



Chartered  
Institute of  
Fundraising

# ANNUAL REPORT & ACCOUNTS

YEAR TO 31 DECEMBER 2021

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## Vision

Excellent fundraising for a better world

## Values

Our values underpin all our activities

- Passionate – taking pride in what we do.
- Enabling - helps and is empowered to take ownership, find solutions, make decisions and collaborate.
- Enterprising - open to new solutions and committed to delivering where we already excel.
- Respectful - honest and fair and treat everyone with consideration and respect.
- Professional - champions and achieves high standards and is governed by professional integrity.

## Charitable objects

The objects for which the Chartered Institute is established are:

1. to advance or promote the efficiency of organisations established for charitable purposes throughout the United Kingdom;
2. to promote higher standards of administration and fundraising for charitable purposes throughout the United Kingdom; and
3. to educate the public in relation to the matters referred to above throughout the United Kingdom.

## Highlights

Our story over 2021 is one of change and development as we adjusted and responded to the external environment and the needs and priorities of our members.

Some of the ways of working that we had piloted as short-term fixes in 2020 have become embedded approaches. We continued to deliver our Professional Development qualifications and courses virtually rather than in person, making continued improvements to the learning and experience of delegates and students. We also held Fundraising Convention virtually through our bespoke event platform, delivering 82 sessions of curated content reaching over 1,100 active participants during the 3-day event.

New ways of working extend beyond how we deliver learning and engage with our members – with the Chartered Institute as a whole working differently than we did during 2020. We moved out of our offices at Carteret Street and into a shared workspace at CAN Mezzanine (now called Canopi), giving us a new way of working for our staff and recognising that continued home-working was going to be the most likely scenario for us moving forward.

## Highlights (continued)

We also saw significant change in our people and leadership, with Nadine Campbell becoming our Chair and with the recruitment of Katie Docherty as our permanent CEO. New roles have also been created, including a Head of Professional Conduct, in recognition of the need for us to embed significant changes in our complaints culture.

### Processes and ways of working

During 2021 we responded to the need to be working with our members and the wider sector better to ensure that fundraisers are treated with respect and are not subject to abuse or discrimination of any kind. This work has included the development of our safeguarding Action Plan, the appointment of a Safeguarding and Whistleblowing trustee (Isobel Michael) and a clear commitment from our Board to prioritise this work.

The Chartered Institute conducted two investigations concerning sexual harassment in 2021: one into allegations about a member's behaviour, and also an allegation that the Chartered Institute of Fundraising failed to act on a complaint of sexual harassment. Both investigations were carried out by Tell Jane, an HR consultancy, which reported their conclusions and findings as well as recommendations on improvements for the organisation to make.

The undertaking of these investigations brought to light clear organisational failings in our processes and more detailed information can be found on our website in the August 2021 report from the Board. We apologise to the survivors who experienced sexual harassment and would like to thank them for continuing to report these issues over many years and participating in a process that was more difficult and challenging than it should have been, due to the way the complaints and investigations were handled by the leadership of the Chartered Institute.

We have seen solid progress against our Action Plan, including revising our Complaints & Disciplinary Rules. Key changes include a simplified, one-stage investigation process prior to any disciplinary process; the use of specialist independent investigators for allegations related to discrimination, bullying or sexual misconduct or harassment, including sexual harassment; and the appointment of the new Head of Professional Conduct and a revised approach to the publication of decisions.

We have also delivered safeguarding training for staff and volunteers; published and promoted safeguarding and safety guidance for fundraisers, their managers, and their organisations to ensure everyone feels safe at work; made our online events safe spaces (with speakers' declarations in place; guidance on our platform and provided to those delivering each event; and with anyone prohibited from attending or speaking at one of our events flagged with senior staff to ensure they are not engaging with us); and through agreed contacts, made sure that all complainants were informed of all our activities and kept in the loop on decisions, providing feedback on communications as appropriate.

## **Responding to the needs of our members**

Undoubtedly 2021 was challenging to navigate for our members. With lockdown ending, face to face events and community fundraising were able to return, and we made it a priority to work with the Fundraising Regulator to produce joint and regularly updated guidance to aid fundraisers in making their decisions about returning to in-person fundraising and how to do so safely and responsibly. A key area of our policy and external work during 2021 was focused on helping our members navigate new ways of working, respond to the changing environment, and supporting strategic thinking about future trends in giving.

2021 was in many respects a year of transition for the Chartered Institute – we had come out of 2020 - as with so many organisations - having navigated an unprecedented and uniquely challenging time. 2021 saw us starting to get to grips with these changes and embed new ways of working to give us a platform to move forward. With a new Chief Executive in place, we embarked on a comprehensive engagement exercise with our members to hear directly from individuals, charities, and partners – from all over the UK and all parts of our membership – to understand where we can do better and what they need and want from us in the future. This was the start of work on a new organisational strategy, which we will publish in 2022.

Most importantly, as a membership organisation representing over 5,000 individual members and organisations, we have to reflect and celebrate the continued creativity, innovation, and tenacity of fundraisers all across the UK. We saw some amazing fundraising campaigns, some hugely exciting developments in digital fundraising, and when in-person fundraising was able to return we saw just how important and valued it is by supporters across the country. Your success, in the most trying of circumstances, is what we exist to support.

Lastly, alongside our staff and members, the Chartered Institute is powered by over 500 volunteers, including 350 in our group committees, our Trustees, our Convention Board, as advocates for RAISE, and through our Board sub-committees and those delivering our Action Plan for a safer profession. All of these volunteers are committed to help deliver our vision: Excellent fundraising for a better world. We thank you all.

## **Our achievements and impact in more detail:**

### **Remember A Charity**

In what was another extremely challenging year for the charity sector, our priority was to support our member charities through continued uncertainty, as well as continuing to champion gifts in Wills to consumers and professional advisors.

Our 2021 annual consumer benchmarking survey showed that more people than ever are aware of the option of leaving gifts in Wills, with 19% of the UK claiming to have already left a legacy – the highest yet.

It also showed that the percentage of those who are unaware of legacy giving is at its lowest to date, at 9%.

## **Remember A Charity** (continued)

Legacy giving has continued to grow over the past 20 years, thanks to collaboration in the sector. The proportion of people leaving a legacy has grown by 24% and there are now more than 10,000 charities named in Wills each year. That income has played a huge part in helping charities' weather the storm of the pandemic.

In 2021, we tested a new approach to reaching potential legacy donors. The results were impressive, with the Wombles film achieving its highest ever reach of 2.3 million "baby boomers", driving a 63% increase in unique visitors to the Remember A Charity website.

Our annual Remember A Charity Week resulted in our best PR coverage to date, generating over 360 pieces of coverage and reaching almost 600 million people (a 58% increase on 2020). Highlights include former Strictly head judge Len Goodman being interviewed on Good Morning Britain, and campaign director Rob Cope taking part in a series of radio interviews about legacy giving.

The consortium's work continued with professional advisors, reaching more than 300,000 solicitors and Will-writers, highlighting the importance of making clients aware of the option of including a charitable gift in their Will.

We also launched online training modules covering best practice and practical guidance for charitable Will-writing, as well as developing the inaugural Good Practice Guide on Will-writing for financial advisers.

## **Equality, Diversity and Inclusion**

Equality, diversity and inclusion (EDI) remained a priority for the organisation and our members. Following on from the publication of an Action Plan in the first quarter of the year, we implemented activity to improve all aspects of our complaints policies, processes and handling of issues relating to Safeguarding. The new Safeguarding Task Group delivered a policy review and we recruited the Head of Professional Conduct Compliance.

