

The CIPFA logo is positioned in the top right corner of the page. It consists of the letters 'CIPFA' in a white, sans-serif font, followed by a white diagonal slash mark. The background of the entire page is a scenic photograph of a wind farm on rolling green hills overlooking the ocean under a clear blue sky. A large, dark blue triangular graphic element is overlaid on the right side of the image, pointing towards the bottom right corner.

CIPFA\

Annual report and accounts 2023

A review of the year

cipfa.org

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01

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President's
introduction and
CEO overview



Looking back on 2023, we see a year earmarked by war, political chaos, inflation and the worst cost-of-living-crisis in a generation. In the UK alone, new names and faces rushed in and out of parliament as cabinet reshuffles straddled both sides of the year, ending with a financial settlement that failed to fill the funding gaps yet again.

The past year has proved vital to build upon my three themes of sustainability, stronger together and social mobility. These areas are essential to the mission of our members and remain pertinent topics to address the challenges faced by the public sector.

The first of these themes is sustainability for all – people, place and planet. I see this approach as meeting today’s needs and demands while safeguarding a promising future that delivers for generations to come.

In 2023, CIPFA published a forward-thinking report on sustainability reporting in the public sector. It provides best practice and top tips for organisations to help them better understand their environmental impact. CIPFA looks forward to rolling out further interventions as we continue to support local authorities with their sustainability reporting to better understand their environmental impact.

My second theme of stronger together celebrates our collective pursuit of the best for our communities.

We are interconnected in our aim of building better services, policing, health care, arts and culture for our populations. Our common goal drives collective efforts and fortifies resilience. Simply put, the sum of our parts is greater than the whole.

For CIPFA, stronger together also means that we are open to challenge and change. We are welcoming to all and reap the benefits of our strong sense of community. This proactive mindset steers us towards the greater good.

This brings us to my final theme of social mobility. Far too frequently, the circumstances of a person’s birth and early years dictate their life prospects. We need to change this. That’s why we have a role as advisors, professionals and leaders to improve inequalities wherever we see them. Our unique position and unwavering determination to use our experience to bring about change is foundational to this success.

The past year has presented a myriad of relentless challenges and while the future remains uncertain, I feel proud that CIPFA persists in providing unparalleled support and guidance to public bodies. I look forward to championing these themes during my last months as President. I am equally excited to help navigate CIPFA through the forthcoming months of transition, with the appointment of a new CEO. I would like to thank Rob Whiteman both on behalf of the organisation, and personally, for his ten years of exceptional leadership, contribution and commitment to CIPFA and wish him the best for the future.

A handwritten signature in black ink that reads "C. J. Russell". The signature is written in a cursive, slightly slanted style.

Caroline Russell
CIPFA President



As I prepare to retire from CIPFA, it is doubly striking for me to reflect on 2023. I'm of course pleased to report a successful year for us, which has been carried into 2024 thus far, and to produce a good set of numbers for my last full year here. This includes paying down our crystallised local government pension scheme that a decade ago felt insurmountable. More importantly, we have helped organisations and members to navigate a challenging landscape for public services.

Whoever wins the forthcoming general election, public services need some heavy lifting from government for funding to sustain not only demand and cost pressures on new work, but backlogs of work that will be more expensive to process than if they had been actioned earlier. While we ask for funding reforms for greater resilience for creaking systems of public finance, we cannot avoid a discussion around declining productivity in the organisations we serve. CIPFA has continued to speak as an independent professional body to inform debate and make the point that lobbying for sustainable resources, effective governance and achieving greater efficiency are complementary and not competing issues.

You have asked us to be bold, and we did this in many ways. One of these was through our flagship Performance Tracker report, produced with the

Institute for Government, which found that the public sector has not been able to recover since the pandemic. In fact, eight out of the nine featured public services performed worse in 2023 than in 2019.

We raised our voice on children's social care reform, adult social care charging reform and social care funding announcements through the press. We published articles and were regularly featured in the media. In 2023, we embarked on a partnership with The Health Foundation to explore how local authorities' spending on preventative action can be quantified. Other new collaborations included two new reports on blockchain technologies and carbon pricing with the University of Oxford's Blavatnik School of Government.

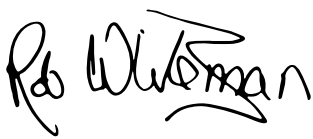
On a positive and practical note, CIPFA has worked hard to support the public finance profession with a concrete platform to move forward. Last year, we promised to develop students, members and organisations in the UK and around the world with relevant lifelong skills and knowledge. I am delighted, for example, with the fast-track route we have introduced for newly qualified CPFA and ACA accountants to gain dual membership of both CIPFA and ICAEW. At its heart, the accelerated route improves career opportunities for our students, members and the wider accountancy profession. For the global finance community, demand for accredited counter fraud training remains strong. Building on successful programmes in Malta and Egypt, we are expanding our new offer in performance audit.

In 2024, we aspire to get only bigger and better, but this will be for my successor to report. I am delighted to see so strong an appointment in Owen Mapley and the Institute could not be in better hands to grow, increase our impact and strengthen the support to our membership.

“ CIPFA has worked hard to support the public finance profession with a concrete platform to move forward.

Finally, as said this is my last foreword for CIPFA in my position as the CEO. Over the past decade, I have seen the organisation rise to the financial, economic and political challenges faced by the UK public sector. We have shown enthusiasm, optimism, energy and resilience to educate, inspire and champion public finance management. I am proud of every CIPFA colleague and member who has contributed to the organisation's journey.

Again, my best wishes to Owen Mapley and you all. Thank you so much for all your support and encouragement, which I have always greatly appreciated. I look forward to returning to the ranks of the many members who support CIPFA's missions.



Rob Whiteman CBE
CEO, CIPFA

A photograph of a forest with tall, thin trees and sunlight filtering through the canopy, creating a bright sunburst effect on the right side. The image is partially obscured by a blue geometric shape on the left.

02

Our purpose
and strategy

CIPFA is the home of excellence in public finance. We exist to ensure public money is well spent and well managed for the benefit of us all.

Our members work across all public services. They manage the largest budgets under the greatest scrutiny – that’s why the CPFA designation is widely recognised as the benchmark qualification for public service finance.

Founded in Manchester in 1885 as the Corporate Treasurers and Accountants Institute, CIPFA has helped shape public financial management in the UK, and increasingly globally.



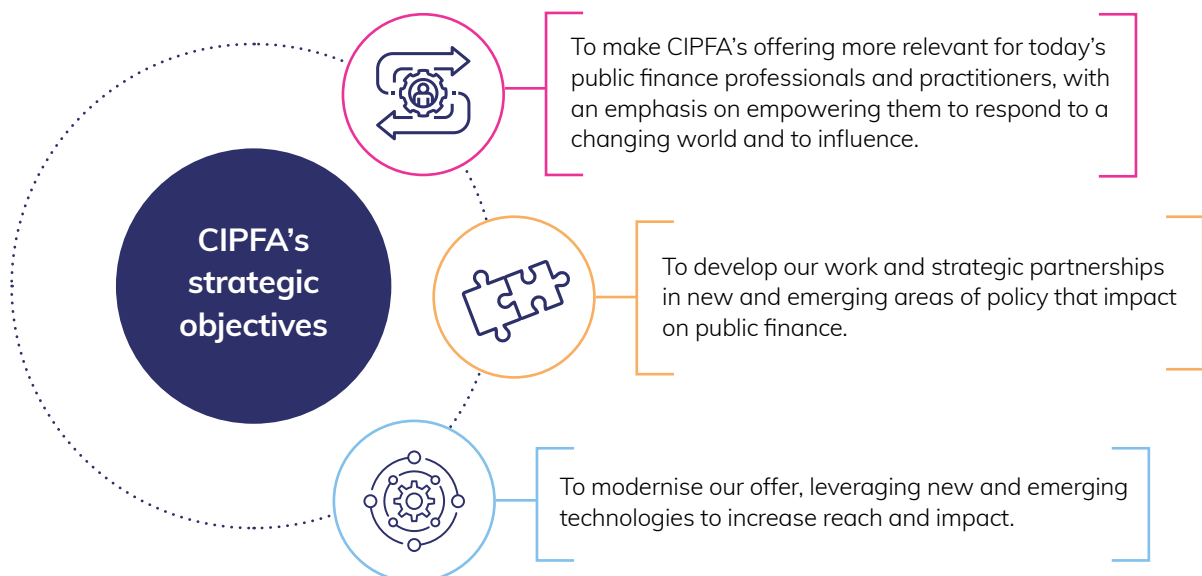
CIPFA is the world’s only professional accountancy body to specialise in public services. Our suite of training and qualifications is sought after and highly respected around the world.

We champion high performance with information and guidance, courses and conferences, property and asset management solutions, advisory and recruitment services for a range of public sector clients.

We want to achieve sustainable, confident and resilient public services around the world.

We're an ambitious organisation, with the bit between our teeth to deliver on our purpose for our members, our students, our customers, our stakeholders and our staff. We want to be visionary and make a real difference to the world we live in.

To do that, we are clear about what we will do and we have the collective determination to do it. Our activity is shaped around three core pillars, which represent the breadth of our Institute. This will drive us to achieve our vision for public money and public services.



CIPFA's values





03

What we've
achieved



Sustainability reporting

CIPFA uses the UN Sustainable Development Goals (SDGs) as the framework for our annual report. There are 17 SDGs to guide countries towards best practice and provide a globally accepted mechanism for assessing value across social, economic and environmental dimensions.

Two of the 17 SDGs are particularly relevant to CIPFA's purpose.



SDG 4: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

We will generate affordable and quality technical, vocational and tertiary education, increasing the number of youth and adults with skills, supporting our members, eliminating gender disparities and promoting sustainable development.



SDG 16: Peace, Justice and Strong Institutions

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

We will continue working in the UK and around the world to support public sector organisations in their financial management and governance, and issue codes of practice and guidance alongside advisory services to promote best practice.

These internationally recognised goals provide a framework for our strategy and align to CIPFA's charitable objectives. They provide a prompt for us to think about what we do through a sustainable development lens, and to build in systems for evaluation as we look towards the future. We believe that this approach also demonstrates our commitment to discharging our charitable objectives to support public benefit.

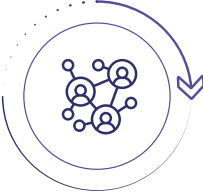
CIPFA’s charitable objectives

CIPFA is a charity constituted by Royal Charter. Our core purpose is set out in our charitable objects. This new business plan signals a refreshed focus on these charitable objects, which have directly informed our purpose and strategic objectives.

These are summarised as follows:



Advancing the science of public finance, accountancy, and related subjects: promoting best practice



Promoting public education: educating and training student members



Advancing and promoting co-operation between accountancy bodies



Promoting and publishing results of studies and research



Regulating and supporting members



SDG 4: Quality education

CIPFA provides world-class education and training for our student members, and supports lifelong learning for all CIPFA members as they progress in their careers.

CIPFA Professional Accountancy Qualification

The rollout of our Professional Accountancy Qualification (PAQ) continued throughout 2023. In June, the Business Reporting and Business Planning and Financial Management modules were introduced for the first time and the results for both were encouraging. Business Planning and Financial Management completed the delivery of the first level Diploma in

Financial Management and Audit, while Business Reporting is one of three modules of the Diploma in Governance, Risk and Taxation.

The remaining two modules, Tax and Law and Governance and Risk Management, were examined for the first time in December 2023. As of the end of 2023, the Certificate and first two Diploma Levels have been delivered.

Total members



Total students

PAQ Benchmarking

The PAQ has recently undergone benchmarking by Ecctis to ensure the modules within it meet the comparable standards set out in the Regulated Qualifications Framework (RQF), which accredits qualifications in England, Wales and Northern Ireland.

This benchmarking gives students vital assurance about the level they will be studying at and the quality of the course. Ecctis provides recognition and evaluation of qualifications and skills, and carried out an independent analysis of the PAQ, confirming that the modules contained in it are comparable to the following RQF standards:

- CIPFA Certificate in Management and Financial Accounting is comparable to RQF Level 4.
- Diploma in Financial Management and Audit is comparable to RQF Level 5 and demonstrates a progression from the Certificate.
- Diploma in Governance, Risk and Taxation is comparable to RQF Level 6, covering knowledge and skills equivalent to a bachelor's degree in accounting.
- Diploma in Public Financial Management, Reporting and Advanced Audit and the Diploma in Public Financial Management, Reporting and Business Change are comparable with RQF Level 7, equating to a postgraduate or master's degree.

One further paper of the PAQ, Implementing Business Change, was introduced in December 2023. The remaining modules that comprise the final Diploma in Public Financial Management, Reporting and Business Change will be introduced throughout 2024.

New e-assessment platform

CIPFA launched its new e-assessment platform, Rogo, in December 2022. All live high-stakes exams and practice question banks for all modules took place on the platform in 2023.

CIPFA Regions

In autumn 2023 annual conferences were held in Scotland, Northern Ireland and Wales. These one-day events brought together leading public figures, public sector innovators, finance professionals, commentators, and other experts, as well as CIPFA's public sector-focused commercial partners. Through a combination of keynote speakers, plenaries, panel debates and

workshops, delegates were able to gain insights into current and future challenges. They included everything from climate change to governance and good financial management to neurodiversity.

Regional events have begun to move to a hybrid capacity, allowing engagement with a wider audience and supporting cross-regional collaborations. Within the regions, graduation ceremonies, conferences and annual dinners were held alongside a range of CPD events for students and members on various topics. Student events included sessions on where the CIPFA qualification can take you as well as a packed programme of skills events.

Sixth form management games

In summer 2023, CIPFA Midlands hosted the sixth form management games. These involve a public finance-focused simulation activity and allow 16 and 17-year-olds to sample a taste of what a career in the public

sector could entail, encouraging the next generation of public finance professionals.

Ten teams took part in the 2023 games, held at De Montfort University and the University of Birmingham. They grappled with challenges including a large funding gap, service modernisation and efficiency, a workforce struggling with cost of living increases, negative social media rumours and distrust between neighbouring communities.

2023 annual conference

Public Finance Live 2023 was held at the QEII Centre in central London on 27–28 June and was attended by over 700 finance professionals. The event included panel discussions and workshops on everything from addressing regional inequalities and sustainability, to how to improve diversity and inclusion and tackle corruption.

Speakers included Sonita Alleyne OBE, Master of Jesus College, Cambridge, Dharshini David, Economist and Broadcaster, Rachel Davies Tekka, Advocacy Director at Transparency International UK and Matthew Upton, Executive Director of Policy and Advocacy at Citizens Advice.

Training and apprenticeships

2023 saw continued high demand for CIPFA's accredited continuing professional development (CPD) programmes. Demand for in-house training was also high. We were commissioned by HM Treasury to develop a diploma in public spending and also completed the development of a diploma in local audit as part of a contract with the Department of Levelling Up, Housing and Communities (DLUHC), designed to assist auditors new to the sector.

E-learning launched in 2023 included a new Better Business Cases™ Foundation course, a Certificate in Financial Reporting for Academies, and Managing Small Projects. We have also been working with ICAEW to develop a joint-branded local government focused version of their Certificate in Sustainability.

Within CIPFA's Education and Training Centre (CETC), we saw growth in take up of both the Level 7 apprenticeship and the Counter Fraud Investigator apprenticeship. There is a growing demand for face-to-face learning and we aim to supply this where possible.

We continued to invest in improvements in the digital learning experience, particularly via development

Changes to the annual member statement for local authority CFOs

CIPFA introduced some important changes for CIPFA members who are CFOs in UK local authorities.

In the 2023 annual member statement (AMS), there is a new section requiring all local authority CFOs to confirm on a 'comply or explain' basis that their local authority meets the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom, the Prudential Code for Capital Finance in Local Authorities and the Treasury Management Code of Practice.

These changes were designed to enhance support for CFOs by signposting them to relevant material and providing a route to professional support through their AMS. This will improve the Institute's sector oversight.

The declaration of code compliance was introduced to give local authority CFOs the opportunity to raise concerns regarding organisational compliance and receive support from CIPFA where required.

of 'added value' e-learning and videos to support students in their learning. Surveys have shown very high levels of student satisfaction with their learning experience.

To facilitate recently qualified CIPFA students gaining dual ICAEW-CIPFA membership, we have developed a relationship with an experienced ICAEW 'Partner in Learning' who will deliver the top-up Corporate Reporting module to CIPFA students.

