

CIPFA

The Chartered Institute of
Public Finance & Accountancy

Scottish Branch

**annual
report**

2013 / 2014

CIPFA's objectives

Our charitable objectives

- Advancing public finance and promoting best practice
- Regulation and supporting members
- Educating and training student members

Our purpose

Working in the public interest to promote high standards and deliver excellence in governance and financial management throughout the public services.

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about CIPFA

CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance.

Our 14,000 members work throughout the public sector, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed.

We champion high performance in public services, translating our experience and insight into practical and innovative services for customers throughout the public sector to help them improve performance on the ground.

CIPFA shows the way in public finance globally, standing up for sound public financial management and good government around the world as the leading commentator on managing and accounting for public money.

about the scottish branch

The CIPFA Scottish Branch comprises the whole CIPFA membership in Scotland. Formed in 1906, the Scottish Branch has over 1,200 CIPFA-qualified full members and 250 student members. A number of important Branch activities take place each year including the Annual Conference and Graduation Ceremony for new CPFAs.

The principal function of the Scottish Branch is to promote the policies and reputation of the Institute in Scotland as provided by the Royal Charter and Bye Laws, in particular the science of public finance and accountancy.

scottish branch chair – review of 2013

The work of the CIPFA Scotland Branch this year has been dominated by the theme of ‘Reconnecting with the CIPFA membership’. Progress came in the form of a ‘Member Engagement Strategy’ which we circulated to members for consultation earlier this year. Whilst we have yet to fully collate the results of this consultation exercise, early results confirm that there is strong support for the strategy and direction the Branch is taking.

Whilst this is very encouraging, the real test will be whether CIPFA members in Scotland do feel more engaged with the work of the Branch, are afforded more opportunities to contribute to our work, and receive clear benefit from that engagement. Your early feedback has already provided us with tasks which will see improvement in website interactivity and the use of more communication channels to keep members updated and informed about the work of the Branch.

The Branch’s key annual event is, of course, the annual CIPFA public finance conference, which this year took place in the Beardmore Hotel in Clydebank. The use of a flashmob (many thanks to Rockchoir for their support) to sing ‘Livin’ on a Prayer’ at the outset of the Conference seems to have set the tone for a new innovative approach to the event.

It is pleasing to note that attendance levels at the Conference were significantly up this year, and it is clear the Conference is attracting more young professionals and widening its appeal from a mainly local authority base to include more colleagues working in the health, education, charity and private sectors.

My own personal contribution to better engagement and which became a new innovation this year was the introduction of our first CIPFA Scotland Public Finance Awards. This provided us with a high profile way to connect, not only with CIPFA members but also with other public

service professionals. These awards are aimed at recognising individual and team innovation and excellence in our public services.

The team award went to the Customer Service Desk at Glasgow City Council and the individual award to Allan MacLeod, Director of Finance and Resources at the Scottish Police Service. The judging panel was delighted with both the quality and number of submissions for these awards, demonstrating the great quality of innovation and improvement work that is being delivered every day in our public services.

It is right that CIPFA is being seen to be associated with success and to recognise and promote good practice and individual contributions to our public services. I fully expect the CIPFA Public Finance Awards to be a regular feature in our annual calendar going forward.

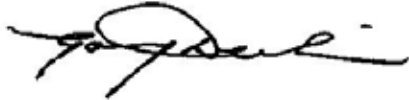
It has been a great privilege to Chair the CIPFA Scotland Branch this year. Volunteering for CIPFA has provided me with countless opportunities to get involved in a range of activities simply not available in my day job and, more importantly, to meet and work with the many inspirational people from a range of backgrounds, sectors, and disciplines. It has been particularly satisfying to see how the Branch has grown and developed in response to the changing environment of our public services and to the dynamic new strategy introduced by Rob Whiteman, the Chief Executive of CIPFA.

In reflecting on the year just gone, it is striking just how much has changed in that short time. The Branch has seen the appointment of Rob Whiteman as the new Chief Executive of the Institute and of Don Peebles who took over from Angela Scott as the Head of CIPFA Scotland. These changes in leadership are now being reflected in the strategy and direction of the Branch, with this new approach creating an exciting and more confident phase in the development of CIPFA.

I wanted to give my personal thanks to the members of the CIPFA Executive and the staff of

the CIPFA Scotland Office for their support to me over the last year, but also for their commitment and enthusiasm which is a continuing inspiration.

I will be handing on to Christine McLaughlin who takes over as Chair of CIPFA in Scotland. I already know that Christine has some great ideas for taking the Branch forward and continuing to develop our theme of member engagement. It is great to have such a high profile Chair taking a key role with the Branch, and I wish Christine every success and my continued support in the year ahead.



Gary Devlin
Chair of CIPFA in Scotland

development planner

In 2013, CIPFA Scottish Branch continued its mission to advance the public finance agenda and drive up standards by promoting best practice through the work of its special interest groups.