With a focus on safeguarding for events, we revised the Code of Behaviour for Training and Events developed templates for delegate declaration, vetting process for speakers, safeguarding checklist for events, and risk assessments for events. To further support our staff and members we also developed and delivered specific online and offline training.

The organisation integrated EDI into the strategic planning for the organisation recognising our role in leading on this agenda as an employer, membership organisation and across the profession in order to support the need for fundraising to be safe, more diverse and bring greater creativity and breadth to both CIOF and the wider fundraising industry.

## **Policy and public affairs**

Our focus of work during 2021 was on supporting our members as they contended with the challenges and opportunities that they were presented with as social distancing restrictions eased and in-person fundraising was able to return.

## **Policy and public affairs** (continued)

A key part of that work was publishing regular and refreshed joint guidance with the Fundraising Regulator on fundraising safely during COVID-19. This guidance provided a consistent framework for risk assessment and informing decisions that charities and partners took about when and how to approach in-person fundraising, and provided public reassurance and confidence.

To help fundraisers understand the impact of COVID and to inform decisions about future strategic decisions, we produced a number of resources for our members. These included: Reframing the Ask – academic research looking at the economic context and applying financial trends to areas of giving and fundraising; Fundraising and giving during COVID – a collection of 12 articles authored by experts from across the fundraising sector looking at research and insight on how fundraising and giving had responded during the pandemic; and What Next? Fundraising and strategy after COVID a joint resource with THINK Consulting Solutions.

During 2021 we put on a range of virtual events to provide members with latest information, updates, briefings and insight. These included working with organisations such as the Charities Aid Foundation to share research on latest figures on giving; with the Fundraising Regulator to share information on complaints and trends in regulatory activity; and with Bates Wells to provide guidance on legal issues relating to fundraising.

To champion the voice of fundraisers, we participated in a number of consultations to ensure that the views of the fundraising community are heard in public policy. These included a full response to proposed changes on data protection legislation, submissions to UK Government on the levelling up agenda, as well as responding to consultations from the Scottish and Northern Irish Governments on proposed changes that would impact fundraising.

Our work promoting high standards in fundraising continued with a fully refreshed and updated edition of Treating Donors Fairly our flagship guidance on responding to the needs of people in vulnerable circumstances, and published new guidance and advice, along with a suite of blogs showcasing voices across our membership, focusing on wellbeing in fundraising.

## **Events**

We embraced the use of online tools to deliver impactful webinars, conferences and networking activities in order to equip the fundraising community during a period of continued change.

This was true of both centrally-managed and volunteer-led activity across the UK, and generated a healthy response in terms of both accessibility and quality. Fundraising Convention was delivered virtually through our bespoke event platform, delivering 82 sessions of curated content reaching over 1,100 active participants during the 3-day event. Bursary recipient and participant feedback was generous and positive.

We delivered 12 one-day conferences on topics as varied as excellence in supporter experience management to legacy giving and trusts and foundations fundraising. Pricing was intentionally moderate to provide support for fundraisers at a challenging time, and was complemented by regular series of webinar and networking events led by our volunteers.

## Corporate Partnerships

We would like to thank all our corporate partners and sponsors, who continued to invest in their relationships with us, contributing to delivering enhanced content and engagement with our members and the wider fundraising community.

## Professional development

2021 was another successful but extremely testing year for the team. While core programme bookings and income results have been strongly maintained (and volume increased in some areas), significant staff demands resulted from adding responsibility for apprenticeship End Point Assessment (EPA) delivery. This required creation of a new operational unit and new externally verified quality processes by the existing team resource. Delivery of the funded programmes RAISE and Rebuilding Heritage continued successfully.

11 EPAs completed via CIOF in 2021; activities will formally cease in April 2022 following Board approved strategic review of organisational priorities (and ROI) in autumn 2021.

100 Short Courses delivered, fully virtual, live trainer-led attracting 1,108 delegates, volume increased to meet demand, 56% increase against original 64 course delivery target.

11 cohorts (c.10-15 students) commenced qualification courses: x5 Certificate (L4), x5 Diploma (L5) and x1 International Advanced Diploma (L7). We also launched the Foundation Certificate of Fundraising, a level three course (equivalent to A levels or BTEC Diplomas).

2021 Exam Board data shows another year-on-year improvement in average qualification retention rate to 94% (Certificate: all cohorts: 93%; Diploma: all cohorts: 95%). 89% of student evaluation respondents in a recent survey agreed/strongly agreed they were supported by Academy team. 117 graduates attended at the virtual graduation in December.

305 individuals undertook the Introduction to Fundraising Online course, update planned for mid-2022.

28 participants joined x3 Women in Leadership programmes; 26 participants joined x2 Future Leaders Programmes

RAISE activities, funded by Arts Council England, continued at lower levels than in previous years due to the impact of the pandemic and internal challenges. A bid for a fifth (extension) year submitted to ACE in September was approved in December securing funding until 31 March 2023. The newly restructured Cultural Sector Network is actively supporting delivery activities in partnership with another non-CIOF volunteer-led group Young Arts Fundraisers.

Rebuilding Heritage CIOF activities, funded by the National Lottery Heritage Fund included 103 one-to-one consultancy sessions, 87% participants rating good/very good: 4 half-day training sessions and 2 webinars (200+ attendees). CIOF were one of four delivery partners, total programme reached 1,000+ individuals from 630+ heritage organisations to help the heritage sector respond to the ongoing impacts of the COVID-19 pandemic.



## People and culture

The Board formally delegates day-to-day management to the Chief Executive. The Chief Executive leads a Senior Leadership Team made up currently of an Executive Director Finance & Resources, Executive Director People & Engagement, Executive Director Membership & Charitable Giving, Director Remember A Charity, Director Policy & Communications, and Director Learning & Volunteering.

A restructure and significant recruitment has been undertaken during this period to ensure a team structure that reflects the delivery needs of the organisation moving forward whilst also ensuring its financial sustainability.

We would like to thank all the staff who worked with us over the last year for their hard work and commitment.

## Staff demography

- We have had a slight increase in the proportion of men in our workforce to 30%. Women make up 75% of the UK third sector workforce (Agenda Consulting 2020). We have a higher ratio of men to women than is usual in the sector.
- Less than 1% of the population of London do not identify with a gender they were assigned at birth and our results are in line with this figure.
- We are continuing to exhibit a more balanced age profile. However, we have few under 24-year-olds and no over 65's. Voluntary sector workers are generally older than private or public sector workers with around 38% over 60 (NCVO 2018), we do not follow this trend.
- We employ more people identifying as gay, bisexual or lesbian at 22.5% than the proportion in London 2.8% and nationally 2.2% (ONS 2018).
- We employ more than twice the number (65%) of those with no religious belief compared to London's figures 27.6% (ONS2019) and no representation from some of the major religions (Hinduism, Judaism and Sikhism).
- We employ significantly more single people than the national population data 34.4% (ONS 2017), however London generally attracts a younger single population, so we are more in line with London demographics.
- With 4 in every 10 employees identifying as from a black or minority ethnic group we are higher than the sector generally 1 in 10, and reflecting London's figures. (NCVO 2019)
- We have fewer employees 12.5% identifying as having a disability than the sector average of 20% (NCVO 2012.). The numbers preferring not to say if they have a disability have declined.
- We have a significantly higher number of employees 32.5% with caring responsibilities than national average of 1 in 8.

## Remuneration

Trustees set the salary of the Chief Executive, using benchmarking and other data to inform their decision. The Chief Executive, in consultation with the Board and Finance and Resources Committee, sets the salaries of all other staff, using benchmarking and other data to review pay levels. An award of 3% was made to all staff with a years' service in January 2022.

