



# **Association of Charity Independent Examiners**

**Bentley Resource Centre, High Street, Bentley, Doncaster. DN5 0AA  
Tel: 01302 828338**

**[www.acie.org.uk](http://www.acie.org.uk)**

**Registered charity:      England and Wales number 1077154  
   Scotland number SC039066**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31<sup>st</sup> DECEMBER 2008**

### **CONTENTS**

Annual Report of Council .....	2-6
Independent Examiner's Report.....	7
Financial Statements .....	8-14

## Association of Charity Independent Examiners

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### ANNUAL REPORT OF THE COUNCIL FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2008

The Council of the Association of Charity Independent Examiners presents its Annual Report and Financial Statements for the year ended 31<sup>st</sup> December 2008.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

**Name of charity:** Association of Charity Independent Examiners (ACIE)  
**Registered charity numbers:** England and Wales 1077154 and Scotland SC039066  
**Address:** Bentley Resource Centre, High Street, Bentley,  
Doncaster DN5 0AA

#### Council members at date of report:

Robert Andrews*	Vice-Chair
Michael Brougham*	from AGM, June 2008; Treasurer from Council meeting, Oct 2008
Peter Brown*	
Barrie Buels*	
Adetokunbo Diyan	
Mark Heaton*	Chair, and Treasurer until Council meeting, Oct 2008
David Loftus	from AGM, June 2008
Eric Southwick*	
Christopher Stephen-Haynes*	

The Charity Trustees of the Association are the Council Members (\* indicates Full Member of ACIE).

#### Other Council members during 2008:

Gwen Grayson to AGM, June 2008

**Officers:** Fiona Gordon (Director, 0.6 full time equivalent)  
Eric Marsden (Senior Administrator, 0.9 full time equivalent)

**Bankers:** Unity Trust Bank plc, Nine Brindleyplace, Birmingham B1 2HB

**Independent Examiner:** Mr David Ralph JP FCIPD FCIE  
50 Southwood Road, Rusthall, Tunbridge Wells, Kent TN4 8SP

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

ACIE is an unincorporated charitable association, governed by a constitution adopted on 1 July 1999 (most recently amended at 1 October 2007). ACIE was registered as a charity in Scotland in December 2007.

ACIE's trustees are elected at the AGM. In addition, Trustees may be co-opted during the year. Council met six times during the year, including three times by telephone. As required by the Constitution, the majority of Council members are Full Members of ACIE (marked \* above).

#### Committees

Council members have participated in three Committees during 2008:

- Membership, chaired by Robert Andrews, which reviews applications for Full Membership of ACIE and members' compliance with ACIE regulations, met six times (including three telephone conferences); Adrienne Airlie and Alan Clements were co-opted to this committee to consider Scottish applications and to help with extra applications respectively.
- Finance and Human Resources, chaired by Mark Heaton, met four times (by telephone conference);
- Training and Professional Development, chaired by Gwen Grayson, met once. This became the CPD Committee at the Council meeting in June, and subsequently met twice, chaired by Barrie Buels.

## OBJECTIVES AND ACTIVITIES

### Objects:

The objects of the Association are to promote greater effectiveness of charities in the United Kingdom in the achievement of their charitable objects:

- 1 by providing advice, support, and training to any person acting or wishing to act as an Independent Examiner of charity accounts;
- 2 by promoting and maintaining high standards of practice and professional conduct by its members; and
- 3 by providing charity trustees with information in connection with the selection and appointment of Independent Examiners.

### Activities:

- an enquiry service for members and non-members and charities seeking an IE
- provision of a website
- training courses and an annual conference
- a members' Handbook and newsletter
- the professional qualification of Full Membership, designated by LCIE, MCIE or FCIE
- collaboration with other bodies where this furthers the ACIE objects
- lobbying of the relevant bodies in respect of charity legislation or regulation with the aim of effecting change which will further the ACIE objects

## ACHIEVEMENTS AND PERFORMANCE

Irrespective of what was to happen to the global economy later in the year, Council (the Trustees) already knew that 2008 was going to be a crunch year for ACIE. After several years of trying to find a financial model that worked for the Association, the unrestricted fund ended 2007 unhappily in deficit, which proved something of a wake-up call. The major achievement of 2008, therefore, has been to bring the unrestricted fund back out of deficit and to do this without any obvious adverse effect on the services provided to members and to the wider charity world. This positive financial reversal has been brought about by increasing membership subscriptions and by concluding ACIE's contract with Sheffield Hallam University, neither of which was done lightly, and by a number of sizeable donations, for which ACIE is very grateful. This surplus is after a deficit on training in the year (of which, more below).

