



Registered Charity Number: 1108863
Company Number: 04327390

FRAUD ADVISORY PANEL
(Limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2008

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

The Board of Trustee Directors submits their report and the financial statements of the Company for the year ended 31 December 2008.

ADMINISTRATIVE DETAILS

Company Name	Fraud Advisory Panel
Charity Registration Number	1108863
Company Registration Number	04327390 company limited by guarantee
Registered / Principal Office	Chartered Accountants' Hall, PO Box 433, Moorgate Place, London EC2P 2BJ
Board of Trustee Directors	<i>Chairman</i> R Wright (reappointed 25 September 2008) W T M Cleghorn K C Farrow (resigned 6 November 2008) J S Fisher N R Griffiths S M Hill W Kenyon J P Perry (reappointed 25 September 2008) S N Philippsohn A Plavsic P M Raphael <i>ICAEW Appointed Members</i> F J Banks (reappointed 25 September 2008) No other Trustee Directors served during the year
Company Secretary	M Campbell, Manager
Auditors	Grant Thornton UK LLP Grant Thornton House, Melton Street, Euston Square, London NW1 2EP
Bankers	National Westminster Bank Plc Milton Keynes Branch, 501 Silbury Boulevard, Saxon Gate East, Milton Keynes, MK9 3ER
Solicitors	None

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Panel is a registered charity and company limited by guarantee. It was founded in 1998 through a public-spirited initiative by the Institute of Chartered Accountants in England and Wales (ICAEW). It was incorporated on 22 November 2001 and became a registered charity on 5 April 2005.

The Panel is governed by its Memorandum and Articles of Association as amended by special resolution on 10 March 2005 and 26 September 2007.

Membership

Membership to the Fraud Advisory Panel is open to individuals, companies and other organisations with an interest in the detection, investigation, prosecution and prevention of fraud on payment of an annual subscription fee. This fee may be waived in exceptional circumstances where an identifiable conflict of interest may arise if the individual were to become a paid member, such as some Government departments. These individuals are accorded 'observer' status.

All members must comply with a Code of Conduct.

Board of trustee directors

The Fraud Advisory Panel's Board of Trustee Directors has overall legal and financial responsibility for the Panel. The Board comprises a minimum of three and a maximum of 15 trustee directors who are appointed by ordinary resolution of the company for a fixed period not exceeding three years.

A maximum of three trustee directors may be co-opted to serve at any one time. The ICAEW also has the right to appoint up to one-third of the directors by notice in writing to the company.

During 2008 the Board adopted policies on the appointment of trustee directors for terms in excess of six years and the removal of trustee directors who fail to fulfil their obligations under charity and company law.

Induction and training

On election each new trustee director receives an induction handbook containing a copy of the memorandum and articles of association, latest annual report and accounts, and a range of organisational policies and documents. It also includes a selection of guidance published by the Charity Commission, Companies House and the National Council for Voluntary Organisations (NCVO).

Upon becoming a registered charity in 2005 all trustee directors received trustee and governance training through the NCVO. Training requirements are reviewed on an annual basis.

Decision making

The Board of Trustee Directors meets approximately six times each year to consider matters relating to the management and governance of the Panel. During 2008 it met on five occasions.

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

The Board of Trustee Directors is supported by two full-time staff seconded from the ICAEW. The Manager is responsible for the day-to-day management of the Panel and is also the company secretary.

Risk management

The Board of Trustee Directors reviewed the major risks to which the Fraud Advisory Panel is exposed in 2008. This included an independent assessment of fraud and error risk conducted by the Head of Internal Audit at the ICAEW. Systems and procedures have been established to regularly assess and mitigate these risks.

OBJECTIVES AND ACTIVITIES

Objects

The Fraud Advisory Panel's object is the protection of life and property by the prevention, detection, investigation, prosecution and deterrence of fraud, in particular through the promotion of research, education, collaboration and advice.

The Panel furthers this object exclusively for the benefit of the public in the United Kingdom and elsewhere in accordance with the law of charity in England and Wales.

Main activities

In furtherance of this object the Fraud Advisory Panel aims to reduce the harm caused by fraud by raising awareness of the immense human, social and economic damage caused by fraud and to help individuals and organisations develop effective strategies to prevent it. The Panel does this through:

- Advising Government, business and the general public on fraud prevention, detection and reporting
- Assisting to improve fraud-related education and training to business, the professions and the general public, and
- Undertaking research to establish a more accurate picture of the extent, causes and nature of fraud.

Activities are aimed at those actually or potentially affected by fraud.

Much of the Panel's detailed work is undertaken by volunteers via a range of multi-disciplinary groups. These groups report to a project working group which supervises the company's charitable activities.