### Ratios:

#### Gender pay gap

Although not required to report on gender pay due to the size of the organisation (44 employees), we conducted a gender pay gap analysis. Analysis across the job levels shows the need to increase the percentage of female employees in Director roles.

Date	% Mean pay gap	% Median pay gap
April 2022	21.2	16.5
Feb 2021	15.3	28.4
March 2020	21.9	22.6
Dec 2019	27.5	21.8

#### CEO pay ratio

Although not required to report on pay ratios due to the size of the organisation, we are committed to transparency and have reported below the ratio of our highest paid staff member (the salary plus benefits of our CEO) to each of three points on the pay scale – the 25th percentile, the median and the 75th percentile.

Date	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
April 2022	2.9:1	2.4:1	1.9:1
Feb 2021	3.0:1	2.5:1	1.9:1
March 2020	3.4:1	2.7:1	1.9:1
Dec 2019	3.6:1	2.8:1	1.9:1

#### Ethnic pay ratio

Although not required to report on how ethnicity affects pay, we are committed to eliminating racism so have conducted ethnicity pay analysis. Figures show the gap is slowly closing.

Date	April 2022	Feb 2021	March 2020
% mean hourly pay gap BAME and white employees	12.5	3.2	9.9
% median hourly pay gap BAME and white employees	10.6	12.5	16.1
%employees reporting as BAME	25	25	30

All staff are currently working remotely with some attendance at the London office as required by role demands.

## The year ahead

2022 will be another transitional year for the Chartered Institute as we continue to navigate our way in the new environment and ensure the foundations that been put in place during 2021 are a platform for future success. We have agreed a Plan for 2022 which focuses on

- **Supporting fundraisers** – with the tools, learning, networks, groups, and events that they want and need so that they can grow, develop and flourish
- **Championing the fundraising profession, and amplifying the voice of fundraisers**, to build a better understanding of the importance of fundraising and positively influence policy and public attitudes
- **Advocate for and advance Equality, Diversity and Inclusion**– as an employer, membership organisation and across the profession to support the need for fundraising to be safe, more diverse and bring greater creativity and breadth to both CIOF and the wider fundraising industry
- **Ensuring CIOF is well run** with a sound business plan and good governance that focuses on delivering against audience needs in way that is sustainable, including making decisions to pause or not do things if they are not financially viable
- **Ensuring it has the right people and infrastructure to underpin all work**, this will include engaging staff and volunteers more overtly through involving them in decisions and in the development of the organisational strategy for 2023-2025. It will also focus on ensuring decisions are rooted in data, insight and evidence which means fixing the CRM issues and ensuring audience insight is gathered and used.

We embrace an audience-centric approach to our work with our members firmly at the heart of what we do. We have mapped our current understanding of their needs and our key offers in each area. When deciding on our delivery, we will be realistic about our financial position. Whilst we will identify unmet needs, we will only deliver against these in a way that is sustainable. This means activities must be cashflow positive in 2022. If a need cannot be met in a sustainable way we will pause, not roll out an offer, and review things in 2023 once our financial situation is more stable. Similarly, we will prioritise our delivery in line with our people resources. This means accepting that we cannot do everything. We will make management choices about priorities and underpin our decisions by robust data, insight and evidence.

At the same time, we will continue to develop a long-term strategy for 2023 and beyond. This will be developed based upon the rich feedback received from members via our Round Table series in late 2021 and individual member survey in early 2022. Our strategy will be launched at our Annual General Meeting in September 2022.

## Financial Review

On 31 March 2020, the activities and net assets of the Institute of Fundraising were transferred to the Chartered Institute of Fundraising. The total carrying value of the net assets transferred was £1.6m. The Board of the Chartered Institute of Fundraising made the decision to change its accounting reference date from 31 March to 31 December.

The financial results of the charity's activities for the year to 31 December 2021 are set out in the Statement of Financial Activities and supporting notes. The income was £3.9m (against £3.1m in the nine month period to 31 December 2020). The total expenditure was £4.1m (nine months comparative to 31 December 2020 was £3.6m) of which £3.9m was spent on charitable activities. We ended the year with a reduced deficit of £194k compared with £473k in the previous period.

The charity's unrestricted free reserves were £20k as at 31 December 2021 (£58k as at 31 December 2020). Other unrestricted reserves have been specifically designated to provide for future depreciation of fixed assets and for work of the Special Interest Groups. Further information on the Chartered Institute's funds is contained in note 13 to the accounts.

### Going Concern and COVID Impact

As a result of the pandemic the Chartered Institute lost over 25% of its annual income in 2020. We have therefore reduced our costs, including staffing, to ensure affordability going forwards. During this time, we also completed the implementation of our new CRM system, website and identity; continued our work on equality, diversity and inclusion; transferred all our activities into a virtual environment; and began to create a whole new relationship with our volunteer groups. We also started work to embed excellent member and customer services across the organisation. We believe all of these activities put the Chartered Institute in a stronger position to move forward post-pandemic.

In 2021, our financial objective was to consolidate this response to the pandemic and provide a platform to start rebuilding the finances. We have continued this focus on our financial management in 2022, in particular with regards our income and cash flow, in order to meet the requirements of our Reserves Policy. This long term aim will be achieved by taking into account the new environment, the lessons we have learnt through Covid, our commitment to EDI, and embedding new ways of working and new ways of supporting members and the wider fundraising community.

The Trustees have assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash projections. Building on the strategy and infrastructure now in place and taking note of the external environment in which we work, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

## Financial Review (continued)

### Reserves Policy

The nature of the Chartered Institute's activities has meant that the majority of income is received in advance, notably from membership and events. This not only provides the Chartered Institute with high levels of working capital but also allows the charity to adapt future plans based on income secured to manage risks. At the end of December 2021, income received in advance (reported in the creditor balance) totalled £810k (2020: £793k).

As a result of the analysis of income received in advance, the dynamics of the current business model and acknowledging the challenging external environment, the Board of Trustees has adopted a risk-based reserves policy. This policy takes high and medium risks established as part of the annual planning process and feeds them into the budget for the year to provide a composite picture of the overall impact of retained risk on free reserves. This approach is designed to enable the retention of sufficient free reserves to fund unexpected expenditure when unplanned events occur that cannot be managed through revisions to in-year plans.

Following a review of the risks to which the charity may be exposed to in its plans, the Board of Trustees considered that the Chartered Institute should hold minimum free reserves of £300k. This would allow the new Chartered Institute to operate as effectively as possible and to implement its strategy. After excluding restricted and designated funds, the free reserves of the charity amounted to £20k at the end of December 2021 (2020: £58k) which is considerably below the desired minimum level of reserves. The low level of free reserves reflects the significant reduction in income in 2020 and 2021 due to covid-19, and investment in a new CRM system and a new website. The costs of the investment are included in the designated funds. The Trustees plan to rebuild the free reserves to the required level over the next three years through setting a post-covid strategy for income generation and careful monitoring of expenditure.

### Investment Powers and Policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustees see fit. The Trustees delegate the management of investments to the Finance and Resources Committee. Excess cash funds are held on short-term deposits.

### Risk Assessment

The Trustees have a process of continuous risk assessment that examines key areas of risk at quarterly Trustee meetings. The Chief Executive is tasked with reporting to the Trustees about the implementation of agreed systems to manage identified areas of risk. The Trustees are satisfied that the major risks to which the Chartered Institute is exposed have been reviewed and systems have been established to manage and mitigate the impact of those risks.