Please visit the CIPFA Scotland website for further details of Branch activities at www.cipfa.org/scotland.

incoming chair's message – looking to the future

It is encouraging for all of us to see from this Annual Report that the last 12 months have seen a real focus on developing a long term plan for CIPFA in Scotland. CIPFA's Development Programme led by our Chief Executive, Rob Whiteman provides us with a strong and positive direction and I'm pleased to say that the Scottish Branch is contributing to this through the development of our Advocacy Strategy. So I am delighted to be picking up the reigns as Chair, from Gary Devlin and am also committed to continuing with the impressive work that Gary has overseen in the last year.

In my year as Chair, I'd like to focus on three key areas for our Branch:

I hope to see us embed our Advocacy strategy into everything that we do, and ensure that we deliver against it by agreeing a three year plan of action.

As the environment in which we work in becomes increasingly cross public sector and multi skilled, I also plan to build on CIPFA's pivotal role in developing and supporting the public finance professional. We already have some novel and exciting work underway, with the introduction of the CIPFA Finance Apprentice Scheme, as well as planning for new models of shared training opportunities and placements across public sector bodies. We also have an important role to play in supporting strategic finance leadership and building networks across sectors.

And finally, I aim to connect with members across the country: with students; full and retired members; and employers. To get out and speak to as many of you as possible, whether through roadshow events, social media or email. I'd like to know what matters most to you, to help us respond to that in new and innovative ways.

So whilst we all acknowledge that we face some tough challenges over the next few years, we should also recognise that we have a fantastic opportunity right now to shape the influential role of public finance professionals in delivering improved services to the public. I'm excited to be part of that and looking forward to working with you.



Christine McLaughlin
Senior Vice Chair of CIPFA Scottish Branch

honorary treasurer's report

This report presents the CIPFA Scottish Branch accounts for the financial year ended 31 December 2013. During this financial year the Branch has continued to promote its priorities of advancing public finance, promoting best practice and supporting members. As a result of these activities the branch had expenditure in excess of income of £4,200 (prior to consolidation of the Students Society, see below). This was managed through the use of designated funds to support branch activities.

The Treasury Management Forum is consolidated within the Branch accounts and generated a surplus of £27,531 for the year. The Student Society has also been consolidated within the Branch accounts and a new Student Society Reserve has been created which at 31st December 2013 totalled £5,760.

The reserves position of the Branch is reducing but remains relatively healthy with balances totalling £97,589 held at 31 December 2013. The Branch has developed plans to use these reserves to help deliver its strategic aims over the next 5 years.

The Branch received a regional subvention from CIPFA of £4,543 for which the Branch allocated £1,418 to support the activities of the CIPFA Directors of Finance Section.

The strategic approach taken to the use of reserves is proving a valuable planning tool and complements the financial governance of the branch.



Alan Wood, MA(Hons), CPFA
Honorary Treasurer

Five Year Summary

for the year ended 31 December 2013

	2009	2010	2011	2012	2013
Income	33,508	45,715	28,808	43,283	28,251
Expenditure	69,930	46,830	23,861	43,943	26,691
Net incoming/(outgoing) resources	(36,422)	(1,115)	4,947	(660)	1,560

Report of the auditors

To the Members of the Scottish Region of the Chartered Institute of Public Finance and Accountancy, I (Margaret Donald) have audited the accounts of CIPFA Scottish Branch for the year ended 31 December 2013 and confirm that the accounts give a true and fair view of the state of affairs of the CIPFA Scottish Branch at 31 December 2013 and that they have been compiled in compliance with financial regulations.



Margaret Donald
CPFA

30 April 2014

Statement of Financial Activities

for the year ended 31 December 2013

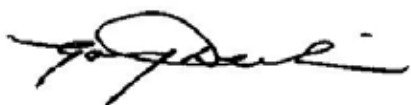
	Note	2013 £	2013 £	2012 £	2012 £
Incoming Resources					
<i>Incoming resources from charitable activities:</i>					
Advancing public finance and promoting best practice		15,945	–	37,650	–
Educating and training students		5,760	–	–	–
<i>Incoming resources from generated funds:</i>					
Donations		–	–	–	–
Investment income		2,003	–	2,000	–
<i>Other incoming resources:</i>					
Subvention		–	4,543	–	3,633
Total Incoming Resources		–	28,251	–	43,283
Resources Expended					
<i>Charitable activities:</i>					
Advancing public finance and promoting best practice		23,512	–	38,720	–
Educating and training students		0	–	1,500	–
Regulating and supporting members		3,179	–	3,723	–
<i>Governance:</i>					
Regional Council and audit		–	–	–	–
Total Resources Expended	3	–	26,691	–	43,943
Net Incoming/(Outgoing) Resources		–	1560	–	(660)
Gains/(losses) on investment assets:					
Net Movement in Funds		–	1560	–	(660)
Funds Balances Brought Forward at 1 January					
		–	96,029	–	96,689
Funds balances carried forward at 31 December		–	97,589	–	96,029