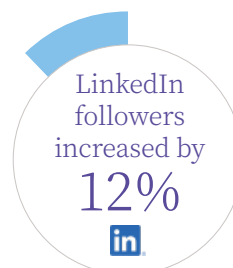
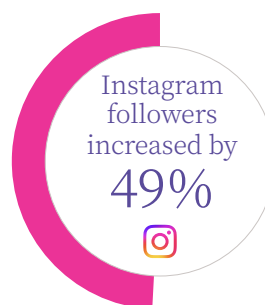
Demand for accredited counter fraud training remains strong, with good numbers achieving the Accredited Counter Fraud Technician (ACFTech), Accredited Counter Fraud Specialist (ACFS) and CIPFA's Certificate in Fraud Risk Management qualifications. Programmes were delivered in Malta and Egypt.

International delivery continues to lag behind pre-pandemic levels. Notable international training projects include the continuation of Risk Management and Governance programmes, and we continue to see demand for hybrid-delivered (part e-learning, part tutor-led) International Public Sector Accounting Standards (IPSAS) training leading to CIPFA's Diploma in IPSAS, with programmes in Brazil, Pakistan and Indonesia.

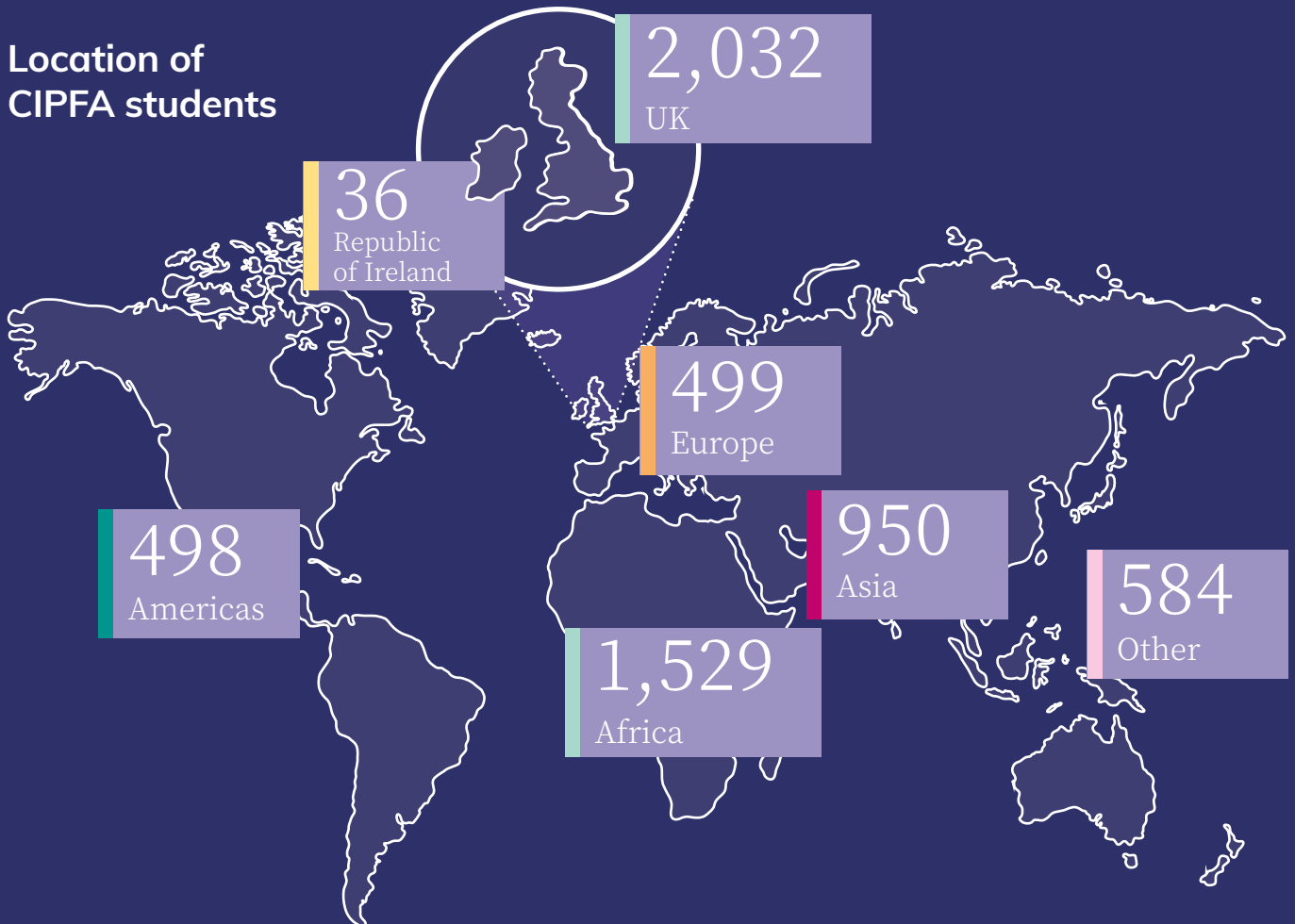
Social media engagement

CIPFA Speaks! podcast had an average of 232 listeners per episode across 2023. It covered topics such as sustainability, blockchain and AI and interviewers with speakers from CIPFA's international conference and Public Finance Live.

CIPFA's social media channels continued to perform well:

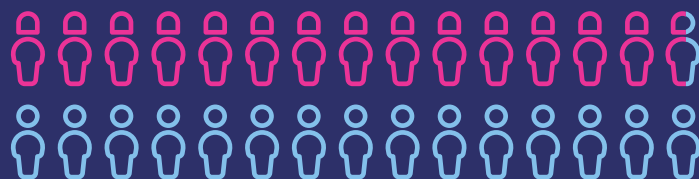


CIPFA's student numbers



Student demographic

48.3%
female
(2,872 students)



51.7%
male
(3,073 students)



SDG 16: Peace, justice and strong institutions

CIPFA works to strengthen institutions in the UK and around the world via our role as a standard-setter. Through a wide range of consultancy, research and training projects, we are a respected partner and a voice that speaks to and for the public sector.

Supporting recovery for local audit

CIPFA and the CIPFA/LASAAC Local Authority Accounting Code Board continued work to support the local audit framework in 2023. This included considering ways to ease the financial reporting burden, due to a large majority of local authorities being unable to present audited accounts by the expected date.

In past years it was agreed to defer the mandatory implementation of IFRS 16 Leases until 1 April 2024 to reduce the resource burden across the local audit framework. It was resolved that a further delay would not be appropriate and hence mandatory implementation will begin for the 2024/25 year.

Performance Tracker 2023

Our flagship report with the Institute for Government assesses the comparative problems faced by critical public services in nine key areas – hospitals, GPs, adult and children’s social care, schools, neighbourhood services, police, criminal courts and prisons. This report demonstrates that the sector has not been able to recover since the pandemic. In fact, eight out of the nine public services featured performed worse in 2023 than on the eve of the pandemic. The report does not set out to produce an exhaustive list of solutions but

instead sets six key commitments that any government serious about addressing the decline in public services must make to succeed.

Place-based policy making and public service delivery

During 2023, CIPFA was successful in a joint bid to form the Local Policy Innovation Partnership (LPIP) Hub. Working with four local LPIPs (one each in England, Scotland, Wales and Northern Ireland), the Hub aims to understand and solve local challenges around the UK through a service-driven approach to place-based policy making and public service delivery. The LPIP Hub should improve the quality and impact of the evidence collated by universities and their local partners. Moreover, it will develop capacity-building activities looking at thematic challenges and solutions in place partnerships.

The Hub is funded by £3.6m from the Economic and Social Research Council (ESRC), Arts and Humanities Research Council (AHRC) and Innovate UK. It is a national consortium, led by the University of Birmingham, convening stakeholders across the research and policy ecosystem. The project will run until the end of 2026.

Exploring preventative investment

During 2023, CIPFA embarked on a partnership with The Health Foundation to explore how local authorities' spending on preventative action can be quantified. As highlighted in our work with Public Health England on evaluating preventative investments, the key to putting a greater emphasis on prevention is understanding the current position and the future implications of not making such investments. Yet most councils have no clear picture of how much they currently spend on preventative action.

Over the next two years, this project will conduct exploratory work with partner councils and wider stakeholders, seeking to build consensus on a definition and scope for preventative action against which services/programmes could be mapped and then identifying current levels of spending against those criteria. The aim is to increase transparency on levels of investment, add to the evidence base for decision-making and build the case for a greater emphasis on prevention.

Integrating care – financial planning and partnership

Building on our December 2022 report [Integrating care: policy, principles and practice for places](#), CIPFA has continued to track progress in integrated care systems and place-based partnerships.

We have supported NHS and local government finance professionals in a number of integrated care systems around finance and governance arrangements at place level, as well as encouraging potential closer collaboration on particular issues such as infrastructure.

In October 2023, we brought together finance professionals from integrated care systems to explore how they are working during a particularly challenging year for financial planning. Our briefing on financial planning and partnerships in integrated care systems reflected some current challenges and suggested lessons that could be learned.

CIPFA will continue to monitor progress and build on this work to support the finance profession as a critical enabler of the integration journey.

Financial resilience

During 2023 the policy team has worked closely with advisory colleagues to support the sector in developing resilience. This has included updating the [Financial Resilience Index](#), which provides a comprehensive overview to support discussion. A CFO roundtable helped inform a briefing note on Section 25 statements to accompany publication of the Index.

The CFO retreat was attended by over 70 local authority CFOs and was well received. Face to face support was a key element at all major local authority conferences throughout 2023.

The [Role of the CFO](#) publication has been rewritten and reinvigorated for the current audience. This document now proves a framework that will be the basis for a refresh of all of the Role of the CFO series. This work fits within the theme of building workforce capacity and the elements used in the framework reflect the areas identified in the competency framework.

Policy voice

During 2023, work has been delivered across a wide range of topics influencing the public sector. New collaborations resulted in two reports on blockchain technologies for collaboration and partnerships and carbon pricing and the role for PFM, in partnership with the University of Oxford's Blavatnik School of Government. There was also a publication on [implementation of the Financial Management Code](#), sponsored by Civica. We continue to submit responses to Parliament and engage widely in consultations.

Discussions at the Practice Oversight Panel have focused on the challenges being faced by local government and the implications for the profession. This focus led to the subsequent roundtable and release of [guidance regarding Section 25 statements](#).

Social care

A roundtable was held in February 2023 on adult social care charging reform. This led to the production of a [briefing on charging reform](#). Later in the year, we published [Charging for adult social care in England: reform and routes forward](#). The launch event for the publication was attended by over 120 delegates, and the report received press coverage.

Our work on the Scottish National Care Service (NCS) continued. We attended an information session for MSPs where we could share CIPFA's views on the NCS, and we presented at the Holyrood Insight conference on adult social care in Scotland.

Articles on children's social care reform, adult social care charging reform and social care funding announcements were published in the press, and we were interviewed by the BBC about children with special educational needs and disabilities.

Corruption Prevention Programme

2023 saw the rollout of the first pilot of CIPFA's Corruption Prevention Programme (CPP), which was developed in close partnership with the UN Office on Drugs and Crime (UNODC). It aims to conduct, manage and monitor the implementation of corruption risks and integrity plans at a country level across all public sector entities.

This programme offers a specialised anti-corruption certification course to selected institutions and individuals, based on the corruption risk assessment and mitigation methodology defined in UNODC's State of Integrity guide. This will create a common professional standard, language and understanding within a global community of practitioners and ensure

sustainable institutional and professional integrity commitment.

As part of a USAID-funded programme implemented by the International Foundation for Electoral Systems (IFES), the first pilot of the CPP was delivered to participants from the State Audit Office and Anti-Corruption Commission of North Macedonia. The programme used a hybrid delivery approach, with e-learning materials supported by face-to-face workshops in both Macedonian and Albanian. The programme was highly successful, with positive feedback received from participants that will be used to refine and develop the programme before its full launch in 2025.

International conference

CIPFA's international conference took place in Pristina, Kosovo in May 2023. Hosted jointly by CIPFA and our partners the Centre of Excellence in Finance (CEF), this international conference provided an opportunity to explore the roles of PFM professionals in public sector digital transformation in the context of specific issues in southeast Europe.

The conference provided an opportunity to share specialised knowledge and experience and enabled participants to establish professional relationships and valuable connections with peers from different parts of the region, including Deputy Prime Minister of Kosovo Mr. Besnik Bismilijani and H.E. Ms. Minca Benedejčič, Ambassador of Slovenia to Kosovo.

This year's conference also marked 20 years of successful partnership between CEF and CIPFA in delivering internationally recognised professional qualification programmes.

Rwanda

2023 saw the expansion of our relationship with the Institute of Certified Public Accountants of Rwanda (ICPAR) through the signing of a memorandum of understanding between the two institutes that sets out our intention to work together to support finance practitioners in the Rwandan public sector.

As part of our partnership, CIPFA supporting ICAPAR in developing products that meet the needs of the Rwandan public sector. Our project to support the development of a PFM Certificate aimed at qualified accountants with little experience in the public sector as well as practitioners who are not qualified accountants concluded in 2023 and the Certificate will be launched in 2024.

As a result of the success of this project, we were awarded two new contracts by the Ministry of Economy and Finance of Rwanda. These new projects will support the modernisation of ICAPAR's offer, including the revamp and digitalisation of their professional qualification in order to enable broader participation in accountancy education in Rwanda.

Bangladesh

As part of the programme of audit professionalisation in Bangladesh, the Office of the Comptroller and Auditor General (OCAG) of Bangladesh requested CIPFA to conduct a PAQ certificate-level training course for a group of 75 officials. This project built on CIPFA's prior experience of delivering professional training to OCAG, which began in 2012.

The training was delivered face-to-face in Dhaka, Bangladesh by experienced CETC trainers, supported by local experts with a strong knowledge of the PAQ. The breadth of support provided by CIPFA to these candidates led to an exceptionally high pass rate of 84% and has brought 63 new affiliate CIPFA members.

Albania

CIPFA has seen continued growth in Albania resulting from the success of previous projects. In 2023, we were awarded a contract under the World Bank/International Bank for Reconstruction and Development's Strengthening Quality of Auditing and Reporting Project.

The project will assist the Albanian School of Magistrates to increase technical accounting capability and capacity across all tiers of the judiciary. It aims to improve the capacities of judges, prosecutors and court/prosecutor's office staff in understanding the new accounting requirements and interpreting resulting accounting information. This will be conducted through the development of a sustainable training programme, which will be integrated via CPD to increase the school's capacities to guarantee continuous training through an e-learning system. A sustainable CPD mechanism will be developed to keep the judiciary updated with standards and other accounting topics.

IFR4NPO

The International Financial Reporting for Non-Profit Organisations (IFR4NPO) project is working to provide the first ever global financial reporting guidance for non-profit organisations. It is spearheaded by CIPFA and Humentum and funded by philanthropic donations.

CIPFA's main focus in 2023 was the development of the remaining two Exposure Drafts, following the first in November 2022. Exposure Draft 2 contains the main accounting issues for non-profit organisations, particularly the accounting of revenue from grants received and expenses on grants made. CIPFA launched Exposure Draft 2 at the International Forum of Accounting Standard Setters in September.

Alongside virtual outreach sessions to discuss Exposure Draft 1, a highly successful face to face roundtable took place in Colombia in February. The overall response was strong, with institutional responses from across the globe and different sectors of the community.

The governance of the project was strengthened during the year with Kris Peach, the former Chair and CEO of the Australian Accounting Standards Board, appointed as the Chair of a reconstituted Governance Group. Five new members from around the world have also been appointed. The Governance Group is focused on developing the forward strategy for non-profit financial reporting beyond the end of this project.

Supporting the police

The Achieving Finance Excellence in Policing (AFEP) programme goes from strength to strength, with over 90% of police organisations in the UK subscribed. In 2023 we introduced two new programme streams on sustainability and asset management and ran our first AFEP sustainability roundtable.

With people development at the heart of the programme, we rolled out several training and networking opportunities this year, attracting over 300 delegates. This included our annual AFEP CFO retreat where we had the privilege of hearing from guest speakers including Chris Philp MP, Minister of State for Crime, Policing and Fire.

Preparations also got underway alongside the Home Office Police Productivity Review to support police finance professionals to meet productivity targets using data and analytics. This included working with senior consultants on streams such as financial sustainability

and resilience, and developing tools and guidance to support medium-term financial planning.

CIPFA Property

Property Networks and Training delivered 53 events during 2023, attracting 1,461 delegates, and our two main qualification programmes had 88 participants. Our surveys team completed 187 property condition surveys, 42 fire risk assessments, 68 suitability assessments, as well as several building accessibility audits and dilapidations surveys for various local authorities and other organisations.