## Financial Review (continued)

### Risk Assessment (continued)

The Trustees have identified the following key areas of external and business critical risk to be considered by the Trustees of the Chartered Institute of Fundraising moving into 2022:

- The coronavirus pandemic will continue to have an impact on the Chartered Institute, its members, the whole fundraising community and the charity sector as a whole. Measures to protect public health are likely to continue having a significant impact on fundraised and trading income and will have a severe impact on a whole range of the Chartered Institute's business model.
- The ongoing risk to the fundraising profession of a major scandal or an externally driven campaign, which could result in major financial and delivery challenges for the fundraising community, the Chartered Institute's members, and the Chartered Institute. The Chartered Institute will continue to invest in our compliance, guidance and training services to support members to meet their obligation to adhere to the Code of Fundraising Practice. The Chartered Institute will continue to focus on promoting excellent and innovative fundraising and continue to invest staff time and resources to manage media and external relationships.
- The potential for statutory regulation of fundraising and a political environment and policy context unsympathetic to fundraising could have a significant impact on services provided by charities and the Chartered Institute. The Chartered Institute will continue to support fundraisers to deliver excellent fundraising, and represent the fundraising community to the government, the regulators and the media.
- Implementation of the internal transformation programme, notably including new CRM system and website requires significant focus and organisational commitment in addition to ongoing service delivery and enhancement. Oversight of the transformation programme will continue to be provided by the Finance & Resources Committee and the Board of the Chartered Institute.

## **Structure, Governance & Management**

The Chartered Institute of Fundraising is governed by Royal Charter. It is registered as a charity with the Charity Commission and the Office of the Scottish Charity Regulator.

### **Appointment of trustees**

Eight Trustees are elected by the membership and are announced at the Annual General Meeting. Up to four further Trustees may be co-opted at any time.

Elected Trustees serve a term of three years and may be appointed to serve for one further term. The four co-opted Trustees shall retire after one year, unless reappointed. Each co-opted trustee shall be eligible for reappointment up to a maximum term of six years in total.

The Chair and Officers are appointed by the Trustees from among their number.

A full list of the trustees who served during the period can be found in the reference and administrative details.

### **Trustee induction and training**

All new Trustees are issued with a full set of documents covering governance, the committee and decision-making process, the business plan and recent financial performance of the charity and are given a full induction by the Chair and staff team.

The Trustee away day focuses on the strategic direction of the Chartered Institute and involves the organisation's Senior Leadership Team.

### **Organisation**

The Board convenes every quarter for a meeting that examines performance, finance, strategy and risk.

The Board of Trustees continues to move towards the standards set out in the Charity Governance Code and have been taking action to address specific identified weaknesses since then.

The Board have also noted NCVO's Charity Ethical Principles.

Clearly laid out responsibilities are defined for the Trustee body. Delegated powers are given to the Finance and Resources Committee to provide oversight of finance, HR, IT, investment and property matters, and to the Nominations and Elections Committee to oversee the trustee election and nomination processes.

The Finance & Resources Committee is chaired by the Honorary Treasurer, and the committee is composed of a mix of Trustees and non-trustees appointed for their technical skills and experience.

The Board has set up a series of advisory and functional committees to support the staff in the day-to-day running of the Chartered Institute. These are:

- Finance and Resources Committee
- Fundraising Convention Board
- Standards Advisory Board
- Policy Advisory Board
- Learning and Development Committee
- Nominations and Elections Committee

## **Structure, Governance & Management (continued)**

### **Organisation (continued)**

The Board formally delegates day-to-day management to the Chief Executive, Peter Lewis (to 21 May 2021), Dhivya O'Connor (from 10 May 2021), Katie Docherty (from 4 October 2021). The Chief Executive leads a Senior Leadership Team which in 2021 was made up of the Director of People & Engagement, Director of Remember A Charity and Interim Director of Finances.

### **Staff remuneration**

Trustees set the salary of the Chief Executive, using benchmarking and other data to inform their decision. The Chief Executive, in consultation with the Board and Finance and Resources Committee, sets the salaries of all other staff, using benchmarking and other data to review pay levels.

### **Volunteers**

We're proud to have over 500 volunteers, including 350 in our group committees, our Trustees, forming our Convention Board, as advocates for RAISE, and through our Board sub-committees and those delivering our Action Plan for a safer profession. All of these volunteers are committed to help deliver our vision: Excellent fundraising for a better world.

Throughout 2021 volunteers have delivered affordable online learning and networking opportunities in an effort to equip and connect fundraisers in communities across Scotland, Wales, Northern Ireland and England. In addition, volunteers are helping with shaping our strategy, amplifying our voice and allow us to broaden our reach. This contribution is not identified as either income or expenditure in the Statement of Financial Activities but adds much value as the Chartered Institute continues to take steps towards being an organisation that champions inclusion and embraces diversity – for staff and volunteers.

### **Public benefit statement**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The Chartered Institute of Fundraising's charitable purpose is enshrined in its objects, as follows:

- i. To advance or promote the efficiency of organisations established for charitable purposes throughout the United Kingdom;
- ii. To promote higher standards of administration and fundraising for charitable purposes (as so defined) throughout the United Kingdom;
- iii. To educate the public in relation to the matters referred to in (i) and (ii) above throughout the United Kingdom.

The Trustees ensure that these purposes are carried out for the public benefit by delivering services to enable those with fundraising responsibility in the charity sector to develop and adopt best practice, thereby promoting a transparent and efficiently managed charity sector that engenders public confidence and trust. Further, by supporting those in the charity sector with fundraising responsibility, we are able to help all charities to maximise the use of their resources and make a greater impact for all their beneficiaries.



## **Structure, Governance & Management (continued)**

### **Public benefit statement (continued)**

The services that we deliver cover our strategic objectives as set out. Many of these services are open to all, for example training courses and conferences can be accessed by non-members, whilst our policy and campaigning work also benefits those in the wider fundraising community. Chartered Institute of Fundraising membership is open to any organisations or people employed by a charity or business with responsibility for, or an interest in, fundraising, and who are happy to sign up to comply with the Code of Fundraising Practice and our own Code of Conduct. The Chartered Institute provides a range of bursaries and scholarships to support access to our services.

Within the structure of the Annual Report of the Trustees, we have commented on this year's activity against our strategic objectives.

All Trustees give their time voluntarily and receive no benefit from the charity in relation to their role as Trustees. Any expenses reclaimed from the charity are set out in note 7 to the financial statements.

### **Trustees' responsibilities**

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity and of its financial activities for that period. In preparing those financial statements, the Trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether the policies adopted are in accordance with the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), subject to any material departures disclosed and explained in the financial statements;
- d) prepare the financial statements on the on-going concern basis, unless it is inappropriate to assume that the charity will continue in business.

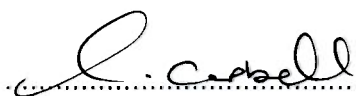
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with relevant legislation. They are also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities. The Trustees confirm that the accounting policies adopted are in accordance with the Charities Act 2011, and with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements have been prepared on the going concern basis.

## Structure, Governance & Management (continued)

### Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as the trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware, and
- the trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.



**Nadine Campbell, Chair**

15 September 2022

## Independent Auditor's Report to the Trustees of the Chartered Institute of Fundraising

### Opinion

We have audited the accounts of the Chartered Institute of Fundraising (the 'charity') for the year ended 31 December 2021, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its income and expenditure for the year then ended.
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Basis for opinion

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

### Conclusions relating to going concern.

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

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient and proper accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ Discussions were held with management to determine whether there were any issues of irregularities, fraud or laws and regulation.
- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation).

