certainly more we would like to do, and we are confident that our reserves can enable us to do some more strategic work in terms of the investments in our people and technology.

Message to members

To our members, I encourage you to explore everything CFG can do to support you. I've been a member of CFG for more than 20 years, so was an active part of the CFG community long before joining as an employee. Every step of the way there's been something that has either supported me or made me aware of something I wasn't before, that I needed to cover as part of my role.

So, I urge all charity members, and even non-members, to utilise all the valuable support available to you in your role, and the safety net that CFG can provide.



CFG would like to thank Rui for his incredible energy and commitment to CFG during his time as Director of Finance and Operations. In September 2024, Rui moved to London City Mission as their new Director of Finance, Property and IT. We wish him all the very best in his new role.

CFG NEWS AND
HIGHLIGHTS:

AUTUMN/ WINTER 2023

CFG briefing on Autumn statement

Richard Sagar, Head of Policy, CFG, takes an in-depth look at what the Chancellor's statement means for the charity sector. Richard commented: "For charities, and more importantly, beneficiaries, additional funding is urgently needed in order to put services on a sustainable footing, prevent the closure of services and those who rely on services from falling through the cracks. It is just not sustainable for charities to continuously subsidise government funding shortfalls." [+](#)

Charity bodies call on Hunt to act after 'no improvement' since autumn statement

CFG says... "Charitable and voluntary sector organisations continue to work harder than ever to support their communities, particularly those that remain hardest hit by ongoing economic pressures. At the same time, we have seen very few real improvements in the sector's operating environment; very little has changed economically or politically since chancellor Jeremy Hunt presented his autumn statement in November 2023. The Civil Society Group is calling upon the government to do more to ensure the most vulnerable and disadvantaged people are better protected, and that charities can continue to provide their critical services." [+](#)

CFG appoints two new Trustees

CFG is delighted to announce the appointment of two new trustees to the Board – Anna Bennett and Tony Wells. Gary Forster, CFG's Chair of the Board of Trustees, comments: "We're delighted to have appointed Anna and Tony as CFG's new trustees. Their clear passion for excellence in charity governance and financial management will be a real asset to CFG, as will their experiences of being CFG members." [+](#)

CFG's finance development tool celebrates its tenth birthday

One decade ago, CFG officially launched its development tool The Finance Journey. Its author, Simon Hopkins, comments: "Ten years on, the need for a development tool for finance professionals that helps them break the tired old mould of the 'back office' has never been greater. Today, The Finance Journey is more relevant than ever." [+](#)

In the press

Cost of living crisis ‘catalyst’ for fraud risk as more charities fall victim of fraud

CFG comments...there are “more and more attempts and creative ways to extract money from people” during the cost of living crisis. “I’m surprised it’s only 67% who identified the economic downturn and cost of living crisis as a catalyst for increased risk. It’s a major risk the whole sector needs to be cognizant of and fighting against.” [+](#)

Charity sector experts launch project to develop investment principles for trustees

CFG comments... “The steering group is delighted to launch the Charity Investment Governance Principles project. By convening investment and legal experts, charity sector bodies and leaders, we’re working together to develop a set of universal principles that will increase confidence in the governance of charity investments.” [+](#)

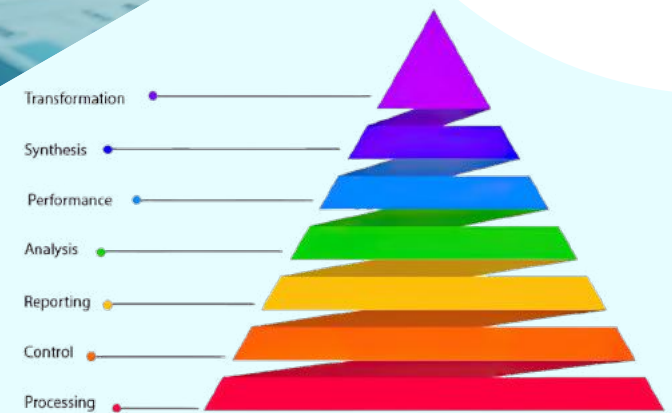


Figure 1: The Finance Journey – The main model

Member voice

Navigating the charity finance landscape

Sam Husband has been Director of Finance at North Devon Hospice for 20 years. Here, she shares how CFG membership has helped her to deal with the constantly shifting landscape of charity finance.

For over two decades now, I've had the privilege of serving as the Director of Finance at North Devon Hospice. This year marks a significant milestone: both the hospice's 40th anniversary and my 20th year with the organisation.

As the hospice has grown from a small operation to a thriving institution, I've played a role in navigating the unique challenges faced by healthcare providers in our rural community.

Local challenges

As a hospice, our main task is to generate just over £5m per year from our local community. With one of the smallest population sizes of roughly 170,000 and one of the largest areas to cover of any hospice in the country at over 800 square miles, this poses many challenges for us.

Additionally, as with most hospices, we care for the majority of our patients within their own homes. Given the large geographical area and rural spread of the population the cost per visit is especially high for us.

Throughout the ongoing cost of living crisis, we are seeing the level of sponsorship and donations reducing on a daily basis yet demand for our services is going up.

The area is also one of significant economic deprivation which often makes fundraising problematic, and, throughout the ongoing cost of living crisis, we are seeing the level of sponsorship and donations reducing on a daily basis, yet demand for our services going up – an issue many charities will be dealing with. These challenges can certainly make a finance director's job difficult at times.

My personal journey with North Devon Hospice initially began with a part-time finance role. Previously, I had worked as a finance director for manufacturing firms, but my desire to balance work and family life led me down this new path. It was during this time that I turned to CFG for support and guidance to aid me in my transition into the charity sector.

Valuable support system

CFG membership has been invaluable to me and the hospice. The conferences, regional meetings, and resources have provided key insights into the financial landscape of the charity sector. The network of professionals has also offered a valuable support system for sharing best practices and addressing common challenges.

My role at the hospice soon grew, initially taking on the technology team and, over the years, my area of responsibility grew too. Now I have responsibility for finance, technology, estates and support services, as well as retail. With that in mind, the breadth of advice and insight covered by CFG resources and in materials such as Finance Focus has been hugely beneficial, providing me with a range of knowledge and enabling me to manage all these areas of my role.

By adopting a new approach based on CFG's guidance, we were able to strengthen our financial sustainability.

One of the most significant benefits of CFG membership for me has been the access to information on risk-based reserves. By adopting a new approach based on CFG's guidance, we were able to strengthen our financial sustainability which has been key for us in navigating the challenges of the current economy.

I've always emphasised the importance of financial accountability and transparency to our donors and stakeholders. CFG's resources on best practices, good governance, and regulatory compliance have played a crucial role in ensuring we meet these standards.

The evolving financial landscape of the charity sector necessitates continuous learning and adaptation. CFG events have provided me with the latest updates and insights, enabling us to stay ahead of the curve. The policy work of CFG is also important to mention, not only in keeping

me aware of potential legislative changes, but also influence policy to benefit the sector.

Partnership and collaboration

Networking at CFG events has also led to valuable partnerships and collaborations. My involvement in mentoring other hospice finance directors has not only benefited the mentees but also fostered personal growth and reflection, helping to make me a better leader.

Furthermore, CFG's network facilitated connections with other hospices and healthcare providers, allowing for the exchange of ideas and experiences. This collaboration has been instrumental in improving the efficiency and effectiveness of our organisation.

For hospices considering CFG membership, I wholeheartedly recommend joining. The wealth of knowledge, support and networking opportunities that CFG offers are so important, not only to myself but to my whole team.

The organisation's resources have been instrumental in building a strong financial foundation for North Devon Hospice, enabling us to continue providing vital care and support to our community.



By adopting a new approach based on CFG's guidance, we were able to strengthen our financial sustainability.

Investing in our people

By Laura Millar Assoc CIPD, Head of HR, CFG



As Head of HR, I've had the privilege of leading our team through a year of significant growth and achievement. Our focus on creating a supportive and inclusive workplace culture has been instrumental in driving our success.

Recruitment and training

In 2023/24, one of our key priorities was to enhance our recruitment processes. We've made substantial progress in attracting and onboarding top talent. By streamlining our application process and emphasising the benefits of working at CFG, we've successfully grown the team in a short space of time. The next step is to review the process internally, to make sure it works as seamlessly for everyone involved in recruitment as for applicants.

At CFG, we believe firmly in supporting our staff to achieve their career aspirations and ensuring employees have the necessary training available to develop professionally is a vital part of this. Rolling out LinkedIn Learning for all our staff was another key piece of work and we invested in team development through Insights Discovery profiling and workshops, thanks to a generous offer from Blue Gnu Consulting.

This has helped us to improve communication, reduce conflict, and foster a more collaborative workplace. By understanding our own and others' communication styles, we can build on each other's diverse strengths and increase psychological safety, leading to improved efficiency, productivity, and impact for our stakeholders.

Wellbeing

We've been proactive in addressing employee burnout and promoting mental health by implementing annual wellbeing weeks. Inspired by

Mental Health First Aid England, these weeks provide all staff with a much-needed break from work and the opportunity to focus on their personal well-being, without the worry of what's going on 'back at the office'.

Data and anecdotal evidence from CFG's annual staff surveys revealed a growing sense of fatigue and stress following the challenges of the pandemic. A compelling proposal was presented to the Board of Trustees, outlining the benefits of implementing two annual wellbeing weeks in 2022/23. The proposal emphasised the positive impact on employee morale, engagement and overall job satisfaction. The Board unanimously approved the initiative, recognising its importance in creating a supportive and sustainable workplace.

The wellbeing weeks have been met with enthusiasm and gratitude and feedback shows that the initiative has been particularly beneficial for parents, caregivers, and those feeling more vulnerable to burnout.

The wellbeing weeks have been met with enthusiasm and gratitude and feedback shows that the initiative has been particularly beneficial for parents, caregivers, and those feeling more vulnerable to burnout.

In addition to wellbeing weeks, CFG has invested in other mental health support initiatives. We have trained two members of staff as mental health first aiders, providing a valuable resource for colleagues who may need support. We've also partnered with Plumm Health, a comprehensive platform offering counselling, coaching and other mental health resources. We also produced a podcast episode to mark Suicide Prevention Day and spotlight the incredible work in this area of one of our mental health first aiders.

By prioritising employee wellbeing, CFG has demonstrated its commitment to creating a supportive and inclusive workplace. These initiatives contribute to the overall health and happiness of employees and have a positive impact on productivity, recruitment and retention.