CIPFA Solutions

CIPFA Solutions advisory practice continued to grow both its client base and revenue during 2023. The team delivered nearly 170 projects and worked with around 100 different client organisations.

In 2023, CIPFA secured additional work on stage 2 of the Department for Education's Better Value programme, supporting 51 local authorities as they respond to the increasing costs and demand for special educational needs and disability (SEND) services. This involves additional consultations with the selected local authorities to identify further opportunities with the objective of reducing forecast net expenditure and achieving an in-year balanced position.

In 2023, CIPFA entered into a two-year contract supporting DLUHC to work with local authorities in need of exceptional financial support. We have also assisted Woking and Thurrock councils through the process of considering a Section 114 notice and helping them develop recovery and improvement plans to provide future financial resilience. We have now supported over 130 councils in the last three years, providing CIPFA's expertise in this area.

The redesign and rebuild of the CIPFA Financial Management Model was completed in 2023. This has brought more resilience as well as added flexibility to allow deployment across different UK sectors and around the world.



04

How we
work

Employees

Our people continue to be at the heart of how we achieve our goals. We have clear core values that support our purpose as well as a culture that is inclusive, focused and agile.

Employee feedback and communication help us to preserve our working culture in a hybrid working environment. We have consolidated the organisational structure to provide more efficient ways of working and asked our managers to maintain efficient teams while supporting our employees in a virtual workplace.

Our employee-led groups are driven by engaged and enthusiastic individuals who are keen to contribute to our positive culture. Our Employee Forum has engaged with our senior leaders. Our Equality, Diversity and Inclusion (EDI) group has met regularly to drive forward this agenda. Wellbeing Champions provide important support and resources to all employees. Our monthly Open Forum provides a channel between all employees and CIPFA Management Board on key business messages, and our Social Committee planned our annual oneCIPFA day where all employees can connect in person.

We have seen some changes in our ways of working over the year that have supported our people strategy. We launched development programmes with our managers and leaders to build skills and raise awareness of new ways of working.

One of our new innovative ways of working has been our four-day working week (4DW) trial, which commenced in November 2022 and has been extended to January 2025. After a year in practice, we have seen remarkable improvements in our employee turnover, employee views of CIPFA, communication between teams and a workforce that feels more able to balance work with their wellbeing and other interests and commitments, all while maintaining great customer, student and member experiences and achieving business objectives.

We have invited feedback from our members and customers on how the 4DW impacts the way we

work with them and this has been positive. Our Board continues to monitor the progress of the trial to ensure that there are long-term benefits to CIPFA from this way of working.

Equality, diversity and inclusion

We have invested in how we take positive steps in EDI both in the services we represent and in our internal communities. During 2023 we have invested in dedicated resource, reviewed our action plan, raised awareness and provided development opportunities.

Pay gap reporting

In 2023 we published our first ethnicity pay gap report. The ethnicity pay gap is calculated in the same way as the gender pay gap and shows the difference in average pay between employees from ethnic minority backgrounds in a workforce, compared to 'white' employees. The 2023 report accounted for 219 employees. Of those employees, 22% are from ethnic minority backgrounds.

As the 2023 ethnicity pay gap report is a new report for CIPFA, there is no historical data on which to compare. At CIPFA, although our ethnicity pay gap is marginally more positive than the national picture, we recognise that our 54 highest paid employees are not as ethnically diverse as the lower paid quartiles.

Our new ability to report on the ethnicity pay gap moves our EDI ambitions forward by identifying trends and areas for development and improvement, and it is our aim to create this data set on annual basis.

We publish a gender pay gap report on an annual basis, identifying differences in both hourly salary and bonus payments between men and women working for the institute. We are intending to publish our next gender pay gap report in mid-2024.

We are confident that we have a fair and consistent approach to paying individuals, and are committed to being an equal opportunities employer, appointing the best candidate for each role.

Wider EDI activity

The initial focus for our EDI work with members and the wider public finance community is centred on the protected characteristics where we have the most acute challenges (age, gender and ethnicity) and socio-economic background since we know this has a significant impact on access and progression. We have recognised a growing need for mental health and wellbeing support and are additionally responding to that.

The Member Advisory Group (MAG) continues to meet quarterly, updating on regional activity and sharing their perspectives on ways in which we can highlight EDI initiatives to our members. The EDI session at Public Finance Live was led by the MAG chair, Alston Owens. The session was positively received, with discussions around the importance of EDI, barriers to progression in the sector and how we can create a better focus on EDI moving forward. Work has continued on a collaborative report focusing on barriers to progression.

Pride

In June, CIPFA celebrated Pride month. Members of the EDI employee group spoke to the organisation and shared resources, highlighting the history of Pride, the importance of Pride in the workplace and tips on how we can increase acceptance in professional spaces.

Windrush Day

CIPFA also marked Windrush Day in June, which recognises the experiences of citizens who arrived from Caribbean countries between 1948 and 1973. Two CIPFA employees shared a presentation to all employees at Open Forum discussing the Windrush scandal, why it happened, recent developments and the impact on current generations.

Neurodiversity

In July, the EDI group organised a 'lunch and learn' session on neurodiversity. The engaging session encouraged introspection and profound reflection on how societies and workplaces can and must become accessible and meet the needs of individuals. It also emphasised the importance of building accessibility into the core of any service, product or project from the start.

Black History Month

The national theme for Black History Month was 'Saluting our Sisters', highlighting the role that Black women have and continue to play in shaping history and driving change. In October we launched the CIPFA book club with *Girl, Woman, Other* by Bernadine Evaristo, the first Black woman to win the Booker Prize. The group engaged in a thought-provoking discussion about the book, assessing the diversity of Black lives and how they can be depicted.

Transgender Awareness Week

For the first time, CIPFA marked Transgender Awareness Week in November, highlighting the progress that has been made towards equality and the work still to be done. Transgender Awareness Week leads up to Transgender Day of Remembrance (20 November), which honours those whose lives were lost to acts of anti-transgender violence. We hosted a webinar with a guest speaker, discussing the history of the transgender community and her experience as a trans woman in society and the workplace. She also shared tips on effective allyship and resources for attendees to access after the session.

In August we hosted an online workshop on 'Embracing Inclusive Decision Making' delivered by Right Track training. Six Council members engaged in discussion about what inclusivity really means, and participants analysed the different forms of unconscious bias in governance and ways to influence inclusive decision making at different levels of an organisation.

Facilities and environment

The continued hybrid style of working has dramatically reduced CIPFA's office occupancy. CIPFA aims to minimise its environmental impact by reducing utility consumption wherever possible and only running building services where required.

2023 saw all the office facilities in London, Edinburgh, Birmingham and Chester open, but with only minimal attendance. A small core team of Facilities staff oversees CIPFA's current needs, which include a planned preventative maintenance programme to minimise building structure and office space degradation. Wherever possible CIPFA continues to recycle materials.

ISO certification

CIPFA has ISO certified management systems covering Quality, Information Security, Health, Safety and the Environment in place.

The Health, Safety and Environmental Management System (HS&EMS) outlines how we aspire to continually review our services in line with client needs, relevant environmental legislation and best practice, thereby maximising the efficient use of resources. Our vision is to be widely known and respected for delivering safe, reliable services that cause minimal environmental impact. Our current system is certified under the ISO 45001:2018 and 14001:2015 Standards. The HS&EMS assists CIPFA in ensuring we operate in a professional manner to meet our clients' requirements while taking due care to provide a safe, healthy and secure working environment.

The ISO 9001 Quality Management System (QMS) outlines CIPFA's approach to implementing clear, efficient and repeatable processes that ensure that we provide a consistent quality service to both internal and external customers. CIPFA is committed to a continuous improvement culture and the QMS is essential in our considerations on how we can do things more efficiently and effectively.

Our ISO 27001 Information Security Management System (ISMS) was successfully certified in November 2023. Achieving certification and continual improvement of the ISMS will ensure we are in the best possible preventative position to defend our information and organisation from cyber threats.

All the above systems are overseen by separate management review teams that are responsible for their overall content, process integrity and day-to-day running. Regular review team meetings are held twice a year, with policy, procedural guidance and other system information published on the intranet to keep colleagues informed.



05

How we are
governed




Name and nature of the charity


The full name of the charity is the Chartered Institute of Public Finance and Accountancy (CIPFA). It is governed by Royal Charter granted in 1959, most recently amended in 2018, and is registered with the Charity Commission for England and Wales, number 231060.

CIPFA is also registered with the Office of the Scottish Charity Regulator. The registration number is SC037963.


CIPFA is managed and regulated in accordance with its Charter and bye-laws.

Charitable objectives







To **advance the science of public finance** and of **accountancy** and cognate subjects as applied to all or any of the duties imposed upon and functions undertaken by public service bodies, and to promote public education therein.



To **promote** and to **publish** the results of **studies and research** work therein and in related subjects.



To **advance** and **promote co-operation** between accountancy bodies in any way.



To **advance** and **promote any scheme or schemes** (howsoever constituted), having as one or more of their objects the review or regulation in the public interest of the **establishment of standards** by, and the training, regulatory and disciplinary activities and procedures of, any one or more accountancy bodies.

Within the charity is a network of branches and regions. They work alongside CIPFA helping to deliver the charitable objects, principally through the provision of support and information to members and students locally.

Public benefit

CIPFA's work building trust and delivering excellence in public financial management, accountancy and related disciplines aims to ensure public money and services are managed effectively, efficiently and securely for the benefit of all.

We seek to preserve at all times the professional independence of qualified accountant members of the Institute in whatever capacities they may be

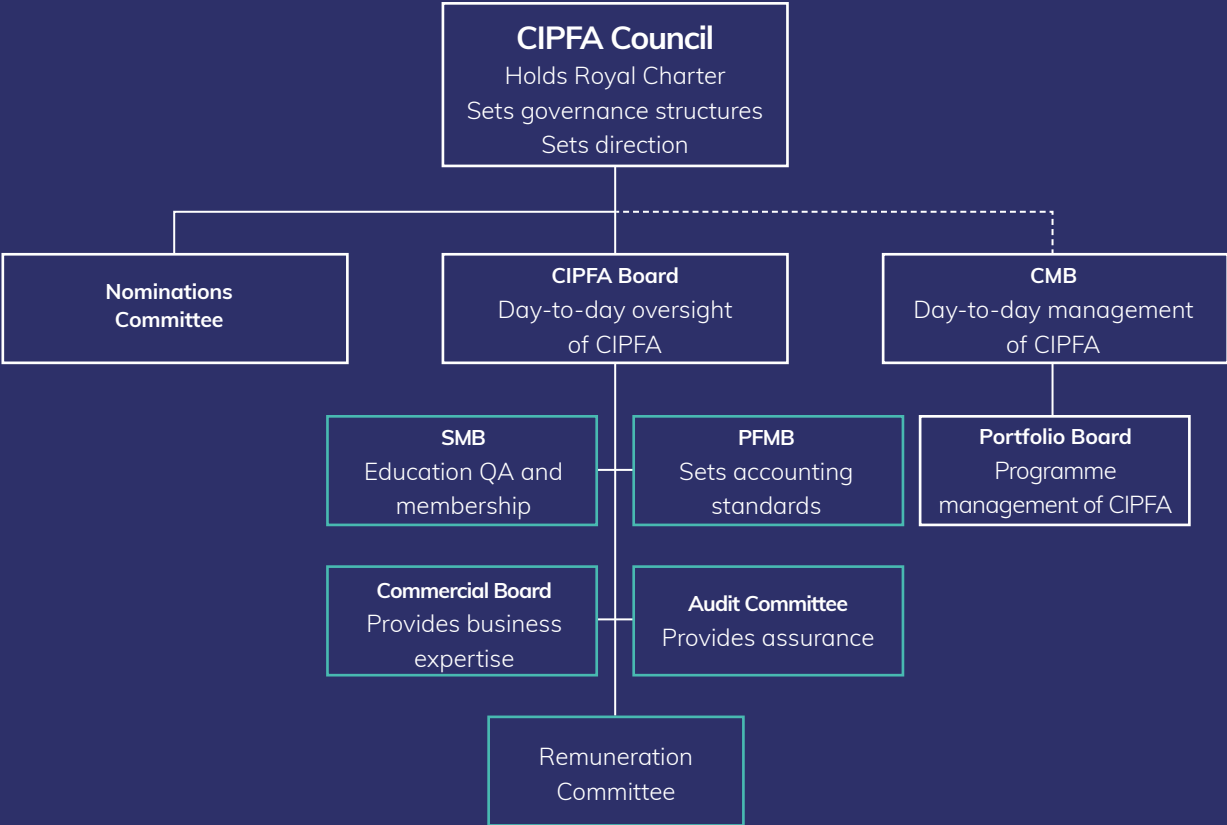
serving, promoting excellence in governance and ethical standards.

Through our activities as a standard setter and educator, and our advisory and consultancy services, we support our members, students and finance professionals in a wide range of public sector settings.

As such, our work benefits the public through excellence in the management of the public finances. The Council confirms that it has complied with the duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Membership of CIPFA is open to all who can demonstrate the required academic achievement. Fees are kept to a minimum through subsidy supplied by profits generated through the subsidiary company.

The governance structure



Key: Regional and advisory boards and panels

Subsidiaries

CIPFA has a wholly owned subsidiary company: CIPFA Business Limited, Companies House registration number 2376684, and a majority holding in CIPFA C.Co Ltd, registration number 10212053.

CIPFA Business Ltd is the management support services company of CIPFA and has a separately constituted board of directors. It specialises in providing financial advice and governance, property and asset management solutions, and the supply of information and expertise.

The CIPFA Business Ltd Board comprises the president, vice president, four non-executive directors, the chief executive and director of finance.

The charity (including regional groups) and the subsidiary company are reported on a consolidated basis.

Governance structure

The Institute's overarching governing body is the Council. The membership of Council is specified in the bye-laws and consists of no more than 41 individuals with three groupings:

- no less than 21 CIPFA members, elected by region
- the elected honorary officers (president, vice president, junior vice president, past president)
- no more than 16 co-opted individuals appointed by Council on recommendation by the Nominations Committee to enhance the breadth of experience, competence, diversity of background and viewpoints.

Biographies for all current Council members are [available on CIPFA's website](#).

The membership of Council is refreshed on a two-year cycle, with individuals serving a maximum of six consecutive years before being required to have a two-year break. A maximum total tenure of nine years has been introduced. Honorary officers serve one year in post. The president, an elected member, chairs Council.

A programme of induction is provided for new Council members and mentors are arranged from the cohort of more experienced Council members.

Council is the charity's trustee body, responsible for the strategic direction of CIPFA and approving major developments. It also approves the terms of reference and delegated powers of its committees and boards. The Council normally meets four times a year.

Council members are fully appraised of their trustee duties and have declared themselves fit to act. The induction for new Council members and the Council Handbook emphasises the trustee responsibilities.

Through delegation to the CIPFA Board, Council fulfils its responsibility for the effective oversight of the operations of CIPFA and its subsidiary company. The president chairs Council and, following a process of open recruitment in 2022, Joe Sealy was appointed as independent Chair for CIPFA Board for a term of three years.

Joe Sealy's career has spanned the public and private sector. He is the Co-Founding Partner and COO at Greater Pacific Capital, an investment firm for major pension funds and institutional investors investing in Asia, and specifically India. Joe serves on the Investment Committee and major firm committees and sits on the board of many investee portfolio companies.

He was previously a managing director in the investment banking division at Goldman Sachs with corporate clients covering multiple industry sectors, financial investors, and government, and played a leadership role in promoting diversity at Goldman Sachs. Formerly, Joe was a partner at KPMG, in roles covering both private and public sector clients, including numerous local authorities and central government departments. Joe began his public service career within the local authority sector at Cheshire County Council and the London Borough of Merton.

In February 2023 CIPFA Board received a closure report summarising all actions taken as part of the Sinclair Review. Martin Sinclair undertook a review of the failure of the London Counter Fraud Hub project and made several recommendations, which have now been implemented encompassing

governance arrangements, training and understanding of roles, cultural change, risk management and financial management improvements. CIPFA is committed to achieving excellence in its governance and is embedding a culture of vigilance and continuous improvement.

We remain committed to improvement and recognise that good governance is as much about behaviour and culture as it is structure. All governance groups participate in an annual self-assessment exercise and we annually assess ourselves against the Charity Governance Code, with good compliance across all principles. During 2023, individual Board member reviews were carried out by the Chair of the CIPFA Board and Senior NED, supported by a 360-degree feedback survey. All Board members found the discussions helpful, informative and constructive and agreed that the effectiveness and development of the board are evolving positively.

Delegations

Having set the strategy for the organisation, Council delegates oversight of CIPFA's business to the CIPFA Board, which implements the approach through other boards and committees.

