



The Chartered Institute of
Public Finance & Accountancy

Annual General Meeting of CIPFA Scotland

Friday 12th June 2020, 12.00pm

Agenda

No	Item	Paper
1	Apologies	
2	Draft Minute of the last AGM of 17th May 2019	01.05.20
3	Chair's Annual Report 2019-2020	02.05.20
4	Treasurer's Financial Statement for the year ending 31st December 2019	03.05.20
5	Proposal for Office Bearers and Committee Members	04.05.20
6	Address by New Chair of CIPFA Scotland	05.05.20
7	AOCB	
8	Close	

CIPFA SCOTLAND AGM Friday 17 May 2019, 12:00

GLASGOW CITY CHAMBERS

Present:

Gordon Weir, Chair

Fiona Kordiak, Senior Vice Chair

Donella Steel, Junior Vice Chair

Rowena Roche, Treasurer

Alison Cumming, Past Chair

And CIPFA members

1. Apologies

Previously recorded.

2. Minutes of AGM 11th May 2018

Minutes were approved.

3. Chair of CIPFA in Scotland 2018/19 Annual Report

The Chair presented his annual report and firstly thanked all who had supported him throughout his year as Chair. Gordon spoke of the tough financial times and the challenges ahead facing CIPFA Members. The professional skills of CIPFA members have never been more needed with the ability to maintain ethical standards while having to find new creative ways to deliver public value and maintain public trust.

CIPFA is the first CCAB body to adopt the new international ethics code and has established an Ethics Working Group to update and revise the Statements of Professional Practice in line with the International Ethics Standards Board for Accountants Code of Ethics. As one of his priorities as Chair, Gordon joined the working group to support this developing agenda. The Branch are working with Don Peebles, CIPFA's Head of Policy and Technical – UK and International, to develop local ethics events that we are looking to take around the country to support member development.

One of the highlights of Gordon's year as chair was hosting the Scottish conference in St Andrews. There was a fantastic energy across the 2 days the

branch were able to offer financial support to enable more early career members to join for the conference and dinner.

Gordon took the opportunity to thank Don and the CIPFA Scotland staff for all of their assistance to the branch and support to him in his year as chair. Gordon finished by wishing Fiona Kordiak, incoming Chair with every success in her year as Chair.

4. Treasurers Report

The treasurer reported on expenditure and income for the year highlighting the consolidated net surplus of £979 for 2018. 2018 was another successful year for the Student Society with members organising events and providing representation for student and newly qualified members at both Branch and national level. The student society delivered a number of successful events including a PEP Roadshow event, a Strategic Case Study advanced material revision day hosted by past students and tailored events at the annual Scottish Conference.

The reserves position of the Branch remain healthy, with the balance of non-restricted funds comprising £107,390 at 31 December 2018. The Branch has developed plans to use these reserves to help deliver its strategic aims.

Rowena finished by thanking the committee and members for the opportunity to be Treasurer and to wish every success to the new Treasurer.

With no questions on the detail, the financial statements were approved.

The Chair thanked Rowena and wished her every success for the future.

5. Office Bearers 2019/20

The following office bearers were approved:

Chair – Fiona Kordiak

Senior Vice Chair – Donella Steel

Junior Vice Chair – To Be Confirmed

Honorary Treasurer – Stuart Nibloe

Honorary Auditor – Parminder Singh

Past Chair – Gordon Weir

6. Address by the Chair of CIPFA in Scotland 2019/20

PAPER 01.05.20

Fiona addressed the meeting as Chair and welcomed new members, congratulated Gordon on a successful year and thanked Glasgow City Council for hosting the ceremony. Taking on the role as Chair for an organisation you have been member of for more than 30 years rightly feels like a big responsibility, but with the support from colleagues in the Executive Committee and the CIPFA Scotland office will be achievable.

Fiona raised the issues facing members and the challenging times being met with a can do attitude and a fair degree of enthusiasm and optimism. In the public sector we have much to be proud of, with strong values based on public service, integrity, objectivity and professionalism. However we can't afford to be complacent.

