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The magazine for CFG members

June 2019



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EDITOR'S NOTE

Our sector's finance heroes

In the narrative arc of many a hero's journey, there's a turning point for the hero, where they 'meet the mentor'.

This is the important bit, where the mentor gives a helping hand to the doubting hero and sets them on the right path. The hero overcomes their reluctance, crosses the threshold into the unknown, and begins their transformation.

In our cover story this month, we speak to Mark Crowley of MLC Partners (p9), who talks about becoming a mentor or mentee, the uniqueness of this role in the charity sector, what being a mentor or mentee can add to your journey, and how it can help you to achieve your goals.

We love stories at CFG, and we hear many from the heroes in our membership about their roles, the important work they do in their organisations, and the important work their organisations do. We're also always interested to know how your journey can evolve out of the traditional narrative arc of financial leadership.

In our cover story this month, Sarah Noak, Director of Finance at the Lessons for Life Foundation, and Clare Jenkins, Director of Finance and IT at SOS Children's Villages UK, talk about the impact of taking part in CFG's Inspiring Financial Leadership (IFL) programme on their personal and professional roles and how this has changed how they think of themselves as finance leaders. IFL 2019/20 kicks off again this October, you can book your early bird at cfg.org.uk/ifl and again we have bursary places available for application.

On page 10, Caron Bradshaw addresses the results of the EU election and what they mean for the sector. We also had so many interesting conversations which came out of the CFG Annual Conference last month; CFG Sector Specialist David Ainsworth picks up some of his big takeaways on page 12, and Terri Bruce and Amit Dev of BDO address ongoing challenges with Making Tax Digital on pages 13–14.

The CFG Podcast is one of our newest innovations this year and we're hugely enjoying production, as we get to interview professionals across the sector and hear your stories in a fresh way. In our second podcast, Emma Chaplin, Director of the Association of Independent Museums (AIM), partner members of CFG, talks about the big challenges faced by AIM members in the arts and heritage sector; we preview some highlights on page 11, and CFG's Director of Policy and Engagement Roberta Fusco shares her response. CFG will be exhibiting at the AIM National Conference on 20–22 June. It's not to be missed!

Last but not least, Simon Bascombe of Harris Hill shares their Salary Survey 2019 results on page 15, so you can gain some insights on where your salary sits in the sector.

Finally, if you're coming along to the Northern Conference on 27 June, we look forward to seeing you there!

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



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If you have any queries about *Finance Focus* or are interested in writing for us, please contact kate.bines@cfg.org.uk

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Organisation of the Month



It's Global MND Awareness Day on 21 June, and we are delighted to welcome the Motor Neurone Disease Association as our member organisation of the month. Head of Finance Andrew Zielinski talks about the work they do, the effects of banking closures on their regional groups and why their MND Charter is being embraced by local councils.

What is the aim of the Motor Neurone Disease Association?
The Motor Neurone Disease (MND) Association was established in 1979 by a group of families affected by the disease. 40 years on we are the only charity in England, Wales and Northern Ireland who fund research, care and campaigning in the fight against MND.

What is the biggest issue facing your sector right now?
From a finance perspective the closure of bank branches is making life harder for our 89 regional groups who still receive cash. Help from the banks in the form of additional mobile banking or reciprocal arrangements with other banks would be appreciated during the transition to a cashless society.

What challenge is your organisation currently facing that the government could make easier?
Recent changes have meant an increase in imposed non-core costs such as the

Apprenticeship Levy, Making Tax Digital and GDPR. These ultimately mean that less funds are available for charitable purposes so anything that reverses this trend would be good for all charities.

What positive changes has your organisation seen in your sector?
We all know that budgets within statutory services are incredibly tight and so we have tried to raise awareness of MND so it is given greater priority when scarce resources are being allocated.

This is why we introduced a campaign to get local councils to adopt the MND Charter. This is a five-point document that sets out what good care looks like for people with MND. We are delighted that more than 75 councils have adopted the charter so far.

What is the largest source of support your organisation has gained from CFG membership?
Finance Focus magazine and CFG's charity finance publications provide a wealth of

useful information as well as food for thought at a strategic level. Additionally, the courses organised by CFG are always worth attending, both for their content and to network with peers.

What have been the biggest changes to the charity sector since you started working in it?
The explosion of social media – which we benefited from massively through the viral Ice Bucket Challenge in 2014. Also, greater public scrutiny has driven greater levels of professionalism and governance within the charity sector.

What is the one piece of technology your organisation couldn't do without?
Our website is a trusted and essential source of information for everyone affected by MND as well as volunteers, fundraisers, researchers and health and social care professionals. Straightforward navigation and an improved search function mean that all audiences can find what they need, when they need it. Our always-on approach allows us to provide 24/7 event sign-up and donation options to our supporters. It also provides a source of contact for those affected by the disease to find help and support locally as well as access to our Connect helpline and online forum.

2019 marks the MND Association's 40th anniversary, giving the charity lots of opportunity to raise awareness throughout the year on social media, at events and in the media.

On Global MND Awareness Day on 21 June, the Association will be asking supporters to sign a petition as part of their 'Scrap 6 months' campaign, asking for a change in law so people living with a terminal illness such as MND are able to claim welfare benefits using the fast track process. You can find out more about the campaign at mndassociation.org/scrap-six-months.

CFG launches our new Awards for 2019

Celebrating excellence in charity finance



Have you and your team made an outstanding contribution to your charity?

If so, we'd like to hear about it, and recognise it with one of three new awards:

- Inspirational trustee
- Embracing digital in reporting
- Innovating in the finance team

Also, it's time to recognise 2019's **Inspiring Financial Leaders** in our biennial award for individuals who have shown outstanding financial leadership.

To find out more and to enter visit cfg.org.uk/cfgawards

Investment programme 2019



CFG is running a series of podcasts, articles, blogs, webinars and roundtables with our specialist investment corporate members over the next year. Wherever you are on your investment journey, our aim is to have down-to-earth and valuable content and sessions to support you in developing knowledge and decision-making in investments. Waverton Investment are running a roundtable on 2nd July on the top tips and pitfalls of starting out on an investment journey – to find out a bit more about this and what else is coming up in the pipeline contact dean.thomson@cfg.org.uk.

FINANCE COUNT

INTELLIGENT FINANCIAL MANAGEMENT

We're once again offering you the chance to tap into a community of charity finance professionals with our unique benchmarking tool Finance Count, which is now free for CFG members.

You will be able to see how you measure up when it comes to financial performance, and ensure that your charity is on track to have the strongest possible finance function.

Find out more and sign up at cfg.org.uk/financecount19

Calling all mentors, and mentees!



We were delighted with the response to our Mentoring Programme at the CFG Annual Conference in May, with prospective mentors and mentees lining up to register with us.

Whether you're brand new to your charity finance role, an experienced professional, or a trustee, we believe you have the skills and knowledge to share with others. If you're interested in participating in our programme in a mentor or mentee role, email us at membership@cfg.org.uk with the subject Mentoring 2019.

Welcome to our new members



- | | |
|--|-------------------------|
| The Oaklea Trust | Habitat for Humanity GB |
| National Dance Company Wales | IAM RoadSmart |
| Peace Direct | Fight for Sight |
| Fraternity Spiritist Society | I CAN Charity |
| Engage, National Association for Gallery Education | World ORT |

Voice your views



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

Social Investment Tax Relief

The government committed to consult on Social Investment Tax Relief within two years of the enlargement of the scheme in 2017, and is seeking to understand why only a limited number of organisations have made use of the relief. Given that the scheme is subject to a sunset provision, it will come to an end in 2021 without further legislation. The consultation will help to inform a decision as to whether it should be continued. Whether or not you use this relief, we want to hear from you.

