



INSPIRING  
FINANCIAL  
LEADERSHIP

# FOCUS

FINANCE

The magazine for CFG members

May 2018

## THE POWER OF PLACE

What we can  
learn from  
local charities

### ALSO THIS MONTH:

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PROTECT YOUR CHARITY  
AGAINST FRAUD SCAMS

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WHY MEASURING  
IMPACT IS VITAL

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TRANSFORMATION  
THROUGH LEADERSHIP

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GOVERNANCE  
CONFERENCE**Date:** Wednesday 27 June**Time:** 09:30 – 16:30**Location:** Rathbones Investment Management,  
8 Finsbury Circus, London, EC2M 7AZ**Early bird:** CFG members £99**Full Cost:** CFG members £119/Non-member £152Full programme & bookings:  
[cfg.org.uk/governance18](http://cfg.org.uk/governance18)

**The charity sector continues to suffer repeated failures in governance, as highlighted in recent media reports. It is more important than ever that senior managers and trustees ensure they understand their responsibilities and are following best practice, particularly around their fiduciary duties.**

Our Governance Conference will provide trustees and charity staff with insights into steps they can take to ensure their organisation is demonstrating good governance, and that their reporting structures are robust and effective.

**Conference sessions for the day:**

- Introduction to the Charity Commission and Companies House
- Managing a trading company
- Policies and legal responsibilities
- Finance and audit committees
- Communicating financial information
- Dealing with problems within the board

**Who should attend?**

Finance managers and finance directors who are stepping in to the role of the company secretary, chief executives who want to refresh their knowledge of internal governance, and trustees who want to understand the responsibility of the company secretary and finance directors.

See the full programme and secure your place at [cfg.org.uk/governance18](http://cfg.org.uk/governance18)

## EDITOR'S NOTE

## Hit the (rural and urban) North

**Yes, I know it doesn't have the same ring to it and apologies to the late, great Mark E Smith, but is it about time we started to think about regions differently?**

At CFG, members are broadly organised by regions (London and the South East, South West and Wales, Midlands and North)\*, but is this helpful in reflecting the shared characteristics and challenges of charities? A better way to think about it says Mike Wild, CEO of Manchester's VSCE, Macc, is to consider the balance between rural and urban. In a prelude to his plenary at CFG's Conference in Manchester on 4 July, Mike argues that the state of the sector in the North is the same as the state of the sector in any other part of the country and that London is the outlier. Read his full article on page 8.

One thing we do all have in common is management accounts. At CFG HQ, we've changed our approach to management accounts, to devolve responsibility to the people who are at the frontline of income generation and procurement, break down operational silos between directorates and to move away from top-down budget setting and forecasting. Following their popular session in Birmingham in February, Dawn McNish, CFG's Director of Business Development and Martin Hubbard, Director of Finance will be co-presenting in Manchester. On page 9, Dawn explains why change was needed.

May's Mental Health Awareness Week throws the spotlight on stress and wellbeing, and we're pleased that the campaign's organisers, Mental Health Foundation is our Member of the Month (page 4). In her column on page 10, Caron Bradshaw explores the connection between leadership and emotional factors. How things are done is equally as important as achieving quality outputs, and, when we choose to be leaders, we take on the responsibility of the wellbeing of others.

Talking of wellbeing, does anyone (else) have GDPR fatigue? There's certainly a great deal of advice out there vying for your attention. In case you missed it, CFG's guide (free download from [cfg.org.uk](http://cfg.org.uk)) received a glowing accolade in Guardian Society: 'The best free guide I've found... comprehensive and comprehensible, and encourages you to look at the processes of the whole organisation through the lens of GDPR, not just fundraising and marketing.' Back to this month's Finance Focus, Karen Dyson from charity WHAG shares her experience of preparing for GDPR, and outlines the steps they took to address the challenges [page 11].

Our counter-fraud campaign is still going strong – 120 charities have now taken the pledge to tackle fraud. On page 12, David Kearney from Lloyds Bank looks at the latest trends in charity fraud and how you can mitigate against them.

It's annual report season for many of us, and with it comes that perennial question 'how do you effectively measure impact'. Grant Thornton's Carol Rudge looks at how a more complex funding landscape requires more insightful impact measurement and evaluation. Read more on page 15.

Finally, back to our conference in Manchester, where one of the sessions will focus on pensions. Speaker, David Davison from Spence and Partners (on page 14) unpicks the DWP's commitment to revise Section 75, following last year's consultation with the sector.

\*Any suggestions or feedback on this, or any of the issues we've covered in Finance Focus (or indeed Finance Focus itself) are very welcome, so please get in touch!

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



## Contents

**What's the big issue?** 07

CFG works with the government on banking access for charities.

**Cover story:**  
**The power of place** 08

Mike Wild, Chief Executive of Macc discusses the national picture of the voluntary, community and social enterprise sector.

**Accounting Focus** 09

Dawn McNish of CFG shares a new approach to management accounts.

**Caron's Comment** 10

Caron Bradshaw talks about her leadership journey so far.

**GDPR Focus** 11

The long-anticipated month of GDPR has finally arrived. Karen Dyson, Policy and Communications Manager at WHAG, shares the challenges they faced in getting GDPR-ready.

**Technical Focus** 12

Fraud scams are an increasing threat in the charity sector. David Kearney of Lloyds Bank Charity team tells us how to protect against them.

**Pension Focus** 14

David Davison shares his views on the Section 75 Regulation changes and their impact on charity sector pensions.

**Impact Focus** 15

Grant Thornton's Carol Rudge tells us why it's so important now more than ever for charities to measure their impact.

**CFG Events** 16

Gift Aid Bristol, Innovating for Success, Governance, Impact and Productivity, Northern Conference and more.

**Production and editing:** Holly Noonan,  
Marketing & Communications Manager  
**Design:** Steers McGillan Eves

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

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15-18 White Lion Street,  
London, N1 9PG  
[www.cfg.org.uk](http://www.cfg.org.uk)



# Organisation of the month



New member Mental Health Foundation has a vision for good mental health for all, and a mission to help people understand, protect and sustain their mental health. Each year they run their Mental Health Awareness Week campaign in May, and in 2018 this will be focused on stress. Peter Davies, Director of Finance and Resources, talks to us about their work. We are delighted to welcome them as our organisation of the month.

**What is your organisation's biggest achievement?**  
Three years ago MHF initiated a new campaign stating that we need a revolution in thinking about mental health to tilt the focus towards prevention. This message is now gaining widespread traction and our work to review the evidence on prevention is now being cited as the sources of guidance by national and local government. We are advising city administrations who are actively taking up public mental health strategies – in the UK and increasingly internationally. In this, MHF is transforming mental health by building an understanding across society that mental health is our greatest resource and creating innovative ways for us to work together to protect it.

**What is the largest source of support your organisation has gained from CFG membership?**  
Our CFG membership provides a number of benefits to our team, ranging from continuing professional development opportunities for finance staff, through to briefing and publications on technical charity finance issues, and campaigning on behalf of the sector.

**What have been the biggest changes to the charity sector since you started working in it?**  
One the things that constantly strikes me is the variety in the sector, so different issues impact different charities in very different ways. However, overall, I think the biggest change has been the increased professionalism.

**What is the biggest issue facing your sector right now?**  
MHF runs Mental Health Awareness Week and this year we're focusing on "stress" from 14-20 May. Research has shown that two thirds of us experience a mental health problem in our lifetimes, and stress is a key factor in this. Therefore if, as a society, we can address some of the causes of stress, we can go a long way to tackle mental health problems such as anxiety and depression, and, in some instances, self-harm and suicide.