The CIPFA Board comprises six Council members (which include the four honorary officers of the Institute), two non-executive directors, the chief executive and finance director.

All boards and committees are formally constituted with terms of reference. The Council acts on advice and information provided by the executive. Members of Council are able, where appropriate, to take independent professional advice at no personal expense so that they are able to fulfil their role.

Statement of Council responsibilities

The trustees must ensure that the annual report and financial statements are made in accordance with applicable law and regulations. They are also responsible for the integrity of the corporate and financial information included on the charity's website.

Charity law requires the trustees to prepare financial statements for each financial year. Statements must give a true and fair view of the charity and the group and their financial activities in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards). In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- follow applicable UK accounting standards and the Charities SORP, disclosing and explaining any departures in the accounts
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and group will continue to operate.

The trustees must disclose with reasonable accuracy at any time the financial position of the charity and the group, and ensure that the financial statements comply with the Charities Act 2011.

Trustees are also responsible for safeguarding the assets of the charity and the group and ensuring their proper application in accordance with charity law. This includes taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees have adopted the Charity Governance Code. While CIPFA has good compliance across the seven principles of the code, the trustees acknowledge the need for continuous vigilance and to strive for excellence. Therefore, we annually review our application of the code and take actions where necessary.

Conflicts of interest are reviewed annually and at the beginning of each meeting.

Trustees

The gender balance of Council members over the period of 1 January 2023 to 26 June 2023 was 16 women and 24 men. The gender balance of Council members over the period of 26 June 2023 to 31 December 2023 was 16 women and 23 men.

In line with the maximum term of office recommended in the Charity Governance Code, CIPFA has implemented a nine-year upper limit for total time

served on Council. Council Members sit for a two-year period, and any individual standing for a ninth year would be considered as a co-option for one year.

Council members and attendance chart

Attendance for main Council meetings only; does not include subcommittee attendance.

	Council 2021-2023	Council 2023-2025	Council	Audit Committee	Elected (E) or Co-opted (C) to Council	CIPFA member
Adesola Adepoju		●	4/4		E	●
Naeem Ahmed	●	●	3/5		E	●
Caroline Al-Beyerty	●	●	4/5		E	●
Deirdre Bane	●	●	5/5		C	●
David Blair		●	4/4		E	●
Michael Brodie	●		1/2		C	●
Theresa Channell		●	3/4		E	●
Amy Crowson	●	●	3/5		E	●
Carol Culley	●	●	4/5		Junior Vice President 2022-23 Vice President 2023-24	●
Jane Cuthbertson	●		0/2		E	●
Jim Dafter		●	3/4		E	●
Sophie Darlington	●		0/2		C	●
Nadeem Dean	●	●	4/5		E	●
D Joyce Dharmaraj		●	4/4		E	●
Stephanie Donaldson	●	●	4/5	●	E	●
Amanda Dowse		●	4/4		E	●
Mike Driver	●		0/2		Past President 2022-23	●
Tony Era	●		1/2		E	●
Pete Gillett	●	●	3/5		E	●
Claire Gravil	●		2/2		E	●
Elizabeth Honer	●		2/2		C	●
Vanessa Howlison	●		2/2		C	●
Toshihiko Ishihara ¹		●	1/2		C	●
Hari Iyer	●		0/2		C	●
Aneil Jhumat ²		●	0/3		C	●
Catherine Little	●	●	0/5		C	●
Lin Liu		●	2/4		C	●

	Council 2021-2023	Council 2023-2025	Council	Audit Committee	Elected (E) or Co-opted (C) to Council	CIPFA member
Mark Lowcock	●	●	4/5		Junior Vice President 2023-24	●
Libby Mason ³		●	0/0		C	●
Mark McBride	●	●	5/5		C	●
Paul Mckevitt ⁴		●	1/1		C	●
Leslie Milne		●	4/4		E	●
Umesh Naicker	●		0/2		E	●
Rebecca Nelson		●	3/4		E	●
Mike Newbury	●	●	3/5	●	C	●
Lee Outhwaite	●	●	3/5		C	●
Jayne Owen	●	●	2/5		President 2022-23 Past President 2023-24	●
Colin Owen	●		0/2		C	●
Ian Owen		●	4/4		E	●
Nina Philippidis		●	4/4		E	●
Caroline Russell	●	●	5/5		Vice-President 2022-23 President 2023-24	●
Marcus Richards	●		0/2		C	●
Angela Ridgwell	●		1/2		C	●
Chris Chaplin-Roberts	●		1/2		E	●
Mohammed Sajid		●	3/4		E	●
Geoffrey Simpson	●	●	2/5		C	●
Dennis Skinner		●	3/4		E	●
Luke Smith	●	●	5/5	●	E	●
Ileana Steccolini		●	3/3		C	
Donella Steel		●	4/4	●	E	●
Jason Vaughan	●	●	4/5	●	C	●
Hardev Virdee	●	●	3/5		C	●
Maria Wanland	●		2/2		E	●
Kelly Watson	●		2/2		E	●
Peter Welch	●		2/2		E	●
Mark White	●		0/2		E	●
Ian Williams	●	●	4/5		E	●
Lee Yale-Helms	●	●	4/5		E	●
Derek Yule	●		2/2		E	●

¹ Co-opted on 26 September 2023

² Co-opted on 2 August 2023

³ Co-opted on 31 October 2023

⁴ Co-opted on 11 December 2023

Key individuals and sub-committees

	Audit Committee	CIPFA Board	Students and Members Board	Public Financial Management Board	Remuneration Committee	Commercial Board	Nominations Committee
Chair	Frances Done	Joe Sealy	Mark McBride	Carol Culley	Harry Gaskell	Harry Gaskell	Jayne Owen
Vice Chair	Jason Vaughan	Jayne Owen (until 26 June 2023) Caroline Russell (from 26 June 2023)	Amy Crowson	Caroline Al-Beyerty	Jane Cuthbertson (until 26 June 2023) Caroline Al-Beyerty (from 26 June 2023)	Roger Alderson	Jane Cuthbertson (until 26 June 2023) Naeem Ahmed (from 26 June 2023)
Gender balance	Female 3 Male 5	Female 5 Male 6	Female 11 Male 3	Female 4 Male 6	Female 4 Male 4	Female 6 Male 5	Female 5 Male 5

Audit Committee

Maintains oversight of corporate governance throughout the CIPFA Group and management of external and internal audit.

CIPFA Board

Provides oversight of operational matters and delivery of the business plan, including management of impact on the environment and people. Guides, monitors and challenges development and operations in line with the strategy set by Council. Ensures an effective risk management strategy is maintained across the CIPFA Group.

Students and Members Board

Oversight of activities to develop the membership and professional standards including member services, education and training. This includes advising and supporting the CIPFA Regions and supervising the Disciplinary Scheme.

Public Financial Management Board

Oversees the Institute's work on policy and technical issues including the specialist Forums and therefore plays a key role in CIPFA's thought leadership and influence on public finance management. Supports the continuous improvement of standards in public finance, management and governance, particularly in UK local government where the Institute has formal standard setting responsibilities.

The Board holds responsibility for formal approval of all updates to Institute codes of practice, with any new codes approved by Council in the first instance.

Remuneration Committee

Holds full delegated responsibility for decision making in relation to pay and conditions of specified members of staff employed by the CIPFA Group, including the CEO and executive directors.

Commercial Board

Guides commercial operations in line with the overall strategic direction set by Council. Oversees the wholly owned subsidiary, CIPFA Business Ltd.

Nominations Committee

Supports Council by overseeing the elections and appointment processes and advising on nominations.

Ensures that all appointments and nominations support the Institute's diversity and inclusion objectives.

Directors of CIPFA Business Limited

The directors of CIPFA Business Ltd are all experienced in business or the markets that it serves. Brief details of their background and experience are included below.

Roger Alderson

Roger has spent a significant portion of his career working internationally, as a consultant (with the McKenna Group), a strategist (with Perot Systems) and a marketing director (with EDS, HP and Logica). Roger has proven experience working with a range of organisations from start-ups to multi-nationals and has operated from both headquarters and the field.

Mary Bishop

Mary is a fellow of the Association of Chartered Certified Accountants (ACCA), currently Director of Education products at the Royal Society of Medicine, a former Director of Learning for ACCA Global and University Dean. Her experience of learner needs spans SMEs, academic institutions and listed companies across around 200 countries. With industry experience as a leader in education, technology, manufacturing and utility businesses, she is an author of over 15 books including the first edition of the Oxford Dictionary of Accounting.

Carol Culley (from 26 June 2023)

Carol is CIPFA-qualified and has a diploma in management. She is a member of the CIPFA Council and recently appointed as chair of the Public Financial

Management Board. Carol has a wealth of experience in financial management, governance and assurance and fulfilling trustee roles. She is currently a trustee for a number of joint ventures such as Northern Gateway and Manchester Central and for the Greater Manchester Learning Trust. Carol was the Deputy Chief Executive and City Treasurer at Manchester City Council. As well as being the S151 officer, she had responsibility for the Corporate Core and for driving a number of priorities such as the leading on the Council's Zero Carbon Action Plan and as SRO for The Factory and Town Hall projects.

Harry Gaskell

Harry is Chair of the Which? Limited Board. He is an investor in tech and sustainability startups and mentor to a number of their CEOs. He is an adjunct lecturer at Hult Business School where he lectures on AI and innovation. From 2005 to 2020 Harry was a Partner and Managing Partner at EY where he ran their consulting business in the UK for ten years. From 2011–20 Harry was Chair and Trustee of the Employers Network for Equality and Inclusion (enei).

Gareth Moss (until 31 December 2023)

A CIPFA-qualified accountant, Gareth is a former Director of Resources of two local authorities. Before becoming Finance Director he worked in CIPFA's consultancy arm, advising public sector bodies on issues as wide as financial management, governance and senior staff recruitment. Gareth's past employment includes roles at Serco, where he was responsible for their local government contracts, PWC and several local authorities. Gareth is a non-executive director at Worcestershire Children First and until recently chaired the John Taylor Multi Academy Trust (based in Staffordshire and Derbyshire).

Jayne Owen (until 26 June 2023)

Jayne is Finance and Resources Director of North Wales Housing Association, a successful social enterprise providing homes and delivering services across North Wales. She is a CIPFA-qualified

accountant with 30 years' public sector experience spanning local government, policing and housing .

Jayne is a proud and dedicated CIPFA member, culminating in the honour of being CIPFA President during 2022/23.

Caroline Russell

Caroline is the CEO for Parkinson's UK, a national charity focused on finding a cure and improving life for everyone affected by Parkinson's. Caroline is a trustee of her local hospice and gained operational experience of the third sector at Versus Arthritis as the Director of Planning and Operations.

Before moving to the third sector, Caroline was the Accountable Officer of NHS Mid Essex CCG and the Joint STP lead for Mid and South Essex. She has been CIPFA-qualified since 1990 and has held board level roles in both local and national organisations for 20 years. These have spanned a variety of roles from Director of Finance, Commissioning and Procurement to Deputy CEO and CEO.

Mark Thomson

Mark Thomson is an experienced business leader, having held high-profile senior positions in both the private and public sector. As Director General for UK Visas and Immigration and Her Majesty's Passport Office, Mark led teams responsible for managing around 10 million visa and passport applications a year and advised the home secretary on immigration strategy and policy.

Rob Whiteman CBE

Rob is CIPFA's Chief Executive. He formerly held a senior civil servant role as the Chief Executive of the UK Border Agency and led the Improvement & Development Agency. Rob has also worked in local government as Chief Executive of the London Borough of Barking and Dagenham and Director of Resources at the London Borough of Lewisham.

Key management personnel remuneration

The trustees consider the CIPFA management board, which includes the chief executive, as comprising the key management personnel of the charity.

The CIPFA management board is made up of the executive directors of CIPFA and CIPFA Business Ltd. It is responsible for directing and controlling, running and operating the charity on a day-to-day basis.

All trustees give of their time freely. In 2023, two trustees were remunerated (£6,000) for provision of services other than trustee services. For one trustee this was for their role as an examiner of the SPF module (£5,000) and for the other for their role as an advisor on an international project (£1,000).

The remuneration committee has full delegated responsibility for decision making in relation to the pay and conditions of senior management including the chief executive in relation to remuneration, including:

- remuneration
- terms and conditions upon appointment
- changes to base salary
- bonus arrangements and payments thereunder
- honoraria and ex-gratia payments
- severance payments
- pensions.

The pay of the CIPFA management board is reviewed annually and is informed by any general pay award within the Institute. In the case of the chief executive, any changes to current salary, terms and conditions, bonus awards, etc are considered on advice from the honorary officers, and on receipt of recommendations from the chair of the remuneration committee.

The Institute provides a single discretionary group bonus scheme, applicable to all eligible employees including the CIPFA management board, which has

clear trigger points and also allows for investment in the organisation's future growth.

The trigger point and target surplus are reviewed and agreed as part of the annual business planning process by the trustees. The trigger and the split between bonus scheme pot and investment may vary.

The bonus scheme is triggered when CIPFA generates a trading surplus above the approved business plan. All bonus awards are subject to the overall value of the bonus pot and based on assessment of individual in-year performance.

In the case of the CIPFA management board, the chief executive recommends any bonus awards to the remuneration committee. In the case of the chief executive, any bonus award is considered on advice from the honorary officers, and on receipt of recommendations from the chair of the remuneration committee.

The committee obtains independent professional advice as required including to compare and benchmark CIPFA's practices against those of other organisations. Executive remuneration is also benchmarked periodically with organisations of a similar size within the sector and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. Such advisors may attend meetings as necessary.

Equal opportunities, diversity and inclusion

CIPFA is committed to the principle and practice of equal opportunities and aims to be an equal opportunities employer. We seek to go beyond legislative requirements to improve diversity of representation and inclusivity in our role as an employer and as a membership body.

Our employment policy seeks to ensure that no job applicant or employee receives less favourable treatment on the grounds of sex, marital status, pregnancy and maternity, sexual orientation, race, religion or belief, age, disability, gender reassignment or any other grounds that are unjustifiable in terms of equality of opportunities for all.

We have introduced mandatory diversity and inclusion training for all employees and have embarked on a wider programme of activity to improve mental health and wellbeing and EDI.

The Nominations Committee embraces CIPFA's commitment to equal opportunities and to improving diversity of backgrounds and viewpoints. Its role includes identifying candidates to stand for CIPFA Council; it also recommends to Council candidates for co-option as well as chair and vice chair roles on major boards and committees. The criteria on which the committee's decisions are based include diversity considerations.

A blurred photograph of people walking in a modern hallway with a yellow wall and blue geometric shapes. The image is split into a blue triangle on the left and a yellow rectangle on the right. The people are walking from left to right, creating a sense of motion. The floor is light-colored and tiled. The overall aesthetic is clean and modern.

06

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Opportunities
and risks

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Opportunities

CIPFA operates within a challenging environment. Global conflicts, slow growth and a cost of living crisis have brought new pressures, alongside long-term strains on public finances. Amid the difficulties of our current context, there are opportunities for CIPFA to provide leadership and support to the organisations we work with, and furnish them with services to meet their immediate and future needs.

We are building new partnering arrangements to promote collaboration and closer working across territories, sectors and professional accountancy organisations. Established and new jurisdictions are adopting public financial management standards and actively participating in our forums and events.

We continue to be the first choice for public sector finance professionals looking for advice and help under unrelenting pressure. We are dedicated to public service, we understand how public sector organisations work and we provide bespoke support.

We will continue to use insights from our forums and existing customers to inform our offer to the market over the long term. As the UK moves ever closer to a general election there is a window of opportunity to reassess the shape of the public sector and shine a light on where intractable problems could be addressed through structural reform. Our thought leadership plan, together with our economic research agenda, provides a framework for content and activity to support our messaging to policy makers and influencers.

We continue to drive forward standards, equipping finance professionals with the education and training they require. We are completing the phased roll out of our refreshed professional accountancy qualification and expanding our offer with new qualifications in

anti-corruption, counter fraud and audit. Following the launch of our first Accredited Training Provider, we will be applying this model to increase our international student cohort.

We see finance professionals having an increasingly important role in sustainability reporting and we are strengthening our voice on sustainability as a pathway to becoming an authoritative voice on reporting in the public sector.

The steps taken in 2023 to close and exit the Wiltshire Local Authority defined benefit pension scheme have bought stability and certainty to our balance sheet. The level and volatility of the fund deficit has impacted the confidence of members, staff, customers, partners and stakeholders. Reaching agreement with the scheme members and the pension trustees gives us a stronger platform for future planning. While we have agreed a repayment plan with Wiltshire, we have built in the ability to pay this early should our cash position enable that.