Increasing take up of Gift Aid

Following the success of our 2018 campaign (and looking ahead to an even bigger and better campaign this October) CFG is looking to commission research to improve the rate of take up of Gift Aid. Contact the team if you are interested in partnering with us, or would like to find out more details.

Gift Aid Awareness Day 2019 planning is in full swing – save the date for Thursday 3 October 2019!

INGOs working in high-risk jurisdictions

If you're an INGO working in high-risk jurisdictions we are keen to hear about any problems you face with banking/due diligence, as we're looking to determine common problems in this space, and how CFG working with partners might be able to help.

How have local government cuts affected your charity?

We are shortly expecting the government to undertake a Spending Review, which take place every two to five years and is a process where government sets departmental budgets for three to five years ahead. With tight public finances and with local government budgets already under substantial strain, this will be of great significance to the sector.

With preparations well under way in government departments, we are really keen to hear from you on the potential impacts that further cuts might have both on your charity, but also in your region.

Email policy@cfg.org.uk to have your say in our policy work

News in brief...

Charities scoring just over half in review of compliance with Governance Code

A report from auditing and tax firm RSM has found that the surveyed scored 52% in compliance with the Charity Governance Code. The report found that charities with an income over £20m tended to score better than average, while mid-sized charities with income between £10-£20m scored lowest of all. Mistakes identified included not outlining a board's review process when making executive appointments, and trustees exceeding their nine year term without explanation. As in many areas of the charity sector, an area where charities struggled was diversity, in many cases with no demonstrable compliance with the diversity principle.

Social Investment Tax Relief take-up lower than expected

Figures from the Office for National Statistics have indicated that the number of organisations using the Social Investment Tax Relief (SITR) has dropped by a third over the last year, with only 20 organisations raising funds via SITR compared to 30 the year before.

The government had hoped that the relief would support £83.3m in investment in the first three years of its existence, whereas it raised only £1.4m in 2017/18.

Charity Commission extend call centre opening hours

The Charity Commission of England and Wales has begun a trial of new opening hours for their call centre, changing from 10:00–12:00 and 13:00–15:00 Monday to Friday, to the new hours of 09:00–12:00 and 13:00–16:00. It is believed that the extended hours will last for three months until the end of July, with the Commission evaluating after this period is over.

Research and reports



CAF UK Giving 2019 report finds that less people are donating to charity

The Charities Aid Foundation's UK Giving 2019 report has found that for the third year in a row the number of people donating to charity has declined from 95% in 2016 to 65% in 2018. The amount of money being donated has remained stable at just over £10bn a year (10.1bn as opposed to £10.3bn in 2017).

The report also finds that trust in charities has fallen slightly, with 48% in 2018 reporting they found charities trustworthy compared to 51% in 2016. It is not clear if the decline in the number of people donating to charities is due to a decline in trust or because charities are deciding to raise funds in different ways. Read the full findings at bit.ly/CAFGiving19

Government issues Brexit guidance for civil society

We are pleased to have been able to work with others across the sector to influence the government in creating guidance on how your charity can prepare for Brexit.

The guidance provides five key areas civil society organisations should consider to prepare for when the UK leaves the EU. These are: If your organisation employs EU staff or EU volunteers, if your organisation receives EU funding, if your organisation receives any personal data from the EU, if your organisation imports or exports goods with the EU, and questions on customs, excise, VAT and regulatory changes. You can find the guidance at bit.ly/GovBrexitguide

Guidance and support



Making Tax Digital – two CFG webinars

To help members feel prepared to make all the changes required for Making Tax Digital, CFG has provided two free webinars on the topic. One with a representative from HMRC to run through how to comply with MTD which includes answers to questions from our members, and another with members of the finance team of Cancer Research UK, where they explain in detail what steps they took to meet the requirements. If you would like to be sent a recording of these webinars email webinar@cfg.org.uk and we will send on a recording.

Data Protection and Brexit – is your organisation prepared?

The government has launched new guidance to help organisations which share personal data in the European Economic Area (EEA). If your organisation does this, you will need to take steps to ensure you continue to comply with data protection laws if the UK leaves the EU without a deal. For UK charities that only share data within the UK, there will be no change. The ICO have produced a six step checklist which highlight what you can do now to start preparing for data protection compliance if the UK leaves the EU without a deal. You can find this at bit.ly/ICO6step.

What's the big issue?

Shared challenges across the regions



We at CFG are always aware of the dangers of charity infrastructure bodies like ourselves remaining too London-centric, conflating what members in the south east of England are facing with the charity sector as a whole. To try to get out of this bubble, CFG has toured a number of cities in the UK recently to gain members' views on a range of important upcoming issues, most notably the United Kingdom Shared Prosperity Fund (UKSPF), and the impact of austerity on the charity sector in each region.

While it's fair to say that each region has their own challenges and political context to be aware of, what was perhaps most telling were the similarities that many of the charities we spoke to were grappling with.

UKSPF

CFG has long highlighted the need for the UKSPF to replace existing EU structural funding and "reduce inequalities between communities" once we have exited the EU (if we ever get around to it), to take into account the needs of civil society, and at the very least be maintained at the same levels as current EU funds. Alongside concerns about the amount of money, there are further questions about how the funds will be administered. It's been widely rumoured that Local Enterprise Partnerships (LEPs) will be responsible for the fund, but members have raised concerns about the lack of civil society representation. We did learn of positive examples of engagement between LEPs and charities, most notably in the north east of England, but there were many instances of little or no engagement. CFG will be using these positive examples to advocate to government and other LEPs that civil society should get a voice at the table in the distribution of post-Brexit funds.

Alongside questions about the body which will distribute funds, there were a number of problems raised with onerous administration. There were issues with the funds being too restrictive, with little room to alter outcomes, even if the money would be better spent elsewhere, echoing wider issues with a lack of trust being given to charities in determining how to best spend the money they receive.

There are also issues with administrative burden in gaining access to EU funds, with some members claiming it costs about the same amount of money to administer than is available for beneficiaries. However, there

were a number of positives mentioned about the design of the programmes, particularly the long-term nature of the funding, which does allow for longer term planning.

The impact of austerity

An all too common theme was the enormous impact of cuts to local authority budgets, and how charities have been competing for ever-diminishing resources. There were concerns that both the number of grants and contracts available are less, and the amount being offered reduced. Perhaps more significant is that members reported greater demand for services, with many beneficiaries having more complex needs. In adult social care, the number of beneficiaries is increasing and budgets are not keeping pace, with reports of councils only having enough funds to look at 'high-risk' cases. Referrals from local authorities to charities is also increasing, even in cases which are statutory services. It is clear that charities cannot continue to sustain the level of service they are offering to local authorities at reduced cost. The financial pressure on local authorities cannot be underestimated, with the chartered institute of Public Finance and Accountancy (CIPFA) resilience index reporting that 15% of councils in England are at risk of financial instability, with 11 English councils at risk of exhausting their reserves entirely by 2024. This is hardly surprising when overall spending on local services by English councils fell by 21% between 2009–10 and 2017–18.

An important impact of cuts to local government and other government departments has been the impact on commissioning. A number of local authorities have instituted joint commissioning to reduce costs, but has often left commissioners who don't necessarily understand the things they are commissioning. This has led to individual commissioners being responsible for so many contracts that a tick box culture has emerged, where important metrics like social value are left to a single box.

Future engagement

We are always keen to hear more from our members throughout the UK, so will continue to provide more opportunities for feedback and the opportunity to shape CFG's policy priorities for the financial year to come.

Policy progress

CFG responds to a consultation on the Transposition of the Fifth Money Laundering Directive

Alongside the Association of Charitable Foundations (ACF) CFG has submitted a joint response to a government consultation on the transposition of the Fifth Money Laundering Directive into UK law.

