



SCOTTISH CHARITY FINANCE GROUP SCIO

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

**Scottish Charity Finance Group SCIO
Report and Financial Statements
For the Year Ended 31st March 2019**

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Scottish Charity Finance Group SCIO

Report of the Executive Committee For the Year Ended 31 March 2019

The Executive Committee, composed of those individuals who are the Trustees of the charity, has pleasure in presenting its report and Financial Statements for the year ended 31 March 2019. Throughout this report, the Trustees are referred to as the Executive Committee.

Charity Name Scottish Charity Finance Group SCIO

Charity Number SC048059

Executive Committee/Trustees Margaret Birse (Convener)
Helena Brown (Secretary)
Graeme Farmer (Treasurer)
Paul Bannon
Gordon Castell
John McIntosh

Independent Examiner Stanley Wynd
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Scottish Charity Finance Group SCIO

Report of the Executive Committee For the Year Ended 31 March 2019

Governing Document

The Scottish Charity Finance Group SCIO (SCFG) is a Scottish Charitable Incorporated Organisation (SCIO). The charity's governance regime is set out in its constitution.

Appointment of Trustees

The management of SCFG is the responsibility of the Executive Committee. The members of the Executive Committee are the Trustees of the charity and are elected by the members at the Annual General meeting. In addition, the Executive Committee may co-opt further members of the Group, who serve until the conclusion of the next Annual General meeting.

Objects and activities

SCFG is established to improve the efficiency of the administration of charitable organisations operating within Scotland in direct pursuit of their objectives by the provision of advice, training and information designed to improve standards in their financial management.

Incorporation

The charity was established as a SCIO on 15 January 2018 to replace the Scottish Charity Finance Group (registered charity SC022533), an unincorporated charity which was dissolved with all assets and liabilities passing to the SCIO on 5 November 2018 (date of merger).

Incorporation did not introduce any material changes to the objectives, activities, membership or governance regime of the charity, and the accounts are presented under the principles of merger accounting as one ongoing entity.

Principal activities and members' benefits

There were 76 members of the SCFG in the year (2018: 123).

During the year SCFG organised a series of events at which members discussed current issues and themes of relevance to the charity sector. In addition, members also received the following benefits:

- Assistance in improving professional standards of those with financial responsibility in the charity sector in Scotland
- Opportunities to make views known to organisations such as OSCR and the Scottish Government through consultations
- Networking opportunities with other finance professionals within the charity sector
- Expert advice from co-members
- Opportunities for continued professional development accreditation through attendance at conference and seminars

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Report of the Executive Committee For the Year Ended 31 March 2019

Review of Activities and Achievements

During the year to 31 March 2019, SCFG held two afternoon seminars covering the following topics:-

- VAT & Gift Aid Update
- Competitive market approaches in children's services
- Safeguarding
- Making Tax Digital
- VAT and partial exemption

Such events offered members opportunities for continued professional development and to discuss and share areas of mutual interest and concern. SCFG is grateful to its member organisations for their continued support in providing meeting space and refreshments at these events.

In addition, SCFG organised four network lunches over the course of the year under review, with venues alternating between Glasgow and Edinburgh.

The 2019 annual conference was held shortly after the end of the financial year.

Our interim website, developed in 2017, provides basic information on the role and purpose of the Group, membership details and listings of upcoming events. SCFG also promotes upcoming events through Eventbrite and SCVO TFN Online and communicates with and encourages dialogues between members via a private Linked-in Group.

Financial review

The charity made a small deficit of £281 (2018: £200 surplus) on income of £8,431 (2018: £9,215).

While SCFG's finances are well-managed and sustainable, the Trustees do not consider the current level of finance sufficient to deliver on its mission. Closer ties to the Charity Finance Group (registered charity in England and Wales 1054914) are being considered in order to expand the volume and quality of resources made available to our members.

Reserves policy

The Executive Committee has reviewed the reserves policy and agreed to maintain the existing minimum level of three months' annual operating expenditure to cover for shortfalls in funding whilst further funds are being sought. At current expenditure levels this equates to approximately £2,200.

Reserves as at 31 March 2019 were slightly ahead of this minimum level at £2,810.

Scottish Charity Finance Group SCIO

**Report of the Executive Committee
For the Year Ended 31 March 2019**

This report was approved by the Executive Committee on and signed
on its behalf by:

Margaret Birse
Convenor

Scottish Charity Finance Group SCIO

**Independent Examiner’s Report to the members of the Executive Committee of the Scottish Charity Finance Group SCIO
For the Year Ended 31st March 2019**

I report on the financial statements of the charity for the year ended 31 March 2019 which are set out on pages 8 to 12.