Working remotely

The transition to remote working has presented both challenges and opportunities. While maintaining strong communication and fostering a sense of community has been essential, it has also enabled us to attract a wider pool of talent. By offering flexibility and work-life balance, we've been able to retain our top performers.

We want to feel like one team, so have been very intentional and mindful about our internal communications and how we spend time together. Working remotely can be challenging when first joining an organisation, so we implemented a buddy system for new starters. This enables those who have joined to ask questions, get advice and connect with colleagues who are not in their own team.

We always try to take some time at the start or end of meetings to check in and ask how people are doing, and, on Teams, we have created a 'virtual water cooler' chat where people can share stories from their

evenings, weekends or holiday – sharing photos of pets is greatly encouraged!

We've found that it has been really important to have face-to-face contact, so we organise at least six days a year where staff can meet. Our quarterly away days give us the chance to focus more creatively on the bigger projects and meet in a non-work environment. Our Annual Conference and Annual Fundraising Dinner are also great opportunities to catch up, not only with our team, but with members and partners.

Diversity and inclusion

The research is clear: diverse teams are more effective at achieving ambitious goals. People with different backgrounds and experiences bring new perspectives to the team. Our focus is on reaching a diverse group of candidates, strengthening our team to be truly representative of all groups within society.

We always try to take some time at the start or end of meetings to check in and ask how people are doing, and, on Teams, we have created a 'virtual water cooler' chat where people can share stories from their evenings, weekends or holiday – sharing photos of pets is greatly encouraged!

We implement gender decoding in our job adverts, use anonymous shortlisting in our hiring process and now advertise all our vacancies on Diverse Jobs Matter. We emphasise that non-graduates are welcome, whilst shortlisted candidates are provided with interview questions in advance to help level the playing field. We want interviews to be a two-way conversation and ensure candidates have a respectful and inclusive experience, to see if CFG is right for them!

A feeling of belonging is the outcome we want for everyone at CFG. We want every member of our team to feel accepted and understood, to fundamentally feel that each of us can bring as much of our authentic selves to work as we choose. We therefore have a zero-tolerance approach to any kind of discrimination and actively encourage feedback from our staff so we can improve what we do, and how we do it.

Our commitment to diversity and inclusion is reflected in our comprehensive HR policies. From our period and menopause policies to our sabbatical and breastfeeding at work policies, we strive to create an equitable and supportive environment for all employees.

Looking ahead

As we look ahead to 2024/25, I'm excited about the opportunities to further strengthen our HR function. Our focus will be to support our team through organisational changes, such as our digital transformation, retain our incredibly talented group of staff, and formalise our people strategy.

HR and the Leadership Team are committed to making sure the whole team understands CFG's values of integrity, dynamism and support, embedding them in our culture, systems and processes from the start of recruitment and through the employee lifecycle. All our staff interactions, performance reviews, one-to-one meetings and our HR policies will continue to be centred around our values.

By sustaining our investment in professional development, prioritising wellbeing, and fostering a diverse culture, we are confident in our ability to achieve even greater success in the years to come. We'll continue to strengthen CFG as a thriving and inclusive workplace.



A year of resilience and growth

By Sarah Lomax, Deputy CEO and Director
of Commercial Services & Marketing, Charity
Finance Group



While the year has been marked by significant achievements, it hasn't been without its challenges. The cost of living crisis has impacted our members, and the tight labour market has, at times, made recruitment more difficult. However, our team has risen to the occasion, demonstrating resilience and adaptability.

Events and training

The pandemic was such a difficult time for so many people, and came with enormous human cost, though one of the positives was the shift to virtual events. We know that for some of our members, attending events virtually enables them to fit participation around caring responsibilities, their own access needs, time and distance constraints.

However, we also know that our members and corporate partners highly value face-to-face events, so during the year we looked to maintain a balance of both virtual and in-person events during the year.

A cornerstone of CFG's success has been the expansion of our events programme. CFG's Annual Conference in 2023 was a watershed moment, selling out for the first time and reaching 107% of our attendance target. This is testament to the value our members place on networking, learning and staying informed about the latest industry trends and developments.

We introduced new training modules in 2023/24 to address the evolving needs of charity finance teams during the cost of living crisis. These included sessions on procurement, reporting, long-term strategy, finance for trustees and fraud, bribery and corruption. These modules were very well attended and received.

Building on this momentum, we introduced new events such as the Technical Update Conference in Scotland and an investment conference.

These events are now fully integrated into our event programming. Our training programme has flourished, achieving 147% of our target for participation.

We've seen a remarkable increase in engagement from both our charity members and corporate supporters. Our marketing team were incredible in promoting our events throughout the year, and their efforts can be seen through the strong success of our events and training programmes.

Sharing knowledge

Our corporate partners provide such a wealth of expertise, and we want our charity members to be aware of all this help and knowledge, which is only a click away. Our online knowledge hub continues to be a place for corporate partners to share expertise, thought leadership and market knowledge with our members.

We introduced new training modules in 2023/24 to address the evolving needs of charity finance teams during the cost of living crisis. These included sessions on procurement, reporting, long-term strategy, finance for trustees and fraud, bribery and corruption.

Towards the end of 2023, we asked some partners to form our Supporting Scotland Network, with a donation to help us pump-prime our work there. This was a new, time-limited development that is Scotland-specific, and we are grateful to those partners who have supported the initiative.

Our charity members

CFG's community has continued to strengthen. We've refined our automated renewal process, resulting in an impressive 90% membership retention rate. Our mentoring programme, special interest groups and discussion groups have all been instrumental in fostering a supportive community. However, we know that times remain tough, and we expect member recruitment and retention to be a challenge in the current environment.

We know that small charities are facing a particularly difficult time. With that in mind, we ensure that all our information that helps small charities is freely available on our website and not behind our member paywall. We want any charity or social purpose organisation to be able to benefit from that support and expertise, regardless of whether they are a paying member or not.

Looking ahead

Looking ahead, we are excited about the opportunities to expand our reach and deepen our impact. We are investing in our team and have made several new appointments during the year, including welcoming a new Head of Membership to further strengthen our connections with charities (see Milly Durrant's article on page 37).

Additionally, we are expanding our presence in Scotland and building on our successful corporate partnerships. Our goal is to bring more charities and corporate partners together across the UK.

This year has been one of growth, collaboration, and resilience. As we look to the future, we're excited about our plans to support our members and drive positive change in the charity sector.

Member voice

A vital resource for charity finance

CFG has played a pivotal role in supporting the professional development and success of countless charity finance professionals. Two dedicated members, Sue Hall and Kath Qualtrough, share their experiences and the positive impact CFG has had on their careers and the charities they've worked with.

Sue Hall, a long-standing member of CFG, joined the organisation as a member after starting her role as Finance Director at Historic Royal Palaces. She immediately recognised the value of CFG's resources and support network, particularly as a newcomer to the charity sector. Sue has leveraged CFG's training, helplines, and networking opportunities to address challenges and enhance her skills.

Sue says: "CFG has provided the missing links for many staff in getting assurance over tricky finance issues and helping provide the knowledge that is not easily found via our professional organisations.

"It's a fundamental support arrangement for any charity, regardless of size, and the benefits outweigh the costs of membership many times over."

Kath Qualtrough, another dedicated CFG member, has worked for both large and small charities throughout her career, including Greenpeace, the Wellcome Trust, Safe Passage International and as a trustee with the Blue Cross.

She has also found great benefit from different services that CFG provides, noting the helplines "have been invaluable in getting quick, expert advice on complex matters. We've used them for legal and tax challenges at work – for small charities I've always found CFG's helplines particularly useful."

Both Sue and Kath emphasise the importance of CFG's community in providing a supportive and collaborative environment. The opportunity to connect with other finance professionals, share best practices, and seek advice has been invaluable.

As Sue explains: "The networks that CFG helps build are fundamental to my success as an FD and Chief Operating Officer (COO) in the organisations I've been in so far. The sector relies on networks and knowing who to go to for help."

"I love attending CFG's Annual Conference. There are always incredibly inspiring speakers, and I always come away with a list of new contacts and a list of helpful things that I can implement in my organisations. "They help to invigorate the sector and create innovation, debate and challenge to our roles – which is needed and not available elsewhere."

"Everyone related to CFG is passionate about the sector and ensuring the charities are doing the right thing in the right way. Whenever I have reached out to any peers for help, or from within CFG itself, I have always had a positive and helpful response."

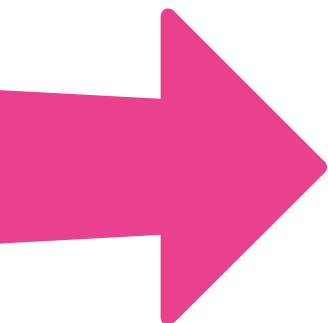
Kath adds: "I've been a long-time attendee of CFG's annual conferences, for at least 15 years. Each time I go it's lovely to reconnect with people I've worked with in the sector and share knowledge together."

"I've learnt a lot from the conference sessions and have particularly welcomed recent ones on HR, technology and leadership matters as these are areas that finance directors often end up covering at smaller charities."

Sue also highlights that CFG has helped her stay updated on the latest trends and challenges in the charity sector, noting: "The regular updates that follow any major announcement are always spot on with tone, information and timing. For example, I always know that after the government delivers the budget a swift summary will be produced pulling out all the relevant sector-related impacts, and I always share these with my colleagues and board."

CFG's commitment to providing relevant and up to date training and resources has been instrumental in helping members stay informed about the latest trends and challenges in the charity sector. Whether it's navigating complex financial matters or developing new skills, CFG has proven to be a reliable and indispensable resource for finance professionals.

As Kath explained: "To anyone considering joining, I would say that CFG is a valuable investment, for support and developing knowledge in the charity sector, for anyone who needs an awareness of finance for their job. It's not just for FDs!"



In August 2024, Sue Hall and Kath Qualtrough joined the CFG Interim Digital Transformation Director and Interim Finance Director respectively, following the departure of Rui Domingues. We warmly welcome Sue and Kath to the team.



Growing our community

By Milly Durrant, Head of Membership, CFG



I'm thrilled to be joining CFG at such an exciting time. I was appointed to my role in June 2024, just three weeks before CFG's Annual Conference, so I was delighted to attend.

I was so impressed with the CFG team, and all that they delivered as a relatively small staff group. The event was extremely well organised, with an energy and enthusiasm that was infectious.