Risk management and internal control

Risks are monitored and reported on a quarterly basis at all levels of the Institute including the CIPFA management board, CIPFA Board and the Audit Committee. Risks are addressed as part of the business planning process and placed under the management of a senior member of staff and the appropriate board or committee. The Council and its Audit Committee are satisfied that all reasonable steps are being taken to manage exposure to major risks.

Our risk management strategy was reviewed in 2021 and our processes refreshed. We rolled out training for all staff and undertook a bottom-up refresh of risk identification. This process enabled us to ensure we are aligning risk management to the level of risk

mandated by CIPFA Council. A further review of our risk management arrangements is planned in 2024.

We operate a comprehensive business planning process, with an annual business plan and budget set by the CIPFA Board and approved by the Council. We use a performance dashboard that is reviewed by the CIPFA management board monthly, and forecasts are revised on a quarterly basis as a minimum. The performance dashboard is used as a single information source to streamline performance reporting at all levels of governance including every CIPFA Board meeting.

CIPFA maintains a comprehensive set of delegations of authority and financial regulations. The financial controls and procedures are reviewed regularly and compliance with them verified by the work of the internal and external auditors.

We maintain a comprehensive set of policies and procedures, including whistleblowing, data protection, health and safety, complaints handling, code of conduct and register of interests for Council members, non-executive directors and senior staff.

The Audit Committee reviews CIPFA's accounting and financial reporting practices on behalf of the Council. Internal audit reviews are prioritised using a risk-based approach, and recommendations are followed up.

Risks

We continue to respond to the changing market for our qualifications and training, taking strategic measures to ensure we meet the needs of a student-led market and respond to changing demographics.

We have taken steps to improve the connection between the development of our products and services and customer feedback to maintain relevance and diversify our offer.

We are increasingly vigilant to the shifting geopolitical context and its potential impact on our international growth and UK public bodies. While CIPFA's cash position is strong, the repayment of the pension deficit means that we will need to ensure appropriate management and oversight of this area.

CIPFA is investing in significant change with our transformation programme and wider strategic plans; we have rigorous governance in place to oversee this change management.

Managing risks for CIPFA

Principal risks for CIPFA	What the risks mean	How we manage the risks
<p>Political shift in government policy or priorities impacts on CIPFA's core purpose and ability to deliver its charitable objectives. This risk is heightened with the impending election and the increasing level of uncertainty this brings.</p>	<p>Changes in government policy and/or the uncertainty regarding the general election may lead to a reduction in demand for our services, particularly those commissioned from CIPFA Solutions. This would impact on the income CIPFA is able to generate – which in turn impacts delivering of our charitable objectives.</p>	<p>We are actively diversifying our products and services as well as building our presence in new markets in the UK and internationally. We also closely manage the cost base including using temporary staff to flex up/down according to demand.</p>
<p>We need to be more responsive and agile to ensure our products and services keep pace with market and customer challenges, issues and risks.</p>	<p>Our products and solutions portfolio is insufficiently targeted, with inefficiencies in repurposing or repackaging existing projects.</p> <p>This is exacerbated by scarcity in customer funding and resources. There would be an impact on the delivery of our objectives, including our charitable aims.</p>	<p>The key accounts process focuses on listening to market issues and challenges. Products and services are mapped and prioritised with stringent business case assessment.</p>
<p>The market for professional qualifications is increasingly driven by student choice. The perceived lack of portability of our qualification makes us less attractive to trainees in government bodies and firms. There is also a risk our PAQ does not keep pace with developments in automation, AI and broader technology.</p>	<p>Reduced student numbers lead to a reduction in members and a smaller institute, which in turn impacts our ability to support existing members and customers.</p>	<p>The redeveloped PAQ has been launched to address this risk and final modules will be rolled out in 2024. The Joint Declaration with ICAEW in September 2023 on dual qualification is a significant step forward in delivering portability.</p> <p>PAQ is under regular review for advancements in technology – both in terms of subject matter and delivery methods.</p>
<p>Loss of the right to deliver apprenticeship training or endpoint assessments.</p>	<p>Significant financial and reputational impact.</p>	<p>The Ofqual application process has enabled us to mitigate many of the risks identified. We have a programme of continuous monitoring and improvement and are widening our student base.</p>

Principal risks for CIPFA	What the risks mean	How we manage the risks
An ageing member demographic is accelerating attrition rates and a poorly defined membership value proposition means we are not able to attract new students and members from new generations.	Reduces market penetration, impacts on revenue and credibility.	We have developed and continue to expand alternative routes into membership. We are also broadening our equality, diversity and inclusion programme beyond staff to include students and members. In 2024 we will close refresh our regional strategy to work more closely with members around the country.
Lack of structured approach to change management leads to benefits not being realised.	Failure to improve efficiency and evolve in order to achieve growth.	We have incorporated change management into business planning and initiated a culture change programme.
Expansion into new/other public sector markets is not achieved or diversification is achieved at the cost of brand dilution to CIPFA's local government customer base.	Failure to diversify or dilution of the brand could lead to significant financial (ie loss of income) and reputational issues.	Clear resource planning on core business as well as diversification is a key focus for the CIPFA management board – including re-prioritisation where necessary.
Weak employee value proposition (EVP) hinders our ability to attract, recruit and retain a workforce with the right skills and experience and skills.	We don't have the right people at the right time to deliver CIPFA's objectives.	The CIPFA&me programme has been developed in response to this and roll out of the remainder of this programme will continue in 2024.
Debt spreading agreement for defined benefit pension scheme alongside investment for growth places pressure on cash flow.	Repayment agreement reduces margin for error in forecasting and limits capacity for investment.	We are further developing our cash flow forecasting processes to ensure these are rigorous. We are also closely controlling costs in order to facilitate continued investment in the business.



07

Financial
summary

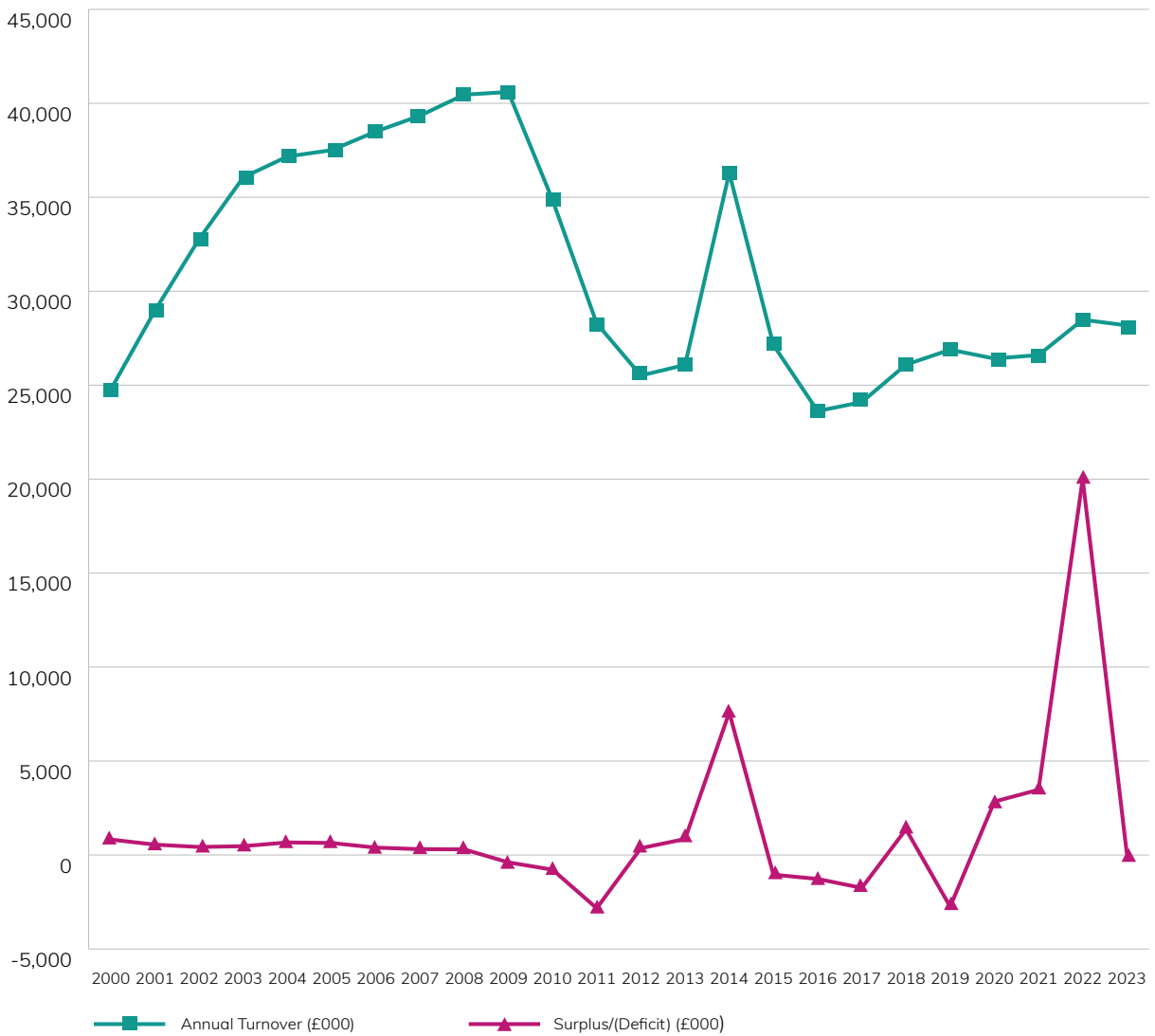
Building on the work to strengthen CIPFA’s financial position in 2022 by closing the Wiltshire Pension Fund, 2023 saw CIPFA further reduce its long-term liabilities and deliver a positive cash flow from operational activities.

In 2022, CIPFA decided to close its defined benefit pension scheme and settle the outstanding liability. This decision reflected the need to have certainty over the charity’s pension liabilities and a clear plan to repay these liabilities to ensure the organisation’s financial security. In 2023, the pension agreements were finalised, and CIPFA made £3.9m of payments against this liability, reducing it from £11.7m to £8.2m (the £0.5m difference relates to an additional charge made in finalising the agreement).

The overall result for 2023 was a positive contribution of £0.070m compared to £1.142m in 2022. The reduction reflects inflationary cost pressures in 2023 and planned business investments. CIPFA’s operational activities generated £2.309m in 2023, which is considered a positive result.

	2023	2022
	£000	£000
2023 Full year results before pension entries		
Income	28,181	28,483
Expenses	28,111	27,341
Contribution	70	1,142
Net cash inflow/(outflow) from operations	2,309	(32)

CIPFA Annual Turnover and Surplus/(deficit) 2002 to 2022



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual Turnover €000	24,763	28,967	32,776	36,058	37,170	37,507	38,498	39,340	40,459	40,601	34,856	28,290	25,514	26,081	36,297	27,139	23,623	24,100	26,092	26,889	26,417	26,603	28,483	28,181
Surplus/ (Deficit) €000	824	552	428	470	670	640	394	311	301	-393	-781	-2,831	365	852	7,586	-1,045	-1,273	-1,748	1,367	-2,746	2,842	3,474	20,001	55

Financial review and related policies

In 2023, the total income for the CIPFA Group was £28.2m (£28.5m in 2022), a decrease of £0.3m (1%), which is not impacted by the accounting adjustments relating to the closure of the pension scheme. Detailed analysis of group operating income and expenditure showed increased UK advisory activity, offset by lower demand for bespoke in-house training courses and lower network and subscription income driven by local government reorganisation and cost pressures.

International advisory income was stable, although some delays with the Pakistan project have impacted the overall income forecast.

The business continues to adapt to the market's changing needs, and our advisory practice, in particular, has benefitted from some larger-scale contracts than in previous years. The recruitment market for specialist provision continues to be challenging. Overall, however, CIPFA coped well with the economic uncertainties and inflationary pressures that caused significant pressures on our customer base.

Despite these difficulties, we remain conscious of the need to contain our cost base to protect CIPFA's financial sustainability and diversify our contract and service base to remain competitive both domestically and internationally.

CIPFA Business Limited (CBL) is CIPFA's professional services business. As part of the CIPFA Group, CBL governance arrangements are integrated with CIPFA. The Commercial Board, which meets at least five times a year, also acts as the CIPFA Business Board and is responsible for making decisions and monitoring the business and its performance. The majority of CBL Directors are independent non-executives.

CIPFA C.Co Ltd commenced trading in July 2016 when former directors and senior managers from local government with a successful public sector transformation track record formed a partnership with CIPFA. CIPFA C.Co Ltd supports public sector

organisations to deliver the transformation of public services against a backdrop of ever-challenging circumstances. The company aims to work with organisations that provide public services to help them improve the advancement and wellbeing of society. For the first time since its creation, C.Co Ltd paid a dividend to CIPFA of £0.15m, which marks a significant milestone in performance.

Reserves policy

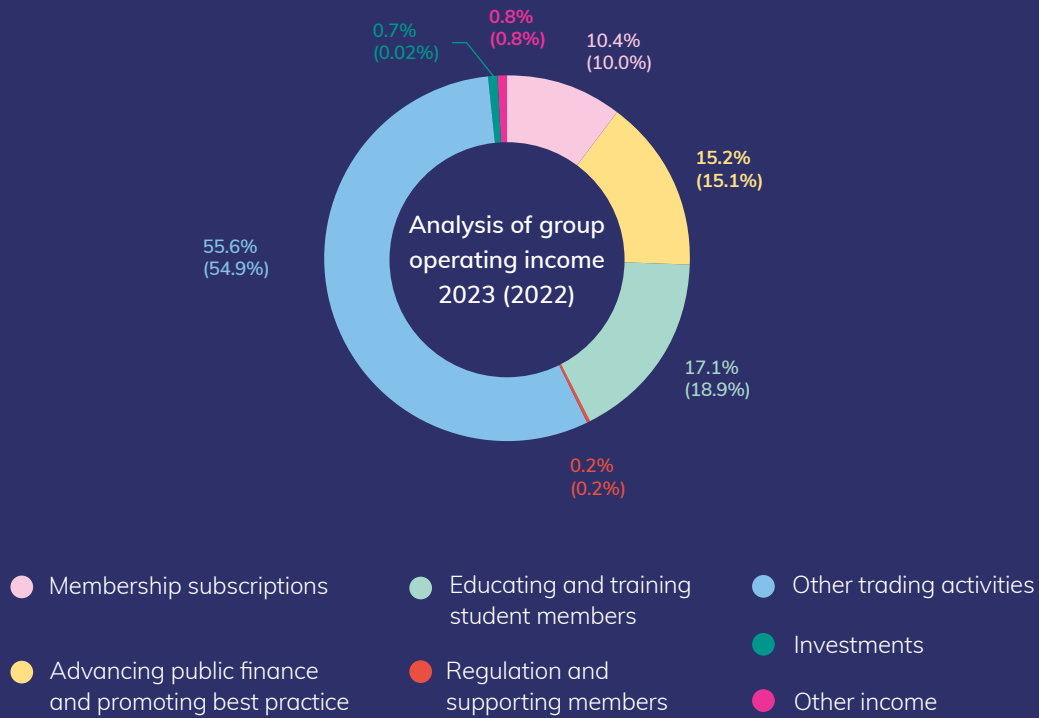
CIPFA's overall reserves at the end of 2023 are a surplus of £12.5m (2022: £15.5m surplus). The reduction compared was driven by the revaluation of Mansell Street, which resulted in an impairment. This revaluation reflects the overall sentiment in the market.

Within total funds are designated funds of £17.0m (2022: 16.9m) and a revaluation reserve of £1.0m (2022: £4.2m), predominantly representing the value of fixed assets and investments. Other charitable funds now stand at £2.6m surplus (2022: surplus £6.1m). In previous years, CIPFA targeted reserves for two months' average expenditure. Two months' expenditure is approximately £4.6m.