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships.
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

### **Auditor's responsibilities for the audit of the accounts** (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act and in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 29 September 2022

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## Financial Statements for the year ended 31 December 2021

### Statement of Financial Activities

	Notes	Year to 31 December 2021			Period ended 31 December 2020		
		Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME FROM:</b>							
<b>Donations and legacies</b> (including gifts in kind)		-	-	-	57,817	-	57,817
<b>Raising funds</b>	2	261,316	-	261,316	127,986	-	127,986
<b>Charitable activities</b>	3						
- Create a better environment for fundraisers to raise money		1,157,690	944,545	2,102,235	851,117	784,029	1,635,146
- Increase understanding of fundraising		269,763	22,640	292,403	72,911	17,960	90,871
- Enable fundraisers to be the best they can be		1,059,559	222,374	1,281,933	1,023,479	185,692	1,209,171
<b>Other sources</b>		237	-	237	134	-	134
<b>TOTAL INCOME</b>		<b>2,748,565</b>	<b>1,189,559</b>	<b>3,938,124</b>	<b>2,133,444</b>	<b>987,681</b>	<b>3,121,125</b>
<b>EXPENDITURE ON:</b>							
<b>Raising funds</b>	2	186,625	-	186,625	181,817	-	181,817
<b>Charitable activities</b>	4						
- Create a better environment for fundraisers to raise money		886,720	919,202	1,805,922	854,145	909,930	1,764,075
- Increase understanding of fundraising		311,159	23,227	334,386	284,509	18,214	302,723
- Enable fundraisers to be the best they can be		1,585,850	218,949	1,804,799	1,207,913	137,722	1,345,635
<b>TOTAL EXPENDITURE</b>		<b>2,970,354</b>	<b>1,161,378</b>	<b>4,131,732</b>	<b>2,528,384</b>	<b>1,065,866</b>	<b>3,594,250</b>
<b>NET EXPENDITURE</b>		<b>(221,789)</b>	<b>28,181</b>	<b>(193,608)</b>	<b>(394,940)</b>	<b>(78,185)</b>	<b>(473,125)</b>
<b>TRANSFERS BETWEEN FUNDS</b>	13	<b>(20,000)</b>	<b>20,000</b>	<b>-</b>	<b>47,663</b>	<b>(47,663)</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>(241,789)</b>	<b>48,181</b>	<b>(193,608)</b>	<b>(347,277)</b>	<b>(125,848)</b>	<b>(473,125)</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward at 1st January 2021	13, 14	831,671	297,299	1,128,970	1,178,948	423,147	1,602,095
<b>Total funds carried forward at 31st December 2021</b>	13, 14	<b>589,882</b>	<b>345,480</b>	<b>935,362</b>	<b>831,671</b>	<b>297,299</b>	<b>1,128,970</b>

The statement of financial activities includes all gains and losses recognised in the period.

As described in the notes to the accounts, the legacy charity's net assets and activities were transferred on a going concern basis to the newly registered charity with effect from 11.59pm on 31 March 2020. Merger accounting has been applied in the previous financial statements in accordance with paragraphs 27.12 - 27.13 Charities SORP FRS 102 in recognition that the new legal entity is continuing with the charitable purposes and beneficiaries of the previous entity.

**Balance sheet as at 31 December 2021**

	Notes	31 December 2021		31 December 2020	
		£	£	£	£
<b>Fixed assets</b>					
Intangible fixed assets	9	396,846		505,063	
Tangible fixed assets	10				
		<u>31,369</u>		<u>33,414</u>	
			<b>428,215</b>		<b>538,477</b>
<b>Current assets</b>					
Debtors	11	759,108		754,929	
Cash in bank and in hand		<u>814,834</u>		<u>932,680</u>	
		<b>1,573,942</b>		<b>1,687,609</b>	
Creditors: amounts falling due within one year	12	<u>(1,066,795)</u>		<u>(1,097,116)</u>	
<b>Net current assets</b>			<b>507,147</b>		<b>590,493</b>
<b>Total net assets</b>			<b>935,362</b>		<b>1,128,970</b>
<b>The funds of the charity</b>					
Unrestricted funds	13				
- General		19,969		58,033	
- Designated		<u>569,913</u>		<u>773,638</u>	
Total unrestricted funds		<b>589,882</b>			<b>831,671</b>
Restricted income funds	13		<b>345,480</b>		<b>297,299</b>
<b>Total charity funds</b>			<b>935,362</b>		<b>1,128,970</b>

The financial statements were approved by the Trustees on 15 September 2022 and signed on their behalf by:



**Nadine Campbell**  
 Chair



**Rohan Hewavisenti**  
 Hon. Treasurer



**Statement of Cash Flows Year to 31 December 2021**

	Year to 31 December 2021	Period ended 31 December 2020
Note	£	£
<b>Cash flow from operating activities</b>		
Net cash used in operating activities	A (101,976)	(436,174)
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(15,870)	(141,472)
<b>Net cash used in investing activities</b>	<b>(15,870)</b>	<b>(141,472)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(117,846)</b>	<b>(577,646)</b>
<b>Cash and cash equivalents brought forward</b>	<b>932,680</b>	<b>1,510,326</b>
<b>Cash and cash equivalents carried forward</b>	B <b>814,834</b>	<b>932,680</b>

**Notes to the cash flow statement for the year to 31 December 2021**

**A. Reconciliation of net movements in funds to net cash flow from operating activities**

	Year to 31 December 2021	Period ended 31 December 2020
	£	£
<b>Net expenditure for the reporting period (as per the statement of financial activities)</b>	<b>(193,608)</b>	<b>(473,125)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation charge	126,132	63,497
(Increase)/decrease in debtors	(4,179)	278,537
Decrease in creditors	(30,321)	(305,083)
<b>Net cash used in operating activities</b>	<b>(101,976)</b>	<b>(436,174)</b>

**B. Analysis of cash and cash equivalents**

	Year to 31 December 2021	Period ended 31 December 2020
	£	£
<b>Total cash and cash equivalents: cash at bank and in hand</b>	<b>814,834</b>	<b>932,680</b>

## Notes to the financial statements

### 1. Accounting policies

#### a) Statutory information

The Chartered Institute of Fundraising is incorporated by Royal Charter (RC000910) and is a charity registered in England and Wales (1188764) and Scotland (SC050060).

The registered office address is Canopi, 7-14 Great Dover Street, London, SE1 4YR.

#### b) Basis of preparation

These accounts have been prepared for the year to 31 December 2021. Merger accounting has been applied in the previous financial statements, as described below, in recognition that the new legal entity is continuing with the charitable purposes and beneficiaries of the previous entity.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102) and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note. The accounts are presented in sterling and are rounded to the nearest pound.

#### c) Merger accounting

The assets, liabilities and activities of the charitable company, Chartered Institute of Fundraising, were transferred to the new charity on 31 March 2020. Merger accounting has been applied in the previous financial statements in accordance with paragraphs 27.12 - 27.13 Charities SORP FRS102 in recognition that the new legal entity is continuing with the charitable purposes and beneficiaries of the previous entity.

#### d) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

#### e) Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

**1. Accounting policies (continued)**

**e) Critical accounting estimates and areas of judgement (continued)**

The items in the accounts where these judgements and estimates have been made include:

- a. estimating the useful economic life of tangible and intangible fixed assets;
- b. provision of bad debt; and
- c. the allocation of support costs (as discussed below).

**f) Going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect of a period of 12 months from the date of approval of these accounts.