Seeing firsthand the passion and dedication of CFG members and corporate partners was inspiring. It's clear that CFG has a thriving community, and I can't wait to be a part of its continued growth.

With a background spanning 20 years in professional associations, including a 12-year stint as Director of Membership, Marketing and Communications at the British Dietetic Association, I'm passionate about building and nurturing strong and valued membership communities.

My focus for the year ahead is twofold: to enhance the member experience and to expand our community. I want to ensure that every member feels valued and supported, and that they're making the most of their CFG membership. This means providing exceptional benefits, fostering a sense of belonging, and actively seeking member feedback.

For CFG, membership is about the whole organisation, not just one individual. It's for finance teams, trustees, new starters, it's for everyone – so for me it's about making CFG a 'must-have', growing our reach and ensuring all charity professionals and leaders can benefit.

Growing our membership is also crucial to amplifying the collective voice of the charity sector. By increasing our numbers, we can strengthen our influence and further our reputation as the go-to body for charity finance, thus securing greater impact, and enabling us to continue representing the needs of our members.

I'm eager to build on CFG's strong foundations and create an even more dynamic and impactful membership programme, led by members. I'm keen to see the feedback we'll receive through our formal surveys but, more so, I'm looking forward to having many more conversations and meeting you at a future CFG event.

Together, we'll shape the future and lead the way for charity finance.

My focus for the year ahead is twofold: to enhance the member experience and to expand our community. I want to ensure that every member feels valued and supported, and that they're making the most of their CFG membership.

CFG NEWS AND
HIGHLIGHTS

WINTER/
SPRING
2024

Charity Commission launches new five-year strategy

The charity regulator for England and Wales published a new strategy on 26 February. Attending the strategy launch, CFG's Head of Policy, Richard Sagar said: "Overall, the sector has welcomed the new strategy. However, with a spending review expected later in the year, and a general election, it is hoped the Commission will have the funding and resources it needs to fulfil its ambitions. Charities depend on a strong, effective and independent Commission to provide trust and confidence, as do donors, beneficiaries and the general public." +

The Charity Commission publishes new donation guidance for charities

CFG considers the Charity Commission's new guidance that sets out the latest legal rules for trustees when deciding to accept, refuse or return a donation. Clare Mills, Director of Policy and Communications at CFG, comments: "CFG would recommend that all charities familiarise themselves with the new guidance and set out a policy on the acceptance, refusal and return of donations." +

Spring budget fails to address critical issues

On Wednesday 6 March, the Chancellor, Jeremy Hunt, set out a raft of measures in his spring budget. Richard Sagar, Head of Policy at CFG, commented: "On the whole, there were a few positives, but a lot of crucial issues remain unaddressed, and the announcements will do little to increase confidence and certainty." +

In the press

Charities urged to support menopausal employees

CFG comments... "CFG's employee handbook has included a menopause policy since 2021 and we've found this to be a good first step to providing the right support. Training is important because line managers must feel confident having conversations with team members to truly understand their individual needs. Reasonable adjustments can be made, and these can include remote working, covering the cost of a fan or cooling system, and reducing hours and duties." +

Banks criticised by regulator as 42% of charities report experiencing poor service

CFG comments... "When banking services are inaccessible or fall short, people are forced to find alternative ways to manage money. This can fly in the face of good governance and financial management and increase risk for the organisation and the individual trustees. Widespread use of workarounds can go wrong. When that happens public trust in the charity sector as a whole can be eroded. We'll continue working together with all parties, including the Charity Commission and UK Finance, to do all we can to ensure public trust remains high whilst finding the right solutions." [+](#)



Leading the way in policy and communications

An interview with Dr Clare Mills, Deputy CEO and
Director of Policy & Communications, CFG



What policy wins or areas of impact stood out in 2023/24?

When it comes to policy, CFG's team focuses on making a positive difference for charities, voluntary organisations, community and faith groups by shaping a more supportive operating environment for them. It doesn't matter if their purpose is poverty relief or protecting a heritage railway – we want to make sure that policy on accounting and reporting, tax and VAT, business rates and a host of other issues understands their needs.

We've worked across so many policy areas this year. Three that come to mind are reserves, business rates and digital markets. Charity reserves have continued to be a hot topic, and I am pleased we were able to help shape the latest version of CC14, the Charity Commission guidance on charities' investments. It has been welcomed by many organisations as it gives them more freedom to align income generation from investments with their charitable purpose.

Following the publication of CC14, we gathered insights from our members. Our research showed that, although CC14 is a good starting point, there's a gap in terms of information and support for trustees when they are making decisions about investment. We subsequently worked with some of those members and secured funding to develop the Charity Investment Governance Principles – a practical tool for charities and trustees. They are expected to launch in late 2024.

We spoke out for continuation of the 'next in use' exemption for charities, in response to the consultation on business rates avoidance and evasion. Discussion around the removal of the exemption focused on it being used by fraudsters, either by setting up 'fake' charities or manipulating existing charities. We argued that a better approach would be to give local authorities more power (and resources) to investigate applications

for business rates exemptions and verify the identity and intentions of the applicants.

We've also done a significant amount of work on the Digital Markets, Consumers and Competition Act which started life in April 2023 as a bill before parliament. This really is a case of spotting a well-intentioned piece of legislation which would have unintended and potentially negative consequences for charities. Introducing stronger rights to a cooling off period and the ability to cancel a subscription make sense for digital products, but for charities offering a subscription model, this potentially created a series of financial headaches. There was also a concern that subscriptions purchased digitally might be taken out of the Gift Aid scheme, hitting charity finances. We're continuing to work with the Department for Business and Trade, HM Treasury and HMRC as implementation guidance is developed.

Who has CFG engaged with to develop this policy work?

In political terms, we knew that there would be a general election by January 2025 at the absolute latest, so during 2023/24 we adopted a strategy of continuing to work with the then-government, while also building relationships and sharing insight with the opposition parties.

In November 2023, we waited to learn if any of our 'asks' had made it into Autumn Statement. We welcomed the announcement to expand VAT relief on the installation of energy-saving materials in buildings used solely for charitable purposes – a measure CFG had called for. We then had an early Spring Budget in March 2024, which had a few positives for the sector, but overall was a missed opportunity to address systemic issues, such as the instability of local government funding.

We also took opportunities to share insight and sector knowledge with the Labour Party, as it seemed likely that Labour would form the next government. One issue we're keen to promote is the challenges in the audit market. We've been in conversations with DCMS about this issue, as well as the Scottish Government, as raising the threshold at which audit is required might be one part of the answer.

Politics aside but still policy focused, we've continued to strengthen our relationships with key external stakeholders including the Charity Commission for England and Wales, and the Office of the Scottish Charity Regulator. The regulators have been heavily involved in our work to improve access to banking services for charities, and we have also been able to engage with the Financial Conduct Authority on this issue.

Sector infrastructure bodies started to work more closely together during the pandemic and collaboration has continued. CFG takes a lead on finance, such as developing submissions to the government ahead of fiscal events like the budget. Together with NCVO, NAVCA, ACRE and several other sector infrastructure bodies, we've spent a considerable amount of time on banking, developing better direct relationships with the retail banks, as well as UK Finance, the trade association for financial services organisations. There's still a great deal of work to do, by banks and some charities, to better understand each other's needs and priorities. This isn't going to be 'fixed' any time soon, but we will continue to speak up for the charitable sector.

There's a lot to share. How have CFG's communications adapted?

Our knowledge hub, which we launched in 2022/23, has gone from strength to strength. We've published nearly 100 articles during the year, covering every charity finance topic. We are very grateful to our

corporate partners who share their expertise and our charity members are so open about their experiences and learning, providing us with case studies and best practice.

With so much brilliant content to share with our members, we have evolved Finance Focus from being a printed magazine pre-Covid, through its pandemic incarnation as a downloadable PDF, to a fully digital magazine. We've had fantastic feedback and it has strengthened our offering and boosted engagement. Alongside Finance Focus, our fortnightly newsletter and our events and CPD mailing give our members regular reminders that we are here for them, their colleagues, and their trustees – with resources and support to help them make the most impact for their beneficiaries. We've also relaunched the CFG podcast and that's had a fantastic response too.

The regulators have been heavily involved in our work to improve access to banking services for charities, and we have also been able to engage with the Financial Conduct Authority on this issue.

What about CFG's social media presence?

We continued to use our social media channels of X, Facebook and LinkedIn, and flirted with Instagram. Our influencer partnership with Good Finance continues to be a success. We are seeing growth on LinkedIn, where the general tone is more professional than on some other platforms. X has changed the way it captures and shares metrics and tracking analytics, which is a challenge. The debate between charities and sector infrastructure bodies about continuing to use X rolls on too. Exposure to, and promotion of, toxic content is not unique to X and all platforms could improve their controls. Ultimately, we want to meet our members, partners and wider stakeholders where they are, and not invest time in platforms that are of little interest or use to them – or worse, damaging.

What's next for CFG's 'digital first' mindset?

First, I think we need to say what 'digital first' isn't! We don't want to move everything we do to the digital world because that way, we risk losing touch with many people who value the connections and interactions that happen in person. Our digital first approach is about thinking about everything we do, across the whole organisation, and considering whether efficiency, value and impact can be increased or maximized through the use of digital tools.

We've spent time this year investing in our processes and supporting our staff to work 'smarter, not harder' and using shared digital tools has been a core part of that. We've also taken the lead on conversations around AI and this was a topic of one of our recent podcasts.

During 2023/24 we started the work on our digital transformation programme. The vision is to significantly improve user experiences both

internally and externally. Behind all those user journeys, we'll be able to make much better use of data to strengthen our engagement and understand what our members and audiences are looking for, what matters to them, and what they find helpful. Exciting times!

There's a lot going on! How are you keeping people engaged and connected?

We've continued to develop our use of in-person all staff days. Some of our teams have also been taking the opportunity to meet up regularly. We have set out and started to implement our new internal communications charter too. When we look at our staff engagement data, comparing 2022/23 to 2023/24, we can see that our scores for 'effective internal communication' have risen by a massive 47%. There's still more to do, but I feel we've made huge strides in this area.

Although it feels like an outward-facing piece of work, I'm also going to mention our brand refresh which has been a brilliant project. It brought staff, members and partners together to sharpen our messaging, tone of voice and visual identity. It gave us the chance to think more clearly about how we talk about ourselves, and how we are perceived. The clarity we've gained from the project helps all of us to communicate better and it is cementing awareness of what CFG does and how. (See page 44 for more about CFG's brand refresh).