**Membership:** 2007 had also seen a slight dip in the total number of members, although the number of Full Members continued its steady rise. It was pleasing, therefore, that total membership numbers had remained constant at the end of 2008 at 553 (553 in 2007) and the number of Full Members had again increased, to 142 (127 in 2007). Turnover, mainly amongst Associate Members, continues to be quite high (116 new members in 2008), but Independent Examination is something that people move in and out of, either as a volunteer or professionally. For the volunteers, the Association tries to make its services available at a reasonable price, including running a Bursary Fund to allow it to offer subsidised membership subscriptions. ACIE is very grateful to the members and funders who support this financially, although the demand on the fund continues to be over twice the amount that is received.

**Legislative backdrop:** As anticipated, 2008 proved to be another busy legislative year as earlier provisions of the Charities Act 2006 (England and Wales) came into force and new provisions were introduced. In respect of IE, the major changes were the inclusion of company charities in the IE regime and the Examiner's new duty to report, both of which were reflected in new Directions and Guidance from the Charity Commission. The Money Laundering Regulations 2007 (UK-wide) and Charities (Accounts and Reports) Regulations 2008 both came into force and there were consultations in England and Wales on charity accounting thresholds and Charitable Incorporated Organisations (CIOs). ACIE participated in these consultations and kept members up to date with the various changes. Scotland was comparatively quiet - a consultation on reporting requirements for cross-border charities, which ACIE responded to; in Northern Ireland, there was further work from the Charities Act (Northern Ireland) 2008.

## Association of Charity Independent Examiners

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**Information:** One of ACIE's key roles is that of providing information about IE and related matters to its members, non-members and UK charities. In the light of the legislative changes mentioned above, 2008 has been a busy year for information on all fronts. The enquiry service (telephone, post, email) tends to ebb and flow, with technically tricky enquiries arriving in threes, followed (thankfully) by a pause. Two out of the three members' newsletters this year had to be larger than usual and the members' handbook is still awaiting its post-Charities Act and Companies Act overhaul.

**Conference and Training:** The 2008 conference returned to London and was again a well-received day of speakers and workshops with a small exhibition space. 99 people attended of whom 81 were members (94 in 2007). ACIE is very grateful to all those who contributed to this successful day.

The 2008 training programme was, once again, a mixed bag of poor attendance and positive feedback. The two-day advanced course ran twice; the introductory and intermediate courses, not at all; and 11 out of the 16 planned half day updates took place, with a further half day being run for a local CVS (Council for Voluntary Service). An addition to the programme, a day on CIOs, ran twice. The poor attendance had financial consequences and arose from the lack of capacity to undertake adequate marketing, which was exacerbated by ACIE's extra work in Scotland during the year. The feedback on the trainers and materials is predominantly positive. Our thanks go to the trainers and to Nicola Ferriday, our Lead Trainer.

**Scotland:** There were two specific developments in Scotland in 2008. ACIE held its first ever Scottish conference and it was invited to work with the Scottish CVS (Councils for Voluntary Service) to apply for funding for an IE training project across the CVS network. At the end of 2008, ACIE and the CVS are still working on providing the funders with further information in respect of this application, but hope that it will lead to the development of a successful project in 2009. ACIE also ran a training course, again, mainly for CVS personnel, in Inverness in April, attended by 13 people.

The Scottish Conference was attended by 53 members and guests, with significant input from OSCR (Office of the Scottish Charity Regulator) and sponsorship from Keegan & Pennykid (Insurance Brokers), to both of whom ACIE is grateful. The conference covered a range of IE-related issues and feedback was very positive.

Scottish membership of ACIE grew significantly in 2008 (17 Full Members and 47 Associates at December 2008) which reflects the growing impact of the changes to Scottish charity regulation from 2005/6 onwards. Our thanks go again to Adrienne Airlie, our Scottish Convenor, for all her hard work and we welcome Michael Brougham as a Scottish member of Council.