**If the government could change one thing that would make your charity's life easier, what would it be?**  
We are encouraged by the increased focus on mental health across all areas of society including central government. However mental health still receives massively less funding than physical health and much of the funding for mental health is still focused on dealing with mental ill-health rather than on prevention and wellbeing. We would like to see increased investment and effort in preventing mental ill-health, particularly building this in to education.

**What positive changes has your organisation seen in your sector?**  
Now is an exciting time to be working in mental health. The subject has never been higher in the public consciousness and, as a society we have a chance to make a lasting difference for our and future generations' mental health.

**What is the one piece of technology your organisation couldn't do without?**  
Something we're particularly proud of is our online mindfulness course [www.bemindfulonline.com](http://www.bemindfulonline.com) which is available to anyone with an internet connection at a reasonable price with a free taster session.

For more on Mental Health Foundation and the Mental Health Awareness Week campaign, visit [www.mentalhealth.org.uk](http://www.mentalhealth.org.uk)

The latest updates for CFG members plus opportunities to contribute to CFG's policy work.

# Introducing your new Customer and Member Support team

Left to right:  
Jessica Meddick,  
Zoe Bennett,  
Matt Dowding,  
Charity Finance Group



You, our members, are the very reason why CFG exists, and our priority is to make sure that you are getting the maximum possible value from your membership at all times.

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Many of you will know that we're in the process of developing new systems that will deliver a better online member experience. Alongside this, we have reorganised our membership team to deliver more tailored support and provide a better service for members.

**Answering your day-to-day enquiries**  
Our three customer and member support officers will be the first point of contact for any day-to-day enquiries and problems you have, whether that's a booking enquiry, help with updating organisational or personal details, adding new contacts, or if you have an enquiry on any of the topics we cover.

**Listening to what you need from us**  
Behind the scenes, they will also be member ambassadors, with a focus on the continual improvement of the service you get from CFG, and making sure that you get everything you need from us. They'll be keen to hear your views on how we can improve our member offer, build a programme of training and events that really makes a difference to the work you and your team does, and make sure you're in the loop with what's relevant to you and your charity.

Whether you're a new member or have been with us for a year, five years, or maybe even longer, the team will be on hand to discuss your needs – we won't sell to you, but will check that we are doing everything we can to support you and your organisation. If there's a gap in our provision, we will make sure that we act on it.

**Building a better member experience that's right for you**  
One size never fits all and your relationship with CFG will evolve, depending on where you are in your career, the needs of your charity, and the challenges you are facing at any one time, which is why we're adopting a more bespoke approach to member support.

We're here to help you access the full range of services that CFG offers: policy, events, training, resources, and expert knowledge. If you are interested in one particular topic, we can signpost you to relevant publications, help connect you with the experts, introduce you to other members with similar interests, or recommend further events, members' meetings or special interest groups.

Cut-out-and-keep contact details for CFG Customer and Member Support:

**Matt Dowding**  
020 7871 5469  
[matthew.dowding@cfg.org.uk](mailto:matthew.dowding@cfg.org.uk)

**Jessica Meddick**  
020 7871 5467  
[jessica.meddick@cfg.org.uk](mailto:jessica.meddick@cfg.org.uk)

**Zoe Bennett**  
020 7871 5468  
[zoe.bennett@cfg.org.uk](mailto:zoe.bennett@cfg.org.uk)

**What does membership support mean to the team?**  
*"Understanding our members' expectations and then exceeding them." Matt*  
*"Offering an excellent service from the first interaction, understanding what our members want most and what CFG does best and aligning them." Jessica*  
*"Making it as easy as possible for our members to access what they need from CFG, as well as connecting them with our network of expertise." Zoe*

# Voice your views

Email [policy@cfg.org.uk](mailto:policy@cfg.org.uk) to contribute to any of our policy work

**Changes in cash payments**  
The government is estimating that cash payments are going to fall across society and is considering whether changes need to be made to payment systems as a consequence. We are working with the Institute of Fundraising to promote a survey to understand the views of charities and to involve our response to the government's consultation. If you want to feed into this consultation, please contact us via email: [policy@cfg.org.uk](mailto:policy@cfg.org.uk)

**Charities and trading subsidiaries**  
The Charity Commission is currently consulting on the rules around charities and trading subsidiaries and whether there needs to be further regulation and transparency. Changes could include having greater separation between the trading subsidiary and the charity, competitive retendering for services and more transparency about payment of trustees. We are concerned that this could create significant regulatory burdens for charities and increase costs at a time when funding for the sector is already tight. If you want to feed into this consultation, please contact us via email: [policy@cfg.org.uk](mailto:policy@cfg.org.uk)

**Charity Property Matters Survey 2018**  
The charity property survey in England and Wales is run every two years by the Ethical Property Foundation. The survey is supported by the Charity Commission of England. This survey should only take around 10 minutes to complete but does require someone with a good understanding of your charity's current property portfolio. If you have any questions about the survey, please email [policy@cfg.org.uk](mailto:policy@cfg.org.uk)

**What are the biggest tax challenges facing your charity?**  
Tax is one of the core areas that we work on. We provide training, guidance, and advocacy on charity tax and it continues to be a focus of our work. We have engaged with charities across the country on tax over recent years, but we want to get a richer picture of the challenges that organisations are facing. All we want you to do in this survey is to simply tell us what the biggest tax challenges facing your charity are. Is it a lack of knowledge on a particular tax? Is it the business rates bill which is sucking up funds? Is there another tax costing your

charity money which could be better used elsewhere? Is the cost of legal advice to work out how to navigate tax? Feel free to tell us as much as little as you like! Take our short survey here: [www.surveymonkey.co.uk/r/charitytax18](http://www.surveymonkey.co.uk/r/charitytax18)



**Welcome to our new members**

Institute of International Visual Arts	Solar Aid
PohWer	Scotts Project Trust
The Whiteley Homes Trust	Children in Hope
Crossroads in Hertfordshire (North and North East)	Aura Leisure and Libraries Limited
The Ammerdown Centre	Llamau Limited
	St Francis Hospice
	St George's Hospital Charity



## New on the CFG blog

### Get back to basics and manage your revenue

Ahead of her '7 levels of revenue' session at the CFG Annual Conference in May, Joyce Materago discusses the importance of maintaining strong work relationships as the base foundation for managing revenue during a rocky period – [bit.ly/joycematerago](https://bit.ly/joycematerago)

### The key to good governance – truly understanding the business

Trustees need to make informed decisions and this means understanding their business model, Suzanne O'Brien, CXK, gives some tips on how to do this – [bit.ly/suzanneobrien](https://bit.ly/suzanneobrien)

### Concerned about new charity staff disqualification rules? Help is at hand!

There are new rules about whether people with certain criminal convictions can serve as finance managers/directors in charities. Unlock, the rehabilitation charity, explains more – [bit.ly/christopherstacey](https://bit.ly/christopherstacey)

## Research and reports



### Increase in all-white senior leadership teams finds research

Inclusive Boards has found that the number of all-white senior leadership teams has increased from 74% to 79% amongst the top 500 charities. They also found that 62% of these organisations had trustee boards which were all-white. There is a growing focus on diversity in the charity sector both through changes to the Charity Governance Code but also concerns about group thinking within charities. CFG is keen to promote diversity amongst charity finance professionals, and if you have any ideas, we would like to hear them – [policy@cfg.org.uk](mailto:policy@cfg.org.uk)

### NPC calls for more mergers within the charity sector

A report by NPC has claimed that charities see mergers as a sign of failure and says that more should be done to encourage mergers in the charity sector. The report identified a number of barriers to mergers and has said that charity boards are not considering the full range of options at their disposal to create partnerships and alliances with other charities. This could lead to greater impact and cost savings, says the report. The report wants charities to consider mergers and the full range of activities every year and for the Charity Commission to monitor annual reports to see whether this is being carried out.