What are your top priorities or areas of focus for the coming year?

Within the policy and communications directorate, we're growing in number. Our gift aid project officer joined us in January 2024, and later

in the year we recruited a communications officer and a policy officer. The team has doubled in size, and we're immediately feeling the benefit of new talent and extra capacity. We're spending time with our new colleagues, to give them the tools, confidence and support they need to excel.

Our work on access to banking services continues to gain traction. We're working with infrastructure colleagues to maintain good relationships with the retail banks while encouraging and supporting the banks' understanding of the charitable sector.

The challenges come mostly from communication on both sides: charities don't always explain well what they do or how they are governed, or what their needs are, and the banks often try to use the language of their corporate products for the charitable sector, so there is confusion. We'll keep working on this to help banks provide the services that meet the needs of the sector.

When it comes to projects, I have three clear priorities. We've been supported by the Rank Foundation's excellent Time to Shine programme, which funds a full-time member of staff for a year, to work on a project: we've set on gift aid. Since January 2024, we've been gathering more data and developing a much bigger Gift Aid Awareness Day campaign. We hope the project's impact will be more charities registering for and claiming Gift Aid and finding the right support.

The second project is the Charity Investment Governance Principles, which I've already talked about. This is going to help many sector organisations to make considered decisions. The third project has been on the cards for several years. Thanks to the generous support of J P Morgan's Force for Good scheme, we are now developing The Finance Journey, kindly gifted to CFG by its creator Simon Hopkins. *The Finance Journey* can be used to develop charity finance teams and individuals, moving the finance function from being transactional to

transformational. We are so excited about the potential of this project and the benefits it could bring. We will be actively seeking financial support for this work, and I'd welcome conversations with any potential funders reading this report.

What are you most optimistic about?

Our colleagues across CFG are the best people I have ever worked with for their expertise, enthusiasm, drive and commitment. It's an absolute privilege to work alongside these talented people every day.

The collaboration we're seeing between infrastructure bodies is a huge source of optimism too. This is really helping in advocacy for the sector and reducing duplication of effort across charities that are supporting each other's expertise rather than competing.

The other thing that keeps me focused is seeing how well we can support charitable organisations across the UK. Charities are under massive pressure every day. Contributing to their impact is humbling.

Any final messages for our charity members and corporate partners?

Thank you for being a part of this amazing community, for working with us and sharing your pain points, your challenges, your learning and your stories.

Thank you for coming with us as we develop, for bringing your energy and expertise to our Annual Conference and other events, and for making use of Finance Focus, the CFG podcast and our knowledge hub. Thank you for your ongoing support and for being a part of all this.

During 2023/24 we were able to complete a project that had been on our wish-list for some time: a refresh of our brand identity. This exciting evolution reflects CFG's commitment to supporting a diverse, vibrant and growing community in a changing world.

A bolder, stronger identity

The new logo, with its complete circle and central initials, signifies CFG's collective strength. The new strapline – 'Leading the way for charity finance' – captures CFG's mission to be the leading voice and go-to body for charity finance, and empowering all charitable organisations to grow their impact through excellent financial leadership. New imagery strengthens CFG's visual identity by drawing on familiar data and finance imagery, whilst spotlighting CFG's diverse community – emphasising that people are at the heart of all we do.

A new colour palette

With a brighter pink and the addition of new colours, including energetic blue and creative green, the new colour palette reflects the vibrancy of CFG's membership and conveys our commitment to innovation and growth. We were never losing the pink!

A brand guidelines document

Our guidance document sets out CFG's brand, mission and how to use our new brand assets. With detailed information on logo placement and safe areas, colour codes and image use, as well as sections on our tone of voice and style, the guidance supports everyone at CFG, and those we partner with for design and production, to achieve and strengthen our cohesive identity.

We predicted a strong surplus as we headed towards the end of 2023/24 so we felt it was the right time to do this work, ahead of major projects such as the development of a new website. We shortlisted three design agencies in 2023 and selected design agency Steers McGillan Eves (SME) who worked with us over a period of nine months to capture the charity's core values and community strength.

SME clearly understood our vision and mission and shared our ambitions. We set a budget of £10,000 which was kindly match-funded by SME. Thanks to their generous support we were able to do a comprehensive refresh that included a three-month long consultation with CFG's stakeholders, to really get under the skin of our brand. The project came in on budget, despite the impact of inflation during that period. We were delighted with the process and final results, and the insights we gained continue to inform us on how we connect and engage with our stakeholders.



Member voice

Supporting entire career journeys

Rohan Hewavisenti shares his journey in the charity sector and the role CFG has played throughout his career.

As a seasoned charity finance professional with nearly 30 years of experience in the sector, I've found the CFG to be an invaluable asset in my career. From my early days as an auditor to my current role as Chief Financial Officer at Amnesty International, CFG has consistently provided me with the resources, support, and networking opportunities I need to excel in my field.

Where it all began

My journey in the charity sector began in 1995 with VSO in China. Since then, I have held senior finance positions at organisations like Action Aid, Breast Cancer Care (since merged and part of Breast Cancer Now), British Red Cross, WWF-UK, and The Fairtrade Foundation. My current role at Amnesty International involves overseeing the financial health of the organisation's global operations, supporting human rights defenders worldwide.

Amnesty International supports people around the world to have better access to human rights, and also provides direct help to individuals who are human rights defenders, campaigners and protesters.

My journey with CFG began decades ago. I used to attend events even before I was a CFG member when I worked for Action Aid. When I moved to Breast Cancer Care, the organisation was a member of CFG, so I got to fully experience all the benefits of CFG membership. Since then, every organisation I have worked with has been or became a member of CFG.

From 2006 to 2012, I was also a CFG trustee, a position I greatly enjoyed. Back in the day, CFG was actually Charity Finance Directors' Group (CFDG) and I was a very keen proponent of that being changed. Before I became a finance director, I felt somewhat of an intruder into the group, so I am glad that the organisation has become much more inclusive. The benefits of membership are not just for finance directors but are useful for the whole finance team and those in non-finance roles, including trustees.

In terms of the content and advice CFG provides, this has become much broader over time as well. The role of the finance director or CFO often involves a whole range of areas such as legal, governance, strategy and property management so I am grateful that CFG covers all these areas at their events and within the content they provide in newsletters and on the knowledge hub.

Sharing knowledge

One of the most significant benefits of CFG membership has been the opportunity to connect with other charity finance professionals. Sharing experiences, best practices, and challenges has been incredibly enlightening and has helped me to approach my work with a broader perspective. For instance, when I was tasked with a major property refurbishment project, I was able to leverage the insights of other CFG members who had gone through similar experiences.

I first joined the Large Charities' Special Interest Group in 2008/9 when I became the finance director at the British Red Cross. This group was particularly valuable for leaders of larger charities, as it allowed me to connect with other similar organisations. I chaired the group for six years and found it especially helpful in areas like strategic planning, financial planning, and managing larger, more complex teams.

Through my involvement in the group, I gained valuable insights that directly impacted my work at the British Red Cross such as the importance of investing in the organisation's brand to enhance fundraising efforts. This led to increased fundraising income and stronger legacy giving programmes.

Learning and development

CFG has also been instrumental in helping me stay up to date on the latest trends and challenges in the charity sector. Through webinars, conferences, and networking events, I've been able to learn about new regulations, emerging technologies, and best practices in areas such as financial reporting, risk management, and fundraising.

In addition to its professional development resources, CFG has provided valuable networking opportunities. Connecting with colleagues from other charities has allowed me to build strong relationships, and collaborate on projects.

If you're a charity finance professional looking to enhance your career, I highly recommend joining CFG. The organisation offers a wealth of benefits, including professional development, knowledge sharing, networking and career advancement.

I've personally benefited greatly from my involvement in CFG, and I believe it is an invaluable asset for any charity finance professional.



Through my involvement in the group, I gained valuable insights that directly impacted my work at the British Red Cross such as the importance of investing in the organisation's brand to enhance fundraising efforts.

Celebrating the CFG community

Our volunteers

CFG would simply not be able to achieve all that we do for the charity sector without the immense efforts of our wonderful volunteers.

Conferences and events

We are fortunate to have so many volunteers assisting with our events throughout the year. The exceptional work and leadership of our conference chairpersons ensure the success and high quality of all our online and in-person events.

Peer mentoring scheme

CFG's Peer Mentoring Scheme gives participants the opportunity to benefit from being both a mentor and a mentee. This programme has been developed with Nicki Deeson, a leadership coach, executive mentor and experienced charity finance director. Nicki's unique blend of experience means she's perfectly placed to understand the needs of the scheme's participants.

"I am really proud of the peer mentoring scheme, and I hope CFG is as well," says Nicki Deeson. "Through sheer hard work by staff, it remains free to CFG members, which even the most stringent finance director will admit means excellent value for money!"

Special interest groups and discussion forums

We are grateful for the dedicated individuals who volunteer with our Special Interest Groups (SIGs) and discussion forums. Their expertise, enthusiasm, and commitment to fostering meaningful discussion have been invaluable.

By creating safe and welcoming spaces for people to share their experiences and ask for support, these groups contribute significantly to the professional development and success of our members. A special mention to Alan Sharpe, Rajit Gholap, Stuart Fox and Jon King who have dedicated countless hours this year to provide support to their fellow members through these groups.

As one member of a discussion group explained: "The value of the group is in individuals facing similar challenges at different times – usually there is someone who can provide at least part of the answer and the result is a better solution helping charitable funds go further in these difficult times."

Another member said: "The group has been very important to me both personally and professionally since I joined the charity sector in 2016. Being a finance director in the charity world can often mean you are faced with different scenarios that are unique to the sector, and it's not always easy to find answers from within your own organisation, so having access to a wealth of experienced peers is invaluable."

One member commented that they have received "sage counsel" and found "trusted friends" within the group. They also stated that "our skillsets go beyond the finance function, and we've seen that in what we

do, making the impact of the group much more than it might seem. I have personally benefited in so many ways.”

Alan Sharpe explained how the large charities’ discussion group was formed and the value it provides for members: “In 2017, a CFG member suggested creating a forum for sharing knowledge and experience. This led to the formation of a discussion group, reviving a similar initiative from years past. The group’s first topic focused on payment technologies and since then we have covered a wide range of issues, including finance restructuring, investment advice, and audit fees.”