**Other bodies:** Relations with the Charity Commission, Office of the Third Sector and OSCR (in Scotland) continued to be positive and productive, with contributions from all three at ACIE conferences during the year. Discussions have taken place with a number of professional bodies - ICAEW, ICSA, CIPFA\* - about issues of common interest or concern, which may result in some joint working in 2009. ACIE has continued to provide trainers and materials for some of the AAT\* masterclasses and speakers for some branch meetings. ACIE provided a speaker for the CANN\* conference; the Director was co-opted to the CANN committee; and a day's training was provided to the North Yorkshire part of the CANN network.

As already mentioned, 2008 saw the conclusion of our contract with Sheffield Hallam University. A final report on their research into Receipts and Payments Accounts proved timely in respect of the consultation on charity accounting thresholds. We are grateful to Professor Gareth Morgan's input throughout this project.

AAT = Association of Accounting Technicians; CANN = Community Accountants National Network;  
CIPFA = Chartered Institute of Public Finance and Accountancy; ICAEW = Institute of Chartered Accountants for England and Wales; ICSA = Institute of Chartered Secretaries and Administrators.

**Internal/membership systems:** The ACIE Council made progress on two membership issues this year, piloting a new format for approving Full Membership applications at the autumn meeting of the Membership Committee and circulating draft CPD requirements to all Full Members in the summer. Work was also begun on detailed complaints procedures. In the autumn, the development of a new members' database began, with a view to aiding efficiency and permitting greater communication with members by email. All of these developments will require further work in 2009. Our thanks go to Bob Andrews and Michael Brougham for their work on the database and to Bob for his ongoing work on the ACIE website.

## PLANS FOR 2009

2009 is ACIE's 10<sup>th</sup> anniversary year and the ACIE Council plans to take advantage of the publicity and fundraising opportunities this provides as well as celebrating this milestone at its annual conference.

From the report above, the following activities for 2009 can be identified: training project in Scotland; marketing of training programme; work on Full Member applications and CPD; membership database and subsequent e-news service; overhaul of ACIE handbook; and possible joint working with other bodies and in Northern Ireland.

Whilst it was noted at the outset of this report that the financial situation of the Association has improved in 2008, it is still dependent on substantial income from donations and on unpaid hours from its staff. Some of the activities listed above will have financial benefits but it is also as yet unclear how the general economic downturn will affect ACIE, for example, in terms of membership numbers.

## PUBLIC BENEFIT

At its meeting in March 2009, Council considered ACIE's activities and achievements for 2008 and its plans for 2009 against the Public Benefit Guidance issued by the Charity Commission. Council agreed that the public who benefit from ACIE's work are those who are beneficiaries of the numerous small charities which are helped either directly by ACIE's information service or where ACIE members act as Independent Examiners. Council was satisfied that the above report on ACIE's activities in 2008, and its plans for the future, demonstrate the outworking of its charity objects such that said charities should experience ongoing or improved efficiency and confidence in their financial management allowing them to spend more time, money and energy on their own beneficiaries.

## FINANCIAL REVIEW

### Policy on Reserves

The ACIE Council believes that it should hold in reserve a sum of £16,000 to meet its commitments to staff, landlord and other creditors, should the Association have to dissolve for any reason. The unrestricted reserves of the Association at 31 December 2008 amounted to £282. The ACIE Council is aware that this falls well short of the target sum. Progress was made in 2008, with the previous deficit being eliminated, and there are plans to start building reserves again from 2009 onwards.

### Risk Assessment

The Council does not believe the Association is subject to any substantial risks beyond the liabilities disclosed in the financial statements. The Association has two employees and leases office premises. It holds public insurance and professional indemnity insurance policies and has a formal Risk Assessment Register.

The Council accepts that the Association's reputation could be at risk through a serious complaint regarding a member's conduct as an independent examiner but it considers that the Association has policies and procedures in place which provide reasonable protection to mitigate this risk.

## ACCOUNTING AND REPORTING RESPONSIBILITIES

The Council is responsible for preparing financial statements for each financial year, which give a true and fair view of the Association's financial activities during that year and of its financial position at the end of the year. In preparing those financial statements, the Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue in operation.