The cash balance as at 31 December 2021 amounts to £815k and a cashflow forecast shows an improvement by the end of the 2022 financial year to £1.1m. A similar level of cash at bank is expected to remain until December 2023. The first quarter 2022 management accounts show a steady income stream with expenditure lower than budget and an increase in general reserves. In 2021 our financial objective was to consolidate the response to the pandemic and provide a platform to start rebuilding the finances to meet the requirements of our Reserves Policy. This long term aim will be achieved by taking into account the new environment, the lessons we have learnt through Covid, our commitment to EDI, and embedding new ways of working and new ways of supporting members and the wider fundraising community.

The liquidity ratio at 1.5 indicates that the Chartered Institute can pay its short-term liabilities when they fall due. On this basis the Trustees consider the Chartered Institute to be a going concern.

**g) Income**

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Income from membership, corporate support, sponsorship, exhibitions and advertising is credited to the Statement of Financial Activities when earned. Income from training courses is credited to the Statement of Financial Activities when the course commences. All other items of income are credited to the Statement of Financial Activities in the year in which they are received.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**1. Accounting policies (continued)**

**h) Donated goods and services**

Donated goods and services are included at the value to the Chartered Institute i.e., the value the Chartered Institute would have paid in the open market. The majority of these gifts in kind are donated venues and meeting hosting, and free marketing and advertising.

**i) Investment income**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of the interest paid or payable by the bank.

**j) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the relevant fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.

Designated funds are unrestricted funds designated by the Trustees for particular purposes.

**k) Expenditure and irrecoverable VAT**

Expenditure, other than for training courses, is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure for training courses is recognised in full when the course commences.

Expenditure is classified under the following activity headings:

- a. Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and their associated support cost.
- b. Expenditure on charitable activities includes the costs of delivering services, training, events and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**l) Allocation of support costs**

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity.

**1. Accounting policies (continued)**

**m) Operating leases**

Rental charges are charged on a straight-line basis over the term of the lease.

**n) Intangible fixed assets**

Intangible fixed assets comprises of computer software enhancements on the Chartered Institute's database and website and compliance training platforms, which are capitalised where the purchase price exceeds £500. Amortisation costs are allocated to activities on the basis of the use of the assets. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life, which has been calculated as 4 years.

**o) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Office Equipment	4 years
Furniture and Fittings	4 years
Land and Buildings	remaining life of the lease
Leasehold equipment	remaining life of the lease(s)

**p) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**q) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**r) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Income received in advance for goods or services that accrue in future periods are deferred and recognised as a liability.

**1. Accounting policies** (continued)

**s) Pensions**

The Chartered Institute operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Chartered Institute. The Chartered Institute makes contributions to the pension scheme in accordance with its obligations under the Pensions Reform Regulations. All amounts paid by the charity are charged to the Statement of Financial Activities as incurred.

**t) Tax policy**

The Chartered Institute is exempt from Corporation Tax as its income is raised charitably and spent on its charitable purposes

## 2. Income and expenditure from raising funds

	Unrestricted funds	
	Year to 31 December 2021	Period ended 31 December 2020
	£	£
<b>Income from raising funds</b>		
Corporate support	173,758	112,838
Corporate sponsorship	87,558	15,148
	<b>261,316</b>	<b>127,986</b>

	Unrestricted funds	
	Year to 31 December 2021	Period ended 31 December 2020
	£	£
<b>Costs of raising funds</b>		
Staff costs	97,534	153,796
Web development	40,590	28,245
Corporate sponsorship	(20,380)	(33,862)
Support costs (note 5)	68,881	33,638
	<b>186,625</b>	<b>181,817</b>

### 3. Income from charitable activities

	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	Year to 31 December 2021 Total £
<b>Unrestricted funds</b>				
Individual membership	434,944	-	-	434,944
Organisational membership	722,746	-	-	722,746
Compliance Directorate	-	269,763	-	269,763
National convention, conferences and events	-	-	207,281	207,281
Academy	-	-	696,950	696,950
Other professional development income	-	-	97,334	97,334
Regional and special interest groups	-	-	57,994	57,994
	<b>1,157,690</b>	<b>269,763</b>	<b>1,059,559</b>	<b>2,487,012</b>
<b>Restricted funds</b>				
Wales office	-	-	38,850	38,850
Scotland office	16,980	22,640	73,580	113,200
Remember A Charity	927,565	-	-	927,565
Arts Council England	-	-	109,944	109,944
	<b>944,545</b>	<b>22,640</b>	<b>222,374</b>	<b>1,189,559</b>
<b>Total income from charitable activities to December 2021</b>	<b>2,102,235</b>	<b>292,403</b>	<b>1,281,933</b>	<b>3,676,571</b>



**a. Income from charitable activities (continued)**

	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	Period to 31 December 2020 Total £
<b>Unrestricted funds</b>				
Individual membership	371,518	-	-	371,518
Organisational membership	479,599	-	-	479,599
Compliance Directorate	-	72,911	-	72,911
National convention, conferences and events	-	-	404,131	404,131
Academy	-	-	504,309	504,309
Other professional development income	-	-	69,747	69,747
Regional and special interest groups	-	-	45,292	45,292
	<b>851,117</b>	<b>72,911</b>	<b>1,023,479</b>	<b>1,947,507</b>
<b>Restricted funds</b>				
Wales office	-	-	44,367	44,367
Scotland office	13,470	17,960	58,369	89,799
Remember A Charity	620,559	-	-	620,559
CIOF Lottery	150,000	-	-	150,000
Arts Council England	-	-	82,956	82,956
	<b>784,029</b>	<b>17,960</b>	<b>185,692</b>	<b>987,681</b>
<b>Total income from charitable activities to December 2020</b>	<b>1,635,146</b>	<b>90,871</b>	<b>1,209,171</b>	<b>2,935,188</b>

**b. Expenditure on charitable activities**

	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	Year to 31 Dec 2021 Total £
<b>Unrestricted funds</b>				
Membership services	561,896	-	-	561,896
National convention	-	-	402,438	402,438
Academy	-	-	645,179	645,179
Policy projects	109,569	87,655	21,914	219,138
Other professional development costs	-	-	42,989	42,989
Regional and special interest groups	-	-	42,821	42,821
Compliance Directorate	-	77,131	-	77,131
Support costs (note 5)	215,255	146,373	430,509	792,137
	<b>886,720</b>	<b>311,159</b>	<b>1,585,850</b>	<b>2,783,729</b>
<b>Restricted funds</b>				
Wales office	-	-	43,317	43,317
Scotland office	14,536	19,381	62,990	96,907
Remember A Charity	791,782	-	-	791,782
Arts Council England	-	-	66,176	66,176
Support costs (note 5)	112,884	3,846	46,466	163,196
	<b>919,202</b>	<b>23,227</b>	<b>218,949</b>	<b>1,161,378</b>
<b>Total expenditure on charitable activities to December 2021</b>	<b>1,805,922</b>	<b>334,386</b>	<b>1,804,799</b>	<b>3,945,107</b>

4. Expenditure on charitable activities (continued)

	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	Period to 31 Dec 2020 Total £
<b>Unrestricted funds</b>				
Membership services	636,923	-	-	636,923
National convention	-	-	476,950	476,950
Academy	-	-	432,075	432,075
Policy projects	112,104	89,683	22,421	224,208
Other professional development costs	-	-	24,637	24,637
Regional and special interest groups	-	-	41,594	41,594
Compliance Directorate	-	123,346	-	123,346
Support costs (note 5)	105,118	71,480	210,236	386,834
	854,145	284,509	1,207,913	2,346,567
<b>Restricted funds</b>				
Wales office	-	-	24,410	24,410
Scotland office	11,894	15,855	51,528	79,277
Remember A Charity	663,767	-	-	663,767
CIOF Lottery	150,000	-	-	150,000
Arts Council England	-	-	27,328	27,328
Support costs (note 5)	84,269	2,359	34,456	121,084
	909,930	18,214	137,722	1,065,866
<b>Total expenditure on charitable activities to December 2020</b>	<b>1,764,075</b>	<b>302,723</b>	<b>1,345,635</b>	<b>3,412,433</b>