The large charities’ discussion group was established to service our larger charity members and continues to grow and welcome new members. Alan adds: “The group has been valuable for members seeking advice and sharing insights. For my part, I am grateful to CFG for having given me the opportunity to stay involved in the sector and attend events.”

Student volunteers

During 2023/24, CFG partnered with the University of Nottingham to offer remote volunteering placements for four students. Shakana Sheppard, Daniella Taiwo, Lily Bristow, and Tiya Singh gained valuable experience in policy, communications and digital marketing.

These students contributed to CFG’s work by researching policy, drafting social media posts and assisting with newsletters. Reflecting on her time at CFG, Tiya Singh said: “Volunteering at CFG was truly an amazing experience. I learned so much about a sector I knew very little about, and the skills I’ve obtained are helping me every day more than I could’ve imagined!”

Daniella Taiwo says she had a similar experience: “CFG has not only aided me in developing my digital marketing career, but they have also gone above and beyond to support my personal growth. I am incredibly grateful for their support and delighted to have worked with so many people who were eager to assist me advance in my career.”

Finally, Lily Bristow who worked closely with the policy team, commented: “I want to extend my sincere thanks to everyone at CFG for all their support and guidance, especially in helping to shape my understanding of the charity sector. It has been an invaluable insight and set me up so well for entering the world of work.”



Celebrating the CFG community

Our corporate partners

We extend our gratitude to our corporate partners for their support throughout the year. Our shared vision has a huge impact on the charities we serve.

AAB
Abrdn
Access Insurance
Account 2 Grow
Accounts IQ
Adapta Consulting
Allen Lane
Altum Partners
Anthony Collins

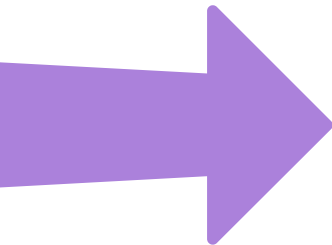
Auditel
Barclays Corporate
Bates Wells
BDO LLP
Beever and Struthers
Bellevue Partners
BHP
Bishop Fleming
Blackrock

Brown Advisory
Buzzacott
CAF
Canada Life
Cazenove Charities
CCLA
Charity Bank
Charles Russell
Speechlys LLP

Charles Stanley
Cloud Doing Good
Crowe
Crown Agents Bank
Downing
Ebury
Ecclesiastical
Insurance
Edentree Investment
Management
Farrer and Co
Gerald Eve
Goodman Jones
Goodman Masson
Grant Thornton
Hays Senior Finance
Haysmacintyre
HCR Hewitsons
Hempsons
HSBC
HSF
HW Fisher
Infor
IPlicit
IRIS
ISIO
Ivy Rock
James Hambro &
Partners
JSS

Lake Financial
Systems
LCP LLP
Lloyds Bank PLC
Mackie Myers
Marble Mayne
Recruitment
Forvis Mazars LLP
Menzies
MHA MacIntyre
Hudson
m-hance
Mills & Reeve
Moore Kingston
Smith
Natwest Corporate
Banking Services
Newton Investment
Management
Octopus
PEM
PIB Insurance
Brokers
PKF Littlejohn
PMCL Consulting
Price Bailey
Price Waterhouse
Coopers
Provantage
Procurement

Quantum Advisory
Quilter Cheviot
Rathbones
Investment
Management
RBC Brewin Dolphin
RSM
Russell Cooke
Saffery Champness
LLP
Sage Intacct
Sarasin
Sayer Vincent
Scrutton Bland
SKS
Smartdesc
Spence & Partners
Stuart Davis
Third Sector Property
UHY Hacker Young
LLP
Unit4 Business
Software Limited
Unity Trust
Utility Aid
Waverton Investment
Management
Wrigleys
Xledger
Zippen



A special mention to our partner organisation the Association of Independent Museums (AIM).
“CFG has worked hard to support the sector in these challenging times and we have appreciated all the help and advice they have produced” - Timothy Asberywood, Chief Accountant, York Museums Trust.

Review of financial position



CFG's business model

CFG has a history of working in partnership and through collaboration. This means that CFG will avoid duplication where others are meeting needs in a cost-effective way. But during and since the pandemic working together developed not just to achieve efficiency - it also drove efficacy. The sector needed to work together to address sector-wide and profound challenges. CFG's business model was perfectly positioned to lean into a new appetite for collaboration across the sector and continues to do so now.

CFG currently earns nearly all income through membership fees, sponsorship and delegate fees, supplemented by modest grant income. The brilliant core support received from the Paul Hamlyn Foundation over five years from 2018 was due to come to an end in this financial year but was generously extended for a further two years.

Additionally, grant funding support was received from the City Bridge Trust (£12.5k), Rank Foundation (£16k), Aurora Trust (£23k), Joseph Rowntree Foundation (£5k), Barrow Cadbury Trust (£10k), and The Access Group (£22k) during this year. This recognition of the importance of not only supporting the work of CFG with project-based and core funding, but also the role of infrastructure in the ecosystem of the sector, is hugely appreciated and we are very grateful.

Our funding model is predicated on the fact that corporate partners want to engage with us for two main purposes; to connect with not-for-profit organisations that may purchase their products and services, and to support the wider sector through sharing their expertise, financially supporting CFG's provision of services and hosting our activities.

We were delighted to be able to return to the face-to-face element of our model with such success. The pandemic fast-tracked our ability to deliver

content and activities through digital media and we intend to continue to do so (following a digital first mindset).

However, we believe that a blend of channels and approaches is necessary to ensure that our beneficiaries can access CFG services in a manner most suitable to their needs. This has not fundamentally changed our business model but has evolved our methods of delivery.

Corporate support subsidises the cost of services to our charity members. Without corporate partners' support CFG could not effectively deliver to the sector without changing our business model. This continues to be a core part of our sustainability.

This year has also seen a rise in our training and event income as more professionals have come to appreciate the value that bring.

Results for the year

For the financial year 2023/24 the Trustees had planned a breakeven budget for CFG, and the year ended with a surplus of £99,576 across all funds and surplus of £55,719 on just unrestricted funds (2023: deficits of £4,166 on all funds and surplus of £2,881 on unrestricted funds).

Income improved significantly in 2023/24, £1,822,887 compared to £1,514,685, in 2022/23. Expenditure of £1,723,311 was correspondingly higher than £1,518,850 spent in 2022/23, an increase of 13%, reflecting the recovery from the effect of the pandemic on CFG's operations.

CFG's target unrestricted reserves range is from £175,000 to £280,000. Free reserves at the end of 2023/24 stand at £189,101 compared to £177,895 for 2022/23. CFG's unrestricted reserves are just within the lower end of the acceptable reserves policy level. To offset this, another breakeven budget is planned for 2023/24.

Designated funds have been retained to continue to support employees at CFG who are undertaking long-term professional courses, so that CFG can continue to stand behind personal development goals. A future development fund has been set up to continue our digital first journey.

Reserves policy

As part of the annual budget setting process, CFG's Finance and Audit Committee reviewed CFG's Reserves Policy. It was confirmed that the policy agreed previously was still valid and that CFG maintained free reserves to:

- provide a sustainable and appropriate level of working capital;
- allow for periods of unexpected drops in planned income;
- cope with sudden short-term increases in planned expenditure;
- provide cover for other risks, contingencies or unforeseen events (these would have a low likelihood of occurring but, if they did, would have a significant effect on CFG).

After a review of our reserves, and following our move away from our office in Islington, the agreed reserves range changed to £179,000 to £197,000. Our available free reserves as at 31 March 2024 were £189,101 (2023: £177,895) within the current agreed range. The Board will at times designate funds from free reserves for specific costs that fall outside the normal business as usual expenditure, or back into free reserves to withstand other pressures. Any funds received that can only be lawfully used for a specific charitable purpose will be held as restricted funds.

Investment policy

CFG receives income on an annual basis through membership subscriptions, sponsorship, grants and other sources. We plan activities on a rolling three-year basis and budget to expend all anticipated income, except for retaining a prudent amount in reserves. We have no permanent endowment and provide 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. Our policy is therefore to retain funds as cash and place them on bank deposit at the best rate obtainable. As a result, the Board of Trustees considers that it is not appropriate for CFG to adopt an ethical investment policy at this time.

After a review of our reserves, and following our move away from our office in Islington, the agreed reserves range changed to **£179,000-£197,000.**

Structure, management and governance

Structure

Charity Finance Group (CFG) was incorporated by guarantee on 29 March 1996 and registered in England and Wales, changing our name from the Charity Finance Directors' Group on 20 March 2015. The charity has been trading as CFG since 2012.

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 by Group Members' special resolution and on 5 October 2017 following a Company Member 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 1 to the financial statements.

The 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 elected from CFG's membership, and the Board may appoint three non-member Trustees to bring in wider necessary skills and experiences.

Member Trustees are elected by their fellow members. The Office Holders are allowed a further period of appointment if they would have less than two years in the role due to their appointment date, subject to a maximum period of service as Trustee of eight years. Non-member Trustees are appointed after an open recruitment process. The Chair and Office Holders 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 and away days in order to closely engage with the work CFG delivers.

The Board receives regular updates on day-to-day activities, new risks and progress against key objectives. This provides the Board with regular and valuable information in order to carry out their duties and responsibilities. Sub-committees and task and finish sub-groups of the Board are convened to expedite the execution of duties.

Sub-committees, currently: Nominations Committee; Remuneration Committee; and Finance & Audit Committee. They 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. A special advisor and expert forums/ad hoc working groups provide support and advice to the Board and staff.

Board induction and conduct

Trustees sign a code of conduct and complete a register of interests, which is 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 and senior staff in accordance with an agreed Scheme of Delegation. Performance and risk are monitored against strategic objectives. CFG's average headcount during the year to 31 March 2024 was 18 members of permanent staff.

Risk management

CFG's strategic risks are defined as those matters which could inhibit or, if managed appropriately, advance the achievement of our charitable objects as articulated in our rolling strategy and supporting decision making framework (we refer to this as 'CFG Essentials'). Trustees do not fix whether something is a strategic risk by category or by nature, but rather have adopted a dynamic approach which considers the appropriate risk response to a wide range of variables.

The major risk elements have been reviewed and systems or procedures have been established to manage them. The Board of Trustees are satisfied that reasonable steps are being taken to limit the probability and the impact of risk.