Balance Sheet

as at 31 December 2013

	Note	2013 £	2013 £	2012 £	2012 £
Fixed Assets					
Investments		–	–	–	–
Current Assets					
Stocks		–	–	–	–
Debtors and Prepayments	3	11,760	–	15,489	–
Investments		90,246	–	88,246	–
Cash at bank and in hand		46,805	–	21,239	–
		148,811	–	124,974	–
Current Liabilities					
Creditors: Amounts falling due within one year	4	(51,222)	–	(28,945)	–
Net Current Assets		–	97,589	–	96,029
Represented By:					
Capital Funds		–	–	–	–
Restricted Funds:					
Trust Funds	5	–	10,979	–	11,129
Income Funds:					
Designated Funds	6	–	86,610	–	84,900
Other Charitable Funds		–	0	–	0
		–	97,589	–	96,029

Signed on behalf of CIPFA Scottish Region on 30th April 2014



Gary Devlin
Chair

30 April 2014



Alan Wood, MA(Hons), CPFA
Honorary Treasurer

30 April 2014

Cash Flow Statement

for the year ended 31 December 2013

Note	2013 £	2013 £	2012 £	2012 £
Net Cash Inflow (Outflow) from Operating Activities	27,566	–	927	–
Returns on Investment and Servicing of Finance				
Investment income	–	–	–	–
Interest paid	–	–	–	–
Capital Expenditure and Financial Investments				
Purchase of tangible assets	–	–	–	–
Proceeds from Sale of Investments	–	–	–	–
Purchase of Investments	–	–	–	–
Net cash inflow (outflow)	–	27,566	–	927

Notes to the Cash Flow Statement

1	2013 £	2012 £
Changes in resources before revaluations	1,560	(660)
Investment income	–	–
Depreciation charges	–	–
(Increase) / Decrease in debtors	3,729	(8,966)
(Increase) / Decrease in stocks	0	0
Increase / (Decrease) in creditors	22,277	10,553
	27,564	927

2 Reconciliation of net cash flow to movement in net debt	2013 £	2012 £
Increase / (Decrease) in cash in the period	27,566	927
Change in net debt	–	–
Net debt at 1 January	109,485	108,558
Net debt at 31 December	137,051	109,485

3 Analysis of changes in net debt	At 1 Jan 2013 £	Cashflows £	At 31 Dec 2013 £
Cash in hand	109,485	27,566	137,051
Debt falling due after 1 year	–	–	–
Total	109,485	27,566	137,051

Notes to the Financial Statements

Year ended 31 December 2013

1 Accounting Policies

The Financial Statements have been prepared in accordance with relevant guidance contained within 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

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

c. Stocks

Stocks are stated at the lower of cost and net realisable value.

2 Support Costs

	Directly Attributable Costs £	Apportioned Support Costs £	Apportioned Staff Costs £	Total 2013 £	Total 2012 £
Advancing public finance and promoting best practice	23,512	–	–	23,512	38,720
Educating and training students	0	–	–	0	1,500
Regulating and supporting members	3,179	–	–	3,179	3,723
Governance and audit	0	–	–	0	0
Total	26,691	–	–	26,691	43,943
Basis of apportionment	–	–	–	–	–

3 Debtors And Prepayments

	2013 £	2012 £
Trade Debtors	–	–
Amounts owed by CIPFA excluding VAT	–	–
VAT repayment owed by CIPFA	–	–
Amounts owed by CIPFA Regions and Student Societies	–	–
Owed by CIPFA Business Ltd	–	–
Other Tax and Social Security	–	–
Other Debtors	11,760	15,489
Prepayments and Accrued Income	–	–
	11,760	15,489

Notes to the Financial Statements

Year ended 31 December 2013

4 Creditors: Amounts Falling Due Within One Year

	2013	2012
	£	£
Trade Creditors	–	–
Owed to CIPFA excluding VAT	–	–
VAT owed to CIPFA	4,570	1,302
Amounts owed to CIPFA Regions and Student Societies	–	–
Owed to CIPFA Business Ltd	–	–
Other Tax, Social Security	–	–
Other Creditors	23,077	27,643
Receipts in Advance	23,575	–
	51,222	28,945

5 Restricted Funds

	2013	2012
	£	£
Balance at 1 January	11,129	11,279
For the Year	(150)	(150)
Balance at 31 December	10,979	11,129

6 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.

	2013	2012
	£	£
Conference Reserve	14,129	18,000
Treasury Management Forum	27,531	23,839
Policy and Technical Support Reserve	14,129	18,000
General Development Reserve	25,061	25,061
Student Society Reserve	5,760	0
	86,610	84,900

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