5. Allocation of support and governance costs

		<u>Unrestricted funds</u>				
	Basis of Allocation	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	Cost of raising funds £	Year to 31 Dec 2021 Total £
<b>Support Cost</b>						
Depreciation & amortisation	Staff Time	26,509	18,026	53,017	8,483	106,035
Operating lease rentals	Staff Time	34,545	23,491	69,090	11,054	138,180
Governance costs (note 6)	Staff Time	5,366	3,649	10,732	1,717	21,464
Miscellaneous	Staff Time	147,179	100,082	294,358	47,097	588,716
Irrecoverable VAT (note 8)	Staff Time	1,656	1,125	3,312	530	6,623
<b>Total unrestricted Dec 2021</b>		<b>215,255</b>	<b>146,373</b>	<b>430,509</b>	<b>68,881</b>	<b>861,018</b>
<b>Restricted funds</b>						
	Basis of Allocation	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	Cost of raising funds £	Year to 31 Dec 2021 Total £
<b>Support Cost</b>						
Depreciation & amortisation	Staff Time	13,902	474	5,722	-	20,098
Operating lease rentals	Staff Time	18,116	617	7,458	-	26,191
Governance costs (note 6)		2,814	96	1,158	-	4,068
Miscellaneous	Staff Time	77,184	2,629	31,771	-	111,584
Irrecoverable VAT (note 8)	Staff Time	868	30	357	-	1,255
<b>Total restricted 2021</b>		<b>112,884</b>	<b>3,846</b>	<b>46,466</b>	<b>-</b>	<b>163,196</b>
<b>Total allocated Dec 2021</b>		<b>328,139</b>	<b>150,219</b>	<b>476,975</b>	<b>68,881</b>	<b>1,024,214</b>

5. Allocation of support and governance costs (continued)

		Unrestricted funds				
	Basis of Allocation	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	Cost of raising funds £	Period end to 31 Dec 2020 Total £
Support Cost						
Depreciation & amortisation	Staff Time	12,325	8,381	24,650	3,944	49,300
Operating lease rentals	Staff Time	18,215	12,386	36,429	5,829	72,859
Governance costs (note 6)	Staff Time	7,685	5,225	15,369	2,549	30,828
Miscellaneous	Staff Time	66,396	45,150	132,793	21,247	265,586
Irrecoverable VAT (note 8)	Staff Time	497	338	995	159	1,989
Total unrestricted Dec 2020		105,118	71,480	210,236	33,728	420,562
		Restricted funds				
	Basis of Allocation	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	Cost of raising funds £	Period end to 31 Dec 2020 Total £
Support Cost						
Depreciation & amortisation	Staff Time	9,881	277	4,040	-	14,198
Operating lease rentals	Staff Time	14,602	590	5,790	-	20,982
Governance costs (note 6)	Staff Time	6,160	-	2,700	-	8,860
Miscellaneous	Staff Time	53,228	1,490	21,763	-	76,481
Irrecoverable VAT (note 8)	Staff Time	398	2	163	-	563
Total restricted 2020		84,269	2,359	34,456	-	121,084
Total allocated Dec 2020		189,387	73,839	244,692	33,728	541,646

## 6. Governance Costs

	Year to 31 Dec 2021 £	Period to 31 December 2020 £
Auditor's fees - statutory audit	15,965	15,500
- under provision from previous year	6,862	372
- other services	2,705	2,625
Trustees' meeting costs	-	241
Office and other costs	-	20,852
	<b>25,532</b>	<b>39,590</b>

## 7. Staff costs

	Year to 31 Dec 2021 £	Period to 31 December 2020 £
Wages and salaries	1,698,501	1,527,969
Social security costs	154,596	162,679
Pension contributions	91,887	99,856
Redundancy/termination payments	-	175,924
	<b>1,944,984</b>	<b>1,966,428</b>

During the year, employees earning in excess of £60,000 per annum fell into the following:

	Year to 31 Dec 2021 Number	Period to 31 December 2020 Number
£90,000 - £99,999	-	1
£70,000 - £79,999	2	5
£60,000 - £69,999	-	2

The key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day-to-day basis comprise the Chief Executive and an Executive Management Board, currently made up of the Director of People & Resources, Director of Partnerships & Innovation, Director of Membership, Compliance and Professional Development, Director of Engagement & Public Affairs, and Director of Development & Remember A Charity. Salary, employer's NI and employer's pension contributions of the key management personnel for the period totalled £406,736 (for the period ended 31 December 2020 - £416,082). Trustees' remuneration for the period was £nil (for the period ended 31 December 2020 - £nil).

## 7. Staff costs (continued)

A total of £nil (for the period ended 31 December 2020 - £241) was reimbursed to no (for the period ended 31 December 2020 - 1) trustees in relation to out-of-pocket travel and subsistence costs incurred in connection with their duties as trustees of the charity.

The average number of employees analysed by function was:

	<b>Year to 31 Dec 2021 Number</b>	<b>Period to 31 December 2020 Number</b>
Costs of raising funds	3	5
Create a better environment for fundraisers to raise money	10	13
Increase understanding of fundraising	11	13
Enable fundraisers to be the best they can	18	21
	<b>42</b>	<b>52</b>

## 8. Value Added Tax

The charity is partially exempt for VAT and cannot recover all the VAT it pays. Irrecoverable VAT in the year amounted to £130,379 (for the period ended 31 December 2020 - £89,835) and is included within its associated expenditure category. Irrecoverable VAT which cannot be allocated is included within support costs (note 5) which is £7,878 (for the year period 31 December 2020 - £2,563).

## 9. Intangible fixed assets

<i>All used for direct charitable purposes</i>	<b>Computer software and website</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 January 2021 and 31 December 2021	813,479	813,479
<b>Amortisation</b>		
At 1 January 2021	308,416	308,416
Charge for year	108,217	108,217
At 31 December 2021	416,633	416,633
<b>Net book value</b>		
At 31 December 2021	<b>31,369</b>	<b>31,369</b>
At 31 December 2020	505,063	505,063

Included within intangible fixed assets are assets which relate to restricted funds. The net book value of assets held as restricted funds at 31 December 2021 was £31,369 (for the period ended 31 December 2020 - £42,613).

## 10. Tangible fixed assets

	Office equipment	Furniture and fittings	Total
	£	£	£
<b>Cost</b>			
At 1 January 2021	64,368	183,655	248,023
Additions	15,870	-	15,870
Disposals	(26,116)	(183,655)	(209,771)
At 31 December 2021	54,122	-	54,122
<b>Depreciation</b>			
At 1 January 2021	32,282	182,327	214,609
Charge for year	16,587	1,328	17,915
On disposals	(26,116)	(183,655)	(209,771)
At 31 December 2021	22,753	-	22,753
<b>Net book value</b>			
At 31 December 2021	31,369	-	31,369
At 31 December 2020	32,086	1,328	33,414



## 11. Debtors

	Year ended 31 Dec 2021 £	Period ended 31 December 2020 £
Trade Debtors - Unrestricted	479,399	277,999
Trade Debtors - Restricted	38,871	187,437
Accrued Income	88,252	79,562
Other Debtors	32,214	118,834
Prepayments	120,372	91,097
	<b>759,108</b>	<b>754,929</b>

## 12. Creditors - Amounts falling due within one year

	Year ended 31 Dec 2021 £	Period ended 31 December 2020 £
Trade creditors	114,869	74,270
VAT	32,736	10,792
Taxation and Social Security costs	40,269	81,159
Other Creditors	68,882	111,180
Accruals & Deferred income - Unrestricted	516,068	502,620
Accruals & Deferred income - Restricted	293,971	317,095
	<b>1,066,795</b>	<b>1,097,116</b>

	Year ended 31 Dec 2021 £	Period ended 31 December 2020 £
Deferred income brought forward	792,727	1,070,089
Income released during the period	(792,727)	(2,085,077)
Income deferred during the period	810,039	1,807,715
<b>Deferred income carried forward</b>	<b>810,039</b>	<b>792,727</b>

Deferred income as at 31 December 2021 relates to membership income received in the period for the year ending 31 December 2022.