## Association of Charity Independent Examiners

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The Council is responsible for:

- keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable it (the Council) to ensure that the annual financial statements comply with the Charities Act 1993, the Charities and Trustee Investment Act (Scotland) 2005 and the Charities Accounts (Scotland) Regulations 2006; and
- safeguarding the Association's assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Report was approved by the Trustees on 12<sup>th</sup> March 2009 and signed on their behalf by:

*M Heaton*

MARK HEATON (Chair)

## **INDEPENDENT EXAMINER'S REPORT**

### **to the trustees of the Association of Charity Independent Examiners**

I report on the accounts of the Trust for the year ended 31 December 2008, which are set out on pages 8 to 14.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) or under Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (the 2006 Regulations) and that an independent examination is needed. The charity is preparing accrued accounts and I am qualified to undertake the examination by being a qualified member of ACIE.

It is my responsibility to:

- examine the accounts under section 43 of the Charities 1993 Act and under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act);
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

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:
  - to keep accounting records in accordance with section 41 of the 1993 Act and section 44 (1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act and section 44(1) (b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulationshave 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.

*David Ralph*

Mr David Ralph JP FCIPD FCIE  
50 Southwood Road, Rusthall  
Tunbridge Wells, Kent TN4 8SP

Date: 1 May 2009

Relevant professional qualification or body: Fellow of ACIE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2008

	Notes	Unrestricted Funds £	Designated Funds (Note 15) £	Restricted Funds (Note 14) £	2008 Total Funds £	2007 Total Funds £
<b><u>Incoming Resources</u></b>						
Donations and Grants	2	8,872	-	1,261	<b>10,133</b>	5,229
Subscriptions	3	33,260	-	-	<b>33,260</b>	30,320
Fees	4	18,584	11,985	2,985	<b>33,554</b>	26,623
Advertising & Sponsorship	5	4,335	-	-	<b>4,335</b>	3,100
Interest receivable		376	-	-	<b>376</b>	618
Other income		100	-	-	<b>100</b>	150
<b>TOTAL INCOMING RESOURCES</b>		<b>65,527</b>	<b>11,985</b>	<b>4,246</b>	<b>81,758</b>	<b>66,040</b>
<b><u>Resources expended</u></b>						
Cost of Generating Funds	6	29	-	-	<b>29</b>	387
Charitable activities	7	58,026	14,088	6,208	<b>78,322</b>	76,862
Governance	8	2,735	-	-	<b>2,735</b>	2,225
<b>TOTAL RESOURCES EXPENDED</b>		<b>60,790</b>	<b>14,088</b>	<b>6,208</b>	<b>81,086</b>	<b>79,474</b>
<b>Net resources before transfers</b>		<b>4,737</b>	<b>(2,103)</b>	<b>(1,962)</b>	<b>672</b>	<b>(13,434)</b>
<b><u>Transfers between funds</u></b>						
Miscellaneous Transfers		(2,103)	2,103	-	-	-
Project Organisation by Office		114	-	(114)	-	-
Subsidies for Voluntary IE's		1,750	-	(1,750)	-	-
<b>TOTAL TRANSFERS</b>	16	<b>(239)</b>	<b>2,103</b>	<b>(1,864)</b>	<b>-</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>4,498</b>	<b>-</b>	<b>(3,826)</b>	<b>672</b>	<b>(13,434)</b>
Fund Balances brought forward		(4,216)	-	13,290	<b>9,074</b>	22,508
Fund Balances carried forward		<b>282</b>	<b>-</b>	<b>9,464</b>	<b>9,746</b>	<b>9,074</b>

The notes on pages 10 to 14 form part of these financial statements.



**BALANCE SHEET AT 31<sup>st</sup> DECEMBER 2008**

	Notes	2008 £	2007 £
<b>Current Assets</b>			
Debtors	9	5,480	4,792
Cash at bank and in hand		<u>10,351</u>	<u>11,335</u>
		<u>15,831</u>	<u>16,127</u>
<b>Liabilities</b>			
Deferred Income	10	3,714	1,045
Creditors – Due within One year	11	<u>2,371</u>	<u>6,008</u>
		<u>6,085</u>	<u>7,053</u>
NET CURRENT ASSETS		<u>9,746</u>	9,074
<b>TOTAL NET ASSETS</b>		<u><u>9,746</u></u>	<u>9,074</u>

**THE FUNDS OF THE CHARITY**

Restricted funds	14	9,464	13,290
Unrestricted funds			
General fund		282	(4,216)
Designated funds	15	-	-
<b>TOTAL FUNDS</b>		<u><u>9,746</u></u>	<u>9,074</u>

The notes on pages 10 to 14 form part of these financial statements.

