

*The
Honorary
Treasurers
Forum*



THE HONORARY TREASURERS

FORUM

ANNUAL REPORT AND

ACCOUNTS

2018

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED
31ST DECEMBER 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Name: **The Honorary Treasurers Forum**
("The Forum")

Charity Registration

Number: **1118802**

Trustees: **BRUCE GORDON, CHAIRMAN**

STEPHEN BROOKER, HONORARY TREASURER
(retired September 2018)

PROFESSOR PAUL PALMER

HEATHER LAMONT

GRAHAM SPOONER

GREG CRAIG WALLER
(appointed as Trustee June, appointed Treasurer
September 2018, resigned March 2019)

Chief Executive: **DENISE FELLOWS**

Principal Office and Administrative

Address: **c/o CENTRE FOR CHARITY EFFECTIVENESS**
CASS BUSINESS SCHOOL
106 BUNHILL ROW
LONDON EC1Y 8TZ

Independent

Examiner: **Leonard Specterman FCA FCMI FIC**

Bankers:

The Co-operative Bank
Unity Trust Bank (closed March 2019)

CHAIRMAN'S OVERVIEW

The Honorary Treasurers Forum is the source of professional development and camaraderie for Treasurers of nonprofit organisations and is the only organisation which focuses specifically on the needs of the Honorary Treasurer. The support provided by the Forum is vital in providing the confidence for Treasurers to be more proficient. Through the year we have provided updates on some of the challenges to which Honorary Treasurers might be faced and advice on how to avoid the pitfalls.

The Forum in its objective is primarily focused on supporting the Honorary Treasurers of larger charities and just over 50% of our Members are from charities with income or assets over £1 million. We also understand the needs of those from smaller charities with no financial staff where the governance and volunteer management roles may be blurred and more operational support is needed.

We continue to consider how we can increase the benefits of the Forum to our members and potential members. During 2018, we held four meetings including a half-day Summer Symposium which picked up topical issues. We are grateful to all the eminent speakers who gave their time and energy to speak during the year. We send out regular newsletters to provide practical support to Treasurers in their important role. There are valuable resources on our website including the Honorary Treasurers Handbook which continues to be a popular download from our site. We continue to improve our outreach through other organisations, such as the ICAEW, Charity Finance Group and the Charity Commission.

We very much appreciated the support of our sponsors during the year: Bates Wells Braithwaite; Cass Business School, Kingston Smith; and UBS and we are grateful to all our sponsors for their financial and physical support. A feature of the Forum is that experts from our sponsors attend meetings and provide advice both on the organisation of the Forum through sponsors meetings and to our members.

At the end of the year we are changing our back-office arrangements and Cass will cease to provide our administrative support whilst continuing to be our registered office. We are very grateful for all the support that Cass has given us over the last eleven years and for their continued involvement in our future.

In the past we relied heavily on the support of our sponsors to sustain the charity. In 2017 we introduced a small annual membership fee of £25 to enable the Forum to do more to extend its reach and impact. We also developed the strategy further to create a hybrid membership structure: introducing corporate members and providing events tailored specifically for very large charities.

I would like to thank my fellow Trustees for the support they have given to the Forum in the last year and to our Chief Executive, Denise Fellows, as she works with the Trustees to implement the strategy to deliver our vision - to provide real benefit for the sector through the cultivation of effective Honorary Treasurers and to encourage more volunteers to take up this vital role.

Bruce Gordon
Chairman

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Honorary Treasurers Forum is a charity governed by a Trust Deed dated 19th March 2007. Its object is:

“to advance education in financial management of those who are responsible for those looking after charities finances”.

Membership of the Forum is open to all Treasurers and those Trustees principally responsible for finance in the voluntary sector.

The organisational structure of the Forum is simple. The Trust Deed requires that there will be at least three trustees and not more than ten. At the end of 2018 we had five Trustees supported by a part-time Chief Executive. The Trustees meet as a Board several times a year when strategic decisions are taken, minutes approved and other routine business despatched.

Trustees are recruited and appointed by the Board and reflect the range of skills, knowledge and experience required to effectively run the Forum. All the Forum's Trustees are either Treasurers in their own right or work closely with the Treasurers and Directors of Finance in charities. The normal term of office for Trustees is three years but Trustees can be re-appointed and serve up to a further five terms.

Induction is given to all new trustees including briefing meetings with the CEO and Chair on roles and responsibilities and an overview of the Trust deed, the committee and decision-making processes, the strategy implementation plan, policies and recent financial performance of the Forum.

PUBLIC BENEFIT

The Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commissioners general guidance on public benefit, “Charities and Public Benefit”.

The Trustees ensure its purpose is carried out for the public benefit by delivering services that are valued by our members and promote strong financial management and control in charities. Services include members meetings and training sessions, the website with online resources, research into aspects of finance in charities and general networking.

The Forum is open to all Trustees, those who currently, in the recent past, or expect in the near future to take the important role of a Treasurer in a charity or to have responsibility for financial matters. In 2016, we introduced a small annual membership fee. Attendance at the Forum meetings continues to be free but paid-up members received discounts on the Summer Symposium and other events. We believe the Forum actively helps charities to maximise the use of their resources and make a greater impact for all their beneficiaries.