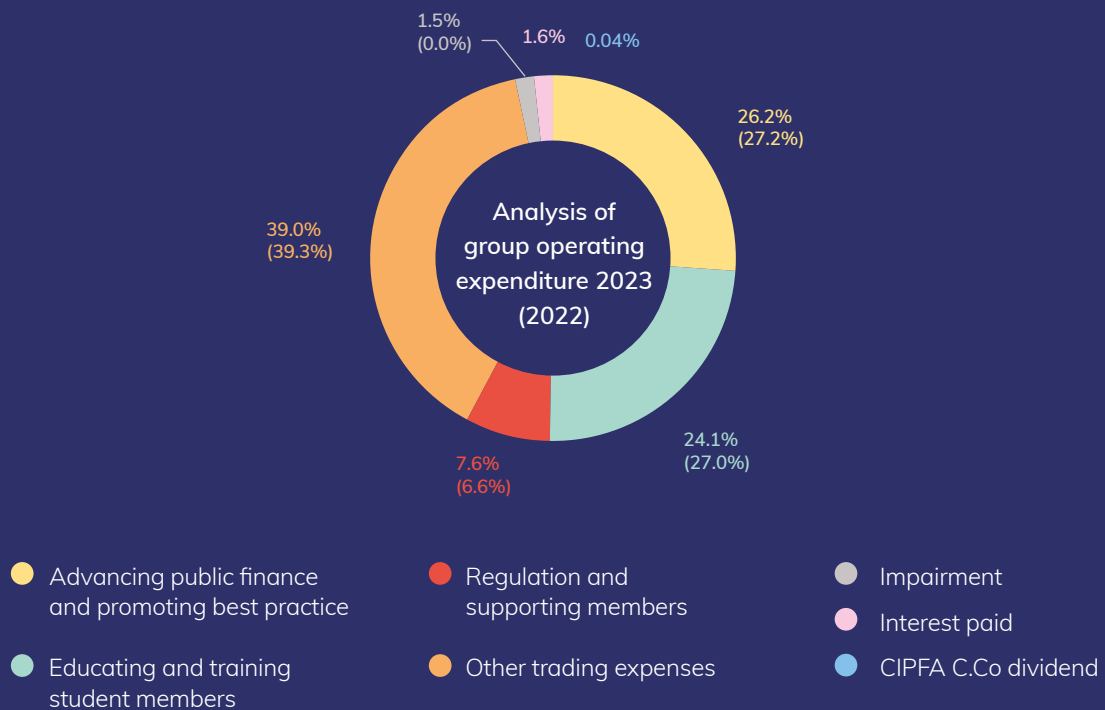
The Board revisited the existing policy in 2022. It concluded that a more flexible policy was relevant and that CIPFA should aspire to a minimum level of reserves of three months but have the flexibility to move that up to six months. Based on the 2023 results, this range is from £6.9m to £13.8m. While not compliant with the revised reserves policy, the current position is not considered to impede the going concern of the group as cash flow forecasting across the review period indicates that sufficient working capital is available for CIPFA to satisfy all commitments as they fall due.

The Board recognises that while we are repaying the Wiltshire Scheme, this revised target will be a challenge. The repayment agreement allows CIPFA to redeem the outstanding amount earlier if trading and cash performance allow it.

Income by source



Expenditure by source before exceptional gain on closure of defined benefit pension scheme



Going concern

The CIPFA Audit Committee and Board, on behalf of Council, have assessed the ability of CIPFA to continue as a going concern and have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing the financial statements. This has included the revised budget for 2024 and forecast for 2024–25 contained in the business plan, cash flow forecasts to 31 December 2025 and a consideration of the key risks on the continued operation of CIPFA's activities and our revised methods of working as well as the impact on our customers. In addition, during the preparation of the 2024 revised budget, we undertook sensitivity analysis, including developing a 'reasonable worst-case scenario' for the Board to consider.

In addition, the Board remains aware of the possibility of further inflationary pressures, particularly given the geopolitical environment. It is unlikely that CBL, as a critical commercial operation, will be able to pass on all of its rising costs to customers, which will increase pressure on margins and necessitate even tighter control of the cost base. The Board believes diversifying products in existing markets and identifying new ones will help manage inflation risks.

We continue to benefit from adapting our services to reflect a greater use of remote activity than before the pandemic, and we have reflected that in our plans. We do not anticipate an adverse impact on our finances; in fact, greater take-up of those services and delivery at a reduced cost have been built into the business plan.

Given this mode of delivery, we anticipate access to broader markets, and our operational resilience and lower risk will continue. We maintain our focus on providing high-quality products and services to our members and customers and seek innovations in the delivery of those services and products.

In addition, we have maintained our tight controls over expenditure and investment, only releasing the investment included in the business plan when we are

comfortable that the underlying business performance warrants it.

2024 anticipates a continuation of investment that was started in 2023, recognising our stronger financial health as well as a need to improve services to remain competitive. Further payments will be made to pay down the pension liability. The investment needs and pension liability repayment require the organisation to continue to deliver positive cash flows from operating activities and strict control of costs.

The Board concluded that it is appropriate that the accounts are prepared on a going concern basis.

Investment policy

Byelaw 59 details the extensive investment powers bestowed upon the Council. Given the annual cycle of fluctuation in cash balances held, the current investment policy is limited to depositing surplus funds within a range of approved institutions in tranches with a range of maturity dates. The policy focuses on low-risk and readily realisable investment forms. Within these confines, we seek to obtain the best interest rates possible.

Fundraising

CIPFA had no fundraising activities requiring disclosure under Section 162A of the Charities Act 2011.



08

Our future
plans

We are proud to be CIPFA.

CIPFA is a chartered, charitable body with immense pride in our history, our ability and our membership. We recognise the reach CIPFA is afforded, and the reputation we have earned.

The beating heart of the Institute is its membership. Being a membership body that supports students through qualifications to designation and membership, and supports those members in their careers, lifelong learning and aspirations is central to our purpose.

CIPFA is proud to be the standard setter for financial management across UK local government and police. We have a global voice that shapes public policy, public finance and public services, and we're proud to advise and support organisations in strengthening their own financial management.

Over the past five years, we have secured the financial resilience of the Institute and started down the long road of digital investment, operating model transformation and bringing our products, processes and systems up to date. While there is more work to do, the progress we have made has been hard won, and gives us a platform to focus, invest and grow what is at the centre of our Institute – our membership.

The strategy we have been pursuing brings together what we're here to achieve, what it will look like when we're done and what we'll do to get it done. The strategy is fully aligned to our charitable objectives and has the full and collective support of CIPFA Council and Board.

Central to this is an investment in our member offer. It is somewhat overdue. We are starting with listening, learning and reflecting to ensure we are meeting needs, adding value and strengthening our community of financial management practitioners around the world.

Alongside the completion of a systems upgrade to improve our student experience (the exam platform, the learning management platform, CPD platform and member platform), we will implement a new CRM, HR system and finance system. We are investing in a refresh of our website, and will roll out a new digital portal for our members that delivers on-the-go access to information and news, and the ability to network and absorb micro-credentials.

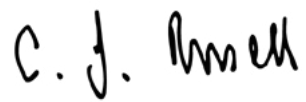
We will strengthen the links between the Institute's staff and our CIPFA regions. The work of our volunteers across the regions is core to our membership and our Institute, and we will continue to provide support, insight and value across our branches and regions.

Our strategic partnership with ICAEW, set out in the Joint Declaration of September 2023, will help to secure CIPFA's future. We will work to capitalise on the opportunity dual membership of CIPFA and ICAEW can give to our members, students and future members. The ability to hold both designations is the number one outcome we wanted from the partnership, to achieve portability, and we will work hard to implement it well and deliver an outstanding student and member experience.

CIPFA's biggest asset is our employees. We will continue to deploy and develop our resources to achieve our purpose and deliver our ambition, while continuing to attract fresh talent to the Institute. Flexible working and our four-day working week trial will continue in 2024 to improve the work/life balance for all CIPFA employees, as well as helping us to attract and retain the talent and experience we want and need. A diverse workforce, which reflects the diversity of our members and partners, will improve outcomes for both our organisation and profession. We want to champion talented people and help them excel, regardless of their background or demographic.

CIPFA is the home of excellence in public finance. We exist to ensure public money is well spent and well managed for the benefit of us all. Our plan is to deliver against that purpose over the coming years as we grow, increase our impact and strengthen the support to our membership.

The trustees' annual report was approved on 14 May 2024 and signed on their behalf by Caroline Russell, CIPFA President.



Caroline Russell
President



Rob Whiteman CBE
CEO



09

Administrative
information



The full name of the charity is the Chartered Institute of Public Finance and Accountancy (CIPFA). It is a charity by Royal Charter granted in 1959 and is registered with the Charity Commission for England and Wales, number 231060.

CIPFA is also registered with the Office of the Scottish Charity Regulator. The registration number is SC037963.

CIPFA management board

Chief Executive: Rob Whiteman CBE

Director of Finance: Gareth Moss
(until 31 December 2023)

Chief Operating Officer: Dan Worsley

Director of Policy and Membership: Drew Cullen
(resigned June 2023)

Director of Public Financial Management:
Iain Murray

Director of International: Khalid Hamid

Interim Director of Transformation: Ravi Dhindsa
(contract concluded March 2023)

Head of HR: Sarah Carruthers (joined January 2023)

Company Secretary and Chief of Staff: Nicola Hannam
(resigned September 2023)

Principal Office

77 Mansell Street
London E1 8AN

Principal Advisers

Bankers

Lloyds Bank Plc
Villiers House
48-49 Villiers Street
London WC2N 5LL

Insurers

Bartlett and Company Ltd
Broadway Hall
Horsforth
Leeds LS18 4RS

Solicitors (disciplinary)

DAC Beachcroft
100 Fetter Lane
London EC4A 1BN

Solicitors (corporate)

Ashtons Legal
Trafalgar House
Meridian Way
Norwich NR7 0TA

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW



10

Financial
report



Consolidated statement of financial activities for the group

Year ended 31 December 2023

	Note	2023 £000	2022 £000
Income			
<i>Income from charitable activities:</i>			
Membership subscriptions		2,938	2,860
Advancing public finance and promoting best practice		4,272	4,292
Educating and training student members		4,813	5,381
Regulation and supporting members		59	65
		12,082	12,598
<i>Other trading activities:</i>			
Income from information, advisory and property services	11	15,671	15,645
<i>Investments:</i>			
Interest receivable		196	5
<i>Other income:</i>			
Property sales and rentals	3	232	235
Total income		28,181	28,483
Expenditure			
<i>Expenditure on charitable activities:</i>			
Advancing public finance and promoting best practice		7,348	7,434
Educating and training student members		6,771	7,377
Regulation and supporting member		2,134	1,794
Exceptional gain on closure of defined benefit pension scheme	6	–	(18,859)
		16,253	(2,254)
<i>Other expenditure:</i>			
Expenditure from information, advisory and property services	11	11,251	10,736
Interest payable	4	439	–
CIPFA C.Co dividend		9	–
Impairment of intangible asset	8	159	–
Total expenditure	4	28,111	8,482
Net income		70	20,001
<i>Other recognised (losses):</i>			
Losses on revaluation of fixed assets	9, 17	(3,074)	(815)
Net movement in funds		(3,004)	19,186
Reconciliation of funds			
Fund balances brought forward at 1 January		15,513	(3,673)
Fund balances carried forward at 31 December		12,509	15,513

The results set out in the above statement of financial activities all relate to continuing operations and includes the net restricted income attributable to the non-controlling interest in CIPFA C.Co Ltd of £10k net expenditure (2022: £12k net expenditure).

There are no other gains or losses, other than those recognised above and therefore no separate statement of total recognised gains and losses has been presented. Further analysis can be found in note 18.

The notes on pages 60 to 79 form part of these financial statements.

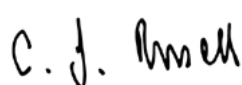
Consolidated balance sheets

as at 31 December 2023

	Note	Group 2023 £000	2022 £000	CIPFA 2023 £000	2022 £000
Fixed assets					
Intangible assets	8	1,027	870	632	508
Tangible assets	9	9,507	13,342	9,498	13,322
Investment property	10	7,450	6,850	7,450	6,850
Investments	11,12	9	9	409	409
		17,993	21,071	17,989	21,089
Current assets					
Debtors	14	5,371	5,396	4,077	3,794
Cash at bank and in hand		3,862	6,356	1,235	4,200
		9,233	11,752	5,312	7,994
Creditors: amounts falling due within one year	15	(8,329)	(9,858)	(4,949)	(6,659)
Net current assets		904	1,894	363	1,335
Total assets less current liabilities		18,897	22,965	18,352	22,424
Long-term liabilities					
Creditors: amounts falling due after more than one year:					
Pension Liability	16	(6,388)	(7,452)	(6,388)	(7,452)
Net assets		12,509	15,513	11,964	14,972
Funds					
Restricted funds	17	34	40	34	40
Minority interest		23	44	-	-
Unrestricted funds					
Designated funds		17,027	16,855	16,623	16,473
Revaluation reserve		957	4,207	957	4,207
Pension reserve	17	(8,135)	(11,664)	(8,135)	(11,664)
Other charitable funds		2,603	6,031	2,485	5,916
Total funds including pension liability		12,509	15,513	11,964	14,972

The financial statements of CIPFA's branches, regions, and students' societies are incorporated within the Charity's financial statements. Before consolidation into the group financial statements, the charity made a surplus of £66,000 in 2023 (2022: a surplus of £19,521,000) The surplus for this year is before other recognised losses of £3,074,000 (2022 losses £815,000).

Approved and authorised for issue by the Council on 14 May 2024 and signed on its behalf by:



President



Chief Executive

The notes on pages 60 to 79 form part of these financial statements.

Consolidated statement of cash flows

for the year ended 31 December 2023

	Note	2023 £000	2023 £000	2022 £000	2022 £000
Net cash (used in) provided by operating activities			2,039		(32)
Cash flows from investing activities					
Interest received		196		4	
Purchase of intangible fixed assets	8	(500)		(481)	
Purchase of tangible fixed assets	9	(143)		(166)	
Net cash (used in) investing activities			(446)		(643)
Cash flows from financing activities					
Pension liability and lease payments	16	(3,915)		–	
Interest paid		(172)		–	
Net cash (used in) financing activities			(4,087)		–
Net increase in cash and cash equivalents			(2,494)		(675)
b/fwd Cash at bank			6,356		7,031
c/fwd Cash at bank			3,862		6,356

Notes to the cash flow statement

	Note	2023 £000	2022 £000
A. Net cash (used in) operating activities			
Net income		70	20,001
Interest receivable		(196)	(4)
Interest payable	4	439	–
Pension liability and lease payments	16	3,915	–
Depreciation and amortisation charges	8 & 9	488	437
Impairment of intangible asset	8	159	–
Release of defined benefit liability		–	(30,523)
(Increase)/decrease in debtors		25	(1,551)
Increase/(decrease) in creditors		(2,860)	11,608
		2,039	(32)

	At 1 Jan 2023 £000	Cash- flows £000	At 31 Dec 2023 £000
B. Analysis of changes in net debt			
Cash in hand	6,356	(2,494)	3,862
Finance Leases	–	(99)	(99)
Total	6,356	(2,593)	3,763

Notes to the financial statements

1 Accounting policies

Company information

The full name of the charity is the Chartered Institute of Public Finance and Accountancy (CIPFA). It is a public benefit entity set up by Royal Charter granted in 1959 and is registered with the Charity Commission for England and Wales. The charity registration number is 231060. CIPFA is also registered with the Office of the Scottish Charity Regulator. The registration number is SC037963. CIPFA is a Public Benefit Entity and its registered office is 77 Mansell Street, London, E1 8AN.

Accounting conventions

The consolidated financial statements comprise the financial statements of CIPFA, and its subsidiary undertakings, CIPFA Business Ltd, registration number 2376684 and CIPFA C.Co Ltd, registration Number 10212053 on a line by line basis and adjusted for the elimination of inter-group transactions and balances.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and investment property and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2019.

The functional currency of CIPFA and its subsidiary entity is considered to be GBP because that is the currency of the primary economic environment in which the group operates. The consolidated financial statements are also presented in GBP.

Further details of the CIPFA's active subsidiary undertakings are provided in note 11.

The financial statements of CIPFA's branches, regions and students' societies are incorporated within the charity's financial statements.

Going concern

The CIPFA Audit Committee and Board, on behalf of Council, have assessed the ability of CIPFA to continue as a going concern and have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. Following agreement in 2022 to settle the longstanding pension deficit, CIPFA has made additional payments in 2023 totalling £4m towards its outstanding pension commitment. These payments have reduced surplus cash in the group and CIPFA have therefore prepared a reforecast budget and cash flow to December 2025 to consider key risks surrounding the conclusion that CIPFA remains a going concern. As part of this process, CIPFA conducted sensitivity analysis surrounding key assumptions alongside the preparation of a reasonable worst case scenario for consideration by the Board.

The CIPFA Audit Committee and Board, on behalf of Council, have assessed the ability of CIPFA to continue as a going concern and have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing the financial statements. This has included the revised budget for 2024 and forecast for 2024–25 contained in the business plan, cash flow forecasts to 31 December 2025 and a consideration of the key risks on the continued operation of CIPFA's activities and our revised methods of working as well as the impact on our customers.