Approved by the Trustees on 12<sup>th</sup> March 2009 and signed on their behalf by:

*M Heaton*

MARK HEATON (Chair)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2008**

**1 ACCOUNTING POLICIES**

**1.1 Basis of preparation**

These financial statements have been prepared under the historical cost basis and in accordance with the Charities Act 1993 and related Regulations, the Charities and Trustee Investment Act (Scotland) 2005 and the Charities Accounts (Scotland) Regulations 2006, the Statement of Recommended Practice “Accounting and Reporting by Charities” issued in March 2005 (updated in 2008) and applicable accounting standards.

**1.2 Fund accounting**

Incoming resources that may be applied for the Association’s general purposes are treated as ‘unrestricted’ incoming resources and are credited to the ‘unrestricted funds’. Funding for purposes designated for a specific purpose by Council is credited to ‘designated funds’. Where a donation or grant is required to be used for a specified purpose, the amount concerned is treated as a ‘restricted’ incoming resource and is credited to the appropriate ‘restricted fund’.

**1.3 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donated services and facilities are included at the value to the charity where this can be quantified.
- Investment income is included when receivable.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

**1.4 Bank interest**

Bank interest is recognised as an incoming resource when it is credited to the bank statement. All bank interest is treated as unrestricted income to the General Fund. The principal providers of the Association’s restricted funds have agreed that the Association may adopt this policy.

**1.5 Resources Expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT that cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiner’s fee.

**1.6 Fixed assets**

All items of capital expenditure below £1,000 are written off as incurred.

**2 INCOMING RESOURCES – DONATIONS AND GRANTS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2008</b>	<i>Total 2007</i>
	£	£	£	£
Donations from members for Bursary Fund	-	1,075	<b>1,075</b>	<i>1,294</i>
Donations from members for General Fund	4,401	-	<b>4,401</b>	<i>1,470</i>
Tax refunds on Gift Aid donations	967	186	<b>1,153</b>	<i>485</i>
Tax refunds on Gift Aid on previous membership subscriptions	1,895	-	<b>1,895</b>	<i>1,530</i>
Sundry income	1,609	-	<b>1,609</b>	<i>450</i>
	<b>8,872</b>	<b>1,261</b>	<b>10,133</b>	<i>5,229</i>

**3 INCOMING RESOURCES – SUBSCRIPTIONS**

	<b>2008</b>	<i>2007</i>
	£	£
Subscriptions - Associate Members	<b>20,070</b>	<i>19,875</i>
Subscriptions - Full Members	<b>13,110</b>	<i>10,365</i>
Subscriptions - Newsletter-only	<b>80</b>	<i>80</i>
	<b>33,260</b>	<i>30,320</i>

**4 INCOMING RESOURCES – FEES**

	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total 2008</b>	<i>Total 2007</i>
	£	£	£	£	£
Fees - Upgrading from Associate to Full Membership	630	-	-	<b>630</b>	<i>960</i>
Fees - Full Members changing category	90	-	-	<b>90</b>	<i>30</i>
Fees - National conference	10,005	-	-	<b>10,005</b>	<i>8,160</i>
Fees - Scottish conference	3,670	-	-	<b>3,670</b>	<i>-</i>
Fees - Training courses and external training provided	1,905	11,985	2,985	<b>16,875</b>	<i>15,380</i>
Professional indemnity insurance fees from Full Members	2,209	-	-	<b>2,209</b>	<i>1,968</i>
Fees for links to Full Members' own websites	75	-	-	<b>75</b>	<i>125</i>
	<b>18,584</b>	<b>11,985</b>	<b>2,985</b>	<b>33,554</b>	<i>26,623</i>