We have highlighted the need for HM Treasury to take into account that charitable trusts are led by trustee boards that are comprised of volunteers, and to act proportionately in its treatment of charitable trusts. In addition, we have encouraged ongoing dialogue between government and charitable representatives at every stage of transposing the directive into law. Once the consultation has concluded and the Treasury have responded we will provide further updates.

Finance Count 2019/20 launch

Now in its third year, we're once again offering you the chance to tap into a community of charity finance professionals, to see how you measure up when it comes to financial performance, and ensure that your charity is on track to have the strongest possible finance function.

This year, if you're a member of Charity Finance Group, participating in Finance Count will cost you nothing.

By taking part you will be directly helping us to build a picture of charity finance, identify trends and issues intended to help strengthen the sector's voice.

Sign up at cfg.org.uk/financecount19



What does financial leadership mean to you?

Sarah Noak, Director of Finance,
Lessons for Life Foundation

Clare Jenkins, Director of Finance
and IT, SOS Children's Villages UK



CFG's Inspiring Financial Leadership 2019 programme kicks off again in October. Here we speak to previous graduates Sarah Noak of Lessons for Life Foundation, and Clare Jenkins from SOS Children's Villages UK, who share their experiences of the course, their thoughts on the meaning of financial leadership and how the training has influenced their journeys.

Sarah Noak, Lessons for Life Foundation

If you asked me before the course if I was a leader the answer would have been fairly obvious: I am because my job title makes me the leader of finance, my position means I am part of the senior leadership team and I take responsibility for making decisions.

I knew of course that a leader is someone that people choose to follow but what else do people look for in a leader – is it great charisma, glittering humour, having all the answers all of the time? If so I would come up a bit short.

The first key insight for me was in the first module on “the Finance Journey”, setting out how finance professionals have an essential and strong purpose right at the heart of the organisation due to our unique oversight across the business. We absolutely need to focus on building up strong controls and processes but we have huge potential beyond this in shaping, influencing and implementing strategy at the highest levels.

As we talked about communication the phrase “we are the message” resonated strongly. As leaders every interaction communicates something about who we are and by extension what the organisation is. My willingness to talk to people and listen when they seek me out to “bounce an idea” is itself an act of leadership and when I notice that people are using me more in this way it shows the value I am adding.

However this requires a daily choice and effort to think about how we act and how this affects others. We also talked about the need for leaders to have a way to refill our own tanks, recognising that we can become depleted when we give ourselves.

IFL has been a wonderful journey. Returning to my thoughts on leadership, I have been reminded that a strong leader creates an environment that helps other people to be the best that they can be. I can model this through collaboration, trust, sharing information, putting “we before me”, growing people through performance, making time for people, simplifying and cutting complexity (particularly as people interact with finance!), coaching others and always being careful of how I act and acting with care towards other people. I also need to make sure that I take care of myself.

If this is Inspiring Financial Leadership then I'm going to give it my best shot!

Clare Jenkins, SOS Children's Villages UK

Joining the Inspiring Financial Leadership programme helped me decide what sort of leader I wanted to be – and gave me the tools I needed to achieve it.

After 16 years working in operational finance and internal auditing I had just been appointed to my first Senior Management Team role as Director of Finance and IT for SOS Children's Villages UK – so the knowledge could not have come at a better time for me.

I have taken away several tips, techniques and models which I am already using to

develop my staff, coach myself through issues, and identify, and act upon, the wide range of motivations which attract people to work in the charity sector.

Each session had an overarching theme, such as communication, leading change and motivating myself and others. Each was presented within context, using real-life examples and a range of models which could be used to understand and support my role as leader. The two experienced and very approachable tutors encouraged extensive questioning and discussion of all the models, and there were numerous opportunities to talk them through with fellow students.

Guest speakers shared some of their experiences and demonstrated how they had used the methods presented in the course to tackle some difficult situations.

For me, the discussions and practicals were a key part of the course, providing the opportunity to learn from the experience of others in similar roles and exploring new approaches. We would then discuss it at our next session and everyone was genuinely interested in how well the techniques had been employed in our respective organisations and scenarios.

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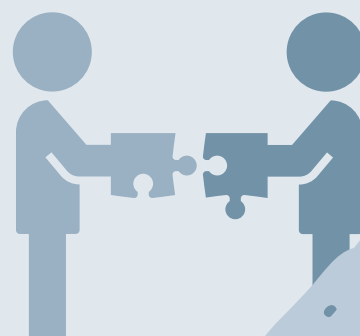
IFL has been a wonderful journey.

As someone whose organisation was going through organisational changes, I found the session on leading change particularly useful. It helped me better understand not only my role, but also the perspectives of our staff and trustees during this period and adapt my language and focus. The communication session identified unconscious flaws in my communication style, which I have now been able to change.

The course took us out of our comfort zone. We are accountants after all and being asked to draw a picture of our vision certainly made everyone uneasy. But it worked, and I'm excited to use what I've learned to help SOS Children's Villages UK to grow – and as a result, give more children the chance to grow up feeling loved, safe, and supported worldwide.

Ran in partnership with Cass CCE and Sayer Vincent, CFG's Inspiring Financial Leadership course begins again this October. Take your financial leadership journey to the next level and book with CFG member early bird rate at cfg.org.uk/IFL.

Map your goals with mentoring



Mark Crowley, Head of Practice, MLC Partners



Mark Crowley has been a supporter of the CFG Mentoring Scheme since its launch, and is an advocate for the vital importance of mentoring in the charity sector. Here he sheds more light on the role of the finance mentor, and what becoming a mentor or mentee can do for you and your development.

There are many things to love about working in charities; whether it is the cause you work for, the innovation that is coming through many parts of the sector or the passion from the people you work with. But in finance, the reality is that it can sometimes be isolating. With many finance teams outside the Top 50 Charities being quite small, getting support from someone who isn't your manager can be difficult.

I've spent more than eight years recruiting into a hugely diverse mix of charitable organisations and the common theme has often been that whilst we continuously attract brilliant individuals from all backgrounds, the reality of working in charity finance can sometimes be that you can feel removed from others and it's not always obvious how to go from entry level to finance director.

At the CFG Annual Dinner in 2017, Nicki Deeson spoke about plans to launch a mentor scheme, matching finance professionals from across the sector who can provide informal support and advice outside their own organisation. Since then, I have supported CFG to attract mentors and mentees, with a pilot launched last year.

Why is a mentor important?

The perception that your boss should be able to teach you everything you need to progress within your career is naïve. The role of your line manager should be to directly support your professional development and overcome challenges within your own organisation, because they are the expert in that area. But it is not always as easy to open

up to your manager about some of the issues you are having or supporting you in your long-term aspirations beyond your current employment.

“

I believe mentors are important in any industry, but we have the added benefit in charities that we are in a more collaborative environment and sharing knowledge should be much easier.

A mentor should be a trusted advisor and someone you can have an informal, open relationship with. The support you will receive can be broad, from advice on creating a culture of change, ideas on engaging other stakeholders, or how to progress within the sector. I believe mentors are important in any industry, but we have the added benefit in charities that we are in a more collaborative environment and sharing knowledge should be much easier.

When I moved from my previous company to MLC in 2017, I set out a ten-year plan. I was

clear with my goal as to where I want to be within that timeframe, so that all I needed to do was establish milestones and objectives as to how to get there. Whilst a ten-year plan perhaps says more about me than anything else, I do believe that having a clear career goal, whether that be over a two or five-year period is important, because only then can you map out your journey as to how you will get there.

A mentor should support you in your journey and be an impartial voice to enable you to overcome challenges within your own career so that you can achieve your goals.

Who should be a mentee/mentor?