In addition, the Board remains aware of the possibility of further inflationary pressures, particularly given the geopolitical environment. It is unlikely that CBL, as a critical commercial operation, will be able to pass on all of its

rising costs to customers, which will increase pressure on margins and necessitate even tighter control of the cost base. The Board believes diversifying products in existing markets and identifying new ones will help manage inflation risks.

Given this mode of delivery, we anticipate access to broader markets, and our operational resilience and lower risk will continue. We maintain our focus on providing high-quality products and services to our members and customers and seek innovations in the delivery of those services and products.

In addition, we have maintained our tight controls over expenditure and investment, only releasing the investment included in the business plan when we are comfortable that the underlying business performance warrants it.

2024 anticipates a continuation of investment that was started in 2023, recognising our stronger financial health as well as a need to improve services to remain competitive. Further payments will be made to pay down the pension liability. The investment needs, and pension liability repayment require the organisation to continue to deliver positive cash flows from operating activities and strict control of costs.

CIPFA has now closed the Wiltshire pension scheme with a final payment due of £12.7m which will be paid off over five years. This was within the affordability confirmed by InterPath who undertook a Covenant Review prior to the financial offer to close the scheme being submitted to Wiltshire Pension Fund. The payment terms have been proposed to include the flexibility to repay greater amounts and consequently an earlier repayment should our cash position enable that.

As per note 18, CIPFA's overall reserves at the end of 2023 are a surplus of £12.5m (2022: £15.5m deficit). The reduction compared was driven by the revaluation of Mansell Street, which resulted in an impairment. This revaluation reflects the overall sentiment in the market.

Within total funds are designated funds of £17.3m (2022: 16.9m) and a revaluation reserve of £1.0m (2022: £4.3m), predominantly representing the value of fixed assets and investments. Other charitable funds now stand at £2.6m surplus (2022: surplus £6.1m). In previous years, CIPFA targeted reserves for two months' average expenditure. Two months' expenditure is approximately £4.6m.

The Board revisited the existing policy in 2022. It concluded that a more flexible policy was relevant and that CIPFA should aspire to a minimum level of reserves of three months but have the flexibility to move that up to six months. Based on the 2023 results, this range is from £6.9m to £13.8m. While not compliant with the revised reserves policy, the current position is not considered to impede the going concern of the group as cash flow forecasting across the review period indicates that sufficient working capital is available for CIPFA to satisfy all commitments as they fall due.

The Board recognise that while we are repaying the Wiltshire scheme, this revised target will be a challenge. The repayment agreement allows CIPFA to redeem the outstanding amount earlier if trading and cash performance allow it.

Having regard to the above, the Trustees believe there are no material uncertainties surrounding the decision to adopt the going concern basis of accounting in preparing the financial statements.

Income recognition

Income is credited to the statement of financial activities in the year to which it relates. Income is deferred only when conditions have to be fulfilled before CIPFA becomes entitled to it or where the donor has specified that the income is to be expended in the future period. In the case of membership subscriptions and subscriptions for journals and electronic services any receipt in respect of future years is shown as deferred income.

- Membership subscriptions comprise membership fees from CIPFA professional qualifications.
- Advancing public finance and promoting best practice comprises income from publications, courses and conferences and advisory services.
- Educating and training student members comprises income from training and examining for CIPFA's professional qualifications.
- Regulation and supporting members comprise the income from practice assurance and disciplinary fines.

Accrued income

Income is accrued in the statement of comprehensive income based upon judgements assessing the level of completion for revenue that cannot be invoiced as the requested service has not been fully delivered.

Investments

Investment properties are measured at fair value annually with any change recognised in the statement of financial activities. The trustees deem market value to be a fair approximation of fair value for the purpose of obtaining annual valuations. A full valuation is undertaken every three years and interim valuations are performed in intermediate years.

Expenditure recognition

Expenditure, including irrecoverable value added tax, is debited to the statement of financial activities on an accruals basis:

- Expenditure from information, advisory and property services comprises the costs of the trading subsidiaries.
- Charitable expenditure comprises direct expenditure including direct staff costs attributable to the activities. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.
- Governance costs comprise those incurred as a result of constitutional and statutory requirements.
- Support costs, which include central office functions such as finance, information technology and human resources, are allocated across the categories of charitable expenditure. The basis of the cost allocation has been explained in the notes to the accounts.

Pensions

CIPFA operates a defined contribution Group Personal Pension Plan via Aegon, introduced from 1 January 2007. The Wiltshire defined benefit scheme was closed on 30 September 2022 and all members moved across to the defined contribution scheme under Aegon.

Defined contributions are paid to the Group Personal Pension Plan via Aegon in accordance with the group policy. The policy allows for minimum employee contributions of 3%, with the employer contributing double the employee contribution up to a maximum of 10%.

CIPFA C.Co Ltd operates a defined contributions Personal Pension Plan via Royal London, with defined contributions paid in accordance with the company policy.

Pension liability

CIPFA reached agreement with the pension provider to settle its remaining pension deficit for a sum of £12,765,000. The liability is being paid off over five years at an interest rate of 3.8%. Annually the remaining balance is shown in creditors at a net present value discounted at 3.8%.

Leased assets – lessee

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Leased assets – lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Finance leases

Finance leases are capitalised on the balance sheet and depreciated over the life of the of the lease.

Intangible fixed assets – development expenditure

Intangible fixed assets represent research and development costs capitalised in accordance with FRS 102. These are stated at historical cost and amortised on a straight-line basis over the period which revenue is expected to be generated (three to five years).

Amortisation is recognised in the statement of financial activities under expenditure on charitable activities.

Tangible fixed assets and depreciation

Freehold property is held at valuation and depreciated over 50 years. Revaluations are undertaken by an independent valuation expert annually. A full valuation is undertaken of freehold property every three years and interim valuations in intermediate years. Included in the fixed asset note is the carrying amount that would have been recognised had the assets been carried under the historical cost model.

Other fixed assets are capitalised and depreciated if the value is greater than £1,000 for an individual asset or greater than £5,000 for a capital project.

Tangible fixed assets are depreciated from the month the assets are first used on a straight-line basis over their estimated economic lives as follows:

	Years
Computer equipment	3
Furniture, fittings and other equipment	5

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Deferred taxation

Deferred tax is provided in full in respect of material timing differences between the treatment of certain items for taxation and accounting purposes. A deferred tax asset is only recognised where the conditions for recognition in FRS 102 are satisfied and such balances may fall due after more than one year.

Fund accounting

Unrestricted funds held by the charity are:

Designated funds – these are unrestricted funds set aside by the trustees for specific future purposes or projects.

Other charitable funds – these are unrestricted general funds that can be used in accordance with the charitable objects at the discretion of trustees.

Restricted funds are those funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

2 Critical accounting judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – The charity recognises its liability to the Wiltshire Council having crystallised its defined benefit pension scheme at 30 September 2022. The key area of judgement is around the selection of an appropriate discount rate to recognise the liability at present value. To discount the liability to present value at year end, CIPFA has used a discount rate of 3.8%, which represents the interest charge on the value of the outstanding liability.

Valuation of land and buildings and investment property – The charity’s land, buildings and investment property are stated at their estimated fair value based on professional valuations as disclosed in note 9 and 10.

Accrued income – The charity estimates accrued income based upon judgements assessing the level of completion for revenue that cannot be invoiced as the requested service has not been fully delivered. Accrued income is disclosed in note 14.

Debtor provisions – The charity maintains a provision for all debts over six months, and all debts relating to professional regulation matters with members. The provisions are disclosed in note 14.

Financial instruments

Financial assets and financial liabilities are recognised when CIPFA becomes a party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

3 Property income

	2023	2022
	£000	£000
Rent and dilapidations from tenants	232	235
	232	235

Property income is the income from tenants occupying parts of the Mansell Street property during the year.

4 Net income disclosure

Group	Support costs							2023 Total £000
	Activities direct costs £000	Human resources £000	ICT £000	Finance and admin support £000	Marketing and public relations £000	Governance £000	Defined benefit pension closure £000	
Charitable expenditure:								
Advancing public finance and promoting best practice	4,818	115	596	332	1,143	344	–	7,348
Educating and training students	4,502	267	739	443	503	317	–	6,771
Regulation and supporting members	1,416	41	230	123	224	100	–	2,134
Total charitable costs	10,736	423	1,565	898	1,870	761	–	16,253
Other expenditure:								
Expenditure from information, advisory and property services	7,775	168	1,224	1,784	192	117	–	11,260
Interest payable	439							439
Impairment of intangible asset	159							159
	19,109	591	2,789	2,682	2,062	878	–	28,111
Total 2022	19,108	572	2,242	1,863	2,799	757	(18,859)	8,482
Basis of allocation:								
– Charitable costs		Headcount	Work	Income	Estimated	Income	Headcount	
– Information, advisory and property services		Actual cost	Actual cost	Actual cost	Actual cost	Actual cost		
							2023	2022
Net income for the year is stated after charging							£000	£000
Depreciation and amortisation							488	436
Impairment							159	–
Operating lease rentals							110	159
Interest payable on the pension liability							439	–
Net present value movement in pension liability							103	–
One-off costs of restructuring							508	4

Within £439,000 interest payable is included £267,000 interest that has been added to the Wiltshire pension liability, leaving £172,000 interest paid. This interest has been imposed by Wiltshire for the time between the cessation of the pension scheme in October 2022 and the start of repayments in July 2023.

5 Governance costs

	2023	2022
	£000	£000
Auditor fees – group		
Statutory audit – Crowe	66	65
Statutory audit – Other	8	7
Tax advisory services	9	12
	83	84
	2023	2022
	£000	£000
Group		
Audit fees	74	72
Internal audit fees	51	36
Council, committees and boards	142	89
Management and governance support	524	477
Apportionment of costs supporting governance activities	87	83
	878	757

Increases in governance costs in 2023 are due to continued support of our activities around forging a closer relationship with the ICAEW. Additionally, there were increased travel and subsistence costs for Council and boards.

6 Employees

6.1 Group costs

	2023	2022
	£000	£000
Group		
Salaries and wages (including temporary staff)	11,829	11,471
National insurance	1,299	1,313
Pension costs	931	1,886
Other staff costs	546	556
Redundancy and termination costs	508	4
	15,113	15,230
Pension credit	–	(18,859)
	15,113	(3,629)

The £18.9m pension credit in 2022 arose on the settlement of the local government pension scheme deficit. See note 7 for full details.

Redundancy and termination payments of £508,000 (2022: £4,000) were paid during the period and are recognised in the statement of financial activities. These costs include £45,000 one off pension costs (2022: £0).

Bonus payments of £107,000 (2022: £256,000) and ex-gratia payments of £98,000 (2022: £58,000) were paid during the period and are recognised in the statement of financial activities.

6.2 Group employee numbers

The average number of employees in the Group in 2023 was 259 (2022: 238).

	2023	2022
Group	No	No
Advancing public finance and promoting best practice	30	29
Educating and training student members	53	49
Regulation and supporting members	8	6
Governance	5	3
Support services	95	95
CIPFA Business Ltd	54	45
CIPFA C.Co Ltd	14	11
	259	238

6.3 Remuneration bands for employees earning more than £60k

	CIPFA 2023	CIPFA Business 2023	CIPFA C.Co Ltd 2023	CIPFA 2022	CIPFA Business 2022	CIPFA C.Co Ltd 2022
£220,000 – £229,999	1	–	–	1	–	–
£190,000 – £199,999	–	–	1	–	–	–
£180,000 – £189,999	1	–	–	–	–	1
£160,000 – £169,999	–	1	–	–	1	–
£140,000 – £149,999	1	–	–	1	–	1
£130,000 – £139,999	–	–	2	1	–	–
£120,000 – £129,999	1	–	–	–	–	–
£110,000 – £119,999	1	1	–	1	–	–
£100,000 – £109,999	2	1	–	1	–	1
£90,000 – £99,999	4	–	2	3	2	2
£80,000 – £89,999	6	3	1	5	3	–
£70,000 – £79,999	10	1	–	12	2	1
£60,000 – £69,999	9	8	1	11	7	1

Remuneration for the above table excludes employer pension contributions and national insurance.

Of the senior employees 36 CIPFA (2022: 36), 15 CIPFA Business Ltd (2022: 15) and 7 CIPFA C.Co Ltd (2022: 7) are members of the pension schemes. Employer pension contributions made on behalf of senior employees in 2023 were £401,000 (2022: £778,000).

Remuneration of key management personnel

Key management is made up of the chief executive and the executive directors. CIPFA's total cost, including pension and national insurance, for key management personnel for 2023 was £1,203,000 (2022: £1,262,000). The total cost for the chief executive, including pension and national insurance, was £258,000 (2022: £260,000).

Volunteers

CIPFA is supported by a strong network of volunteers who play a vital role advancing our objectives of advancing public finance, promoting best practice, educating and training student members and regulating and supporting members.

Volunteers sit on our Council, boards, committees and policy panels; they also undertake regional engagement and are involved in organising regional events.

7 Pensions

CIPFA operates a defined contribution pension scheme for its staff:

The CIPFA Personal Pension Plan – this is a defined contribution, money purchase scheme, operated on behalf of CIPFA by Aegon. Pension benefits payable under the scheme are dependent upon contributions made and fund growth over the life of the scheme.

This scheme replaced the Local Government Pension Scheme as the default scheme for CIPFA employees joining on or after 1 January 2007.

The scheme allows for minimum employee contributions of 3%, with the employer contributing double the employee contribution up to a maximum of 10%.

The total pension cost to the group for the financial year, in respect of the pension schemes, for 2023 was £931,000 (2022: £1,886,000).

The Local Government Pension Scheme – This scheme was closed on 30 September 2022, when all members transitioned across to the defined contribution scheme.

CIPFA reached agreement with the pension provider to settle its remaining pension deficit for a sum of £12,765,000. The final liability increased £65,000 on what was reported in 2022 with adjustments identified as the Deferred Settlement Agreement was finalised. During 2023 £3,896,000 was paid with the remaining liability of £8,135,000 being paid off over the next five years to June 2028. The full cost has been recognised in the SoFA (see note 4) and the remaining liability (note 15 and note 16) has been discounted at a rate of 3.8% to its present value of £8,135,000 (2022: £11,664,000) as required by FRS102. The pension deficit in 2021 (£30,250,000) was released to the SoFA on 30 September 2022 on the exit of the scheme. An overall net credit of £18,859,000 was recognised within staff costs in 2022 (see note 6) to reflect the release of the 2021 deficit and net present value of the agreed pension settlement in 2022.

The scheme was contributory for both employer and employees. Total contributions recognised in the statement of financial activities during 2023 were Nil (2022 £1,009,000).

8 Intangible assets

Intangible assets relate to product software, delivery and supports software, the costs of learning material to support students training for the professional qualification and migration of our servers to Amazon Web Service. The assets under construction relate to the periodic refresh of the learning materials, development of a new CRM, e-learning developments and work for delivery of training in Canada.

In 2023 two intangible assets have been impaired:

- CIPFA Connect: This project, to replace the Networks and Subscriptions platform, was redesigned during 2023 as part of CIPFA's wider transformation programme and the decision was made to transfer these costs to the SOFA. This included the carried forward opening balance of £92,000.
- Learning Management System (LMS): During 2023, a new innovative LMS was developed and rolled out. The old system was taken out of service and the remaining value of £67,000 was written down to the SOFA.