## Guidance and support

### Ecclesiastical publishes Cyber Security Guide for Charities

Charity specialist insurance provider Ecclesiastical has produced a new Cyber Security Guide for Charities which takes the latest information from the ICO and National Cyber Security Centre and provides support for charities on how to implement it. The guide considers a range of cyber-attacks that charities can experience and then gives advice on how best to combat against these risks. All charities have noted a rise in cyber-crime over recent years and this guide will help organisations large and small to prepare against the most common forms of cyber-attack.

### Free GDPR training for CFG members

Corporate supporter Quilter Cheviot has given CFG members free access to a GDPR e-learning tool which can help charities to understand the rules and get the organisation ready for implementing the new rules by the end of May. The tool is online and so can be taken by a range of staff, volunteers and trustees. After completing the tool, staff can get a certificate which they can use to evidence taking part in the training. As part of the GDPR, one of the biggest changes is evidencing the steps that organisations have taken to inform staff and keep them up to date with the new rules. This new e-learning tool will be very useful to CFG members in demonstrating this requirement. For more information, visit the site [bit.ly/QClearning](https://bit.ly/QClearning) and module [bit.ly/QClearningmodule](https://bit.ly/QClearningmodule)

## What's the big issue?

Turning back years of tough rhetoric will take the government a long time

Over recent months, CFG has been working positively with the UK government on the issue of banking access for UK charities. Following the reduction in the risk assessment for UK charities from medium-high to low, the government has been hoping that banks will look again at their risk policies and find ways to keep bank accounts open for charities. As many members will be aware, maintaining banking access has been a challenge for many charities including those which are based purely in the UK.

Despite the change in the National Risk Assessment, banks are still cautious to make any movements on charities. In part this can be explained by the fact that banks remain concerned about what action may be taken by the United States if things go wrong. Norwegian People's Aid has had to pay a £2m settlement to the United States for apparent breaches in sanctions in its work. While this is an isolated case, banks' risk committees will highlight on these hard cases.

Another barrier is the fact that banks are global businesses, and they set rules on a global basis. Changes in one country may not be reflected in policy changes because it is uneconomical to set a policy in one country and keep the old policy in other places. This is despite global standard setters such as the Financial Action Task Force which has been increasingly calling for countries to put in place bespoke and proportionate measures on a country-by-country basis.

All that being said, another key barrier is a psychological one. Over many years the UK government and the Charity Commission has talked tough on charities. It has suited them from time to time to be seen to be speak critically of charities to demonstrate their desire to combat terrorism and criminal activity both at home and globally. No one wants to see charity resources abused by terrorists or criminals, but there is a difference between diversion due to a desire to help these individuals and diversion caused by fraud, accident or events beyond the charity's control.

This has encouraged banks to see charities as "weak links" in the chain of defence against criminal activity. This is despite many charities doing more through their policies and procedures to combat criminal activities than their counterparts

in the private sector. Although companies are concerned about loss because this hits the bottom line, charities are concerned because they know that every pound that is stolen or misused is a pound taken away from beneficiaries. It isn't that charities don't want to be tough, it is that talking tough doesn't change the situation on the ground particularly in places such as Syria, Yemen or Palestine.

This rhetoric is also becoming counterproductive in terms of the government's own policy making. We know the attacks in the media on the 0.7% aid target, many of this driven by stories of perceived "weakness" in the charity sector when working in fragile environments. The government is finding it increasingly hard to defend this policy because of its previous indulgence.

In practical terms, the UK government is now also finding it harder to deliver on the huge promises of aid in places such as Syria. Over £1bn has been promised, but charities are finding it hard to deliver this support because banks are concerned about the risks. Now the government is trying to row back, but the ghosts of previous government ministers are hard to dispel. There is also a fundamental contradiction which is yet to be resolved. The government says, understandably, that it has a "zero tolerance" approach to losses to terrorists and criminals. But working in the real world means that losses will always happen, even with the best policies and procedures. The real question is what level of risk and loss is acceptable. As long as banks think that there is no room for error, we cannot be surprised that they want to avoid working with charities.

CFG is doing its part by engaging with the banks and encouraging government to be more positive in its language on the sector. We are also asking the government to do more to clarify the law around sanctions, so that it is clear that humanitarian, peacebuilding, reconstruction and development activities are welcomed. This is going to be a long process and results will not happen overnight. But we appear to have turned a corner and in the years ahead, the past few months may turn out to have been significant in the work of the NGO sector.

## Policy progress

### CFG meets with Charity Commission on connected non-charities guidance

Charity Finance Group attended a roundtable with the Association of Charitable Foundations, Charity Retail Association and Independent Schools Council to raise concerns about the new guidance on connected non-charities. This guidance could produce significant burdens for charities which have wholly-owned trading subsidiaries. It could also impact charities which are attached to larger businesses as a corporate foundation or have investments in joint-ventures. CFG will continue to engage with members on this process and welcome contributions from any charity that may be impacted.

### CFG speaks at Financial Action Task Force on terrorist financing risks facing charities

CFG was invited to speak by the Financial Action Task Force to provide guidance on how to engage with NGOs on terrorist financing and money laundering risks. This follows the successful revision of the most recent UK National Risk Assessment, which CFG was heavily involved in. This reduced the risk rating for charities from "medium-high" to "low" risks overall, with charities working in high-risk jurisdictions having higher risks. CFG called on governments to have more regular engagement with NGOs and to do more to take into account the existing regulatory protections. CFG also raised concerns that changes to risk assessments were not being implemented by banks and that more work needed to be done.

### CFG briefs Parliament on how to improve Sanctions Bill

CFG has provided a briefing for MPs on how to improve the Sanctions and Anti-Money Laundering Bill so that it gives more certainty that humanitarian, peacebuilding, reconstruction and development support can carry on even when there are sanctions in place. This is not only in line with international law but also the government's own stated policy. So far, the government has been open to changes after the Bill has passed but has refused to commit them on paper. CFG is working closely with BOND and other charities to push Parliament to pass amendments to the Bill to guarantee that the government honours its commitments. Not only will this give certainty to NGOs, but it will also give comfort to banks and hopefully support the maintenance of banking services.



# The power of place

## What we can learn from local charities



Mike Wild,  
Chief Executive,  
Macc

Ahead of giving the opening plenary at our Northern Conference in July, Mike Wild, Chief Executive of Macc discusses his views of the present and future landscape of the voluntary, community and social enterprise sector.

I seldom talk about ‘the North’ as it triggers so many assumptions. Alternatively, I could focus on the economies of northern cities and their rural hinterlands or the changing demographics of an area which includes roughly a quarter of the population of the UK, but it becomes difficult to avoid framing it around how the North is “not London and the South East”. That’s how our national discourse about places works, and the same would be true for Wales, Scotland, the South West and the Midlands.

Obviously it’s grossly oversimplistic; there is ‘Local London’ where real people live and ‘Big London’ a more conceptual space where businesses, banks and government departments operate. The reality for me is that any analysis of the state of our sector in a place, (no matter which geography you use) is going to be primarily about the balance of urban and rural both of which are totally different from ‘Big London’. London is the outlier not the norm, a fact we often overlook. The whole devolution agenda is about recognising that so much of our economy, power, influence, media and democracy is overcentralized.