FINANCIAL REVIEW

Incoming resources for the year totalled £28,427. £15,000 was made up of annual donations from our sponsors, Bates Wells Braithwaite, Kingston Smith, and UBS. We were sorry to lose Ecclesiastical Insurance as sponsors this financial year but are glad to welcome them as corporate members. Cass Business School and UBS donated £6,600 and £1,500 respectively in kind by way of reduced fees for administrative support and provision of rooms for Forum meetings. Training income and membership fees amounted to £4,077. Gift Aid of £1,250 was claimed on sponsorship income.

Total resources expended were £28,710. Payments during the year included payments to Cass Business School for administrative support and catering for events, and payment to the Forum's Chief Executive.

The Trustees were disappointed that the Forum made a small loss during the year of £283 (2017: loss of £3,111), as plans to implement the new strategy were rather slower to take off than hoped. There is an expectation that the Forum will return to profitability in 2019.

The Forum's bankers are the Co-operative Bank and Unity Trust Bank. Both these institutions reflect a high standard of corporate responsibility. The Unity Trust Bank account has been closed in March 2019.

RISK

The Trustees have considered the risks to which the Forum is exposed and are satisfied that systems are in place to minimise them. Risks considered include loss of income or key personnel and injury to members.

RESERVES POLICY

The Trustees of the Honorary Treasurers Forum agreed that the reserves of the Forum should be between three and six months' expenditure to enable all Forum meetings for the year to be fulfilled. At the end of 2018 the reserves are slightly below this range. Reserves at the end of the year were £6,350.

ACTIVITIES AND ACHIEVEMENTS DURING 2018

The Forum held four meetings during the year including the Summer Symposium. Attendance at meetings continues to grow and most meetings had over 60 attendees.

- 6th February – Dr Bob Harris from the Worshipful Company of Management Consultants presented the findings of “Taken on Trust” research with particular reference to the findings from treasurers. The attendees discussed how trustees and especially treasurers in charities with no staff best be supported by the Charity Commission and sector bodies. Ideas included buddying small charities with larger charities.

- 7th June– Summer Symposium. The Symposium explored new thinking and technologies: Digital Strategies; Social Investment and Blockchain technology. Our excellent speakers were Zoe Amar, David Rowe, Helen McDonald and Professor Michael Mainelli.

Quotes from attendees from the 2018 Summer Symposium:

“Good speakers who covered the subject clearly.”

“Very interesting and entertaining speaker, who manage to bust a few myths about blockchain.”



“Excellent. I look forward to all HTF events as the content is invariable interesting and well presented.”

- 25th September – focused on financial controls and managing conflict, facilitated by Peter Hanley, HTF member. Peter has produced a comprehensive report of the output from the session. Gillian McKay of ICAEW gave an update on the ICAEW Trustee Training modules.
- 22nd November – the Annual Investment Update from UBS. Dean Turner from UBS again gave an enlightening overview of the financial markets well angled towards the interests of our members.

Write-ups of many of the Forum meetings can be found on the website (www.honorarytreasurers.org.uk).

The Chief Executive and Trustees appeared in the media and at conferences to promote the Forum and the important role of the Honorary Treasurer.

We were delighted that at the end of the year we had one hundred and forty members paying the small annual subscription. Our mailing list has also increased substantially primarily due to the interest in the Handbook. The number of Treasurers who contact us has continued to grow as more become aware of the existence of the Forum through better signposting.

FUTURE PLANS

The Forum has developed successfully in the eleven years since it was formally founded and in the last two years has moved from a free membership model to introduce a paid membership.

The blend of Treasurers within the Forum has moved from those primarily within the top 1000 charities to slightly less than half working within smaller charities. To acknowledge this shift, to provide better support for treasurers of both larger and smaller charities, and to allow better opportunities for those who wish to provide services to these communities, the Trustees agreed a new strategy for the Forum to introduce, during 2018, a hybrid membership structure. This structure has different tiers of benefits for: treasurers of very large (by income/assets) charities; treasurers of medium to small charities; treasurers of federated charities; and, for profit organisations which wish to sponsor or become corporate members.

The strategy will deliver the mission by developing a hybrid membership structure which supports all Treasurers within the sector.