CFG continues to view active risk management as a day-to-day aspect of running the organisation. Risk is the responsibility of every member of staff and all Trustees. It has been embedded into staff activities, reporting and Board meetings ensuring CFG has the best opportunity to prevent issues arising, minimise risks and maximise opportunities.

The leadership team review risk on a regular basis, especially when considering changes to plans or new opportunities. The Trustees review a 'risk issues' log at Finance & Audit Committee (twice a year) and Board meetings (once a year) in order to monitor the effectiveness of CFG's risk management. A register of Risk Controls records the major processes, policies, procedures and controls that are in place. Key changes in risk are reported to the Board as required and it is a standing agenda item at every Board meeting.

Reflecting on the challenges of the last financial year in terms of our shift from surviving to thriving, supporting our people and amending our systems, policies and procedures and dealing with increased risks of fraud, the top three risks faced were in the following categories:

- ▼ People and development
- ▼ Reputation
- ▼ Systems, policies and procedures

We were pretty accurate in predicting the areas of significant risk we would face during the financial period. We anticipated people and development, systems, policies and procedures and financial and resource management would be our top three topics.

Going forward, for 2024/25 we anticipate our major risks will continue to be related to financial and resource management, people and development and systems, policies and procedures.

Risk: Financial and resource management

Financial and Resource Management accounted for the fourth greatest number of risk issues logged in the financial period. We have turned a corner in terms of our business model and removed the structural deficit. However, as the financial environment is still immensely tough for our members it is possible that income will be challenging to come by in the next financial period. In particular, we are seeing charity closures and some charities putting a blanket moratorium on membership subscriptions.

Risk: People and development

The next 12 months mark a period of intense change at CFG; systems, working practices and the expansion or development of CFG products and services across the nations of the UK will place significant demands on our team. We will maintain a relentless focus on our people and manage this risk to delivery of our charitable activities carefully.

Risk: Systems, policies and procedures

With major tech projects and change within CFG during the next 12 months it is also likely that systems, policies and procedures will be a significant risk to manage. This will require significant resource as we replace three operating systems, highlight opportunities to more effective use of resources, and introduce new procedures and approaches.

Financial and resource management

This report is produced for the performance of the charity up to the 31 March 2024. For this year, the on-going impact of Covid-19 pandemic followed by the cost of living crisis have had a major impact on individuals, companies and charities. CFG was not isolated from that.

CFG's key income lines are membership (charities and corporate entities), our Annual Conference and our Annual Fundraising Dinner. As our income for 2023/24 is due to renewals that commence predominantly in February and March (for an April membership year) and on a rolling basis throughout the year. This again held up for the year. However, the longer-term impact of high inflation and the cost of living is yet to be fully felt by the charity sector and could therefore impact our income streams in the future.

This impact on our incoming financial resources has again been mitigated in 2023/24 through the generosity of funders and through reducing our spend on different areas. It is a testament to our team at CFG that we have continued to deliver high levels of support, including being a strong voice for the sector.

Current estimates of our net income for the 2024/25 financial year show a continuation of positive movement, which will mean that instead of a

further rebuilding of reserves, we will be investing in increasing capacity within the team at CFG and in initiating digital projects that should transform our operations, both internally and to members.

Pre-pandemic plans included a potential deficit as part of a spend down of reserves. Running deficits every year is not sustainable, so the Trustees have set an expectation that we should return, as soon as possible, to a breakeven annual financial position and have stated the following principles for CFG going forward:

- We will continue to trade our way through the turbulent global scene, pivoting services where necessary to continue our support to the sector.
- The Trustees are determined that CFG will continue to avoid redundancies (and at the time of this report, none have been made at CFG as a result of the pandemic or cost of living crisis, and none are planned).
- We will continue to advocate on behalf of the sector for more support for the vital work charities do. Therefore, at the time of producing this report, on the basis of current financial information, the Trustees consider it is appropriate for the going concern basis to be adopted in preparing the financial statements in this report.

Remuneration: How we decide to pay staff

CFG is an accredited Living Wage employer and we are 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 Statement of Recommended Practice (SORP) CFG discloses:

- all payments to trustees (no trustees receive 'pay')

- the number of staff in receipt of more than £60,000 and above (in bands of £10,000)
- pensions and other benefits.

CFG has a Remuneration Committee, which meets annually, comprised of the CFG Chair, CFG Vice Chair, one other trustee and one other (who shall be appointed by the Chair), which sets the pay for all staff. The CEO and Director of Finance and Operations are in attendance for the meeting (leaving for the discussion regarding their remuneration respectively) and no members of the executive are members of the Committee. The main responsibilities of the Committee are to:

- Review the CFG salary banding and make sure amendments are appropriate to ensure that CFG salaries remain competitive.
- Determine the remuneration package of the Chief Executive.
- Approve the annual percentage increase in the payroll for all staff (which can be zero) taking into account the average RPI 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 Chief Executive.
- Approve any non-consolidated pay awards (bonus) as recommended by the Chief Executive.
- 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.

For the financial year 2023/24 CFG awarded a cost of living uplift in salary of 6.00%, reviewing in the light of the potential economic impact of Covid-19 (2023: 2.25%). Four members of staff, the CEO and the Director of Finance & Resources, earned more than £60,000 per annum.

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 Chief Executive 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.

Equality, diversity and inclusion (EDI)

Despite the work we have undertaken in previous years, we acknowledge there is still much to do to make sure our activities and our internal organisation matches our commitment to equality, diversity and inclusion.

We regularly review our progress towards ensuring that staff, Trustees and members are not subjected to practices that lead to inequality, lack of diversity or exclusion. One of our trustees is our EDI champion on the board. Our EDI strategy remains focused on:

- CFG as a place of work
- CFG as a membership body
- CFG's role in the wider sector

Alongside other charity infrastructure bodies, CFG continues to take part in collaborative working on addressing racism and in 2024/25 our CEO will be participating in the ACEVO initiative Further Faster. Since the publication of the Home Truths report in 2020, we have been part of a group of civil society leaders working together on anti-racism. This work has been difficult and is far from complete, but some progress has been made. Through the Civil Society Group, we worked together with New Ways during 2023 to look at that progress in more detail and to see how the good intentions behind the original commitments made to support

Home Truths could be turned into real impact across the sector. From Good Intentions to Impact: Supercharging race equity in the charity sector provides a detailed summary of the work done by infrastructure bodies on this critical issue. It also provides clear recommendations, identifying five key catalysts for race equity change:

1. Prioritising diversity in leadership
2. Working transparently in the open
3. Visible anti-racist leadership
4. Breaking through the discomfort
5. Safeguarding and support

We hope that by highlighting this work and noticing the other work going on across the sector, particularly the work of Home Truths 2, CFG and the other partners in the Civil Society Group can continue to shine a light on the important journey towards anti-racism that must continue. In our recruitment we follow the #ShowTheSalary and #NonGradsWelcome campaigns' guidance. We make sure we only ask for educational qualifications which are relevant to the role advertised and do not specify education to degree level for roles unless a degree is of direct relevance to fulfilling the role tasks and responsibilities. Salaries for roles are included in adverts as we recognise failure to do so acts as a disproportionate discouragement to women and people from the global majority and/or disadvantaged backgrounds. Our recruitment packs, staff handbook and other documentation have been reviewed and use inclusive language. We promote vacancies widely and now advertise all roles on the Diverse Jobs platform.

We have committed to ongoing improvements and to ensuring that future reports include our performance against targets and relevant benchmarks where possible. However, data collection relating to protected characteristics remains difficult with a small staff team and we have not yet reached the position where we can make relevant disclosures. As our headcount increases, we hope to be able to produce

statistical reporting which has minimal risk of identifying individuals. In the meantime, we will continue to learn, and engage our staff and Trustees through various communications channels, including our annual staff survey, to challenge our assumptions and monitor our performance.

We have published several pieces on our website and in other publications, and we will continue to develop CFG's position as thought leaders on EDI and leadership, as well as sharing and amplifying voices from across the sector with lived experience, practical information and thought-provoking discussions.

Fundraising

We have continued to be registered with the Fundraising Regulator although our direct fundraising has been at a low level, almost exclusively through our appeal video, first shown at our in-person 2022 Annual Fundraising Dinner.

We only raised funds through a JustGiving page, through which supporters of our work could make donations. Gift Aid has also been collected by JustGiving on our behalf on donations made. Supporters have been made aware of the JustGiving page through our website, mailings to members and through social media channels, thereby protecting the general public from unreasonable intrusion or pressure.

No other fundraising activities were undertaken.

We are pleased to report that no complaints regarding any fundraising activities with stakeholders have been received.

Board 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 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.

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.

Appointment of auditors

Forvis Mazars LLP were reappointed during the year as our auditors and they will be proposed for reappointment in the coming year.

CFG's Board of Trustees





Kevin O'Brien, interim chair of the board of trustees

Kevin joined the Board in December 2018 and became interim chair in December 2023. In July 2016, Kevin joined the not-for-profit sector as Director of Finance & Corporate Resources at Young Lives vs Cancer (formerly CLIC Sargent). He has since worked in a number of finance and operations roles for charities including RSPCA, and he was a member of the finance committee at The Lullaby Trust. Kevin has also held various finance roles in several large, global and multinational corporates (in manufacturing, trading and property. He is now Chief Financial Officer at Retirement Villages Group. Before becoming interim Chair of CFG, he was Chair of CFG's Finance and Audit Committee.



Angela Linton, deputy chair

Angela is Chief Operating Officer at The National Foundation for Youth Music. Angela has a breadth of experience working in charitable organisations across the cultural sector. As well as having had previous experience of being a trustee and undertaking company secretary duties, Angela is a member of the Living Wage Foundation, Third Sector Steering Committee and actively advocates for the payment of the real living wage. Angela is committed to equality of opportunity and supporting emerging leaders develop their leadership skills, knowledge and personal confidence.



Mwiza Mkandawire

Mwiza is the Head of Finance and Administration at Transaid, an INGO where she has been since 2019. Prior to that she worked at arts charity Artsadmin Ltd for 11 years. Mwiza is a qualified chartered accountant and a CFG Inspiring Financial Leadership Alumni. Before joining Artsadmin Ltd in 2008 she worked with various organisations in both the commercial and charity sectors in Malawi. She has excellent knowledge and understanding of charity finance and is a trustee of two arts charities.