The Board of Trustee Directors have paid due regard to the guidance on public benefit published by the Charity Commission in exercising their duties and determining the activities in which the Fraud Advisory Panel engages. Performance is periodically reviewed throughout the year to ensure that key activities are consistent with the stated aims and objectives of the Fraud Advisory Panel.

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

ACHIEVEMENTS AND PERFORMANCE

Members of the Fraud Advisory Panel contributed to a number of projects in each of the principal areas of charitable activity during 2008; some of which will continue into the 2009 year.

Particular emphasis was given to broadening the range and reach of the Fraud Advisory Panel's activities to enhance its reputation as the centre for thought leadership on fraud in the United Kingdom.

Advice and information

Aim:	To prepare ad hoc publications on current and/or emerging fraud issues and to make these available from the Fraud Advisory Panel website
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The Fraud Advisory Panel published advice and information on a range of fraud-related subjects during 2008. All publications are available to download free from the Panel's website. Key achievements were:

- Highlighting the key drivers of fraud during times of economic downturn and promoting the need for effective prevention strategies in the Panel's 10th Annual Review 2007 – 2008 and other articles produced for professional magazines.
- Publishing fraud information sheets for businesses and individuals on (corporate) identity fraud covering common types of identity fraud and the steps that can be taken to reduce the risk of becoming a victim.
- Publishing introductory guidance entitled *Recovering Your Money* for victims of fraud on the use of civil recovery measures to recover losses including recovery orders and compensation, and the cost of civil recovery.
- Raising awareness of the risks to the general public from email ('phishing') scams purporting to be from legitimate charities as a result of the Myanmar Cyclone via a dedicated media campaign.
- Acting as a referral agency for fraud-related enquiries received via the website, telephone and post from members of the public.
- Providing regular updates to members on current activities, forthcoming events and industry developments via a quarterly electronic newsletter.
- Updating the Fraud Advisory Panel website on emerging fraud issues and current developments. The number of visitors to the website increased in 2008 to 17,894 (2007: 14,263).

Aim:	To publish best practice guidance on data protection as it relates to the investigation of private sector fraud
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In 2007 the Fraud Advisory Panel established a special project group to produce best practice guidance for fraud investigators on current data protection requirements. The purpose of the guidance was to address some of the key issues identified in preliminary

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

research commissioned by the Panel in 2004 on *Perceptions on the Impact of Data Protection Legislation on the Successful Private Sector Investigation of Fraud*.

Four publications were issued during 2008. Additional guidance is planned for the 2009 year. Key achievements were:

- Highlighting the key issues that need to be considered in determining whether investigators are data controllers or data processors including areas of responsibility and the various capacities under which an investigator may work. An indicative decision tree was also included.
- Producing a *Summary of Published Guidance* on data protection to assist fraud investigators to comply with their obligations under the Data Protection Act 1998.
- Publishing guidance for fraud investigators on the issues that need to be considered when *Obtaining and Sharing Data* including non-disclosure provisions and exemptions.
- Raising awareness of the various security measures that fraud investigators should take to protect personal data in their possession to ensure compliance with the requirements of the Data Protection Act 1998.

Aim: To continue to improve relationships with other organisations in order to facilitate collaboration on issues of mutual interest

The Fraud Advisory Panel collaborated with other professional and industry bodies on a variety of initiatives aimed at improving the awareness of fraud and financial crime amongst various sectors and professions. Key achievements were:

- Participating in the Chartered Institute of Building's (CIOB) online broadcast on bribery and corruption for the construction industry. Other contributing organisations included the Metropolitan Police Service, Babcock International, Global Infrastructure Anti-Corruption Centre, Halcrow, and KPMG LLP.
- Collaborating with the Institute of Internal Auditors – UK and Ireland (IIA) on initiatives to raise awareness of fraud amongst the internal audit profession including the development of a bespoke fraud course and co-hosting an annual joint conference.
- Contributing to the establishment of the National Fraud Strategic Authority through representation on the steering committee by the Chairman, Rosalind Wright CB QC.
- Producing articles on a range of fraud-related subjects for the ICSA *Chartered Secretary*, ICAEW *Finance and Management*, Bar Council *Counsel*, and ABI *Investigators Journal* publications amongst others.