Strengthening Treasurers

Aim 1: Developing a hybrid membership structure

Aim 2: Improving education and support services

Strengthening the sector

Aim 3: Encouraging more volunteers as Honorary Treasurers into the sector

Aim 4: Collaborating to campaign and influence policy on issues which challenge Honorary Treasurers

Underpinning both of which is:

Aim 5: Ensuring financial stability and accountability of the Forum

MEMBERSHIP OF THE FORUM

The Forum is open to those who currently, in the recent past, or expect in the near future to take the important role of a Treasurer in a charity. Anybody wishing to join the Forum should contact:

Helen Goodchild

Honorary Treasurers Forum

at the Administrative address

Email info@honorarytreasurers.org.uk/

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the applicable Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees on:

Date: 15 June 2019

Bruce Gordon

and signed on their behalf by:

Bruce Gordon (Chairman)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE HONORARY TREASURERS FORUM CHARITY REGISTRATION NUMBER: 1118802

I report on the accounts of the Honorary Treasurers Forum for the year ended 31st December 2018 which are set out on pages 10 to 14.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect,:

- the accounting records were not kept in accordance with section 130 of the Act;
or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Signed: Leonard Specterman

Date: 25 July 2019

Name: Leonard Specterman

**Relevant professional
Qualifications:** FCA

Address: 10 Heather Walk
Edgware
Middlesex
HA8 9TS

THE HONORARY TREASURERS FORUM
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31ST DECEMBER 2018

	Note	Unrestricted Funds 2018 £	Total 2018 £	Total 2017 £
Incoming resources				
Donations		24,350	24,350	26,600
Trading income		4,077	4,077	3,897
Grant income	4	-	-	5,860
Total incoming resources		28,427	28,427	36,357
Resources expended				
Cost of Generating Funds		1,000	1,000	1,250
Charitable Activities				
Research	4	-	-	6,005
Education	4	27,710	27,710	32,213
Total resources expended		28,710	28,710	39,468
NET INCOMING RESOURCES		(283)	(283)	(3,111)
Total funds brought forward		6,633	6,633	9,744
TOTAL FUNDS CARRIED FORWARD		6,350	6,350	6,633

THE HONORARY TREASURERS FORUM
BALANCE SHEET AS AT 31ST DECEMBER 2018

	Note	2018 £	2017 £
Current assets			
Debtors	7	1,750	-
Cash at bank and in hand		6,775	11,034
Current liabilities			
Creditors falling due within one year	8	2,175	4,401
TOTAL NET ASSETS		<u>6,350</u>	<u>6,633</u>
The funds of the charity			
Unrestricted funds		6,350	6,633
TOTAL CHARITY FUNDS		<u>6,350</u>	<u>6,633</u>

Approved by the trustees on:

Date: 15 June 2019

Bruce Gordon

**and signed on their behalf by:
Bruce Gordon (Chairman)**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2018

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Forum constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Forum's ability to continue as a going concern.

(b) Funds structure

- Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal. There are no restricted funds.

(c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The following specific policies are applied to particular categories of income:

- Income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- Gift aid reclaimable on donations to the charity is included with the amount is received.
- Donated services and facilities are included at the value to the charity where this can be quantified and the amount is material.
- The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the trustees' annual report.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Allocation of support costs

Other than the allocation of the CEO's time to fundraising, support costs relate to the main charitable activity of education.

(g) Cost of generating funds

The cost of raising funds consists of the CEO's time in meeting existing and potential donors and making grant applications.

(h) Charitable activities

Costs of charitable activities include CEO time, governance costs and support costs.

2. Taxation

The charity is exempt from taxation on its income and gains where they are applied for charitable purposes. No tax charges have arisen.

3. Analysis of support and governance costs

	General support	Governance	Total 2018	Total 2017
	£	£	£	£
Website	1,020	-	1,020	570
Marketing and PR	978	-	978	1,845
CEO time	-	1,500	1,500	1,500
Insurance for trustees	-	265	265	879
Bank charges	72	-	72	72
Total	2,070	1,765	3,835	4,866

The Independent Examination fee was £nil (2017: £nil).

4. Analysis of charitable expenditure

	Research 2018 £	Education 2018 £	Total 2018 £	Total 2017 £
CEO time	-	5,500	5,500	11,250
Cass Business School - administrative support	-	9,600	9,600	10,080
Cass Business School – donated services and facilities	-	6,600	6,600	6,600
Catering	-	675	675	1,417
UBS - donated services and facilities	-	1,500	1,500	
Support and governance (note 3)	-	3,835	3,835	4,866
Publication	-			4,005
Total	<u>-</u>	<u>27,710</u>	<u>27,7108</u>	<u>38,218</u>

No Research activities were undertaken this year. In 2017 Research included the production of the Honorary Treasurers Handbook to support which the Forum received a grant of £5,860 from the Worshipful Company of Management Consultants.

5. Remuneration and expenses.

No remuneration or expenses were paid to any of the Trustees during the year. The Forum has no employees.

6. Related party transactions

The Forum pays Coach House Consulting Ltd for the services of its CEO. In 2018 Coach House Consulting Ltd invoiced the Forum £8,000 for these services (2017: £14,000) of which £nil was outstanding as at 31 December 2018 (2017: £nil).

Professor Paul Palmer, a trustee, is also an employee of Cass Business School City, University of London and is head of Cass CCE which provided administrative and catering services. Cass CCE invoiced the Forum £9,680 for these services (2017: £12,742) of which £2,040 was outstanding as at 31 December 2018 (2017: £4,266).

7. Debtors

	2018 £	2017 £
Prepayments and accrued income	<u>1,750</u>	<u>-</u>

8. Creditors under 1 year

	2018 £	2017 £
Accruals	<u>2,175</u>	<u>4,401</u>