

Scottish Branch

annual  
report

2015/2016

# 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 200 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 2015/16

Welcome to the annual review of the activities of the CIPFA Scotland branch.

2015 has certainly been a busy year for CIPFA in Scotland. During the year we have worked hard to ensure the profile of CIPFA has continued to develop and I would like to take this opportunity to share some of the highlights of 2015 with you.

In what was our 110th year as a branch, John Matheson, a past Chair of CIPFA in Scotland, was elected as National CIPFA President. John is the first Scot to hold this position since 1961. John's duties understandably were global in nature but I'm delighted to say that he still found time to support me as Chair of CIPFA in Scotland.

In particular, it was with great pleasure that John was able to join us in opening the new CIPFA Scotland offices in Edinburgh in June. On that day we were also joined by Jamie Hepburn MSP, Minister for Sport, Health Improvement and Mental Health and a range of other high profile public sector stakeholders. The launch of CIPFA's support framework on Self Directed Support, developed in partnership with the Scottish Government taking place at the new office suite was representative of the forward ambition of CIPFA in Scotland

I was personally delighted to note that all the hard work undertaken by my predecessor, Christine McLaughlin, particularly in the areas of member engagement and student development, was recognised formally by CIPFA when Scotland was named as UK region of the year in October.

Students continue to be essential to the success of the Institute and we have developed our student programme during the year. I was very pleased to note we welcomed new members Stuart Nibloe and Kirsten Ingram to the Executive Committee with a specific focus on developing the student's society.

During the year our special interest groups have continue to run a diverse programme of specialised events. The Treasury Management Forum ran a highly successful biannual conference in Dunblane in March and Internal Audit were also represented ably on the Committee by their Scottish Chair, Jill Stacey. A particular highlight of this SLACIAG was the two day audit conference held in Dundee.

The CIPFA local government Directors of Finance Section continues to be the main professional forum for my fellow finance directors. I would therefore recognise and acknowledge the role of the Chair Laura Friel.

Laura and I co-hosted a successful CIPFA Chief Financial Officers Forum in March. This complimentary event is an invaluable event enabling CFO's to debate critical issues with their peers. The focus this year was the integration of health and social care, a major area of transformational change in Scotland's public sector.

The Executive Committee itself was also active throughout the year, running a programme of events for members. The Skills for Success 'weekend school' goes from strength to strength. This two day event was held in November in Cumbernauld. The event is a major investment by the branch. The focus on Leadership Collaboration and Problem Solving provided opportunity to develop new skills in a more relaxed environment and this year was attended by over 40 students, and qualified members.

The policy voice of CIPFA in Scotland continued to be represented at the highest level with a major contribution from Don Peebles as a Commissioner on the Local Tax Commission which examined the future of local taxation in Scotland. The role of CIPFA was also strongly evident in the ongoing process, following Royal Assent of the Public Bodies (Joint Working) Act 2014, to integrate health and social care services across Scotland.

As Chair, I was pleased to represent the branch at the annual CIPFA dinner in London. This important event brought together CIPFA members and stakeholders from all over the world. Not only does it remind you of the global nature of the Institute but also of the important role that Scottish members continue to play in CIPFA.

Once again our annual conference, held on 17 and 18 March, proved once again to be a particular highlight in the year. The event, returning to Glasgow for the first time in 10 years, was based around the theme of “Entrepreneurial Leadership in a Time of Austerity”.

The conference was attended by over 300 delegates, exhibitors, sponsors and speakers. We heard contributions from inspirational leaders working across the public, private and third sectors. The conference demonstrated clearly the role of public finance professionals in delivering change and leading organisations and as the CIPFA Chief Executive, Rob Whiteman aptly put it, “finance is the driver in dealing with things in a positive sense. In negative circumstances we have to set the tone... adopting a realistic but can do approach”.

The conference also featured the Public Finance Awards which recognised the achievement of individual members and public sector teams. I was delighted to join delegates

in congratulating our prize winners. Bert Allison from Renfrewshire Council received the premier accolade of Public Finance Professional of the Year. Hamish Hamilton won the award for Emerging Talent. Meanwhile there were awards for teams from Dundee City Council and Greater Glasgow and Clyde Health Board.] All of the winners were presented with their awards at annual the conference dinner by John Matheson.