The state of the voluntary, community and social enterprise sector across the North is basically the same as the local picture practically anywhere else in the country. Most of our organisations are small and local and are essentially the community organising itself into groups to undertake socially useful work. Our sector metrics are equally familiar. Most income for the area is concentrated in a relatively small number of national charities (via London), a paid workforce alongside a much larger voluntary one and so on. I think we fall short in our sector metrics; we are inclined to report rising income and a growing staff team as indicators of health but without the context of demand, let alone impact, these figures are fairly meaningless. The paid sector workforce in the North is, according to IPPR North, around 0.25million full time equivalent. Who knows if that is the number we need for this place? Who knows how to answer such a question?

Our own studies in the city of Manchester, alongside colleagues from the other Greater Manchester boroughs, are a perfect paddling duck metaphor: huge extra effort going on beneath the surface to keep moving forward. A highly

entrepreneurial sector is doing all it can to keep the doors open as demand continues to increase. Our local organisations are trying to meet that demand with the barest of means. I worry how long we can keep going at this level of effort. Although the “credit crunch” recession was ten years ago, it still feels very much in the here and now to a lot of us after years of austerity. Our work has unquestionably got harder. The impacts of policies such as welfare reform, NHS funding, cuts to Local Authority budgets and the general stagnation of wages has meant that, a decade on, while we have managed to protect much frontline delivery, we have been forced to strip out what little room there was for organisation development, workforce development, strategic conversations, collective exploration and the social pioneer role the sector has historically played. We must find ways to reinvest effort and resources into our pioneership. I would strongly urge funders to ensure they rebuild this capacity in organisations they fund – it is not overheads or administration, it is part of the social leadership of our sector.



*I would like to see greater exploration of community led approaches which harness the iterative power of many smaller organisations acting collectively.*

We need that capacity because I think the key opportunity ahead of us is for a rethink of our sector’s role in places. To have healthy thriving places, we need local organisations to act in the round; to see the impact of public health on the local economy, to think about building shared wealth and modelling what Kate Raworth calls “the safe and just space for humanity”: inclusive and sustainable economies. Our sector will need to up its game digitally. It’s easy to make a lot of digital noise but simply accelerating old ways of operating misses the point – and we need to be wary of shiny innovation. I have seen so many tech innovations which are exciting models but rarely rooted in communities. Digital enables completely new forms of collaboration; for example, I would like to see exploration by national organisations of how to work better with locally grown charities in more creative ways than just the subcontractor supply chain. Again, I think funders can help pull-and-push on this.

## A new approach to management accounts



Dawn McNish,  
Director of Business  
Development and  
Events, Charity  
Finance Group

Dawn McNish will be speaking at CFG’s Northern Conference in July, sharing how CFG have transformed their approach to producing management accounts.

If you’re reading this and planning to attend the CFG conference in Manchester, I want to reassure you that I won’t be delivering the session on management accounts alone. Our very own finance expert Martin Hubbard will be joining me, phew. Relief all round!

So why am I doing this? Because changing the way we produce management accounts and devolving budget responsibility is as much about the systems and processes as the people, they can both make or break it bringing a rather different set of challenges.

Let’s go back to why we changed in the first place. I’m sure this may sound familiar to many of you – we were bottom heavy when it came to our financial processes. The in-depth knowledge of the budget prep sat with a few, and approval was required for even small amounts of expenditure. The result was a lack of understanding and ownership across the organisation and disconnect between those doing and those deciding. It also created an absence of detail and unwanted surprises at year end, which is never a good thing.

Often it felt like things were imposed on staff rather than being a part of the process, this was somewhat at odds with what we as a charity were trying to achieve. I might be stating the obvious but if people aren’t involved from the outset they tend to be less engaged and committed to the outcome, how can I be held responsible for something I had no choice in? This isn’t about blame but being accountable in a positive sense, with great power comes great

responsibility which isn’t a stick to beat people with but an opportunity to grow, develop and make real change in your role whatever that may be.

By devolving responsibility to the most appropriate member of the team we now have a wider pool of staff involved and greater knowledge of each specific function. Clearly this has pros and cons and we have learned many lessons on how to improve processes going forward. More people require more time, better planning and training to support staff through the process. It also means that more ideas are brought to the table, a deeper understanding of the day-to-day functions is mobilised. It creates opportunities for true cross-team collaboration and transparency at the outset but also during monthly forecast where we test those best guesses and assumptions made at the beginning of the year.

My team has the pleasure and challenge of generating income for CFG, through events, training, charity and corporate membership, sponsorship and advertising and so on. Within all of that there are multiple budgets crossing various activities and teams. Although I may be ultimately responsible for the directorate each budget holder has the ability to use their day to day experience to shape the way that we as an organisation work.

The challenges faced include varying appetites to risk and ambition, and whenever income is involved there is bound to be fear. Fear of spending, fear of not spending – fear of not achieving. Ensuring that staff feels supported whilst taking on greater responsibility is key and remembering why we do this. This is about having the most accurate picture to enable us to take the appropriate actions, hearing from the right people and enabling them to act on what they know. The culture of the organisation plays a huge role in how successful a change like this can be, if you say it live it or no one will believe that you mean it.

For us it has been an interesting journey, we still have more to learn and as ever we will continue to share our experiences with our members.

CFG’s Northern Conference will cover two streams of essential content, offering a regional view and vital industry and technical tips. Book now at [cfg.org.uk/manchester18](http://cfg.org.uk/manchester18).



# Transformation through leadership



## Caron shares her views of the transformative effects of leadership and her own leadership journey so far.

I had the privilege of recently speaking on the last of the current round of the Inspiring Financial Leadership course we run in partnership with CASS and Sayer Vincent. It is clear to me that honing our leadership skills can have a transformational effect. Conversely failing to nurture good leadership behaviours and skills can undermine even the best of employees!

I am not an academic expert on leadership of itself. However I have strong views about what good leadership is. To me leadership is a term, much like 'strategy', that is misused and misunderstood. Being a leader isn't about being the CEO (or other senior title), hierarchy, control or having all the answers. Yet leaders can have a hard time breaking out of the traditional concepts of leadership and embracing a different approach. Some of that pressure comes from measuring success solely on outputs and results rather than how they are achieved. Whilst quality outputs are essential how something is done will not only say a lot about an organisation, its values and purpose it can, if mishandled, directly undermine effectiveness and sustainability.

My leadership journey has its roots in my childhood but its branches are very much in the choices I have made and influence of good people I have been lucky enough to

come across as an adult. From a very early age my social conscience was nurtured. My parents led by example, they taught me to give freely and not in expectation of reward or return. They taught me to trust but to be wise (and not to be exploited). They taught me to reuse, to recycle and repurpose – to minimise my footprint on the planet, to strive to give more than I took in everything – especially relationships.

For me leadership is all about the positive power of relationships. My father, for example, was a brilliant salesman. He was unconventional – happily telling customers that someone else's product was better or cheaper. He frequently topped the sales list and repeatedly turned down promotions to become a manager because he recognised his skills were not in managing others. He was comfortable in his skin; he knew what he was good at and stuck to it. But he was most definitely a leader. I learnt from him that you shouldn't have to push something if your relationships are established. If you believe in something, can express that belief and have built a platform of respect and trust, people will buy into what you have to offer.

To me leading is about emotional and personal factors like love, vulnerability

and authenticity. It's about valuing your colleagues and bringing the best out of them. It's about helping them unlock something inside them that maybe they didn't know was there. It's about passion, purpose and vision and also humility, humour and fun.

In every relationship I have made I have learnt something new which changes me as a leader. For example, meeting Belina Raffy (CEO at Maffick, who will be speaking at the CFG Annual Conference in May) – an applied improviser. She gave me belief that my innate desires to play more whilst working, to exercise freedom within structure so I can adapt and flex and be responsive and to operate a 'yes and...' approach to communication (where you seek to find value in someone else's contribution and build on what they have offered) were worth pursuing. This was the perfect antidote to the messaging I was getting at the time that I needed to be more serious and less playful, to model myself on female leaders quite unlike me. That is not to say that others' approaches were inferior or invalid just that these approaches were not me.