**5 INCOMING RESOURCES – ADVERTISING AND SPONSORSHIP**

	<b>2008</b>	<i>2007</i>
	£	£
Sponsorship/exhibitions at National conference	<b>2,110</b>	<i>2,550</i>
Sponsorship/exhibitions at Scottish conference	<b>1,600</b>	<i>-</i>
Advertising income	<b>625</b>	<i>550</i>
	<b>4,335</b>	<i>3,100</i>

**6 RESOURCES EXPENDED – COST OF GENERATING FUNDS**

	<b>Total 2008</b>	<i>Total 2007</i>
	£	£
Publicity	<b>29</b>	<i>387</i>
	<b>29</b>	<i>387</i>

**7 RESOURCES EXPENDED – CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total 2008</b>	<i>Total 2007</i>
	£	£	£	£	£
Newsletter and other publications	1,675	-	-	<b>1,675</b>	1,553
Direct expenses of National conference	5,878	-	-	<b>5,878</b>	6,685
Direct expenses of Scottish conference	3,759	-	-	<b>3,759</b>	-
Full Members' Professional Indemnity Insurance	1,491	-	-	<b>1,491</b>	1,134
Staff travel expenses	1,221	-	-	<b>1,221</b>	855
Policy work	1,000	-	-	<b>1,000</b>	2,383
Training projects	1,108	14,088	6,208	<b>21,404</b>	20,546
Salaries (see below)	30,324	-	-	<b>30,324</b>	30,353
Employers' National Insurance costs	2,505	-	-	<b>2,505</b>	2,561
Employers' Pension costs (see below)	1,516	-	-	<b>1,516</b>	1,516
Payroll costs	329	-	-	<b>329</b>	311
Subscriptions to external bodies	511	-	-	<b>511</b>	353
Insurance for Association – Public Liability and Professional Indemnity	569	-	-	<b>569</b>	593
Office Rental and Rates	1,915	-	-	<b>1,915</b>	3,404
Office Postage and Telephone	1,686	-	-	<b>1,686</b>	1,708
Office equipment	-	-	-	-	356
Handbook printing, postage & packing	856	-	-	<b>856</b>	622
Printing (see note 8 below)	176	-	-	<b>176</b>	398
Data Protection Act registration fee	35	-	-	<b>35</b>	35
Stationery and miscellaneous expenses	1,444	-	-	<b>1,444</b>	1,420
Bank Charges	28	-	-	<b>28</b>	76
	<b>58,026</b>	<b>14,088</b>	<b>6,208</b>	<b>78,322</b>	76,862

The Association employs two members of staff at 0.6 and 0.9 full time equivalent hours (2007: 0.6 and 0.9 full time equivalent hours respectively).

The Association operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Association in an independently administered fund. The Employers' Pensions costs represent contributions payable by the charity to the fund and amounted to £1,516.

**8 RESOURCES EXPENDED – GOVERNANCE**

	<b>Note</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2008</b>	<i>Total 2007</i>
		£	£	£	£
Reimbursement of out-of-pocket expenses of Council members	12	1,560	-	<b>1,560</b>	1,171
Council meeting expenses		834	-	<b>834</b>	434
Independent examination fee/direct costs		200	-	<b>200</b>	227
Annual Report & Financial Statements printing		141	-	<b>141</b>	393
		<b>2,735</b>		<b>2,735</b>	2,225

The costs of printing the Annual Report & Financial Statements had been included within printing (charitable activities) in 2007 (£393). The comparatives have been restated.

**9 DEBTORS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2008</b>	<i>Total 2007</i>
	£	£	£	£
Miscellaneous debtors	2,011	-	<b>2,011</b>	916
Gift Aid receivable	2,783	186	<b>2,969</b>	1,647
Prepayments	500	-	<b>500</b>	2,229
	<b>5,294</b>	<b>186</b>	<b>5,480</b>	4,792

**10 DEFERRED INCOME**

	Unrestricted Funds	Designated Funds	Total 2008	Total 2007
	£	£	£	£
Balance at 1 January	1,045	-	1,045	1,322
Professional insurance indemnity fees received in 2006	-	-	-	(922)
Professional insurance indemnity fees received in 2007	(1,045)	-	(1,045)	1,045
Professional insurance indemnity fees received in 2008	1,164	-	1,164	-
Training fees received in advance for courses in 2007	-	-	-	(400)
Training fees received in advance for courses in 2009	-	2,550	2,550	-
Balance at 31 December	<b>1,164</b>	<b>2,550</b>	<b>3,714</b>	<b>1,045</b>

The Association operates a policy of deferring 50% of the Professional insurance indemnity (PII) scheme fees received from Full Members during a year. Training fees received are deferred to the year in which the course will be delivered.