Whether a mentor scheme would benefit you is really only down to you. Think about what you want to get out of it and how the scheme would provide value to you. Mentees will typically be matched with someone more established within their career, however that doesn't always need to be the case. You just need to be able to learn from their experiences and they should offer you something beyond what you have with your manager.

The common perception is that only finance directors/CFOs should be mentors, which isn't true at all! If you feel that your experience and skills could benefit someone else in the sector, then it will be valuable. You may be particularly strong on transformation skills or board engagement. It may be that you have come from a broader industry background and can share knowledge or ideas about how to bring the experiences of both together.

The benefits of becoming a mentor are more than just helping someone else in the sector to achieve their goals; it is a hugely rewarding experience that also teaches you a lot. Relationships should be two-way and you will likely end up learning something from your mentee that you didn't already know. It's also a fantastic way of broadening your networks and relationships across the sector.

How much time will I need?

CFG recommends two hours per month, preferably face to face, however the time committed is dictated by both of your needs and should be fluid. What is most important is that there is an agenda before each session. Mentoring relationships tend to break down when either party stops seeing the benefit and that is often due to a lack of structure. The onus is on the mentee to set out goals before the meeting so that your mentor has time to come up with ideas and outputs so that you both get the most out of each session.

Finally, don't be afraid to change your mentor as your needs change. Just because one person is right at this stage in your career, doesn't mean that they will be in a year or two.

To register or find out more about the 2019 CFG mentoring scheme, email membership@cfg.org.uk with subject Mentoring 2019.

What now for charities after the EU election results?



VOTE

Caron Bradshaw,
Chief Executive,
Charity Finance Group

Caron takes a deeper dive into the results from the EU elections, what they mean for our sector and why charities need to take the opportunity to heal the divisions in our communities.

The results of the EU elections rendered the bloodiest of noses to the Labour and Conservative parties. Both leave and remain have claimed victory. Theresa May has been forced from office, and we've seen more riders and runners in the race to be her successor than the Grand National. The only certainty is uncertainty.

We should take care before we analyse the results. Turnout only increased 1.5 per cent on last time, with many people claiming they were denied a vote, so we can't treat the EU elections as a second bite of the referendum cherry.

Was this a win for The Brexit Party?

Newcomer The Brexit Party – non-existent in March – gave a single issue message to rally around; winning 29 seats. This may seem like a massive endorsement to “leave at any cost”, including on WTO terms, and may seem to be evidence to support the claim of a victory for the ‘will of the people’. But when you scratch the surface it's not as dramatic as it first appears.

The Brexit Party won 29 seats, five more than UKIP last time, and got 30.5 per cent of the vote – a six point increase on UKIP. Add in all the minor Brexit-leaning parties and the percentage increases to just under 35 per cent. The Brexit Party is now the biggest party of MEPs across the UK, but it's hardly a resounding mandate for Brexit at all costs.

What about remain?

Unlike The Brexit Party, the remain parties – Change UK, the Lib Dems and Greens – failed to provide a single focus for remainers. Given the success of Naomi Long, of the Alliance party in Northern Ireland, who secured one of the three seats against



You can and should get involved in any conversations to shape the UK Shared Prosperity Fund because there will be a need and opportunity for charities to support their communities; particularly if they have to adjust to the realities of leaving without a deal.

the established parties, I think that was an error of judgement. Still, the Lib Dems and the Greens had very good nights. In total, parties explicitly backing remain accounted for just over 40 per cent of the vote.

The Labour (14 per cent) and Conservative (9 per cent) votes could be argued to include remain or Brexit votes, so those figures could swing a little in either direction. But either way, we end up back at roughly 48/52 in either direction, and therefore no further forward. As I've said before, no position on Brexit can command a consensus.

My prediction back in late March was that we would not exit, either for an extended period including the EU elections, or at all. We may still leave without a deal and these results arguably increase the likelihood of that. But it is unlikely that the appetite of politicians in general has changed. Those who want to leave at all costs may be emboldened by the results, but those who wish to fight to remain will feel equally buoyed.

The big variable will of course now be the leadership of the Conservative party – it will set the tone for the foreseeable future. We might see a general election before 2022, but neither Labour nor Tory will relish facing Nigel Farage at the ballot box any time soon.

So what about the implications for charities?

At our Annual Conference this year, some popular questions asked during our Brexit panel, via our app, went unanswered. Broadly: ‘What about the potential benefits?’ and ‘How might charities prepare for any/all outcomes?’ Our members don't want us to wring our hands and wish it wasn't so, but rather look for the opportunities now and in the future and help them navigate a way through.

Without wishing to be overly negative, taken in the round I cannot see benefits from a WTO departure and you should plan accordingly. But it's not all about WTO. You can and should get involved in any conversations to shape the UK Shared Prosperity Fund because there will be a need and opportunity for charities to support their communities; particularly if they have to adjust to the realities of leaving without a deal.

Engage with whoever next occupies Number 10, and with the new ministers they will appoint. There is definitely an appetite to think about things other than Brexit. This is an opportunity to influence – but forget it if your proposals require significant investment or parliamentary time.

Brexit has highlighted divisions and inequalities that have been brewing for years. Engage with your communities – they are divided now even more than ever. They need you to listen, understand and co-create the solutions to the challenges they face. It's where we should be as a sector – rise to the challenge.

The challenges and opportunities of independent museums

Emma Chaplin, Director, Association of Independent Museums, and Roberta Fusco, Director of Policy and Engagement, Charity Finance Group



AIM is a membership organisation for the arts and heritage sector, and members receive CFG membership as part of a three year partnership launched in summer 2018. Ahead of the AIM National Conference in June, Director Emma Chaplin joined us on The CFG Podcast, and spoke about the colourful life their members add to local communities across the UK. CFG's Roberta Fusco shares her response to some of their challenges.

Emma Chaplin, AIM

The museum sector has not had the easiest time in recent years. Austerity and cuts to local government have had an impact on the wider sector and there have been more museum closures in recent times. However, the independent museum sector is incredibly resilient and hallmarked by its entrepreneurial spirit, so we do have lots of members that are thriving, despite the challenging environment.

The visitor market has always been competitive and attracting people into the leisure market and tourists to our venues is a permanent concern. Our conference this year is all about being a great destination, and that's because all our members need to keep up our game.

The squeeze on local government budgets have been felt by independent museums and although not in the same way as museums that are directly funded by local authorities, many members receive some kind of support, such as an annual grant, and they're the things that are being cut. Often these grants are the main source of income for our independent museums and so our members are having to look into alternative financing options.

Charitable relief on business rates is another area causing concern. Most of our charities as museums get the 80% relief, but many had also enjoyed a discretionary further 20% that can be applied by local authorities. This is another source of funding that is being squeezed as local government has looked to balance its own books.

We're a sector that thrives on grant funding, so lottery funding through the National Lottery Heritage Fund, but also charitable trusts, and philanthropy. The competition for grant funding is higher than ever. AIM as an organisation runs several grant funds, and they've never been more over-subscribed than they are now.



The independent museum sector is incredibly resilient and hallmarked by its entrepreneurial spirit.

There are opportunities for museums on the financial front. One of our big plans is encouraging museums to make sure they're taking advantage of Gift Aid. There's also the fairly new Museums and Galleries Tax Relief. Again, these are both things which take capacity and time for museums to get to grips with.

Roberta Fusco, Charity Finance Group

Undoubtedly, cuts to local government finance are one of the biggest issues affecting civil society organisations and their beneficiaries in communities. Local

authorities already have made efficiency savings, are using their financial reserves at an unsustainable rate and have been forced to do a lot more with a lot less. They are reaching the limit of what is possible in the current context. CFG believes a longer-term approach is needed to the funding of local authorities, to ensure they can continue to provide the services their communities need rather than pushing problems down the road. It has long been one of our policy focus areas and we will continue to make the case for a more generous local government settlement in the forthcoming Spending Review. Continuing Brexit uncertainty, a leadership competition in the Conservative party and a possible General Election will affect timing of a comprehensive budget review across government.