Fiona spoke of her pride in the role that the institute has been playing in supporting members doing the right thing and building public trust. Fiona is a member of the CIPFA Financial Management Code stakeholder working group. The code provides a good balance between restating in one place the familiar expectations from other codes and stretching and extending requirements in other areas.

In the coming year Fiona plans to continue with Gordon's plan to arrange events focusing on Ethical Standards. Fiona would also like to continue to support students and newly qualified members and to re-establish the popular Skills for Success event.

Fiona encouraged members to get involved with the institute and the Executive Committee.

Fiona finished by thanking the members for the opportunity and looked forward to her year as chair.

7. AOCB

An attending CIPFA Member raised the ethical issues facing the public sector and congratulated CIPFA on their approach.

8. Close

Members were thanked for their attendance and the meeting was closed by the Chair.

Scottish Branch Chair – Review of 2019-20

We are living in extraordinary times, with the most severe public health crisis the world has seen since the 1918 influenza pandemic. COVID-19 has put Scotland's public services under strain at a scale usually only conceived in civil contingency planning exercises. I'd like to start this review by paying tribute to those working on the frontline at public bodies, and behind the scenes, who have done so much to save lives, support communities and protect jobs.

Last year, as incoming Chair, I said we had much to be proud of in the public sector with strong values based on public service, integrity, objectivity and professionalism. Today, I've never been prouder to say that I work in the Scottish public sector. Everyone is playing their part to respond to the pandemic – from frontline health and social care staff, teachers grappling with online lessons, those getting PPE to where it is needed and essential supplies to the vulnerable. This effort includes the often unseen contribution of public finance professionals to quickly develop new systems to provide financial support to businesses, respond to increased demand for benefits and support, manage cash flows when income sources have dried up and ensure staff get paid. And much of this happened from spare bedrooms, kitchen tables and sofas.

It will be some time before we fully understand the impact of the pandemic on public services and finances, the economy and our way of life. Meanwhile the usual challenges of balancing budgets, increasing demand for services and improving outcomes will continue. This time last year we thought one of our biggest challenges was preparing for EU withdrawal and activity on this is likely to increase as we get nearer to the end of the transition period. The skills of CIPFA members honed during a climate of financial austerity will be essential. Sound financial management and effective governance are more important than ever and we will need to maintain ethical standards while responding to urgent issues with speed, agility and creativity. We also need to make sure we grasp the opportunities and learning from new ways of working during the pandemic such as disrespecting organisational boundaries to deliver for communities and harnessing new technology.

Prior to the onset of the pandemic, our institute continued to work hard to support good financial management and build public trust in our profession. The publication of the Financial Management Code for local authorities at the end of 2019 is intended to support good practice by re-stating the familiar expectations from other codes in one place and stretching and extending requirements in other areas. We're asked to set our sights beyond the immediate budget horizon to sustainability in the medium and longer term. Although the current emergency inevitably means a focus on the here and now, we will quickly need to turn our attention to what the 'new normal' means for public finances and services to citizens. Since March, CIPFA has been fleet of foot in responding to the new situation and in supporting members - working through implications for financial reporting and timetables, setting up a COVID-19 hub of advice and guidance and swiftly moving all professional and other training to an online environment.

Speaking as a member for over 30 years, it has been a massive privilege to be Chair of the CIPFA Scotland Branch. Last year I said I was honoured, excited and a little bit daunted by the

responsibility. I needn't have worried as I've been so well supported by colleagues in the Executive Committee and the fabulous team in the CIPFA Scotland office. I've also enjoyed networking with volunteers in other regions around the UK. The Regional Forum was held in Chester and was a good opportunity to learn what other regions are doing to support members and, of course, showcase what we are doing in Scotland.

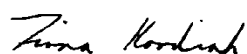
We've had a busy year in the Branch and it has been great to welcome a number of new members to the Committee. CIPFA has been active in championing the importance of ethics in all we do. Our past Chair, Gordon Weir, hosted an event focused on ethics in Dundee. Don Peebles, CIPFA's Head of Policy and Technical and a well-known face for most Scottish members, led with a presentation that brought the challenges to life and encouraged an open and honest discussion amongst the participants. We had intended the Dundee event to be the first of a number of roadshows around Scotland in an effort to better engage with members outwith the central belt. These plans are now on ice, of course, so it is good news that CIPFA are developing an e-module focused on ethics.