This leads me onto Brene Brown, an American academic, who has researched and written a lot about vulnerability and authenticity. What she has to say really strikes a chord with me. She says that authenticity means cultivating the courage to be emotionally honest, to set boundaries and allow ourselves to be vulnerable. Authenticity demands, she says, wholehearted 'living and loving'. I wonder how many of you are comfortable talking about love and feelings in the context of work? But for me when I stopped believing my emotions were a burden I started to flourish.

There is much debate about whether you are born a leader or whether anyone can be taught to lead. I think it's more a case of some people definitely were not born to lead, the rest of us have some innate qualities and pick up skills along the way! There are probably key things that come from our genetics, upbringing and childhood experiences. These can certainly set the tone but they do not fix who we are if we are prepared to be open and learn. As adults we have choice and responsibility. In my view, when we choose to be leaders, we take on the responsibility for others' wellbeing and we should approach that role with happiness, joy and preparedness to invest time.

I am a passionate and emotional person, I feel deeply, I connect and empathise; I am naturally open and I like to seek out the best in people. Being in tune with your emotions and those of others is a powerful tool in leadership. My greatest lesson; leaders can be emotional and professional – it shows they are human.

## The challenges of preparing for GDPR – a case study by WHAG



**WHAG is a charity in the north-west which provides housing and support to homeless women, and for those experiencing domestic abuse. Karen Dyson shares the key challenges she and the organisation faced in preparing for the GDPR and what steps they took to overcome them.**

WHAG started life as Women's Housing Action Group in 1981, tackling the lack of housing options for vulnerable women in Rochdale. Since then we've expanded our work across the north west of England, and our services include domestic abuse support for women and men, refuges and supported accommodation. We became WHAG in 2017 to reflect these changes, and have been developing the WHAG brand with a new logo, a new website and a business plan focusing on our key services.

Last year, we created a Policy and Development Manager post, as one of the risks we had identified was the need to review all our policies making sure they reflect current legislation and good practice. This included data protection, and the new manager (me!) was tasked with getting WHAG ready for the GDPR.

WHAG is a medium-sized charity. Our income comes from contracts, housing benefit, grants and donations. Like many charities, we run our service with a mixture of paid staff, agency workers, volunteers and students. We don't run large public fundraising campaigns at present (although we may want to in the future) and most of our communication with our supporters is via email – newsletters. Our workers have a good understanding of data protection and its importance, although it tends to be framed as 'confidentiality', protecting information about our clients and making sure their details are only passed on with their consent. Client records and case notes are recorded on a central database which has greatly reduced the amount of paper records we keep. We use CCTV but on a system that over-records every seven days unless there is an incident where

the recording is needed as evidence. We have signage to that effect, and information is included in our tenants' handbooks.

So far, so straightforward.

Nevertheless, getting ready for GDPR has provided us with challenges. Most of these have been around streamlining our approach to data protection, making sure it is dealt with consistently across the organisation and being able to show evidence that data protection has been considered at governance level and not just operationally.

*Most of the challenges have been around streamlining our approach to data protection, making sure it is dealt with consistently across the organisation and being able to show evidence that data protection has been considered at governance level and not just operationally.*

Fortunately there has been some excellent guidance produced for charities, and a document we found particularly helpful was the 12 Steps to Compliance flowchart produced by Bircham Dyson Bell.

The first step we took was an initial review of our data protection position, and a report to the trustee board detailing the issues that this had raised and the proposed action.

This included:

- Carrying out an audit to identify all the sources of personal data in the organisation, how and where they are held, who is responsible for managing them, retention periods and how they will be dealt with at the end of this period. This was done via a spreadsheet that was circulated to all managers for them to add project-specific information. There is now a master version that is reviewed every 6 months or when there is a change such as a new project.
- The need for a more comprehensive privacy statement, and that it should be made available via our website.
- Addressing some gaps in practice, particularly around obtaining consent from clients who we only work with over the telephone. We have developed a brief 'consent script' for telephone work, which tells people we will record and store their information, explicitly asks for their consent to do this and refers them to the privacy statement for further information.
- The need to address the amount of client data from pre-database days which was stored in project folders or individual staff folders on the central server. This was dealt with by carrying out an information audit, producing a report for each manager and a procedure for dealing with the information – delete it if no longer needed, put it on the database if the client is still current, or archive with a deletion date.
- Improving people's understanding of what constitutes 'data' so they realise that a signing out sheet with a client's address or a handover note for the night staff can be data and has to be dealt with accordingly.

Training has been provided for all staff, data protection issues are now included as part of supervision along with spot checks to make sure staff aren't creating their own data sources outside the central management systems. There have also been regular progress reports to the Board.

It's fair to say that most of these things are things we should have been (and were) doing already, but GDPR has been positive for us because it has been an opportunity to streamline and improve these practices and demonstrate that they are working well.

To find out more about WHAG and the work that they do visit [www.whag.info](http://www.whag.info)



# Protecting your charity against fraud scams



**David Kearney,**  
Relationship Director, Lloyds  
Bank London Charity team



**Fraud is estimated to cost the charity sector over £2bn every year. David Kearney discusses what the current fraud scams targeting charities are – and best practice measures to take right now to minimise risk.**

Charitable organisations are no different from those in other mainstream business sectors, in that they need to maintain a high level of vigilance in order to spot fraudsters who continue to develop new, increasingly sophisticated tactics to steal their funds. This is particularly the case with cyber fraud attacks where criminals can easily hide their identity from unsuspecting victims. Ransomware and cyber extortion are both relatively recent types of fraud seen targeting the charity sector.

## Ransomware

This is a type of malicious software (malware) that severely restricts access to a computer, device or file until a ransom is paid by the user. It has the ability to lock a computer screen or encrypt files with a password, often using strong encryption.

A demand is then displayed informing the user that it will not be unlocked until a sum of money is paid. A time limit is usually

imposed for the ransom to be paid, or the code to decrypt the data will be deleted and the data will not be recoverable. The most common ways ransomware infects a computer are via:

- **Email** – clicking on a malicious link in an email, or opening a malicious attachment.
- **Websites** – visiting a social networking site or other website which is hosting ransomware.
- **Removable media** – inserting or connecting an infected USB or other removable media device (e.g. memory sticks, external hard drive).

## Cyber extortion

This is a crime which occurs when a fraudster issues a threat and demand via online methods to a potential victim. As with ransomware, the demand is usually aimed at forcing a payment to the fraudster in bitcoins or they will carry out

their threat. Threats will vary but include fraudsters leaking confidential data on a charity's donors or posting defamatory comments about the charity online causing reputational damage and loss of donor confidence.

We therefore recommend that charities protect themselves against these types of fraud by:

- Ensuring they have good quality anti-virus software, with the latest version and updated regularly.
- Carrying out operating system updates as soon as they become available.
- Apply the principle of 'least privilege'. Only allow employees access to systems and files needed to do their job. Limit use of 'system administrator rights'.
- Education and awareness of employees and volunteers – ensure users are aware of the risks associated with allowing malware on to a system and how it can get onto a device.
- Removable media controls – consider controlling access to removable media devices and scan all media for malware before importing on to any of the charity's systems.
- Back-ups – establish a programme of taking regular back-ups, ensuring that your most important files are copied most frequently and potentially also off-site. The back-up location must not be connected to the main network, to avoid the possibility of potential contamination of the backed-up files. This will enable machines and systems to be restored in the event of infection, without a significant impact. Retain the original cyber extortion emails, with headers. Maintain a timeline of the attack, recording all times, type and content of the contact and report it to Action Fraud.