Tim Nicholls, chair of finance and audit committee

Tim was Director of Finance and Resources/Company Secretary at The Arts Society based in Central London until August 2024. He is also Chairman of North Kent Volunteer Centre. Tim has held senior finance positions within the charity sector for over ten years. Before moving to the charity sector, he enjoyed a successful career in the NHS. Until 2021, Tim was an elected Council Member of the Association of Accounting Technicians (AAT).



Kelly Ryder

Kelly is Head of Finance for the Orchard Trust, a charity based in the Forest of Dean who support adults with learning and physical disabilities to live independent and fulfilled lives. Prior to this, Kelly worked for many years in the financial services

industry and then in finance for a global manufacturing company, where she obtained her AAT qualification. This is Kelly's first trustee role and she is passionate about using it to serve CFG members and also to increase awareness of the challenges faced by charities in the social care sector.



Anna Bennett

Anna joined the CFG Board in November 2023. She is Director of Finance, IT and Facilities at London's Air Ambulance Charity. Prior to this role, she worked in charity audit, advising and supporting a large range of charities. Before this, Anna was Finance

Director at Hospice UK and Director of Finance & Operations at BBC Children in Need. Anna has been a CFG member for most of her career and is passionate about using her experiences and skills to ensure other finance professionals can continue benefiting from CFG membership.



Hugh Wallace

Hugh Wallace is Chief Information Officer at Research Data Scotland, a charity focused on enabling access to public sector data about people, places and businesses.

Prior to that he led a high-profile programme to deliver a common payments platform in Scottish Government and support digital service development within Scotland's Social Security agency. His previous roles include leading the digital teams at Oxfam and National Museums Scotland, as well as heading up the design function in a digital agency.



Tony Wells

Tony is Director of Finance & Resources at The Connection at St Martin-in-the-Fields, a homelessness charity in London. He joined the charity as Financial Controller, after qualifying as a Chartered Accountant in 2018. As a relative new-comer to the world of

charity finance, Tony completed CFG's Inspiring Financial Leadership course in 2021. He was promoted to his role the following year. Tony is passionate about using his leadership and financial skills for the benefit of the CFG community and wider sector.

By order of the Board, October 2024

Independent auditor's report to the members of Charity Finance Group



Opinion

We have audited the financial statements of Charity Finance Group (the 'charity') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity and the group's affairs as at 31 March 2024 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 41, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with

ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements, Charities Act 2011, tax legislation, safeguarding, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax the Companies Act 2006 and the Charities Statement of Recommended Practice.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Nicola Wakefield

(Senior Statutory Auditor)

for and on behalf of Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date:

Financial statements for year ended 31 March 2024



Consolidated statement of financial activities

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.

The notes on pages 77 to 90 form part of these financial statements.

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
INCOME					
Donations	2	51,649	75,991	127,640	98,555
Income from charitable activities	3	1,556,189	-	1,556,189	1,271,189
Income from trading activities	4	109,920	-	109,920	132,012
Investment income	5	15,479	-	15,479	6,879
Other income		13,659	-	13,659	6,050
TOTAL INCOME		1,746,896	75,991	1,822,887	1,514,685
EXPENDITURE					
Expenditure on charitable activities	6	1,691,177	32,134	1,723,311	1,518,850
TOTAL EXPENDITURE		1,691,177	32,134	1,723,311	1,518,850
Net income / (expenditure) and net movement in funds for the year before transfers		55,719	43,857	99,576	(4,166)
Transfer between funds				-	-
Net income/(expenditure) and net movement in funds for the year		55,719	43,857	99,576	(4,166)
Reconciliation of funds		269,652		269,652	273,818
Total funds, brought forward					
Total funds, carried forward		325,371	43,857	369,228	269,652

Balance sheets

The notes on pages 77 to 90 form part of these financial statements.

Approved by the Trustees on ____ and signed on their behalf by Kevin O'Brien (Chair):

	Notes	2024		2023	
		£ Charity	£ Group	£ Charity	£ Group
Fixed assets					
Tangible fixed assets	8	-	-	3,950	3,950
Investments	8.1	10,000	-	10,000	-
Current assets					
Debtors	9	657,240	455,223	504,547	452,085
Short term deposits	9.1	313,017	313,017	297,538	297,538
Cash at bank and in hand		464,845	787,314	418,257	654,114
		1,435,102	1,555,554	1,220,342	1,403,737
Liabilities					
Creditors falling due with in one year	10	(1,121,114)	(1,169,010)	(956,269)	(1,103,779)
Net current assets					
		313,988	386,544	264,073	299,958
Creditors falling due after one year	10	(17,316)	(17,316)	(30,306)	(30,306)
Net assets					
		306,672	369,228	243,767	269,652
The funds of the charity					
Unrestricted funds:					
General	11	126,545	189,101	152,010	177,895
Designated	11	136,270	136,270	91,757	91,757
Restricted funds	11	43,857	43,857	-	-
Total charity funds					
		306,672	369,228	243,767	269,652

Consolidated statement of cash flows

	2024		2023	
	£	£	£	£
Cash Flows from Operating Activities				
Net Expenditure	99,576		(4,166)	
Adjustments for:				
Depreciation	-		3,950	
Interest Expense	2,504		1,105	
Trade and Other Receivables	(3,138)		77,703	
Trade and Other Payables	37,625		231,865	
Cash Flows generated / (used by) from Operations	136,567		310,457	
Interest paid		(2,504)		(1,105)
Net Cash Flow from Operating Activities	134,063		309,352	
Cash Flows from Finance Activities				
Repayment of loan	14,616		(207,653)	
		14,616		(207,653)
Net Increase / (Decrease) in Cash	148,679		101,699	
		At 1 April 2023	Cash Flows	At 31 March 2024
Cash at bank		654,114	133,200	787,314
Cash on deposit		297,538	15,479	313,017
		951,652	148,679	1,100,331

Notes to the financial statements

Accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Companies Act 2006.

The Charity Finance Group meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The principal accounting policies of the Group are set out below:

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.

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 7.1b below, are included at the value to CFG i.e., the value CFG would have paid in the open market. Although SORP 2019 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.

Member's 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. It is accrued in line with the benefits received.

Pensions

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

Expenditure

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 expenditure 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 based on time spent.

The cost of the Annual Fundraising Dinner covers direct expenditure on the dinner together with the appropriate allocation of staff and support costs.

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 expenditure on a straight-line basis over the terms of the leases. 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., five years. This lease is stopped from November 2023. The new rent is being paid to Canopi for 82 Tanner Street, London, England, SE1 3GN

Going concern

Free unrestricted reserves of CFG at the year-end amount to £189,101. After consideration of the current strategic plan to 2023/24 and with an aligned three-year budget agreed, 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 years. There are no material uncertainties that would impact on the charity's ability to continue. Accordingly, we continue to adopt the going concern basis in preparing this annual report and financial statements.

Intangible and tangible fixed assets

All fixed assets are stated at historical cost less depreciation. Assets with a cost more than £2,000 and which are intended to be of ongoing use to CFG in carrying out its activities are capitalised as fixed assets. Depreciation/amortisation is charged on all tangible/intangible fixed assets at 25% of cost per annum, so as to write them off over their expected useful lives.

Significant judgements and estimates

No significant judgements or estimates have been required in the production of these accounts.

Investments

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

Notes to the financial statements

1. Results from the trading activities of the subsidiary

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

	2024	2023
	£	£
CFDG Trading Limited		
Turnover	472,430	410,022
Cost of sales	(140,000)	(141,265)
Gross profit	332,430	268,757
Administrative expenses	4,242	199
Operating profit	336,672	268,956
Interest receivable	-	-
Profit before tax and Gift Aid distribution	336,672	268,956
Fund balance brought forward	35,885	23,556
Distribution to parent charity	(300,000)	(256,627)
Retained in subsidiary	72,557	35,885
Balance sheet		
Current assets	744,196	573,984
Current liabilities	(671,639)	(538,099)
Net assets	72,557	35,885
Share capital	10,000	10,000
Reserves	62,557	25,885
Total funding	72,557	35,885

2. Donations

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Donations & Grants	51,649	75,991	127,640	98,555
	51,649	75,991	127,640	98,556

3. Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Developing Skills, Learning, Knowledge and Practice	1,213,907	-	1,213,907	849,626
Inspiring Financial Leadership	235,622	-	235,622	358,800
Encouraging a Supportive Environment	106,660	-	106,660	62,763
	1,556,189	-	1,556,189	1,271,189

4. Income from trading activities

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Other Trading Activities	109,920	-	109,920	132,012
	109,920	-	109,920	132,012

5. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Bank interest	15,479	-	15,479	6,879
	15,479	-	15,479	6,879

6. Expenditure on charitable activities

	Staff costs	Support costs	Other direct costs	Total 2024 £	Total 2023 £
Analysis for total expenditure				£	£
Raising funds	20,286	8,889	79,244	108,419	37,257
Charitable activities					
Develop skills, learning, knowledge & practice	636,717	211,816	266,080	1,114,613	931,532
Inspire financial leadership	126,475	55,421	21,523	203,419	223,211
Encourage a supportive environment	196,881	86,272	13,707	296,860	326,850
	980,359	362,398	380,554	1,723,311	1,518,850
Total expenditure 2022-23	916,749	349,869	252,232	1,518,850	

7. Analysis of support cost

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.

	Raising funds	Develop skills, learning, knowledge & practice	Inspire financial leadership	Encourage a supportive environment	Total 2024	Total 2024
					£	£
Support cost						
Premises & Office Services	2,244	53,474	13,991	21,780	91,489	104,185
IT & Communications	2,123	50,591	13,237	20,606	86,557	76,198
Human Resources, Recruitment & Training	1,604	38,214	9,998	15,564	65,380	54,838
Financial Costs	2,083	49,646	12,991	20,220	84,940	53,647
Depreciation	-	-	-	-	-	3,950
Governance (incl External Audit)	835	19,891	5,204	8,102	34,032	57,051
	8,889	211,816	55,421	86,272	362,398	349,869

7.1. Net outgoing resources

a) These are stated after charging:

	2024	2023
	£	£
Auditor's remuneration		
Audit	26,250	25,000
Non-audit services	-	1,500
Depreciation	-	3,950
Operating lease premises	60,770	75,991

Operating lease commitments

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

	2024	2023
	£	£
Group and Charity property		
Leases which expire:		
Within one year	-	51,945
	-	51,945

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.