Aim: To contribute to the development of a national agenda on fraud through participation on relevant stakeholder groups and the preparation of responses to Government consultation papers
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In 2008 the Fraud Advisory Panel responded to a number of Government consultation papers of direct relevance to fraud and financial crime. Key achievements were:

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

- Monitoring developments in relation to the implementation of the Government's fraud review recommendations through participation on various stakeholder groups, such as the National Fraud Strategic Authority Working Group and ACPO Economic Crime Portfolio Group, and responding to relevant consultation papers in connection with the same including *Extending the Powers of the Crown Court to Prevent Fraud and Compensate Victims* and the *Introduction of a Plea Negotiation Framework for Fraud Cases in England and Wales*.
- Contributing an anti-fraud perspective to the Charity Commission's review of its guidance on *Internal Financial Controls for Charities*.
- Responding to other formal and informal consultations including *Reforming Bribery* (Law Commission), and *Alternatives to Criminal Prosecution in Cases of Serious Fraud* (Serious Fraud Office).

Education and training

Aim:	To continue to offer a free one-hour introductory fraud awareness presentation to organisations
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Since 2005 the Fraud Advisory Panel has offered a one-hour introductory fraud awareness presentation entitled *Fraud: Is this a Risk You Manage* to organisations upon request. Key achievements for 2008 were:

- Five sessions were delivered free-of-charge to a range of organisations including an industry forum, an automotive manufacturer, educational institution and two professional bodies.

Aim:	To develop and implement an annual programme of seminars and conferences on a range of fraud-related subjects
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For the third consecutive year the Fraud Advisory Panel hosted an annual programme of educational and general awareness-raising events. These comprised a combination of workshops, lectures, seminars and conferences on a range of fraud-related topics. Key achievements were:

- Staging a major conference and gala dinner on *Fraud: Prevention is Better than Cure* in June which highlighted the importance of investing in appropriate anti-fraud strategies and some of the emerging threats facing organisations today.
- Co-hosting an annual joint conference with the IIA on fraud prevention and current developments in fraud risk management techniques.
- Completing a series of regional workshops on *The Role of the Accountant in Fraud Risk Management* developed to provide accountants working in practice and business with a holistic overview of fraud and fraud risk management techniques. Overall the roadshow visited six centres in 2007/08 including London, Castle Donnington, Edinburgh, Birmingham, Bristol and Leeds.
- Holding seminars on employment fraud and the links between fraud, organised crime and terrorist financing, as well as evening lectures on *Inside the Mind of the Fraudster*

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

which provided an insight into the psychological processes that can lead to fraud and *Ghost Ships and Bad Trips: Fraud, Money Laundering, Phantom Ships and Piracy*.

- Hosting three discussion forums on industrialised e-crime, money laundering and fraud in the financial services sector. These half-day workshops are designed to encourage delegates to discuss specialist subjects in depth. Discussion forums are offered free to members of the Panel as a benefit of membership. A nominal fee is charged to non-members to cover costs.

Aim: To consider other educational initiatives aimed at raising awareness of fraud across and within various sectors

Much of the Fraud Advisory Panel's collaborative initiatives with other professional and industry organisations were designed to raise awareness of fraud across and within various sectors. Key achievements were:

- Building a bespoke one-day training course for members of the IIA entitled *Fraud Risk and the Internal Auditor* which was delivered in London and York. The Panel has agreed to offer this course in 2009 and will also supplement it with an additional training course on e-crime.
- Contributing to the CIOB's online broadcast on bribery and corruption in the construction industry and producing articles for professional and industry publications.

Research

Aim: To identify any gaps in the prevailing knowledge or understanding of local authority fraud, bribery and corruption and charity fraud
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In 2008 the Fraud Advisory Panel commenced three key projects to gain a holistic overview of bribery and corruption, the impact of fraud in local authorities and the nature and extent of fraud in the charitable sector. These projects will be carried forward into the 2009 year. Key achievements were:

- Hosting an expert roundtable to obtain a better understanding of charity fraud in the United Kingdom and to identify issues for further consideration and research. An occasional paper outlining the proceedings of the roundtable was published in June.
- Commissioning preliminary research into the nature and extent of fraud in the charitable sector in England and Wales. The results will be published in February 2009.
- Responding to the Law Commission's consultation paper on *Reforming Bribery*. The Panel advocated that the law of bribery is in urgent need of reform.
- Convening a roundtable in August to consider the nature and extent of fraud within and against local government authorities in the United Kingdom. Consideration was given to the impact of fraud on individual authorities (financial, reputational and organisational), key areas of fraud risk, the wider impact on communities and what is and can be done about it.

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

Other activities

Aim:	To commence implementation of the Fraud Advisory Panel's fundraising strategy
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The Board of Trustee Directors commenced the implementation of a fundraising strategy in 2008 to improve the long-term financial sustainability of the Fraud Advisory Panel. Key achievements were:

- Preparing a schedule of relevant research bodies, foundations and other organisations to which the Fraud Advisory Panel could apply for funding of specific research and/or other projects.
- Obtaining sponsorship for the 10th anniversary conference and gala dinner *Fraud: Prevention is Better than Cure* and for preliminary research into fraud in the charitable sector.
- Developing and implementing a strategy to encourage membership growth and retention over the next five years. This included the introduction of enhanced benefits of membership in late 2008.