For both ransomware and cyber extortion we do not recommend paying, as there is no guarantee that you will get your data back (data varies but shows that there is only about a 20% success rate).

Once your systems are compromised, they are compromised! This may seem obvious, but if you pay and get your data back, they are still on your systems, and could re-attack, so you need to completely rebuild.

Of course, it's still important to be alert to the other common fraud scams known to target the charity sector, including:

## Invoice fraud

This is where a fraudster sends an email or letter which appears to have been sent by a known supplier to the charity, asking them to make future payments into a new account number. If the request is not verified to make sure it's genuine, the charity will send the next payment to the fraudster.

## CEO fraud

This is the name given to the scam where fraudsters hack into or imitate the email account of a senior person within an organisation. They may send an email which looks like it's been sent by the Chief Executive of the charity to an employee or volunteer asking for an urgent and often highly confidential payment to be made. If the employee or volunteer doesn't independently verify that the email is genuine, funds will be sent to the account details supplied in the fraudulent email.



*In cyber extortion, threats include fraudsters leaking confidential data on a charity's donors or posting defamatory comments about the charity online causing reputational damage and loss of donor confidence.*

## Vishing

The term used for when fraudsters attempt to dupe victims into divulging passwords or other confidential information during a phone call. This scam might have been around for some time, but we still hear of those working for charities being tricked into giving away their online banking passwords and payment authorisation codes by persuasive fraudsters on the phone. This can lead directly to the charity's funds being stolen, but we also know they make vishing phone calls to prepare a potential victim for a cyber attack. An example may be prior to sending an email which hides ransomware, a fraudster may phone the recipient, purporting to be a genuine caller and asking for a swift response to an important email they are about to send.

## Business email compromise

This is used by fraudsters by hacking into email accounts to intercept legitimate emails during correspondence between a buyer and supplier. The beneficiary account details contained in an invoice attachment is changed to an account under the fraudster's control. The amended invoice is sent onto the buyer. It is often very difficult to spot any alteration, so it's prudent to check with a new supplier using

a different communication channel e.g. phone, before sending the first payment, especially where most of the negotiation and agreements have been arranged via email.

In addition to awareness of the above it's important to implement the following within your charity on a day-to-day basis:

- Embed clear processes within your charity for everyone to follow when making payments or changing payment details. This will be key in helping to minimise potential fraud by making sure that all requests including those emailed internally, for example by the Chief Executive or financial director, are genuine.
- Never divulge online banking passwords or online banking secure codes to anyone on the telephone, even if you think you're talking to the bank.
- Don't assume an email, text or phone call is authentic.
- Don't rely on your phone's caller display to identify a caller, as fraudsters can make your phone's incoming display show a genuine number.
- Be aware that a bank will never call you and tell you to transfer your money to a "safe" account.
- If you see unusual screens or pop-up boxes when using your online banking or unusual requests to enter bank passwords, log out immediately and call your bank.
- If practical, set up your online banking so that two separate people are required to make payments on behalf of your organisation.
- If an email or letter is received from someone the charity pays regularly asking to change their bank details, then always double check that the request is genuine.
- Stay in control – don't be rushed and make a decision you'll regret.
- All fraud that targets you, even if it's been prevented, should be reported to [www.actionfraud.police.uk/](http://www.actionfraud.police.uk/)

For more information please visit the Lloyds Bank fraud guidance website and review the online fraud guidance brochure <https://resources.lloydsbank.com/insight/fraud-guidance/>.

David Kearney has 29 years' experience within the banking industry and is a part of the Lloyds Bank Charity team based in London. His contact details are: [david.kearney@lloydsbanking.com](mailto:david.kearney@lloydsbanking.com) 07725 068774

## Charity Finance Group's Counter-Fraud Campaign

Tackling fraud together



**Fraud is estimated to cost the charity sector over £2bn every single year. This is money which is being drained away from the charities and beneficiaries we serve.**

Whether it's online or offline, fraud is a constantly-evolving criminal threat. Charities are aware of this threat and many are leading the way with robust counter-fraud policies, however there are others still grappling with the issue.

CFG have created the Counter Fraud Pledge which both acknowledges the work that charities are doing to combat fraud and guides them through the steps to prevent fraud in their charities.

**Our current pledgers will save an estimated £23.5m by implementing counter-fraud measures.**

As a part of taking the pledge, charities promise to:

1. **Consult** relevant staff, volunteers and trustees on what types of fraud the charity could be at risk of and what needs to be done to prevent such incidents.
2. **Create** a Fraud Policy – for practical support, see CFG's **Counter Fraud Checklist** and the Charity Commission's **Internal Financial Controls for Charities**.
3. **Ensure** all trustees are aware of, and understand, their legal duty to guard the charity's assets and how a counter fraud policy is an essential part of this duty.
4. **Appoint** a key person (whether staff member, volunteer or trustee) to be responsible for fraud.
5. **Share** our fraud policy with all staff, volunteers and trustees so that they fully understand what they need to do if they suspect the organisation is a victim of fraud. This will be done annually and when new staff are employed.
6. **Assess** annually how well the fraud policy is working and take into account any new risks.

By signing the Pledge you are able to access the toolkit and resources available to ensure you are in the best possible place to proactively tackle fraud.

**We're calling all charities to take action and commit to joining us to combat fraud. Join the movement and together we can tackle fraud.**

[www.cfg.org.uk/Policy/counter-fraud-campaign](http://www.cfg.org.uk/Policy/counter-fraud-campaign)



# Change is in the air for pensions



David Davison,  
Director and Owner,  
Spence & Partners

## David Davison, Spence & Partners, shares his view on the news of the Section 75 Regulation changes and the impact these have on pension schemes.

For charities participating in multi-employer defined benefit pension schemes ('MEDBS'), they will be well aware of the risks they face. The Hobson's choice between continuing to build unaffordable liabilities or settling an unaffordable exit debt has negatively impacted many charities and even placed some on the very brink.

Fortunately at last there seems to be some light at the end of that particularly dark tunnel. After over 10 years of campaigning from charities, advisers and representative bodies it looks like finally the Section 75 Regulations which trapped employers are to be revised.

At the end of February 2018 DWP issued *The Occupational Pension Schemes (Employer Debt and Miscellaneous Amendments) Regulations 2018* with the expectation that these new Regulations will be in place from 6 April 2018.

The Regulations are a response to consultation carried out in April 2017 and the proposals comment on the findings of the consultation and how the Government has chosen to respond.

The key proposal is the introduction of the Deferred Debt Arrangement ('DDA'). This will allow employers in MEDBS, whose only change is to cease to employ active members in a scheme, to retain an on-going commitment to the scheme rather than a cessation debt automatically being triggered.

It is envisaged that future contributions would be set on an 'on-going' and not 'cessation' basis similar to what would be the position in a standalone scheme or in the event that the scheme as a whole ceased accrual. This should offer charities really significant additional flexibility allowing them to control risk in an affordable way while focusing resource on paying down liabilities already built up, rather than building further amounts.

In entering in to a DDA employers would continue to have all the same funding and administration obligations to the scheme as was the case prior to the agreement which will protect member benefits and indeed other employers.

The final regulations have also helpfully amended some points from the original consultation as follows:

- The DDA can be used in conjunction with other employer debt options already available such as apportionment agreements and will be available to employers who have already used another option to manage debt (such as period of grace).
- A DDA will end when a freezing event occurs to the scheme as a whole.
- A revised list of events which will end the DDA have also been provided to add clarity.