### 13. Movement in funds

	At 1 January 2021	Income	Expenditure	Transfers gains and (losses)	At 31 December 2021
	£	£	£	£	£
<b>Unrestricted funds</b>					
General funds	58,033	2,690,571	(2,828,635)	100,000	19,969
Designated funds					
- Regional and special interest groups	277,774	57,994	(42,821)	(120,000)	172,947
- Fixed assets (intangible and tangible)	495,864	-	(98,898)	-	396,966
Total designated funds	773,638	57,994	(141,719)	(120,000)	569,913
<b>Total unrestricted funds</b>	831,671	2,748,565	(2,970,354)	(20,000)	589,882
<b>Restricted funds</b>					
Wales office	12,567	38,850	(51,417)	-	-
Remember A Charity	164,730	927,565	(901,781)	-	190,514
Scotland office	18,730	113,200	(116,136)	20,000	35,794
Arts Council England	101,272	109,944	(92,044)	-	119,172
<b>Total restricted funds</b>	297,299	1,189,559	(1,161,378)	20,000	345,480
<b>Total funds 2021</b>	1,128,970	3,938,124	(4,131,732)	-	935,362

### 13 Movement in funds (continued)

#### Designated Funds

##### Regional & Special Interest Groups

The funds relate to income and expenditure arising from our network of National, Regional & Special Interest Groups. These funds have been ring-fenced for application by the Regional & Special Interest groups as needed.

##### Fixed assets (tangible and intangible)

This fund reflects the carrying value of the charity's tangible and intangible fixed assets represented by unrestricted funds. The balance has been set aside on the understanding that these assets are fundamental to the day-to-day operations of the charity and therefore cannot be realised in order to meet working capital requirements.

#### Restricted Funds

##### Remember A Charity

Remember A Charity is the Chartered Institute's long-term project to increase legacy giving to charity.

##### Scotland Office

The Chartered Institute receives grants from the Scottish Government for the purpose of funding our activities in Scotland. This is also complemented through other earned income generation activities and subsidised through a contribution from Chartered Institute of Fundraising central unrestricted funds to cover the costs of activities in Scotland.

##### Arts Council England

In April 2018, the Chartered Institute was appointed as a National Portfolio Organisation by Arts Council England and commenced delivery of the RAISE programme to support fundraisers and fundraising organisations in the cultural sector. Working with the Chartered Institute's Cultural Sector Network, in partnership with Young Arts Fundraisers and other stakeholders, the four-year programme aims to support excellent fundraising practices and shared learning throughout Arts, Culture and Heritage organisations across England.

#### 14 Analysis of net assets between funds

At year end 31 December 2021	General funds £	Designated funds £	Restricted funds £	Total funds £
Fixed assets	-	396,966	31,249	428,215
Debtors	720,237	-	38,871	759,108
Cash in bank and at hand	72,556	172,947	569,331	814,834
Creditors: amounts falling due within one year	(772,824)	-	(293,971)	(1,066,795)
<b>Total 2021</b>	<b>19,969</b>	<b>569,913</b>	<b>345,480</b>	<b>935,362</b>

At period end 31 December 2020	General funds £	Designated funds £	Restricted funds £	Total funds £
Fixed assets	-	495,864	42,613	538,477
Debtors	567,492	-	187,437	754,929
Cash in bank and at hand	270,562	277,774	384,344	932,680
Creditors: amounts falling due within one year	(780,021)	-	(317,095)	(1,097,116)
<b>Total 2020</b>	<b>58,033</b>	<b>773,638</b>	<b>297,299</b>	<b>1,128,970</b>

#### 15. Operating lease commitments

	Property	Equipment		
	Year end 31 December 2021 £	Period end to 31 December 2020 £	Year end 31 December 2021 £	Period end to 31 December 2020 £
Within one year	-	102,033	-	33,700
Between two and five years	-	8,503	-	21,862
	-	110,536	-	55,562

## 16. Related Party Transactions

Other than the transactions disclosed within notes 7 and 17 to the financial statements, there are no further related party transactions to report (for the period end 31 December 2020: none). Certain trustees may hold trusteeships or other senior posts within other organisations which are members of The Chartered Institute of Fundraising or may be direct members of the Chartered Institute – all such memberships subscriptions are offered at the Chartered Institute's standard subscription rates.

## 17. Transfer of activities, assets and liabilities

With effect from 11.59pm on 31 March 2020, in accordance with a deed of transfer, the activities, assets and liabilities of the Chartered Institute of Fundraising were transferred to the Chartered Institute of Fundraising, a charitable company incorporated by Royal Charter (Charity Registration Number: 1188764; Company Registration Number: RCo00910).

The net assets at that date comprised:

	£	£
Intangible assets		
. Cost	878,373	
. Amortisation	(458,293)	
		<b>420,080</b>
Tangible fixed assets		
. Cost	368,842	
. Depreciation	(328,420)	
		<b>40,422</b>
Debtors		<b>1,033,466</b>
Cash at bank and in hand		<b>1,510,326</b>
Creditors: amounts falling due within one year		<b>(1,402,199)</b>
		<b>1,602,095</b>

The assets and liabilities were represented by the following funds:

	£
Unrestricted funds	<b>282,691</b>
. General funds	<b>896,257</b>
. Designated funds	<b>423,147</b>
	<b>1,602,095</b>

## Reference and administrative details

<b>Charity name</b>	Chartered Institute of Fundraising
<b>Charity numbers</b>	England and Wales 1188764, Scotland SC050060
<b>Registered office</b>	Canopi, 7-14 Great Dover Street, London, SE1 4YR
<b>Auditors</b>	Buzzacott LLP 130 Wood Street, London EC2V 6DL
<b>Bankers</b>	National Westminster Bank PLC 358 South Lambeth Road, London, SW8 1UR
<b>Solicitors</b>	Bates, Wells & Braithwaite London LLP 10 Queen Street Place, London, EC4R 1BE
<b>Chief Executive</b>	Peter Lewis, Chief Executive (to 21 May 2021), Dhivya O'Connor, interim Chief Executive (from 10 May 2021) Katie Docherty, Chief Executive (from 4 October 2021).

### Trustees

The following have served as Trustees in the year and to the date of this report, unless otherwise stated:

Carol Akiwumi	(Until 05 July 2021)
Sarah Bissell	
Joyce Fraser	
Rohan Hewavisenti	
Rebecca Mansell	(From 05 July 2021)
Isobel Michael	
Matt Parkes	(From 05 July 2021)
Claire Rowney	(Until 05 July 2021)
Emma-Louise Singh	(Until 05 July 2021)
Kerys Sheppard	(From 05 July 2021)
Liz Tait	(Until 13 December 2021)
Sofia Zeenat Sheikh	
Kelvin Hopkins	
Nadine Campbell	

Details of each current trustee are available in the "what we stand for" section of the website <https://ciof.org.uk/about-us/what-we-stand-for/governance/trustees>