What is usually our showcase event of the year, the CIPFA Scotland conference, had the dubious honour of being one of the first COVID cancellations! It was shaping up to be an excellent event and I feel so sorry for Don, Mark McLean and the rest of the CIPFA team for all the hard work they had put in. I attended the national conference in Birmingham in summer 2019, which was a good event with high quality speakers and superbly organised. But it didn't have the family-feel of our own conference, where you can catch up with former colleagues or people you trained with an eternity ago.

An area of focus for us has been encouraging and supporting students and new members. CIPFA, like other accountancy bodies, is an aging institute and we need to do all we can to emphasise the importance of training the accountants and auditors of the future. The Students' Society continued to provide valuable support to help students prepare for their exams. We also held a 'Skills for Success' event over two days for students and early career members that focused on leadership and management skills. There was positive feedback from participants on the content of the event and, importantly, the chance to network and socialise with others. We were hugely disappointed that lockdown meant we had to cancel our annual graduation for new members at Glasgow City Council - it is always fantastic to celebrate their success and that of the prize winners and see the pride of their families and friends. We will be reviewing what we can do to replace this event over the coming months.

I would like to thank all of my colleagues on the Executive Committee for their help and support over the year and Don and Mark for all the assistance they provide to the Branch (with patience and good humour!).

Finally, I'd like to wish Donella Steel all the best for her year as Chair. She will be fantastic in leading us through these 'interesting times'.



Fiona Kordiak
Chair of Scottish Branch 2019/20

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

HONORARY TREASURER'S REPORT

This report presents the CIPFA Scottish Branch accounts for the financial year ended 31 December 2019.

During the financial year the Branch generated a consolidated net surplus of £11,727 (£979 for 2018). The surplus is a result of the Treasury Management Forum's surplus of £9,701 (£947 for 2018).

2019 saw a host of successful events targeted at both members and students of CIPFA. These included the annual CIPFA Scotland Conference, the ethics roadshow in Dundee and Strategic Case Study Advance Material revision days. The Treasury Management Forum also hosted another successful conference.

The reserves position of the Branch remains healthy, with the balance of non-restricted funds comprising £119,267 at 31 December 2019. Towards the end of 2019, the Branch initiated a working group to develop plans for how the reserves would be utilised to support members and students in the coming few years.

S NIBLOE

Stuart Nibloe
Honorary Treasurer
18 May 2020

**FIVE YEAR SUMMARY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2015	2016	2017	2018	2019
	£	£	£	£	£
Income	17,846	52,290	57,170	10,484	44,583
Expenditure	22,317	40,421	49,778	9,505	32,856
Net Incoming/(Outgoing) Resources	(4,471)	11,869	7,392	979	11,727

REPORT OF THE INDEPENDENT REVIEWER

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements of the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed (Independent Reviewer)



Parminder Singh, CPFA FCCA
20 May 2020

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

Note	2019 £	2019 £	2018 £	2018 £
Income				
<i>Incoming resources from charitable activities:</i>				
Advancing public finance and promoting best practice	41,757		7,795	
		41,757		7,795
<i>Incoming resources from generated funds</i>				
Investment income	826		689	
		826		689
<i>Other incoming resources:</i>				
Subvention		2,000		2,000
Total Income		<u>44,583</u>		<u>10,484</u>
Expenditure				
<i>Charitable activities:</i>				
Advancing public finance and promoting best practice	30,231		6,622	
Regulating and supporting members	2,625		2,883	
		32,856		9,505
<i>Governance:</i>				
Regional Council and audit		-		-
2 Total Expenditure		<u>32,856</u>		<u>9,505</u>
Net Incoming/(Outgoing) Resources		<u>11,727</u>		<u>979</u>
<i>Gains/(losses) on investment assets:</i>				
		-		-
Net Movement in Funds		<u>11,727</u>		<u>979</u>
Funds Balances Brought Forward at 1 January		<u>117,619</u>		<u>116,640</u>
Funds Balances Carried Forward at 31 December		<u>129,346</u>		<u>117,619</u>