A Group	Assets under		Total
	Other	construction	
	£000	£000	£000
Development at cost			
At 1 January 2023	950	432	1,382
Additions	255	245	500
Transfers	178	(178)	–
Impairment	–	(159)	(159)
At 31 December 2023	1,383	340	1,723
Amortisation			
At 1 January 2023	512	–	512
Charge for year	184	–	184
At 31 December 2023	696	–	696
Net book value 31 December 2023	687	340	1,027
Net book value 31 December 2022	438	432	870

B CIPFA	Assets under		Total
	Other	construction	
	£000	£000	£000
Development at cost			
At 1 January 2023	646	238	884
Aquisition during year	154	154	308
Transfers	129	(129)	–
Impairment	–	(67)	(67)
At 31 December 2023	929	196	1,125
Amortisation			
At 1 January 2023	376	–	376
Charge for year	117	–	117
At 31 December 2023	493	–	493
Net book value 31 December 2023	436	196	632
Net book value 31 December 2022	270	238	508

9 Tangible fixed assets

A Group	Freehold land and building £000	Furniture and Fittings £000	Computers £000	Total £000
Cost or valuation				
At 1 January 2023	13,150	896	1,295	15,341
Revaluations	(3,850)	–	–	(3,850)
Additions	–	–	143	143
Disposals	–	(25)	(130)	(155)
At 31 December 2023	9,300	871	1,308	11,479
Depreciation				
At 1 January 2023	–	887	1,112	1,999
Charge for year	176	9	119	304
Revaluations	(176)	–	–	(176)
Eliminated on disposal	–	(25)	(130)	(155)
At 31 December 2023	–	871	1,101	1,972
Net book value 31 December 2023	9,300	–	207	9,507
Net book value 31 December 2022	13,150	9	183	13,342
B CIPFA	Freehold land and buildings £000	Furniture and Fittings £000	Computers £000	Total £000
Cost or valuation				
At 1 January 2023	13,150	676	1,128	14,954
Revaluations	(3,850)	–	–	(3,850)
Additions	–	–	140	140
Disposals	–	(24)	(87)	(111)
At 31 December 2023	9,300	652	1,181	11,133
Depreciation				
At 1 January 2023	–	674	958	1,632
Charge for year	176	2	112	290
Revaluations	(176)	–	–	(176)
Eliminated on disposal	–	(24)	(87)	(111)
At 31 December 2023	–	652	983	1,635
Net book value 31 December 2023	9,300	–	198	9,498
Net book value 31 December 2022	13,150	2	170	13,322

The tangible fixed assets are held for charitable use.

Cushman & Wakefield, Property Consultants, completed a full valuation of the Mansell Street property as at 31 December 2023. The basis used for the valuation was open market value. The historical cost of the freehold land and buildings is £10,698,000.

10 Investment property

	2023	2022
Group and CIPFA	£000	£000
Cost		
At 1 January	6,850	7,200
Revaluation	600	(350)
At 31 December	7,450	6,850

The investment property relates to the third and fifth floors of the Mansell Street property.

11 Investments in subsidiary company

	2023	2022
	£000	£000
400,100 £1 ordinary shares in CIPFA Business Ltd	400	400
75 £1 ordinary shares in CIPFA C.Co Ltd	–	–
	400	400

CIPFA has one active wholly owned trading subsidiary: CIPFA Business Ltd, registration number 2376684. The principal activities of CIPFA Business Ltd are networks, advisory and research. CIPFA Business Ltd remits a proportion of its profits to CIPFA by means of gift aid. Audited accounts are filed with the Registrar of Companies.

	2023	2022
Profit and loss account – CIPFA Business Ltd	£000	£000
Turnover	14,275	14,130
Interest receivable	191	–
Expenditure	(10,063)	(9,442)
Profit after tax	4,403	4,688
Net assets	572	572

CIPFA additionally owns a 93.75% (2022 93.75%) interest in the trading subsidiary CIPFA C.Co Ltd, registration number 10212053 that commenced trading in July 2016. The principal activities of CIPFA C.Co Ltd are strategy, transformation and improvement advisory services.

	2023	2022
Profit and loss account – CIPFA C.Co Ltd	£000	£000
Turnover	1,442	1,552
Expenditure	(1,181)	(1,284)
Profit before tax	208	229
Tax on profit on ordinary activities	(53)	(39)
Net assets	374	368

12 Other investments

	2023	2022
Group and CIPFA	£000	£000
At 1 January	9	9
Movement in year	–	–
At 31 December	9	9

As one of five major accountancy bodies the Institute holds 70 £1 shares in CCAB Ltd at a cost of £70 (7% of the issued equity capital). Other investments comprise a number of funds that have been established either by way of donations in memory of eminent accountants within public finance or from various organisations.

13 Deferred tax

A deferred asset of £33,000 (2022: £33,000) exists at 31 December 2023 in respect of timing differences. However, the asset has not been recognised in the balance sheet as it is not deemed likely to crystallise given CIPFA Business Ltd's policy and practice of remitting all taxable profits to CIPFA under gift aid.

14 Debtors

Provision for doubtful debts and accrued revenue were previously reported within trade debtors. Accrued revenue also now includes £976,000 (2022 £948,000) for the Group and £727,000 (2022 £712,000) for CIPFA previously disclosed under work in progress. Additionally, work in progress for CIPFA C.Co was incorrectly shown within other debtors in the 2022 accounts. This has been corrected in the 2022 comparatives.

	Group		CIPFA	
	2023	2022	2023	2022
	£000	£000	£000	£000
Trade debtors	2,550	2,272	1,416	767
Provision for doubtful debts	(206)	(114)	(188)	(107)
Accrued income	2,396	2,654	1,031	1,845
Amounts due from subsidiary undertakings	–	–	1,259	748
Other tax and social security	42	167	42	167
Other debtors	157	59	105	44
Prepayments	432	358	412	330
	5,371	5,396	4,077	3,794

15 Creditors: amounts falling due within one year

Receipts in advance of £3,419,000 (2022: £3,092,000) relate to professional membership and commercial services that will be delivered in the next financial year.

	Group		CIPFA	
	2023	2022	2023	2022
	£000	£000	£000	£000
Trade creditors	156	112	107	54
Accruals	1,850	1,354	1,180	888
Amounts due to subsidiary undertakings	–	–	2	2
Other tax and social security	857	979	347	390
Other creditors	200	109	84	107
Receipts in advance	3,420	3,092	1,383	1,006
Finance leases	36	–	36	–
Pension liability	1,810	4,212	1,810	4,212
	8,329	9,858	4,949	6,659

16 Long-term liabilities

	Pension	Leases	2023	2022
	£000	£000	£000	£000
Balance at 1 January	11,664	–	11,664	–
Pension liability	367	118	485	11,664
Repayments	(3,896)	(19)	(3,915)	–
Balance at 31 December	8,135	99	8,234	11,664

	Pension	Leases	2023	2022
	£000	£000	£000	£000
Analysis of liabilities				
Within one year	1,810	36	1,846	4,212
Within two to five years	6,325	63	6,388	6,921
Over five years	–	–	–	531
	8,135	99	8,234	11,664

17 Group funds

	Balance at 1 Jan 2023	Transfers	Income	Expenditure	Other recognised gains/ losses	Balance at 31 Dec 2023
	£000	£000	£000	£000	£000	£000
Unrestricted funds						
Designated (property)	15,793	–	–	–	–	15,793
Designated (other fixed assets)	1,062	900	–	(728)	–	1,234
Revaluation reserve	4,207	–	–	(176)	(3,074)	957
Other charitable	6,031	(4,398)	28,091	(27,121)	–	2,603
Pension reserve	(11,664)	3,529	–	–	–	(8,135)
	15,429	31	28,091	(28,025)	(3,074)	12,452
Restricted funds						
Trust funds	9	–	–	–	–	9
Regional funds	31	–	–	(6)	–	25
Minority interest	44	(31)	90	(80)	–	23
Total funds	15,513	–	28,181	(28,111)	(3,074)	12,509

	Balance at 1 Jan 2022	Transfers	Income	Expenditure	Other recognised gains/ losses	Balance at 31 Dec 2022
	£000	£000	£000	£000	£000	£000
Unrestricted funds						
Designated (property)	15,794	(1)	–	–	–	15,793
Designated (other fixed assets)	667	647	–	(252)	–	1,062
Revaluation reserve	5,206	–	–	(184)	(815)	4,207
Other charitable	5,121	(19,505)	28,297	(7,882)	–	6,031
Pension reserve	(30,523)	18,859	–	–	–	(11,664)
	(3,735)	–	28,297	(8,318)	(815)	15,429
Restricted funds						
Trust funds	9	–	–	–	–	9
Regional funds	32	–	–	(1)	–	31
Minority interest	21	–	186	(163)	–	44
Total funds	(3,673)	–	28,483	(8,482)	(815)	15,513

Designated fund (property) – The Council has classified as designated funds the element of its reserves which represents the cost of the freehold buildings and investment properties as at 31 December 2015.

Designated fund (other fixed assets) – The Council has classified as designated funds the intangible assets and other non-property fixed assets.

Revaluation reserves (property) – This relates to the revaluation of the freehold and investment properties.

Trust funds – A number of funds have been established either by way of donations in memory of eminent accountants within public finance or from various organisations. The income from the investments is used for prizes in each year's examinations, either for the best subject or the best student in a particular field. A proportion of the funds (£9,000) are administered through a separate charity, Charity Commission Registration 313981.

Regional funds – A number of funds have been established by way of donations in memory of eminent accountants within public finance. The funds are used to support students or further the work of the region.

Minority interest – This represents CIPFA's non-controlling interest in CIPFA C.Co Ltd, of which it owns 93.5% (2022: 93.5%) of issued shares in the company.

Pension reserve – This scheme was closed on 30 September 2022, when all members transitioned across to the defined contribution scheme.

18 Analysis of group net assets between funds

	Designated £000	Other charitable £000	Pension reserve £000	Revaluation reserve £000	Restricted £000	Total £000
Fund balances at 31 December 2023 are represented:						
Intangible assets	1,027	–	–	–	–	1,027
Tangible fixed assets	8,550	–	–	957	–	9,507
Investment property	7,450	–	–	–	–	7,450
Investments	–	–	–	–	9	9
Current assets	–	9,208	–	–	25	9,233
Current liabilities	–	(6,542)	(1,810)	–	23	(8,329)
Long term liabilities	–	(63)	(6,325)	–	–	(6,388)
Group net assets/(liabilities)	17,027	2,603	(8,135)	957	57	12,509

	Designated £000	Other charitable £000	Pension reserve £000	Revaluation reserve £000	Restricted £000	Total £000
Fund balances at 31 December 2022 are represented:						
Intangible assets	870	–	–	–	–	870
Tangible fixed assets	9,135	–	–	4,207	–	13,342
Investment property	6,850	–	–	–	–	6,850
Investments	–	–	–	–	9	9
Current assets	–	11,721	–	–	31	11,752
Current liabilities	–	(5,690)	(4,212)	–	44	(9,858)
Long term liabilities	–	–	(7,452)	–	–	(7,452)
Group net assets/(liabilities)	16,855	6,031	(11,664)	4,207	84	15,513

19 Leasing commitments

At 31 December 2023 the future minimum lease payments under non-cancellable operating leases were as follows:

	Land and buildings 2023 £000	Other 2023 £000	Land and buildings 2022 £000	Other 2022 £000
A Group				
Future lease payments:				
within one year	132	8	124	8
within 2 to 5 years	84	8	191	8
	216	16	315	16

	Land and buildings 2023 £000	Other 2023 £000	Land and buildings 2022 £000	Other 2022 £000
B CIPFA				
Future lease payments:				
within one year	83	8	75	8
within 2 to 5 years	–	8	58	8
	83	16	133	16

20 Leased assets

At 31 December 2023 the future minimum lease receipts due to CIPFA under non-cancellable operating leases were as follows:

	Land and buildings 2023 £000	Land and buildings 2022 £000
Group and CIPFA		
Future lease receipts:		
within one year	169	136
within 2 to 5 years	140	–
	309	136

21 Transactions with trustees

The trustees received no remuneration in relation to fulfilling their role as trustees (2022: Nil).

Thirty-five trustees were reimbursed £49,000 for actual travel and subsistence costs necessarily incurred on institute business (2022: 24 trustees were reimbursed £23,000). Two trustees were paid £6,000 for services provided to CIPFA to support client work (2022 no additional payments were made to trustees).

22 Transactions with related parties

In 2023, the following transactions were incurred between CIPFA and its subsidiaries, CIPFA Business Ltd and CIPFA C.Co Ltd.

	2023	2022
	£000	£000
Management fees/recharges charged by CIPFA to CIPFA Business Ltd	2,590	2,844
Charges to CIPFA from CIPFA Business Ltd	–	–
Sales to CIPFA from CIPFA Business Ltd	5	11
Sales to CIPFA Business Ltd from CIPFA	37	–
Sales to CIPFA C.Co Ltd from CIPFA Business Ltd	–	6
Amounts due to CIPFA from CIPFA Business Ltd	1,122	1,116
Amounts due to CIPFA Business Ltd from CIPFA	–	3
Amounts due to CIPFA from CIPFA C.Co Ltd	–	–
Amounts due to CIPFA Business Ltd from CIPFA C.Co Ltd	–	11
Loan interest charged by CIPFA to CIPFA C.Co Ltd	–	1
Gift aid paid to CIPFA by CIPFA Business Ltd	3,323	5,096

CIPFA through its trustees and senior management team have a number of related party organisations. In summary for 2023 there were sales of £1,851,557 (2022 £1,043,185) and costs of £7,200 (2022 £1,200). The table below shows the revenue transactions with these organisations split between consultancy revenue and other charitable revenue covering Education, Memberships, Training, Events, Publications and Standards.

	2022	2022	2023	2023
	Revenue	Year-end debt	Revenue	Year-end debt
Advisory				
City of London Corporation	375	–	500	–
Liverpool City Council	100,042	9,360	33,067	–
National Library of Wales	12,188	–	19,988	–
Newton Europe	798,100	365,310	1,402,682	60,750
Staffordshire Police	19,900	585	–	–
University Hospitals Dorset	95	–	–	–
Woking Borough Council	8,085	2,640	322,938	71,690
Total advisory	938,785	377,895	1,779,175	132,440
Charitable activities				
Barts NHS Trust	200	–	1,260	–
City of London Corporation	31,899	308	34,785	664
Government Internal Audit Agency	3,651	1,487	2,324	1,144
Healthcare Financial Management Association	2,020	719	2,271	1,704
Historic Environment Scotland	524	–	249	–
HM Treasury	11,960	181	2,844	380
Liverpool City Council	34,855	176	33,753	4,485
Local Government Association	–	–	395	–
Merseyside Pension Fund	3,589	–	3,701	–
NHS Business Services Authority	579	–	1,371	184
NHS Dorset (Dorset Integrated Care Board)	4,929	348	200	–
Parkinsons UK	–	–	182	–
Staffordshire Police	3,810	–	1,954	380
Torus Foundation	–	–	1,200	–
UNICEF UK	–	–	1,110	–
University Hospitals Dorset	–	–	200	–
Woking Borough Council	3,426	–	3,041	–
Total charitable activities	101,442	3,219	90,840	8,941
Total CIPFA Group	1,040,227	381,114	1,870,015	141,381

The table below shows the cost transactions with these organisations that are related to conference expenditure.

	2022	2023
Historic Environment Scotland Enterprise	–	1,200
Local Government Association	1,200	6,000
	1,200	7,200

The table below shows the related party connection:

Related organisation	Related party for 2022	Related party for 2023
CIPFA C.Co SMT		
Staffordshire Police	John Bloomer, Director (Assistant Chief Officer for Resources)	
CIPFA SMT		
Newton Europe	Rob Whiteman, Senior Advisor	Rob Whiteman, Senior Advisor
University Hospitals Dorset	Rob Whiteman, Chair	Rob Whiteman, Chair
NHS Dorset (Dorset Integrated Care Board)	Dan Worsley, NED	
Trustee		
City of London Corporation	Caroline Al-Beyerty, CFO	Caroline Al-Beyerty, CFO
Liverpool City Council		Ian Williams, Director
National Library of Wales	Lee Yale-Helms, Trustee	Lee Yale-Helms, Trustee
Woking Borough Council	Carol Culley, Commissioner	Carol Culley, Commissioner
Barts NHS Trust	Hadev Virdee, CFO	Hadev Virdee, CFO
Government Internal Audit Agency	Elizabeth Honer, CEO	Aneil Jhumat, Operations Director
Healthcare Financial Management Association	Lee Outhwaite, Trustee	
Historic Environment Scotland		Donella Steel, Director of Finance
HM Treasury	Catherine Little, Acting Permanent Secretary	Catherine Little, Second Permanent Secretary
Local Government Association		Dennis Skinner, Director
Merseyside Pension Fund		Ian Williams, Director
NHS Business Services Authority	Michael Brodie, CEO	
Parkinsons UK	Caroline Russell, Business connection	Caroline Russell, Business connection
Torus Foundation	Stephanie Donaldson, Trustee	
UNICEF UK		Aneil Jhumat, Trustee, Chair of the Audit and Risk Committee and member of the Finance Committee

Independent auditor's report to the trustees of the Chartered Institute of Public Finance and Accountancy

We have audited the financial statements of the Chartered Institute of Public Finance and Accountancy ('the charity') and its subsidiaries ('the group') for the year ended 31 December 2023 which comprise the Statements of Financial Activities, the Group and charity balance sheets, the Consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 151 of the Charities Act 2011, and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS102) 2018. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were taxation legislation, employment legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing surrounding recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

Dated: 12 June 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under Section 1212 of the Companies Act 2006.



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