Respective responsibilities of Trustees and Independent Examiner

The charity’s Executive Committee, as trustees of the charity, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (“the 2005 Act”) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the “2006 Regulations”). The Trustees consider that the audit requirement of Regulation 10(1)(a)-(c) of the 2006 Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner’s statement

My examination is carried out in accordance with Regulation 11 of the 2006 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent Examiner’s statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect, the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Regulations;have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Stanley Wynd ACIS FCIE
122 Giles Street
Edinburgh EH6 6BZ

Date:

Scottish Charity Finance Group SCIO

**Statement of Financial Activities
For the Year Ended 31 March 2019**

	2019	2018
Note	£	£
Income from:		
<i>Charitable activities:</i>		
Membership subscriptions	8,431	9,182
Publication sales	-	33
Total	<u>8,431</u>	<u>9,215</u>
Expenditure on:		
<i>Charitable activities:</i>		
Secretarial fees	6,661	7,095
Cost of meetings	247	-
Committee expenses	343	-
Marketing	448	720
Printing, postage, stationery, etc	509	701
Insurances	204	199
Cost of independent examination	300	300
Total	<u>8,712</u>	<u>9,015</u>
Net income / (expenditure)	<u>(281)</u>	<u>200</u>
Net movement in funds	(281)	200
Total Funds brought forward	<u>3,091</u>	2,891
Total Funds carried forward	<u>8</u> <u>2,810</u>	<u>3,091</u>

All funds are unrestricted funds

The notes on pages 10 - 12 form part of these financial statements

Scottish Charity Finance Group SCIO

Balance Sheet at 31 March 2019

	Note	2019 £	2018 £
Current Assets			
Debtors	3	1,952	168
Cash at bank and in hand		<u>3,593</u>	<u>3,718</u>
		5,545	3,886
Liabilities:			
Creditors - amounts falling due within one year	5	<u>2,735</u>	<u>795</u>
Total Current Assets		2,810	3,091
Total Net Assets		<u>2,810</u>	<u>3,091</u>
Funds:			
Unrestricted funds		<u>2,810</u>	<u>3,091</u>
Total Funds	8	<u>2,810</u>	<u>3,091</u>

The financial statements on pages 8 - 12 were approved by the Executive Committee on

..... and are signed on its behalf by:

Margaret Birse
Convenor

The notes on pages 10 -12 form part of these financial statements.

Scottish Charity Finance Group SCIO

Notes to the accounts (continued)

Accounting policies

Basis of accounting

The financial statements have been prepared under the historic cost convention and in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' – (referred to as 'the Charities SORP'). The 'Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and UK Generally Accepted Practice as it applies from 1 January 2015. The charity constitutes a public benefit entity as defined by FRS 102.

Going concern

The financial statements have been prepared on a going concern basis. The executive committee has assessed the charity's ability to continue as a going concern and has reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future.

Accounting estimates

The executive committee does not consider there are any areas of the financial statements where significant judgements are being carried out.

Income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Expenditure

All expenditure is accounted for on an accruals basis.

Debtors

Debtors are recognised at the settlement amount due.

Creditors and provisions

Creditors and provisions are recognised, at settlement amount, where the charity has a present obligation resulting from a past event, which is likely to result in the transfer of funds to a third party, and the amount due can be measured or estimated reliably.

Fund accounting

Unrestricted funds arise from donations without a specified purpose and other income generated and are available to be used for any of the objects of the charity at the discretion of the trustees. Restricted funds are to be used for specific purposes as laid down by the donor or funder. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Scottish Charity Finance Group SCIO

Notes to the accounts (continued)

1 Analysis of principal SOFA components

	UA*	SCIO**	Total
	£	£	£
Total income	1,390	7,041	8,431
Total expenditure	3,301	5,411	8,712
Net income/(expenditure)	(1,911)	1,630	(281)
Other gains/(losses)	-	-	-
Net movement in funds	(1,911)	1,630	(281)

*Unincorporated Association

**Scottish Charitable Incorporated Organisation

2 Analysis of assets transferred

	£
Net assets	1,180
Represented by	
Unrestricted funds	1,180

3 Debtors

	2019	2018
	£	£
Prepayments and accrued income	<u>1,952</u>	<u>168</u>

4 Creditors

	2019	2018
	£	£
<i>Amounts falling due within one year:</i>		
Trade creditors	-	420
Accruals and deferred income	<u>2,735</u>	<u>375</u>
	<u>2,735</u>	<u>795</u>

5 Deferred income

	2019	2018
	£	£
<i>Movement in deferred income account:</i>		
Opening balance	75	225
Added in current year	2,435	75
Released to income from previous year	<u>(75)</u>	<u>(225)</u>
Closing balance	<u>2,435</u>	<u>75</u>

Subscription and fee income that is received in advance of the period to which it relates is accounted for as deferred income and recognised as a liability until the relevant period. This will be recognised as income in the year to 31 March 2020.

Scottish Charity Finance Group

Notes to the accounts (continued)

6 Independent examiner

	2019	2018
	£	£
Independent examination fee (inc VAT)	300	300

7 Related party expenditure

One member of the Executive Committee received travel expenses of £343 (2018: £nil). There were no payments to any other related parties.

8 Charity funds

For both years, all funds of the charity were unrestricted funds.