BALANCE SHEET
AS AT 31 DECEMBER 2019

Note	2019 £	2019 £	2018 £	2018 £
Current Assets				
3		38,360	28,836	
4		52,037	51,321	
		75,502	69,852	
		<u>165,899</u>	<u>150,009</u>	
Current Liabilities				
5		(36,553)	(32,390)	
		<u>129,346</u>	<u>117,619</u>	
Represented By:				
Capital Funds				
Restricted Funds:				
6		10,079	10,229	
Income Funds:				
7		119,267	107,390	
		<u>129,346</u>	<u>117,619</u>	

Signed on behalf of the CIPFA Scottish Branch on 18 May 2020

Fiona Kordiak

Fiona Kordiak
Chair

S NIBLOE

Stuart Nibloe
Honorary Treasurer

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 £	2019 £	2018 £	2018 £
Net Cash Inflow (Outflow) from Operating Activities	6,366		8,417	
Returns on Investment and Servicing of Finance				
Investment Income	-		-	
Interest Paid	-		-	
	<u>0</u>		<u>0</u>	
Capital Expenditure and Financial Investments				
Purchase of tangible assets	-		-	
Proceeds from Sale of Investments	-		-	
Purchase of Investments	-		-	
	<u>0</u>		<u>0</u>	
Net Cash Inflow (Outflow)		<u>6,366</u>		<u>8,417</u>

Notes to cash flow statement

1		2019	2018
Net cash inflow/ (outflow) from operating activities		£	£
Changes in resources before revaluations		11,727	979
Investment income		-	-
Depreciation charges		-	-
(Increase) Decrease in Debtors		(9,524)	(664)
(Increase) Decrease in Stocks		-	-
Increase (Decrease) in Creditors		4,163	8,102
		<u>6,366</u>	<u>8,417</u>
2 Reconciliation of net cash flow to movement in net debt		2019	2018
		£	£
Increase/ (Decrease) in cash in the period		6,366	8,417
Net debt at 1 January		<u>121,173</u>	<u>112,756</u>
Net debt at 31 December		<u>127,539</u>	<u>121,173</u>
3 Analysis of changes in net debt	At 1 Jan		At 31 Dec
	2019	Cashflows	2019
	£	£	£
Cash in hand	121,173	6,366	127,539
Debt falling due after 1 year	-	-	-
Total	<u>121,173</u>	<u>6,366</u>	<u>127,539</u>

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with relevant guidance issued by the Accounting Standards Board and follow the requirements of the *Statement of Recommended Practice Accounting by Charities 2005*. The particular accounting policies adopted are described below

(a) **Accounting Convention**

The Financial Statements are prepared under the historical cost convention.

(b) **Investments**

There are no investments held as fixed assets. Those held as current assets are stated at the lower of cost and net realisable value.

2 SUPPORT COSTS

	Directly Attrib- utable Costs £	Apport- ioned Support Costs £	Apport -ioned Staff Costs £	Total 2019 £	Total 2018 £
Advancing public finance and promoting best practice	30,231	-	-	30,231	6,622
Regulating and supporting members	2,625	-	-	2,625	2,883
	<u>32,856</u>	<u>0</u>	<u>0</u>	<u>32,856</u>	<u>9,505</u>

NOTES TO THE FINANCIAL STATEMENTS

3 DEBTORS AND PREPAYMENTS

	2019	2018
	£	£
Amounts owed by CIPFA excluding VAT	34,976	28,458
Other debtors	3,384	378
	<u>38,360</u>	<u>28,836</u>

4 CURRENT ASSETS: INVESTMENTS

	2019	2018
	£	£
Bank term deposit account	52,037	51,321
	<u>52,037</u>	<u>51,321</u>

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Owed to CIPFA excluding VAT	33,760	30,880
VAT owed to CIPFA	2,066	386
Other Creditors	727	1,124
	<u>36,553</u>	<u>32,390</u>

NOTES TO THE FINANCIAL STATEMENTS

6 RESTRICTED FUNDS

	2019	2018
	£	£
Balance at 1 January	10,229	10,379
For the Year	<u>(150)</u>	<u>(150)</u>
Balance at 31 December	<u>10,079</u>	<u>10,229</u>

7 DESIGNATED FUNDS

The Income Funds of the Institute include the following Designated Funds that have been set aside out of unrestricted funds by the Executive Committee for Specific Purposes.