- The requirement for trustee consent for an employer to trigger an employer debt has also been removed and this should now be by mutual agreement.



*As is ever the case, the devil will be in the detail, and we need to see how individual schemes react to the new flexibility and whether they seek to embrace it or look to put up barriers to implementing it.*

- The government has removed the requirement for a funding test at the outset of a DDA and replaced it with a requirement that the scheme is satisfied that the deferred employer's covenant to the scheme is not likely to weaken materially within 12 months of the date the DDA begins.
- Period of grace notice period has been extended from two months to three months.

I don't for a minute expect this to be the end of the story as we of course need to see how things play out in practice. As is ever the case, the devil will be in the detail, and we need to see how individual schemes react to the new flexibility and whether they seek to embrace it or look to put up barriers to implementing it.

There undoubtedly seems to be widespread consensus that change in this area is long overdue and along with these changes we'll shortly witness similar changes to LGPS Regulation in Scotland and a review of Tier 3 employers in LGPS in England and Wales which will hopefully result in increased flexibility in these schemes as well.

Undoubtedly however this is a huge step forward and one can only hope the opportunity will be embraced by scheme trustees and employers alike.

*David Davison will be speaking at CFG's Northern Conference held in Manchester on 4 July.*

Book your place at [cfg.org.uk/manchester18](http://cfg.org.uk/manchester18).

# Why measuring impact is vital for charities



Carol Rudge,  
Global and UK Head of Not  
for Profit, Grant Thornton

## Carol Rudge, highlights the drive of transformation in the charity sector and the crucial role of measuring impact to an ever-evolving group of funders and beneficiaries.

The global charity sector is having to adapt in a fast-moving world. At the heart of this transformation is a strong collective ambition to drive positive change for beneficiaries and communities. But what happens when charitable giving doesn't reflect this? A report by the Charities Aid Foundation estimates that global giving has decreased in the last year, with charity donations down by 1.8%.

Resolving the current situation is not without its challenges. The funding landscape is already increasingly complex. Today's charities are not only funded by the public, they are also funded by government contracts, philanthropic organisations, grant makers and social investors. On top of funding, charities also receive essential support from an entire ecosystem of stakeholders including volunteers, philanthropists and members.

With all of these parties demanding increased accountability and results, the pressure is on more than ever for charities to demonstrate their impact. Charities across the globe are asking: are we measuring the genuine impact of our work to demonstrate the best possible results to our stakeholders?

### The importance of measuring impact

Effective impact measurement is an essential part of good charity governance.

For trustees and directors to best assess performance and make decisions about future activity, understanding impact is vital. But too often, charities are measuring outputs rather than linking activity to the impact it has made.

Delivering 2,000 vaccinations in a year is a legitimate output. But did it lead to a disease being eradicated, thereby improving the lives of people in a particular region? Has it eased the burden on the health service? This type of impact is arguably harder to measure, but undeniably more meaningful as supporters and investors more frequently seek out the 'so what' when examining charity outputs.

### What are the challenges?

In the past, it has been suggested that financial pressures can push true impact measurement off the agenda for charities. Similarly, research sponsored by Grant Thornton Australia points to a skills gap within the sector: "There is a significant gap between the almost universal recognition of the importance of outcomes measurement and the resource and knowledge capacity needed to implement it."

The good news is that charity boards recognise these issues and many are asking: 'How do we make impact measurement and evaluation part of our governance activity?'

By reassessing current practices, we see a real opportunity for charities to boost impact measurement and use it to really make a difference in what they have set out to achieve. As well as shaping strategy, impact has the potential to be used as a tool to enhance decision-making, marketing and revenue generation. By communicating their impact more strongly, charities can meet stakeholders' requirements while continuing to drive their mission forward.



*The funding landscape is already increasingly complex. Today's charities are not only funded by the public, they are also funded by government contracts, philanthropic organisations, grant makers and social investors. They also receive essential support from an entire ecosystem of stakeholders including volunteers, philanthropists and members.*

### Insights that matter

Across for-profit and not-for-profit organisations, good governance and effective strategy has arguably never been as high on the agenda as it is today. There is a substantial opportunity for charities to improve their governance by making improvements to the way they measure impact.

To help drive the conversation forward, the global not for profit team at Grant Thornton are working together to conduct cross-border research with charities around the world. This will form the basis of two reports, which aim to showcase global best practice and arm charities with the tools they need to make improvements to their impact measurement and overall strategy.

To find out more about what we are doing, visit <https://www.grantthornton.global/en/insights>



# GIFT AID BRISTOL



**Date:** Wednesday 6 June 2018

**Time:** 09:45 – 16:00

**Location:** The Foundation Lower Ground Floor St George's Road, Bristol, BS1 5BE

**Early bird:** CFG Charity members £99

**Full cost:** CFG Charity members £119/ Non-members £152.00

Full programme & bookings: [cfg.org.uk/GABristol](http://cfg.org.uk/GABristol)

Gift Aid is vital for increasing your charity's fundraising income. HMRC reported in March that over £560m of Gift Aid is not being claimed by charities. This conference will provide attendees with practical advice and a robust understanding of the main issues in Gift Aid, as well Q&A time at the end of each session to give attendees a chance to put their Gift Aid questions to the speakers.

Sessions will include:

- Online giving and intermediaries
- Small donations schemes
- Gift Aid fraud

**Who should attend?**

This event would be useful for all those working in roles that work with Gift Aid on a daily basis including finance directors, treasurers, finance managers, senior accountants, charity consultants and trustees.

Kindly hosted by Triodos Bank



## INNOVATING FOR SUCCESS

**Date:** Friday 29 June 2018

**Time:** 10:00 – 15:15

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

**Early bird:** CFG members £81

**Full cost:** CFG members £101/ Non-members £132

Full programme & bookings: [cfg.org.uk/innovate18](http://cfg.org.uk/innovate18)

When we think about innovation, brands such as Apple, Google and Dyson come to mind. Creating an environment where innovation thrives seems at odds with the pressures charities face and questions around efficiency, risk and lack of funds can be barriers. How can charities overcome these challenges and empower their staff to achieve better outcomes by doing things differently?

We are delighted to welcome **Jean-Francois Bessiron**, Director Europe, Business, Industrial and Scientific at **Amazon**, to discuss how you can fully embed a culture of innovation within your organisation in order to reach your full potential.

Throughout the day you will also hear from:

- **Lisa Quinlan-Rahman**, Executive Director of Customer Strategy and Experience, Scope – *New ways of delivering frontline services*
- **Prun Birjal**, Medical Director, Change Grow Live & Chris White, Head of Social Purpose, Yoti – *Digital innovation*
- **Naziar Hashemi**, Partner, Crowe Clark Whitehill – *Why innovate?*

See the full programme and secure your place at [cfg.org.uk/innovate18](http://cfg.org.uk/innovate18).

Kindly hosted by Crowe Clark Whitehill.



## GOVERNANCE CONFERENCE

**Date:** Wednesday 27 June 2018

**Time:** 09:30 – 16:00

**Location:** Rathbones Investment Management, 8 Finsbury Circus, London, EC2M 7AZ

**Early bird:** £99

**Full cost:** CFG members £119/ Non-members £152

Full programme & bookings: [cfg.org.uk/governance18](http://cfg.org.uk/governance18)

The charity sector continues to suffer repeated failures in governance, as highlighted in recent media reports. It is more important than ever that senior managers and trustees ensure they understand their responsibilities and are following best practice, particularly around their fiduciary duties. Our Governance Conference will provide trustees and charity staff with insights into steps they can take to ensure their organisation is demonstrating good governance, and that their reporting structures are robust and effective.