Increasingly, Local Authorities across England who can apply a further 20% discretionary relief on top of an 80% mandatory relief on business rates for charitable organisations are declining to do so, or doing so on an inconsistent basis, leading to unequal treatment and a postcode lottery. Together with other organisations representing the interests of charities, CFG continues to make the case for a more even application of the relief, including the increase of mandatory relief to 100%.

CFG has long lobbied in support of grants and grant funding as an essential part of the funding mix for charities of all shapes and sizes. We know that grants enable charities to better adapt to the needs of their beneficiaries in the long term. So we believe that commissioners should be empowered to administer the right form of funding rather than turning to contracts by default. CFG is part of the Grants for Good campaign that seeks to promote the importance and effectiveness of grant funding.

The Museums and Galleries Tax relief is welcome as a fairly new relief introduced in 2018, there is still a way to go to see it fully embedded. Gift Aid is a tax relief generating over £1.3bn in additional income for the UK charity sector each year, yet, £560m still goes unclaimed each year. We strongly encourage all AIM members to maximise their take up of Gift Aid, and access a wealth of resources on the CFG website to help educate your donors, fundraisers and volunteers so they understand the rules, and have the systems in place to ensure they can act on them. Look out for Gift Aid Awareness day on 3 October 2019 and join our campaign to #tickthebox.

Listen to the team chat with Emma on The CFG Podcast – cfg.org.uk/podcast

AIM members receive free CFG membership as part of a three-year partnership launched in 2018. To find out more about the partnership visit bit.ly/CFGAIM.

Key messages from the CFG Annual Conference

David Ainsworth
Sector Specialist,
Charity Finance Group



Following the CFG Annual Conference in May, CFG's Sector Specialist David Ainsworth shares his thoughts on the big themes from the day.

As ever, the CFG Annual Conference in May, our biggest event of the year, was packed with fascinating insight and opportunities for reflection.

One key theme expressed by many speakers at the event was the importance of culture. If your organisation has a poor culture, delegates were told, you can have all the policies and strategies you like, but you will still have a poor organisation.

Having said that, it was also clear that compliance and process drives culture. If poor structures and processes are in place, that will incentivise poor decision-making by staff, and make it far harder to have a strong culture. So the finance department, which does much to set the tone in that regard, is essential for the effectiveness of the organisation.

It's this idea, of the balance between detail and process, and strategy and culture, which motivated so many of our speakers. We look at some of the key messages, below.

It's not just where you're going, it's how you get there

Pesh Framjee, Global Head of Not-for-Profit, Crowe UK, spoke about the vital role that effective governance and leadership play in setting organisational culture, and how both board and senior executives should have culture as an item to be addressed. He outlined that if strategy points in one direction but culture in another, an organisation will struggle.

He also warned that charities can become focused on the end goal of their cause, rather than paying enough attention to how they get there. But he said that charities often advocate good behaviour as a key message, and so it is particularly important to ensure that in a charity, behaviours are ethical at all levels of the organisation. How we carry out the journey is as important as the destination.

And he also spoke of the importance of challenge as an element of voluntary sector culture. He said charities tend to

trust people, and can therefore be slow to tackle poor performance. But sometimes, we all need a wake-up.

"I received a useful challenge from a member of staff recently," he said. "They said to me: 'Pesh, you say your office door is always open, and it is. The trouble is, you're never in the office.' I realised I had to make myself more available."



A finance department which has a culture of keeping itself apart, the conference heard, is not one which is serving the organisation.

If you want change, you need targets and budgets, not just warm words

One issue of charity culture which is much under debate at the moment is whether our sector is inclusive to all. At a panel on diversity in the sector, speakers suggested that there has so far been more talk than action on this subject. Charities have often preferred to use soft skills to address the issue of inclusiveness, but panellists warned that the sector needs to set clear targets and allocate proper budgets, if we want to seriously tackle this problem.

If we fail to hold ourselves to account, set targets, and ask why our organisation is less diverse than the general population, we will not see the change we want, said Cordelia Osewa-Ediae, Senior Consultant at Green Park.

Becca Bunce, Co-Director of IC Change, outlined the importance of the finance department in tackling diversity issues, because it cannot be tackled without being part of the strategy and being allocated a budget.

"There's a lot of talk about diversity, but we need to have some action," she said. "We need investment, we need resource, we need to be putting in money. If you want to respond to the equality, diversity and inclusion agenda, show me the money."

You can only lose your reputation once

Whose job is it to ensure that your organisation has a good reputation? Is it the comms department? The chief executive? The trustees? Well, maybe. But none of them, ultimately, is responsible for ensuring that your organisation is free of fraud, mismanagement and dishonesty. None of them is in a clear position to identify where poor performance or dishonesty or recklessness is endangering your charity. That is the job of the finance department.

If you are a finance director, said Colin Kerr, Director of Finance at The Children's Trust, you had better guard your probity carefully and stick to our ethics.

"You get one shot at this," he said. "You can only lose your reputation once."

Good culture starts with listening to people

At the Quakers in Britain, the finance department was operating in a silo, hindered by outdated, bespoke systems and a lack of communication. On a mission to change this, the team spent a long time listening to others, and trying to find out their needs, finding it was this focus on helping others that made the most difference. The finance team got out and about, trained and supported colleagues, and demystified the whole process. One key lesson was the importance of breaking down barriers and engaging with other staff, as well as standardising processes and developing simple systems.

Another lesson was that it was important to acknowledge when things had gone wrong, and needed change, without encouraging blame and negativity.

A finance department which has a culture of keeping itself apart, the conference heard, is not one which is serving the organisation.

The CFG conference can save you more than £1m

A few years ago, said Stephen Baines, Director of Business Finance at the British Heart Foundation, came to the CFG Annual Conference and listened to a talk by CLIC Sargent about how they had implemented Lean Six Sigma, and found cost savings and new income worth more than £1m. As a result, he decided to do the same at BHF. So far, the continuous improvement department, headcount 2.5 FTE, has saved his charity more than £1m, too. All by simplifying and

improving processes, without cutting services or reducing headcount.

The continuous improvement team work with departments in the charity which want to solve a problem or streamline a process, and identify the problem the team is trying to solve, and the processes and technology involved in doing so. In one case, it was able to remove more than 100 steps from the process of supplying heart equipment to schools, and cut down approval times from two days, to two minutes.

Being an introvert is not the problem

One issue to be considered when thinking about culture, particularly in the finance department, is how introverts should approach leadership. Clearly, there are a lot of introverts in charity finance departments, because this was a packed session.

The broad lesson from Nick Waring, Director of Finance at Women for Women International, is that you must be true to yourself, and your strengths, and not try to be someone else. Introverts, he said, offered calm, focused opinions and deep expertise. He quoted a line from Susan Cain, the author of *Quiet: the Power of Introverts in a World That Can't Stop Talking*.

"There is zero correlation between being the best talker and having the best ideas."

Be driven by passion for your beneficiaries

The final session of the conference brought us back to the point that the absolute key to success in a charity, is clarity of vision and mission. It was here that the conference ended, with a speech by Duncan Dunlop, Chief Executive of Who Cares? Scotland, an organisation for individuals with experience of the care system.

His message was how utterly children in care are failed by the system, and how love more than anything is what those children need, left many delegates struggling with something in their eye.

The truth is that the UK is a country containing many people who deserve a better deal, from the state and the system, and it should be the job of some charity, somewhere, to ensure that they get that better deal. Every VAT return and variance calculated in a finance department is a tool to make that happen.

It may not always feel glamorous, but those people who change the world need a long enough lever and a solid enough base on which to stand, and the job of charity finance workers is to offer them those tools.