	2024	2023
	£	£
Raising funds	-	-
Charitable activities		
Develop skills, learning, knowledge & practice	25,442	139
Total	25,442	139

7.2. Trustees and employee information

a) Trustee information

No remuneration was paid to or waived by any Trustee during the year (2023: Nil). No expenses for travel and subsistence were reimbursed to trustees during the year (2023: Nil).

b) Employee information

i) Employee numbers	2024	2023
	No.	No.
Full time equivalent number of staff employed during the year was:	16.6	17.3
Average headcount during the year was:	18.0	18.0
ii) Employee costs	£	£
Salaries	774,819	768,022
Social security	79,614	82,649
Pension	58,582	61,078
Sub-total salaried staff	913,015	911,749
Holiday pay accruals	(287)	-
Other	-	-
Total employee costs	912,728	911,749

7.2. continued...

iii) The number of employees whose total pay amounted to £60,000 or above for the year is as follows:	2024	2023
	No.	No.
£120,001 - £130,000	1	0
£90,000 - £100,000	0	1
£80,001 - £90,000	1	0
£70,001 - £80,000	0	1
£60,001 - £70,000	2	0

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

iv) Benefits

Four members of staff included in the above bandings for 2024 (2023: 2 employee) have benefits accruing under CFG's group pension arrangement. The employer contributions into the group personal pension scheme during the year on behalf of these members of staff amounted to £25,464 (2022: £15,575).

There were nineteen active members of staff in total accruing benefits under the group's personal pension schemes as at 31 March 2024 (2023: seventeen).

c) Remuneration of Key Management Personnel

The total of employee benefits including pension contributions received by Key Management Personnel in 2024 is £311,230 (2023: £321,004). CFG's Board had defined that "key management personnel" would be based on our scheme of delegation where significant control had been delegated to the CEO and others; namely Directors or those making decisions of a significant nature. As a result, the following roles have been included; CEO, Director of Commercial Services and Marketing, Director of Policy and Communications and Director of Finance and Operations.

d) Pensions

CFG offers an auto-enrolment compliant group personal pension scheme which is currently administered and managed by The Peoples Pension. For previously signed up employees CFG has a group pension scheme which is currently administered and managed by Aegon. New employees are enrolled at an employee contribution rate of 3%. CFG pays twice the percentage that the employee contributes up to a maximum of 10%. The amount of outstanding contributions as at 31 March 2024 was £3,919 (2023: £3,865).

8. Tangible and Intangible fixed assets – Group and Charity

	Office Furniture (Tangible fixed assets)	Computers (Tangible fixed assets)	Software (Intangible fixed assets)	Total 2024
	£	£	£	£
Cost				
As at 1 April 2023	27,522	18,573	218,281	264,376
As at 31 March 2024	27,522	18,573	218,281	264,376
Depreciation/Amortisation				
As at 1 April 2023	(27,522)	(18,573)	(218,281)	(264,376)
As at 31 March 2024	(27,522)	(18,573)	(218,281)	(264,376)
Net book value				
As at 31 March 2024	-	-	-	-
As at 31 March 2023	-	-	-	-

The above fixed assets are used to support all of CFG's activities. As at 31st March 2024, CFGD Trading Ltd had no fixed assets.

8.1. Investment

	subsidiary No.	2024 Charity £	2023 £
At historic cost:			
Investment in Subsidiary-CFDG Trading Ltd	10,000	10,000	10,000
		10,000	10,000

Principal Subsidiary Undertakings	Registered in	Percentage of capital held	No. of £1 ordinary shares held
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CFDG Trading Limited	England & Wales	100%	10,000
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Company No: 06810640
 Registered Office: 82 Tanner Street, London, England, SE1 3GN

9. Debtors

All amounts fall due within one year.

	2024		2023	
	£	£	£	£
	Charity	Group	Charity	Group
Trade debtors	228,927	378,175	169,244	363,274
Bad debt provision	(12,915)	(46,729)	(5,831)	(52,162)
Deposits	11,410	11,410	11,410	11,410
Amounts due from subsidiary undertakings	317,451	-	200,160	-
Prepayments	112,367	112,367	129,563	129,563
	657,240	455,223	504,547	452,085
Short Term Deposits				
Other debtors	313,017	313,017	297,538	297,538
	313,017	313,017	297,538	297,538

10. Creditors

All deferred income brought forward at the beginning of the year was released to income during the year (2023: same). All deferred income relates to membership fees and event bookings in advance.

The loan listed above (2024: value £30,234) was provided by Social Investment Business FM Ltd, under the UK Government's Coronavirus Business Interruption Loan Scheme (CBILS). The loan term is 5 years; interest rate in year 1 was 9% and 7% in subsequent years; there was a 12 month repayment holiday; there are no early repayment fees. £14,616 was repaid in 2023/24.

	2024		2023	
	£	£	£	£
	Charity	Group	Charity	Group
Trade creditors	53,870	57,585	17,871	17,871
Other creditors	71,315	78,665	32,127	32,127
Deferred income	629,665	972,788	622,365	953,303
Amounts due to subsidiary undertakings	306,292	-	190,428	-
Bank loan- Current portion	12,918	12,918	12,041	12,041
VAT Control Account	43,135	43,135	49,501	49,501
Pension Contributions	3,919	3,919	3,865	3,865
	1,121,114	1,169,010	956,269	1,103,779

	17,316	17,316	30,306	30,306
	17,316	17,316	30,306	30,306

11. Outline Summary of Fund Movements

	Balance at 01/04/2023	Income	Expenditure	Transfer between funds	Balance at 31/03/2024
	£	£	£	£	£
Restricted funds:					
Charity Investment Governance	-	60,000	26,476	-	33,524
Time to shine	-	15,991	5,658	-	10,333
Small Charities Programme	-	-	-	-	-
	-	75,991	32,134	-	43,857
Designated funds:					
Fixed Assets Reserves	-	-	-	-	-
IFL Training	26,757	40,031	12,718	(27,000)	27,070
Qualification Training Contracts	15,000	-	5,800	-	9,200
Future investment	50,000	-	-	50,000	100,000
	91,757	40,031	18,518	23,000	136,270
Unrestricted fund:					
Free Reserves	177,895	1,706,865	1,672,659	(23,000)	189,101
	269,652	1,746,896	1,691,177	-	325,371
Total funds	269,652	1,822,887	1,723,311	-	369,228

11. continued...

Analysis of charitable funds – previous year

	Balance at 01/04/2023	Income	Expenditure	Transfer between funds	Balance at 31/03/2024
	£	£	£	£	£
Restricted funds:					
Small Charities Programme	7,046	-	-	7,046	-
	7,046	-	-	7,046	-
Designated funds:					
Fixed Assets Reserves	3,950	-	3,950	-	-
IFL Training	39,325	31,932	12,500	(32,000)	26,757
Qualification Training Contracts	15,000	-	-	-	15,000
Future investment	50,000	-	-	-	50,000
	108,275	31,932	16,450	(32,000)	91,757
Unrestricted fund:					
Free Reserves	158,497	1,482,753	1,502,400	39,046	177,895
	266,772	1,514,685	1,518,850	7,046	269,652
Total funds	273,818	1,514,685	1,518,850	-	269,652

12. Related party transactions

During the year ending 31 March 2024, the charity charged its subsidiary £140,000 for management fees relating to CFDG Trading Ltd's activities (2023: £141,265). CFDG Trading Ltd donated £300,000 to CFG from its profits (2023: £256,627). There were no other related party transactions. As at 31 March, the balance due from CFDG Trading Ltd to CFG was £11,159 (2023: £9,732 balance due to CFDG Trading Ltd from CFG).

In addition, the following related party transactions are noted with the following trustees:

Angela Linton	Chief Operating Officer - The National Foundation for Youth Music (£1,206)
Anna Bennett	Director of Finance, IT and Facilities - London's Air Ambulance Charity (£3,266)
Kevin O'Brien	Director of CFDG Trading Ltd (£400)
Kelly Ryder	Finance Manager, The Orchard Trust (£918)
Mwiza Mkandawire	Head of Finance, Transaid Worldwide Services (£475)
Tim Nicholls	Chief Operating Officer, The Arts Society (£968)
Tony Wells	Director, Emmaus UK (£430)
Caron Bradshaw	Member of the Audit and Risk Cttee British Asian Trust (£475)

13. Summary of Assets and Liabilities by Fund

Current Year	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Intangible Fixed Assets	-	-	-	-
Tangible Fixed Assets	-	-	-	-
Current Assets	1,375,427	136,270	43,857	1,555,554
Current Liabilities	(1,169,010)	-	-	(1,169,010)
Long-term Liabilities	(17,316)	-	-	(17,316)
Totals	189,101	136,270	43,857	369,228

Prior Year	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Intangible Fixed Assets	-	-	-	-
Tangible Fixed Assets	-	-	-	-
Current Assets	1,311,980	91,757	-	1,403,738
Current Liabilities	(1,103,779)	-	-	(1,103,780)
Long-term Liabilities	(30,306)	-	-	(30,306)
Totals	177,895	91,757	-	269,652

14. Events after the reporting period

"i) Adjusting events

There are no adjusting events that took place after the reporting period.

ii) Non-adjusting events

There are no adjusting events that took place after the reporting period."

15. Comparative statement of financial activities

For the year ended 31 March 2023
(incorporating the income and expenditure account)

	2023		Total Funds
	Unrestricted Funds	Restricted Funds	
	£	£	£
Income from:			
Donations and legacies	98,555	-	98,555
Charitable activities			
Develop skills, learning, knowledge & practice	849,626	-	849,626
Inspire financial leadership	358,800	-	358,800
Encourage a supportive environment	62,763	-	62,763
Other trading activities			
Fundraising events	132,012	-	132,012
Investments	6,879	-	6,879
Other	6,050	-	6,050
TOTAL INCOME	1,514,685	-	1,514,685
Expenditure on:			
Raising funds	37,257	-	37,257
Charitable activities			
Develop skills, learning, knowledge & practice	931,532	-	931,532
Inspire financial leadership	223,211	-	223,211
Encourage a supportive environment	326,850	-	326,850
TOTAL EXPENDITURE	1,518,850	-	1,518,850
Transfer between funds	7,046	7,046	
NET INCOME / (EXPENDITURE)	2,880	(7,046)	(4,166)
TOTAL FUNDS BROUGHT FORWARD AT 1 APRIL	266,772	7,046	273,818
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH	269,652	-	269,652



Leading the way
for charity finance

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Registered charity in Scotland no.: SC052037

Company no.: 3182826