Conference sessions for the day:


- Introduction to the Charity Commission and Companies House
- Managing a trading company
- Policies and legal responsibilities
- Finance and audit committees
- Communicating financial information
- Dealing with problems within the board

**Who should attend?**

Finance managers and finance directors who are stepping in to the role of the company secretary, chief executives who want to refresh their knowledge of internal governance, and trustees who want to understand the responsibility of the company secretary and finance directors.

See the full programme and secure your place at [cfg.org.uk/governance18](http://cfg.org.uk/governance18)

Kindly hosted by Rathbones.



## IMPACT AND PRODUCTIVITY

**Date:** Monday 4 June

**Time:** 10:30 – 14:45

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

**Early bird:** £81

**Full cost:** CFG members £101/ Non-members £132

Full programme & bookings: [cfg.org.uk/impact18](http://cfg.org.uk/impact18)

Charities are expected to produce better outcomes despite diminishing resources. Historically, charities aimed to maximise their impact through efficiency, but is there now an argument for a shift towards productivity?

CEOs and trustees turn to finance teams to understand how well their charity is running, and to ensure their purpose is being both delivered and demonstrated.

Impact and productivity is a one-day conference which focuses on how to measure and evaluate the impact of your charity's work, and how this information can be used to improve what you do. Beyond evaluating your current impact, we will explore how a move towards productivity, and how to engage your employees with this approach.

Sessions for the day include:

- **Peter Vermeulen**, National Trust – Productivity vs. efficiency
- **Lindsey MacDonald**, Director of Strategy and Impact, Street League – Linking impact to outcomes
- **Naziar Hashemi**, Partner, Crowe Clark Whitehill LLP – Beyond the numbers
- **Renuka Fernando**, Cabinet Office – Embedding a culture of productivity

See the full programme and secure your place at [cfg.org.uk/impact18](http://cfg.org.uk/impact18)

Kindly partnered by Crowe Clark Whitehill



## NORTHERN CONFERENCE

**Date:** Wednesday 4 July

**Time:** 09:15 – 16:45

**Location:** The Stoller Hall Chetham's Trading Limited, Hunts Bank, Manchester

**Early bird:** CFG members £109

**Full cost:** CFG members £139/ Non-members £169

Full programme & bookings: [cfg.org.uk/manchester18](http://cfg.org.uk/manchester18)

CFG's flagship event in the North returns to Manchester for 2018. The conference offers a great opportunity for regional members to come together to network, knowledge-share, meet with a range of experts and service providers and get important regulatory updates.

This year's two-stream programme will address all the pressing issues for charity finance professionals and the challenges of the sector more widely. Mike Wild, Chief Executive, Macc, will deliver the opening plenary discussing the current operating environment for charities in the North.

Sessions for the day include:

- **VAT and tax update** – Rachelle Rowbottom, Tax Director, and **Simon Buchan**, Head of the VAT Department, BHP
- **Pensions:** Local Government Pension Schemes and Section 75 – **David Davison**, Director and Owner, Spence & Partners
- **Risk and reserves** – **Jonathan Orchard**, Partner, Sayer Vincent
- **Gift Aid donor benefits** – **Leslie Jones**, Senior Manager, Corporate Tax, Crowe Clark Whitehill LLP
- **Making your management accounting process more effective** – **Dawn McNish**, Director of Business Development and Events, and **Martin Hubbard**, Director of Customer and Business Support, Charity Finance Group
- **Charity Governance Code** – **Rosie Chapman**, Director, Rosie Chapman Ltd.

See the full programme and secure your early bird place of just £109 at [cfg.org.uk/manchester18](http://cfg.org.uk/manchester18)



## UPCOMING TRAINING

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, and network and share knowledge with peers.

### Advanced investment training Wednesday 27 June, London Wednesday 10 October, London

Advanced investment training provides finance staff with a deeper understanding of fund management and the wider investment classes so they can confidently take responsibility for investments. This course has recently been given official CPD accreditation by the CPD Standards Office. Delegates will be awarded 2.5 points.

### Foundation investment training Wednesday 11 July, London Wednesday 7 November, 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. Attendees will get an outline of charity finance, their obligations within this and how to make responsible decisions regarding charity investments.

### Trading and the law Monday 9 July, London

The course will cover the main legal and VAT considerations affecting charities carrying out trading – particularly governance, funding and resource sharing. It will examine the different types of trading, identify pitfalls to avoid and make recommendations of best practice.

See more training and book now at [cfg.org.uk/training](http://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](http://www.cfg.org.uk/events) or email [events@cfg.org.uk](mailto:events@cfg.org.uk)

### Conferences

**Annual Conference**  
Wednesday 23 May  
London

**Impact & Productivity**  
Monday 4 June  
London

**Gift Aid**  
Wednesday 6 June  
Bristol

**Governance**  
Wednesday 27 June  
London

**Innovating for Success**  
Friday 29 June  
London

**Northern Conference**  
Wednesday 4 July  
Manchester

### Members' meetings

**LONDON & THE SOUTH EAST**  
Thursday 7 June  
London

**MIDLANDS**  
Thursday 14 June  
Birmingham

### Training

**Advanced Investment Training**  
Wednesday 27 June  
London  
Wednesday 10 October  
London

**Foundation Investment Training**  
Wednesday 11 July  
London  
Wednesday 7 November  
London

### Foundation Charity Finance

Tuesday 18 September  
Manchester  
Thursday 27 September  
Birmingham  
Tuesday 9 October  
Bristol  
Wednesday 17 October  
London

### Advanced Charity Finance

Tuesday 26 June  
London  
Tuesday 30 October  
Manchester  
Tuesday 6 November  
Bristol  
Thursday 8 November  
Bristol  
20 November  
London

### Finance for non-finance managers

Tuesday 2 October  
London  
Trading and the law  
Monday 9 July  
London

Data analysis for finance professionals  
Monday 12 November  
London

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

## CFG'S EOB

CFG's latest Economic Outlook Briefing has found that inflation mean that charities have to raise £3.7bn a year extra by 2020 in order to maintain their spending power from 2014/15.

The latest Economic Outlook Briefing is now available. Sponsored by Kingston Smith, it analyses key financial trends across the economy, income and expenditure, including inflation, government spending, wage growth and tax.

The Briefing includes a Financial Risk Dashboard 2018/19, that shows government spending and inflation are key risks over the coming twelve months.

Find out more, download the full briefing for free from: <http://www.cfg.org.uk/resources/Publications/economic-briefings>



**Kingston Smith**  
Helping clients succeed

## Specialists in charity and not for profit finance recruitment



### What are others in your position earning?

And what should you be offering to attract the finance professionals you need?

Our 2018 salary survey is hot off the press with the latest rates for roles at all levels in charity finance and all other key charity functions.

Visit our website or contact the team for your copy.

### Find us at the CFG Annual Conference 2018

If you're heading to this year's event why not come and pick up your Salary Survey in person? We'll be on **Stand 40** in the Whittle Room and would love to meet you or catch up.

Please come and have a chat if there's anything we can help you with or you'd like to discuss.



### More charity finance specialists!

We've been busy expanding to keep up with demand, and you can reach any of the team on the number shown or the addresses below:

**Simon Bascombe** [simon.bascombe@harrishill.co.uk](mailto:simon.bascombe@harrishill.co.uk)  
**Belton Bass** [belton.bass@harrishill.co.uk](mailto:belton.bass@harrishill.co.uk)  
**Matthew Smith** [matthew.smith@harrishill.co.uk](mailto:matthew.smith@harrishill.co.uk)

We have an exceptional record of successful charity finance placements including:

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

**Harris Hill**  
charity recruitment specialists



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