That job is vital.

David Ainsworth will be speaking at CFG's **Maximising your organisation's impact** event on Monday 23 September – book your early bird place at cfg.org.uk/maximpact19.

Making Tax Digital – answering your challenges

Terri Bruce, Associate
Director, and Amit Dev, Tax
Technology Lead, BDO LLP



Following their popular session on preparing for Making Tax Digital at CFG's Annual Conference, Terri Bruce and Amit Dev share essential and practical advice on key questions being asked by charities on this important issue.

Making Tax Digital for VAT (MTDfV) went live for many businesses on 1 April, most charities will not be impacted until 1 October 2019. It's clear from questions in our session at the CFG Annual Conference that many are still concerned about what they need to do to be compliant. We have included guidance below, based on our sector understanding and that of the MTDfV rules, and our experience assisting early adopters with implementation.

"I'm within one of the deferred categories but don't have my deferral letter from HMRC, what should I do?"

We are aware that not everyone who was expecting a deferral letter has received one. HMRC has not made any written statements, but have confirmed in meetings that those within one of the deferred categories who have not received a letter can still deem themselves as being deferred. Despite this verbal reassurance, as nothing has been officially released, we recommend contacting HMRC to clarify.

HMRC also verbally confirmed that those who have received a deferral letter that are not within one of the deferred categories, will be treated as being deferred based upon the receipt of a deferral letter. In light of this, if your charity has received a deferral letter, but does not fall within one of the deferred categories, hold onto that deferral letter to support your position and be glad of the extra few months to get things sorted.

"Who can get an exemption from MTDfV?"

HMRC have factored in automatic exemptions for certain organisations / so it's organisations/individuals:

- "It's not reasonably practicable for you to use digital tools to keep your business records or submit your VAT Returns because of age, disability, remoteness of location or for any other reason"
- You or your business are subject to an insolvency procedure
- Your business is run entirely by practising members of a religious society or order whose beliefs are incompatible with using electronic communications or keeping electronic records."

HMRC stated that they will take effort, time and cost into account in its overall assessment of whether it is practical for you to follow the rules. If you consider that it is unduly onerous for you to comply with the requirements of MTDfV, we recommend you write to HMRC to request a dispensation. You will, of course, be required to explain why you consider it unduly onerous, impossible or excessively difficult to comply. Actions such as choosing and buying new hardware or software, or learning to use them are seen as reasonable and will not be the basis for exemption.

"What is this 'manual entry pass'?"

HMRC recognises that not every organisation scans invoices into a system, so initial data entry may be manual. The first time VAT information is recorded in functional compatible software, this is allowed to be manual – ie data entry for

paper invoices issued and received – a one-time ‘manual entry pass’.

Once this manual entry pass is used, any transfer of VAT information thereafter must meet the ‘digital links’ requirements. For example, if someone completes an invoice request form and sends it to your accounts department who then manually enters this into your accounting software, this procedure is compliant because the invoice request form itself is not required to be a ‘digital record’ for MTDfV purposes.

Once data has been entered into software used to keep and maintain digital records, any further transfer, recapture or modification of that data must be done using digital links. Each piece of software must be digitally linked to other pieces of software to create the digital journey.

HMRC accepts the following as digital links:

- Emailing a spreadsheet containing digital records so the information can be imported into another software product
- Transferring a set of digital records onto a portable device (for example, a pen drive, memory stick, flash drive etc) and physically giving this to someone else, who then imports that data into the software
- XML, CSV import and export, and download and upload of files
- Automated data transfer
- Application Programming Interface (API) transfer (a software that allows two applications to talk to each other, such as bridging software)

HMRC recognises certain VAT calculations are usually done outside of accounting software eg non-business apportionments, partial exemption calculations, capital goods scheme calculations etc. Such calculations can be done in a spreadsheet.

HMRC’s guidance sets out the data which it requires to be kept in digital format. Records that are not specified in this notice, or that are not required to complete your VAT Return, do not need to be kept in functional compatible software.

“With the exclusion of manual interventions, how can I perform my partial exemption calculation under MTDfV?”

VAT accounting for charities is usually complex as a result of the number of income streams and VAT liabilities, and requirement to do both non-business apportionments and partial exemption calculations.

Thankfully, HMRC recognise that adjustments are likely to be required after a supply made or received is recorded in your accounting system for a multitude of reasons. This includes adjustments for partial exemption and non-business / business apportionment for input VAT recovery, fuel scale charges, employee expenses, etc.

For this reason, HMRC has confirmed that adjustments can be made outside of functional compatible software so long as the adjustment is digitally linked to it. This means you can perform the necessary calculations for your adjustments in a separate spreadsheet from your VAT return preparation spreadsheet, so long as the adjustment figure is journalled into your accounting software or by ensuring that your adjustment spreadsheet is digitally linked to your VAT return preparation spreadsheet.

If you have changed the level of VAT recovery available on a purchase, it is not necessary to correct the original digital entry.



You may need to upgrade existing software to plug your digital gaps or purchase bridging software to ensure you file in a compliant method.

Whichever compliant method you choose to implement for your adjustments, make sure there is a clear digital audit trail of your calculations.

“I use a special accounting scheme, but not sure how this interacts with MTDfV?”

This will depend upon which special accounting scheme you are using.

Cash accounting

Under the cash accounting scheme, you are only required to account for VAT when cash is received, not when the invoice is raised. Under this scheme, there are additional record-keeping rules and records must clearly cross-refer payments:

- Received to the corresponding sales invoice
- Made to the corresponding purchase invoice
- Made or received to the normal commercial evidence, such as bank statements, cheque stubs or paying-in slips.

MTDfV does not change any of the above. HMRC does not appear to have issued any ‘easements’ in this regard. Therefore, you must cross-refer the cash book, the bank records and the invoice – digitally – in order to be fully compliant.

Retail

For those charities with retail shops, your system is already compliant if you operate an electronic till which immediately links to your accounting system. HMRC confirmed that retailers are only required to keep Daily

Gross Takings (DGT) figures electronically, as opposed to every individual transaction. If you can ensure tax point rules are adhered to, keeping weekly DGT records should be sufficient. Recording these figures in a spreadsheet which is digitally linked to the accounting system should be compliant – for example, when a charity records the sales from its multiple shops in a separate Epos system and only imports weekly totals into the main accounting system.

“How long is the soft landing period?”

The majority of charities will be required to comply with MTDfV with effect from 1 October 2019. For these charities, the soft landing period extends one year from this date, therefore, until 30 September 2020. This soft landing period refers to the digital links between your systems, as it is recognised this may take time. You will be expected to send your VAT returns to HMRC digitally, via an API, with effect from 1 October 2019.

If you submit quarterly returns, the first VAT return affected will be the one for December 2019, which is due for submission by February 2020.

“How long will HMRC allow the use of bridging software if I currently do my VAT returns on Excel?”

HMRC confirmed that bridging software can be used long-term. However, it is not clear how bridging software will be adapted by software providers to cope with potential (yet to be confirmed by HMRC) increases in data submission requirements. In any case, bridging software tends to only resolve the filing aspect of MTDfV and not the ‘digital links’ aspect. Whilst bridging software may suffice to begin with, to remain compliant after the soft landing period you may wish to reconsider your position.

“Where should I start with my MTDfV preparations?”

In the first instance, we recommend a full review of your VAT return preparation process and systems, in as much detail as possible. This will unearth any ‘digital gaps’, and what capabilities already exist. Only then can you really understand your starting position and what your options are to ensure compliance. You may find you’re already compliant – you are lucky. You may however need to upgrade existing software to plug your digital gaps or purchase bridging software to ensure you file in a compliant method.

It is useful to identify training needs, especially where people inputting data into the accounting system will be required to make a VAT judgment, for instance, are the costs attributable to a taxable or an exempt supply? Is the income non-business or exempt?