	2019	2018
	£	£
Conference Reserve	6,000	6,000
Treasury Management Forum	72,558	62,857
Policy and Technical Support Reserve	13,893	13,893
General Development Reserve	<u>26,816</u>	<u>24,640</u>
	<u>119,267</u>	<u>107,390</u>

8 TRANSACTIONS WITH TRUSTEES AND RELATED PERSONS

	2019	2018
	£	£
Travel and subsistence expenses reimbursed for costs necessarily incurred on CIPFA business	47	604
	<u>47</u>	<u>604</u>

Proposals for Office Bearers 2020

The CIPFA in Scotland Constitution and Rules require that Office Bearer positions are reviewed annually and that the Executive Committee, prior to each Annual General Meeting shall select their nominations for the Office Bearer Posts for the forthcoming year.

Taking into account the current Office Bearers the undernoted nominations for the 2020 Office Bearers have been considered and selected by the current Executive Committee as follows:

Chair	Donella Steel
Senior Vice-Chair	Martin Booth
Junior Vice-Chair	Joanne Brown
Honorary Treasurer	Stuart Nibloe
Honorary Auditor	Parminder Singh
Past Chair	Fiona Kordiak

Members are invited to consider and approve these proposals for the Office Bearers for 2020.

Fiona Koridak
Chair, CIPFA Scotland Branch

Incoming Chair's Message

I was first involved in a voluntary capacity with the CIPFA Scottish Students' Society (now the CIPFA Student Network) in 2000. Twenty years on, I am honoured to be taking on the role of Chair of the Scottish Branch particularly in these strange and challenging times.

The pace of change has been unrelentless over the past twenty years. We have seen the global financial crisis in 2007-08, referendums on independence and exit from the European Union and the current COVID19 crisis.

Throughout all of these challenges, the role of the public finance profession in providing high quality information, insight and resilient leadership has and continues to be vital to the organisations it serves. In times of crisis it can be easy to focus on the challenges to overcome but we also need to be alive to the opportunities that have arisen from the COVID19 pandemic.

In my term as Chair, I would like to focus on four key areas:

- 2019 was the first year that we did not hold the Scottish Public Finance Conference. The Scottish Branch is taking the opportunity afforded by that absence to review all aspects of the conference and we would welcome views from our members on the future direction of the Conference
- Enhanced member support and engagement: how the Branch can enhance its support to members as part of the 'new normal' both living with and after COVID19. All of us have been making the transition to virtual ways of working and connecting with others (some more successfully than others!) and I want to use this as a lever and impetus to build on.
- Professional ethics: CIPFA has commenced a project on development of an e-learning module on professional ethics for members. The Branch will be hosting a number of events to complement the e-learning allowing our members to actively take part in discussions on ethics and support those times when you may be placed under ethical pressure.
- Scotland's climate emergency – I would like to work with members across Scotland to shape the contribution public finance professionals can make to addressing the climate emergency.

On behalf of the Executive Committee I want to express my sincere thanks to Fiona Kordiak for her outstanding contribution as Chair to the Branch over the past twelve months.

I am also looking forward to continuing working with the Executive Committee and the CIPFA Student Network in Scotland. I know I will receive great support from them and the CIPFA Scotland office.

I would like to encourage you to get involved in our institute. I can certainly recommend it and have found the CIPFA networks I have developed over my career to be invaluable and a lot of fun!

I want to encourage engagement with members and if you have any suggestions on the key areas I have outlined above or want to get involved in volunteering, please email scotland@cipfa.org



Donella Steel

Incoming Chair of CIPFA Scotland, May 2020