It has been a very quick year as the Chair of CIPFA in Scotland and I would like to pay tribute to my fellow committee members and the staff of CIPFA in Scotland who have all in their own way made the last year so enjoyable. I would like to especially thank those who have stepped down from the committee during the year – Mike Baxter, past Chair Gillian Houston, Jill Stacey and Alistair McArthur for all their support and hard work.

It only remains for me to remind you that if you would like to volunteer for CIPFA, please contact the CIPFA Scotland Office in Dundee Street. I know from personal experience that you will get more out of volunteering for CIPFA than you will ever have to put in, something which benefits both you and CIPFA. Finally, can I wish the incoming Chair, Mark White, every success in 2016/17.



A handwritten signature in black ink that reads "David Robertson". The signature is fluid and cursive, with a long horizontal stroke at the end.

**David Robertson**  
Chair of Scottish Branch

# incoming chair's message

It is a great honour to take on the role of Chair of CIPFA in Scotland. This will be a hugely important year for the Scottish Public Sector with the outcome of the EU Referendum and the new Scottish Government setting out a vision for the next Parliamentary term. The financial outlook remains challenging, but Scotland now has greater fiscal powers than ever before.

CIPFA has a critical role in establishing this future vision promoting excellent financial planning, management and governance across the whole Scottish Public Sector.

A key pillar of this vision focuses on People, Partnership, Prevention and Performance. Public service providers must work much more closely in partnership, to integrate service provision and thus improve the outcomes they achieve.

The Community Empowerment (Scotland) Act 2015 set out new statutory duties for Community Planning Partnerships. To meet these expectations, fundamental changes will have to be made to the way public services are planned and delivered.

Local public service leaders must work with others to create a climate and culture where they feel confident they have autonomy and authorisation to decide how to respond to the specific needs of their communities as well as by showing strong local leadership of change. A new way of working is required and communities will have a key role to play in shaping local public services.

These leaders will include many CIPFA members and there is an opportunity for them all to drive the agenda forward. CIPFA members can help with the streamlining of performance management frameworks and create a better balance between measures of service performance and local outcomes, prevention and the performance of partnerships. The voice of CIPFA will be at the heart of this change.

The theme of partnership must also apply to the Institute in relation to its Members. One of my key aims is to build on the good work of the member engagement strategy, promoting member involvement and interaction. Central to this will be increased use of social media, providing a vehicle for Members to contribute and influence the debate.

This was one of the central themes of the 2016 conference, 'Leading Public Services to Success' which encouraged us all to think professionally about how we prepare and involve ourselves for the short, medium and long term and as public finance professionals, rise to the challenges.

I'm taking over the chair of the Scottish Branch following a great year for CIPFA and I would like to thank David for his leadership of the Branch over the last year. A hugely successful conference was underpinned by continued support for members through a series of high quality CPD events for members and students throughout the year.

David's legacy will be epitomised by the continual increasing profile of CIPFA and ensuring it's distinctive voice is heard clearly within the Scottish Public Services arena.

My fundamental objective is to build on this success, co-ordinating support from the Executive Committee, colleagues at the Branch and the great team working for CIPFA. We are always seeking new volunteers and I hope to encourage more members to become involved going forward, either through supporting our students, commenting on consultations, or joining our Scottish Branch.

These are tough times for public services, and the challenge is forever increasing. But this also creates opportunity, and CIPFA will continue to play a key role in directing

the course of public finances in Scotland. There is no better time for new and current members to get involved ensuring your Institute can continue to be even more effective and successful in the future.



A handwritten signature in black ink that reads "Mark White".

**Mark White**  
Incoming Chair of Scottish Branch

# honorary treasurer's report

This report presents the CIPFA Scottish Branch accounts for the financial year ended 31 December 2015.

During the 2015 financial year the Branch generated a consolidated net deficit of £4,471 compared with a net surplus of £4,261 for 2014. The main reason for this difference (and also the reason for the difference in income and expenditure levels) is that the Treasury Management Forum's surplus was £786 in 2015 compared with £10,642 in 2014.