By conducting the review as early as possible, you’re giving yourself more time to plan, make any necessary changes, test things work and train people up before it’s too late.

Finance salaries in the sector

Simon Bascombe, Senior Consultant – Finance, Harris Hill



The 14th annual salary survey from our CFG corporate members Harris Hill is set to launch, and this year they’ve joined forces with leading recruitment site CharityJob to provide the very latest rates for roles in all key departments, based on more than 45,000 recent vacancies. In the meantime we’ve got a sneak preview of the figures for finance, and Simon Bascombe shares his thoughts on the current market trends.

What’s the going rate right now for roles in charity finance?

You might be hard-pressed to see it from the rather familiar-looking figures, but roles in charity finance have continued evolving over the last 12 months. And while the general direction of travel may not surprise anyone, the speed of change may well do.

Certainly, someone beamed here from ten, even five years ago might have trouble recognising some of today’s roles: what they involve, who’s doing them and how, when or where. Though admittedly they might have some slightly more pressing questions at first.

Finance in the spotlight

Chief among the changes in larger charities has been a drive to integrate finance more

closely with other functions, not just as a supporting player but with a central role in strategy and decision-making.

That’s driving ever-more demand for finance business partners: individuals with a flair for figures who can also explain them effectively, engage with all kinds of people and integrate seamlessly with other teams. Think the synths from Channel 4’s Humans but with slightly less perfect hair.

Commuting’s increasingly consigned to the history books too, as journey times that our traveller from ten years ago might have taken in their stride just aren’t cutting it for contemporary candidates. 30 minutes? Sure. 45 plus? On your bike, say many, though rarely as a genuine transport suggestion.

Which makes sense, since finance staff often have little need to be ever-present, many now working remotely as standard, one or two days per week from home, or fitting full time hours into four days rather than five.

Plentiful part-time talent

But while five days might still be the standard, this year we’ve seen a notable increase in part-time posts too, typically two or three days per week.

These have particular appeal for experienced candidates wanting more free time but not (quite) ready to hang up the calculator, and for parents – predominantly mothers, given the sector’s high proportion of female staff – returning to work.

The exceptional quantity and quality of applications we receive for such roles suggests there’s a wealth of highly-skilled talent available to charities prepared to offer part-time or job-share posts to attract these groups.

Counting on your skills

Expertise in sector-specific systems like Raiser’s Edge is still highly-prized, while advanced Excel and financial modelling skills can bring a steady stream of offers, often from smaller charities in need of fully-fledged finance professionals to make a difference from day one.

Whatever your skills, it’s worth brushing up on them as recent experience suggests they’re increasingly likely to be tested at interview stage.

Competency tests are becoming a bigger factor in finance recruitment, and it’s not just about crunching the numbers: employers may also want to assess your ability to prioritise, for example, or to interpret complex data in a way that less mathematically-minded colleagues can readily understand.

Figures from the 2019 Charity Sector Salary Report, from the specialists at Harris Hill and CharityJob

	small charities < 50	mid-sized charities 51 - 500	large charities 501+
Assistant	£21,000 - £25,000	£22,000 - £26,000	£22,000 - £26,000
Officer	£23,000 - £28,000	£24,000 - £28,500	£26,500 - £35,000
Fin/Mgmt Accountant	£32,000 - £40,000	£34,500 - £43,000	£36,000 - £45,000
Manager	£37,000 - £43,000	£37,500 - £44,500	£38,000 - £49,000
Finance Business Partner	£40,000 - £46,000	£42,000 - £48,000	£43,000 - £50,000
Controller	£44,000 - £50,000	£47,000 - £52,000	£50,000 - £55,000
Head of	£45,000 - £53,000	£46,000 - £56,000	£50,000 - £70,000
Director	£52,000 - £67,000	£53,000 - £68,500	£56,000 - £85,000

Data derived from 45,000+ charity vacancies 1 April 2018 – 31 March 2019, handled by Harris Hill and/or advertised with Charity Job.



Don't miss essential Gift Aid and VAT updates – early bird now on!

TAX CONFERENCE BIRMINGHAM AND NEWCASTLE

Date: Thursday 26 September and Wednesday 9 October

Time: 09:00 – 16:40

Location: Hays Birmingham, 3rd floor, 1 Colmore Square, Birmingham B4 6HQ and Brewin Dolphin Newcastle, Time Central, 32 Gallowgate, Newcastle upon Tyne NE1 4SR

Price: CFG members £109 / Non-members £139

Full programme and bookings: cfg.org.uk/TaxBirm and cfg.org.uk/TaxNew

For many charities, raising income through trading activities and Gift Aid has become an increasingly important source of revenue. However, there are certain restrictions that can apply and charities need to be aware of what they can and can't claim depending on the nature and level of activity.

The conference will offer updates for those already working with VAT and Gift Aid,

offering tips for optimising income, as well as those new to it, walking you through the benefits, registering and administration of VAT and Gift Aid schemes.

The programme for the day includes:

- VAT and tax update
- Fundraising and memberships
- Introduction to Gift Aid
- Getting the most of available reliefs
- Record keeping
- Troubleshooting – ask the speakers
- Making the best use of your trading subsidiary
- Introduction to VAT
- Grants and contracts
- Retail Gift Aid
- Making Tax Digital – a case study

Don't miss early bird for only £109 at cfg.org.uk/TaxBirm and cfg.org.uk/TaxNew

This conference is kindly hosted by Hays and Brewin Dolphin.



Early bird now open!

MAXIMISING YOUR ORGANISATION'S IMPACT

Date: Monday 23 September

Time: 10:00 – 14:30

Location: Crowe UK, St Bride's House, 10 Salisbury Square, London EC4Y 8EH

Price: Early bird for members: £99
Full cost: CFG members £119 / Non-members £152

Full programme and bookings: cfg.org.uk/maximpact19

Maximising your impact through flexible financial planning

Charities are driven to achieve the greatest impact possible, whilst at the same time, knowing they need to use their resources widely.

Finance teams hold great insights and have an integral role to play in determining what activities make the biggest impact in their organisation, and in advising how funding should be directed to these activities.

This conference will move beyond spend ratios as a measure of impact, and explore how finance teams can develop flexible finance models which will allow a more reactive allocation of resources, ensuring your charity delivers the maximum impact possible.

Speakers include:

- **Pesh Framjee**, Partner, Global Head of Non Profits, Crowe UK
- **Naziar Hashemi**, Partner, National Head of Non Profits, Crowe UK
- **Kate Lee**, CEO, CLIC Sargent
- **Mark Salway**, Director of Sustainable Finance, Cass Centre for Charity Effectiveness
- **David Ainsworth**, Sector Specialist, Charity Finance Group

Book your early bird place now at cfg.org.uk/maximpact19

Kindly hosted and partnered by Crowe.



Book your early bird now!

SOUTH WEST AND WALES CONFERENCE 2019

Date: Wednesday 27 November

Time: 09:00 – 17:00

Location: The Bristol Hotel, Prince Street, Bristol, BS1 4QF

Price: Early bird for members: £109
Non-members £169

Full programme and bookings: cfg.org.uk/SWW19

At a difficult and uncertain time for us all, we know charity finance professionals need to be one step ahead for their charity and beneficiaries. Our biggest conference in the region will bring you the regulatory and topical knowledge you need to know to be effective in your pivotal role as a charity finance professional, and build skills vital to what you do.

We have put together two streams of sessions to choose from including technical advice and updates, the very latest news from the sector, and case studies, so you can develop insights and knowledge from the important issues we face today and in the future.

The day is also a brilliant networking opportunity, allowing you to gather with your colleagues across the sector.