**11 CREDITORS – DUE WITHIN ONE YEAR**

	Total 2008	Total 2007
	£	£
Training projects	699	3,115
NICS/PAYE	690	1,376
Miscellaneous creditors	982	1,517
	<b>2,371</b>	<b>6,008</b>

**12 REMUNERATION AND EXPENSES OF COUNCIL MEMBERS**

A total of £1,560 (2007: £1,171) was reimbursed to six Council members (2007: seven) for travel, telephone and other expenses incurred in undertaking Council business. There was no further remuneration to Council members during the year.

**13 FUTURE COMMITMENTS**

The Association is committed to pay for the lease on the office at Bentley Resource Centre for a 3 month period after notice given to a total of £490.

**14 RESTRICTED FUNDS**

	Balance at 1 <sup>st</sup> January 2008	Incoming resources	Resources expended	Transfers between funds	Transfers to General Fund (Note 16)	Balance at 31 <sup>st</sup> December 2008
	£	£	£	£	£	£
Bursary	143	1,261	-	200	(1,600)	4
Training: Wales	369	-	-	-	-	369
Training: East Midlands	1,645	-	-	-	-	1,645
Training: Scotland	497	2,450	(2,833)	-	(114)	-
Training: South West	1,800	-	-	-	-	1,800
Training: Northern	8,836	535	(3,375)	(200)	(150)	5,646
	<b>13,290</b>	<b>4,246</b>	<b>(6,208)</b>	<b>-</b>	<b>(1,864)</b>	<b>9,464</b>

The Bursary Fund receives donations from members and others, and is used to subsidise membership costs for voluntary independent examiners (VIE).

Training courses listed above by funds; balances to be used specifically on training in named areas.

**15 DESIGNATED FUNDS**

	Balance at 1 <sup>st</sup> January 2008	Incoming Resources resources expended	Resources expended	Transfers (to)/from General Fund (Note 16)	Balance at 31st December 2008
	£	£	£	£	£
Full Day Updates (CIO's)	-	3,170	(2,282)	(888)	-
Half Day Updates	-	4,535	(7,206)	2,671	-
Intermediate Training	-	60	(188)	128	-
Advanced Training	-	4,220	(4,412)	192	-
	-	<b>11,985</b>	<b>(14,088)</b>	<b>2,103</b>	-

During the year the Council decided to maintain various designated unrestricted funds to account for the incoming and outgoing resources relating to various courses.

**16 GROSS TRANSFERS BETWEEN FUNDS**

**Restricted Funds**

In 2008, transfers totalling £1,600 were made from the Bursary Fund to the General Fund to subsidise the subscriptions paid by members who undertake independent examinations on a voluntary basis (VIE).

A transfer of £114 was made from the Training Scotland Fund to the General Fund towards the Association's costs of organising the training. A transfer of £150 was made from the Training Northern Fund to the General Fund as a contribution towards the cost of the membership materials provided in the 12 months following their course attendance, to those course participants intending to undertake independent examinations on a voluntary basis (VIE). A further £200 was transferred from the Training Northern Fund to the Bursary Fund following the donation of a mentor fee from the course.

All transfers were made with the agreement of the funders.

**Designated Funds**

A transfer of £888 from Full Day Update Training Funds was made to the General Fund following the completion of the project.

Transfers of £192 to the Advanced Training Funds, £128 to the Intermediate Training Funds, and £2,671 to the Half Day Updates Fund, were made from the General Fund to cover a shortfall on those projects.

**17 SPLIT OF NET ASSETS BETWEEN FUNDS**

	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Cash at bank and in hand	9,464	887	<b>10,351</b>
Other net assets (liabilities)	-	(605)	<b>(605)</b>
	<b>9,464</b>	<b>282</b>	<b>9,746</b>

**18 CONTROLLING PARTY**

The charity is under the control of the elected Council of the Association who are the charity's trustees.