The Treasury Management Forum hold a biennial workshop which generated a significant surplus of £9,494 in 2014.

In November 2015, the Branch delivered its annual residential training programme ("Skills for Success") which was offered free of charge to CIPFA members and students. This was highly successful and was supported by the Branch at a net cost of £6,242.

The reserves position of the Branch remain very healthy, with the balance of non-restricted funds comprising £86,700 at 31 December 2015. The Branch has developed plans to use these reserves to help deliver its strategic aims.

The Branch received a regional subvention from CIPFA of £6,160 for which the Branch allocated £500 to support the activities of the CIPFA Directors of Finance Section.



**Alasdair Black**  
Honorary Treasurer



## Five Year Summary

for the year ended 31 December 2015

	2011	2012	2013	2014	2015
<b>Income</b>	28,808	43,283	28,251	58,213	<b>17,846</b>
<b>Expenditure</b>	23,861	43,943	26,691	53,952	<b>22,317</b>
<b>Net incoming / (outgoing) resources</b>	4,947	(660)	1,560	4,261	<b>(4,471)</b>

### 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 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.



**Claire Gardiner**  
CPFA  
18 April 2016

# Statement of Financial Activities

for the year ended 31 December 2015

	Note	2015 £	2015 £	2014 £	2014 £
<b>Incoming Resources</b>					
<i>Incoming resources from charitable activities:</i>					
Advancing public finance and promoting best practice		<b>10,628</b>	–	50,913	–
Educating and training students		–	–	<u>5,760</u>	–
<i>Incoming resources from generated funds:</i>					
Donations		–	–	–	–
Investment income		<u>1,058</u>	–	<u>1,150</u>	–
<i>Other incoming resources:</i>					
Subvention		–	<b>6,160</b>	–	6,150
<b>Total Incoming Resources</b>		–	<b>17,846</b>	–	58,213
<b>Resources Expended</b>					
<i>Charitable activities:</i>					
Advancing public finance and promoting best practice		<b>18,071</b>	–	52,238	–
Educating and training students		–	–	–	–
Regulating and supporting members		<u>4,246</u>	–	<u>1,714</u>	–
<i>Governance:</i>					
Regional Council and audit		–	–	–	–
<b>Total Resources Expended</b>	2	–	<b>22,317</b>	–	53,952
<b>Net Incoming/(Outgoing) Resources</b>		–	<b>(4,471)</b>	–	<u>4,261</u>
Gains/(losses) on investment assets:		–	–	–	–
<b>Net Movement in Funds</b>		–	<b>(4,471)</b>	–	4,261
Funds Balances Brought Forward at 1 January		–	<b>101,850</b>	–	97,589
<b>Funds balances carried forward at 31 December</b>		–	<b>97,379</b>	–	101,850

# Balance Sheet

as at 31 December 2015

	Note	2015 £	2015 £	2014 £	2014 £
<b>Fixed Assets</b>					
Investments		–	–	–	–
<b>Current Assets</b>					
Stocks		–	–	–	–
Debtors and Prepayments	3	26,699	–	13,059	–
Investments	4	76,430	–	90,651	–
Cash at bank and in hand		38,787	–	20,365	–
		<b>141,916</b>	–	124,075	–
<b>Current Liabilities</b>					
Creditors: Amounts falling due within one year	5	(44,537)	–	(22,225)	–
<b>Net Current Assets</b>		–	<b>97,379</b>	–	101,850
<b>Represented By:</b>					
Capital Funds		–	–	–	–
Restricted Funds:					
Trust Funds	6	–	10,679	–	10,829
Income Funds:					
Designated Funds	7	–	86,700	–	91,021
Other Charitable Funds		–	–	–	–
		–	<b>97,379</b>	–	101,850

Signed on behalf of CIPFA Scottish Region on 18 April 2016



**David Robertson**  
Chair



**Alasdair Black**  
Honorary Treasurer

# Statement of Cash Flows

for the year ended 31 December 2015

Note	2015 £	2015 £	2014 £	2014 £
<b>Net Cash Inflow (Outflow) from Operating Activities</b>	<b>4,201</b>	<b>–</b>	<b>(26,035)</b>	<b>–</b>
<b>Returns on Investment and Servicing of Finance</b>				
Investment income	–	–	–	–
Interest paid	–	–	–	–
<b>Capital Expenditure and Financial Investments</b>				
Purchase of tangible assets	–	–	–	–
Proceeds from Sale of Investments	–	–	–	–
Purchase of Investments	–	–	–	–
<b>Net cash inflow (outflow)</b>	<b>–</b>	<b>4,201</b>	<b>–</b>	<b>(26,035)</b>