There will be an exhibition running throughout the day so you will have the chance to meet exhibitors working in a range of service areas and discuss your charity's needs.

Who should come along?

This event has valuable takeaways for those responsible for financial management in your charity, including financial managers, finance directors, CEOs and treasurers.

You can book one additional place on this event for just £99 – to do this, email events@cfg.org.uk with your attendee details. Book at cfg.org.uk/sww19.



OVERSEAS SPECIAL INTEREST GROUP

Date: Thursday 4 July 2019

Time: 13:00 – 17:30

Location: Crowe UK, St Bride's House, 10 Salisbury Square, London EC4Y 8EH

Price: Free event for CFG members

The theme for this special interest group meeting will be: **Preventing and detecting fraud, and improving cybersecurity.**

Fraud and cybercrime represent a real and present risk to INGOs. They divert funds away from INGO missions and pose significant reputational and compliance risks.

It is estimated that fraud costs the charity sector as a whole £2.3bn a year, and frauds are becoming more complex, more credible and less easy to prevent and detect, whether originating in the UK or in other countries.

INGOs need an effective policy, process and controls to prevent fraud and cybercrime, as well as a strong anti-fraud culture across the whole organisation. Fraud response policies and procedures are also required for immediate, effective and focused action when fraud or cybercrime is suspected or detected.

We will consider the trends in fraud and cybercrime and explore how policy, process and culture can be developed to improve the prevention and detection of fraud and cybercrime. We will also consider how to respond effectively when fraud or attempted fraud is detected.

We will hear from:

- **Richard Evans**, Partner in Crowe UK's risk and assurance practice for non-profits, on the emerging trends and developments in fraud and cybercrime affecting our sector
- **Pascale Nicholls**, Head of Central Finance at Amnesty International, on developing and implementing Amnesty's fraud resilience strategy, and dealing with fraud
- **Amnesty International**, on its approach to improving its cybersecurity

Book your free place at cfg.org.uk/OSSIGJUL19



Last Chance to Book!

NORTHERN CONFERENCE 2019

Date: Thursday 27 June 2019

Time: 09:15 – 16:55

Location: Manchester Hall, 36 Bridge Street, Manchester M3 3BT

Price: Full cost: CFG members £139 / Non-members £169 – book additional places for only £99

Full programme and bookings: cfg.org.uk/northern19

Building greatness from challenging times

With Brexit a feature of uncertainty in the landscape, it's crucial for charity financial managers to possess the latest knowledge to maintain a robust role, and to keep growing and developing strategies at a challenging time. CFG's Northern Conference 2019 offers a brilliant line-up of speakers, taking you through the latest essential updates in charity finance, regulatory changes you need to know, and strategic inspiration to implement in your charity.

It's also a great opportunity to gather with peers in the sector and share experiences and challenges with others.

The programme for the day includes:

- Influencing and negotiation skills workshop
- The challenges of reporting – How to build public trust through reporting
- Understanding your income and funding base
- Tax and VAT update
- Full cost recovery – learn new approaches
- Cyber security – mitigate against risks
- Digital on a budget
- Measuring fundraising success in your charity

Who should come along?

This event is open to members and non-members and will have valuable takeaways for those responsible for financial management, including financial managers, finance directors, CEOs and treasurers.

Book now at www.cfg.org.uk/northern19

UPCOMING TRAINING

If you have any questions on upcoming training, get in touch with Natalie Keppler at natalie.keppler@cfg.org.uk

Natalie Keppler,
Training and Content
Manager, Charity
Finance Group



CFG’s programme of training enables finance professionals in the charity sector to develop leadership and financial management skills, develop your understanding of topical finance issues, network and share knowledge with peers, and can also count towards your CPD.

Foundation Charity Finance
Wednesday 18 September 2019, Manchester
This popular one day introductory course is aimed at people who are comfortable with finance matters, and concentrates on what is different in the world of charity finance. The main sessions focus on accounting under the SORP and direct tax and VAT regimes. Other topics include the annual report, audit, fraud, investments and charity sector financials. This is predominately a taught day but with time for questions and discussion throughout. Charity participants will find it helpful to bring their annual report and accounts with them.
In association with BDO, Saffery Champness and MHA Macintyre Hudson.

Advanced Charity Finance
Tuesday 12 November 2019, London
Wednesday 2 October 2019, Manchester
Tuesday 8 October 2019, Birmingham
Wednesday 23 October 2019, Bristol
This training will examine some of the more complex areas of charity finance. By using case studies and participating in group work, you will review how to use accounts effectively and consider the key risks which surround tax and VAT.
In association with BDO, Saffery Champness and MHA Macintyre Hudson.

Foundation Investment Training
Wednesday 27 November 2019, London
This intensive half-day seminar is designed to give participants a thorough understanding of the fundamental principles of charity investment, as well as their responsibilities as finance manager or trustees. We aim to

provide attendees with an outline of charity finance, their obligations within this and how to make responsible decisions regarding charity investments.
In association with Sarasin & Partners

Advanced Investment Training
Wednesday 19 June and Wednesday 2 October – London
This training is a complementary addition to our Foundation Investment Training, and is suitable for professionals with responsibility for investments, and for those who need to develop a greater understanding of the management of their funds.
In association with Sarasin & Partners

Finance for Non-Finance Managers
Monday 11 November 2019 – London
This course will explain charity finance for those from a non-financial background. By the end of the day, participants will have more understanding and greater confidence when working with budgets and accounts.
In association with RSM.

Audit Committee
Wednesday 6 November 2019 – London
This course introduces the main functions of audit committees and discusses their role in charities. It is a combination of presented material and discussion time, exploring; the role and composition of an audit committee, guidance from the charity regulators and other sectors, key issues – assurance, risk and reporting, and a look at the effective audit committee.
In association with BDO.

For our full training calendar and to book visit cfg.org.uk/training

Events at a glance

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

Conferences Northern Conference Thursday 27 June 2019 Manchester Maximising your organisation's impact Monday 23 September 2019 London Tax Conference – Birmingham Thursday 26 September 2019 Birmingham	Tax Conference – Newcastle Wednesday 9 October 2019 Newcastle South-west and Wales Conference Wednesday 27 November 2019 Bristol Members' meetings LONDON AND SOUTH EAST Thursday 11 July 2019 London	MIDLANDS Thursday 12 September 2019 Birmingham SOUTH-WEST AND WALES Wednesday 11 September 2019 Cardiff Special Interest Groups Finance in Grantmaking (FIGSIG) Wednesday 19 June 2019 London	Overseas Special Interest Group (OSSIG) Thursday 4 July 2019 London Training Foundation Investment Training – London Wednesday 10 July Wednesday 27 November Advanced Investment Training – London Wednesday 19 June Wednesday 2 October	Foundation Charity Finance Wednesday 9 October London Wednesday 18 September Manchester Advanced Charity Finance Monday 17 June and Tuesday 12 November – London Wednesday 2 October – Manchester Tuesday 8 October – Birmingham Wednesday 23 October – Bristol	Audit Committee Training Wednesday 6 November London Finance for Non-Finance Managers Monday 11 November London For further information and full programme information on CFG's training and events, visit cfg.org.uk/events_and_training
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FIND OUT MORE AT WWW.NETSUITE.COM/SOCIALIMPACT

A SHINING LIGHT FOR CHARITY INVESTMENTS



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The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations, you may not get back the amount originally invested. Past performance should not be seen as a guide to future performance. If you are unsure which investment is most suited for you, the advice of a qualified financial adviser should be sought. EdenTree Investment Management Limited (EdenTree) Reg. No. 2519319. Registered in England at Beaufort House, Brunswick Road, Gloucester, GL1 1JZ, United Kingdom. EdenTree is authorised and regulated by the Financial Conduct Authority and is a member of the Investment Association. Firm Reference Number 527473.