## Notes to the Cash Flow Statement

1.	2015 £	2014 £
Changes in resources before revaluations	<b>(4,471)</b>	4,261
Investment income	–	–
Depreciation charges	–	–
(Increase)/Decrease in debtors	<b>(13,640)</b>	(1,299)
(Increase)/Decrease in stocks	–	–
Increase/(Decrease) in creditors	<b>22,312</b>	(28,997)
	<b>4,201</b>	(26,035)

2. Reconciliation of net cash flow to movement in net debt	2015 £	2014 £
Increase/(Decrease) in cash in the period	<b>4,201</b>	(26,035)
Change in net debt	–	–
Net debt at 1 January	<b>111,016</b>	137,051
Net debt at 31 December	<b>115,217</b>	111,016

3. Analysis of changes in net debt	At 1 Jan 2015 £	Cashflows £	At 31 Dec 2015 £
Cash in hand	<b>111,016</b>	<b>4,201</b>	<b>115,217</b>
Debt falling due after 1 year	–	–	–
Total	<b>111,016</b>	<b>4,201</b>	<b>115,217</b>

# Notes to the Financial Statements

Year ended 31 December 2015

## 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 Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102). 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 2015 £	Total 2014 £
Advancing public finance and promoting best practice	18,071	–	–	<b>18,071</b>	52,238
Educating and training students	–	–	–	–	–
Regulating and supporting members	4,246	–	–	<b>4,246</b>	1,714
Governance and audit	–	–	–	–	–
Total	22,317	–	–	<b>22,317</b>	53,952
Basis of apportionment	–	–	–	–	–

## 3. Debtors And Prepayments

	2015 £	2014 £
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	<b>26,699</b>	13,059
Prepayments and Accrued Income	–	–
	<b>26,699</b>	13,059

## 4. Current Assets: Investments

	2015 £	2014 £
Bank term deposit account	<b>76,430</b>	90,651
	<b>76,430</b>	90,651

# Notes to the Financial Statements

Year ended 31 December 2015

## 5. Creditors: Amounts Falling Due Within One Year

	2015 £	2014 £
Trade Creditors	–	–
Owed to CIPFA excluding VAT	–	–
VAT owed to CIPFA	<b>4,078</b>	270
Amounts owed to CIPFA Regions and Student Societies	–	–
Owed to CIPFA Business Ltd	–	–
Other Tax, Social Security	–	–
Other Creditors	<b>35,665</b>	21,955
Receipts in Advance	<b>4,794</b>	–
	<b>44,537</b>	22,225

## 6. Restricted Funds

	2015 £	2014 £
Balance at 1 January	<b>10,829</b>	10,979
For the Year	<b>(150)</b>	(150)
Balance at 31 December	<b>10,679</b>	10,829

## 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.

	2015 £	2014 £
Conference Reserve	<b>6,000</b>	13,893
Treasury Management Forum	<b>38,960</b>	38,174
Policy and Technical Support Reserve	<b>13,893</b>	13,893
General Development Reserve	<b>27,847</b>	25,061
	<b>86,700</b>	91,021

## 8. Transactions With Trustees And Related Persons

	2015 £	2014 £
Remuneration and honoraria	–	–
Professional services rendered for a fee	–	–
Travel and subsistence expenses reimbursed for costs necessarily incurred on CIPFA business	<b>231</b>	–
	<b>231</b>	–

# branch pictures 2016



CIPFA President, John Matheson and Scotland Branch Chair, David Robertson



Neil MacLean receiving his Bygelaw 5 from Christine McLaughlin



CIPFA Branch Region of the Year Award



2015 CIPFA Scotland graduates



NHS Greater Glasgow and Clyde, Acute Finance Team winners of CIPFA Scotland Finance Team of the Year 2016



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