Aim:	To consider other initiatives to strengthen the governance and management of the Fraud Advisory Panel
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A number of new initiatives were introduced to strengthen the governance and management of the Fraud Advisory Panel. Key achievements were:

- Registering a UK trademark in respect of the Fraud Advisory Panel's logo to provide assurance that adequate safeguards are in place to mitigate unauthorised and/or inappropriate use by third parties.
- Adopting new policies on the appointment of trustee directors for terms in excess of six years and the removal of the trustee directors who fail to fulfil their obligations under charity and company law.
- Retaining the position of company secretary within the Fraud Advisory Panel.

Aim:	To develop a strategy to highlight fraud issues likely to be of interest to business, the professions and the general public
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A media relations strategy was developed in 2008 to provide focus for Fraud Advisory Panel's media activities.

Aim:	To develop additional initiatives to continue to enhance the Fraud Advisory Panel's regional profile
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The Fraud Advisory Panel continued to raise its regional and international profile throughout 2008. Key achievements were:

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

- Organising three regional events in Bristol, Leeds, and Birmingham which were kindly hosted by members.
- Providing representatives to speak at events arranged by other organisations in London, Liverpool, Manchester and Sussex in addition to events in Stockholm and Brussels.

FINANCIAL REVIEW

Incoming resources

Key sources of income during the year include:

- Funding from the ICAEW of £55,650 (2007: £53,000). The ICAEW committed to provide continuing funds to support the Panel's work, and to provide accommodation and associated overheads at no cost to the Company for 2008. The ICAEW will not be increasing its funding contribution for the 2009 year.
- Membership subscriptions of £60,613 (2007: £53,776). On 26 September 2007 members resolved to increase membership subscriptions by 6% to £53 for individuals and £1060 for corporates with effect from 1 January 2008. From 1 January 2009 and on 1 January in each year thereafter membership subscriptions will increase by the rate of inflation as determined by the Retail Price Index (RPI) as at 30 September in the preceding year.
- Event income of £46,996 (2007: £28,902) derived from the Panel's annual event programme. In addition, a total of £11,250 worth of sponsorship was received for the 10th anniversary conference and gala dinner.
- Donations of £1,154 (2007: £11,706).
- Sponsorship of £6,250 from Chantrey Vellacott DFK LLP toward the cost of commissioning research into the nature and extent of fraud in the charitable sector.

Under the constitution of the company, no amounts can be distributed to members and any surplus or deficit is carried forward in the company. All income is applied solely towards the promotion of the Panel's object.

None of the trustee directors had any financial interest in the company during the year.

Resources expended

The Panel's expenditure has increased to £191,672 (2007: £151,498) due to the increase in charitable activities for the period.

Allocated funds

Data protection research

In 2004 the Fraud Advisory Panel commissioned preliminary research into *Perceptions on the Impact of Data Protection Legislation upon the Successful Private Sector Investigation of Fraud*. The project was funded by sponsorship income received during 2004/2005; expenses were borne during 2005/2006.

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

Remaining sponsorship income of £3,661 was allocated to the development of guidance for fraud investigators on the Data Protection Act 1998. In 2008 the Fraud Advisory Panel spent £2,862 on producing a series of four best practice publications.

The remaining sponsorship income of £799 will be used to fund at least one additional publication in the 2009 year.

Accountant roadshow

The Fraud Advisory Panel allocated funds of £5,000 toward the cost of hosting a series of regional workshops on *The Role of the Accountant in Fraud Risk Management* during 2007/2008. Additional income of £4,140 was received through a nominal registration fee paid by all participants.

A total of six regional workshops were held over the 2007/2008 period at a cost of £7,566.

Reserves policy

The Fraud Advisory Panel's reserves policy is to maintain sufficient free revenue reserves to meet the equivalent of at least three months operating costs.

At the end of the year the Panel held unrestricted funds of £99,288. This is considered appropriate based upon the anticipated operating expenditure for 2009.

The reserves policy is reviewed on an annual basis by the Board of Trustee Directors. It was last reviewed on 6 February 2008.

PLANS FOR THE FUTURE

The focus for the Fraud Advisory Panel during 2009 will be on the completion of current special projects and 'business as usual' activities with particular emphasis given to highlighting the heightened risk of fraud during times of economic recession.

The Fraud Advisory Panel will closely monitor the impact of the current economic downturn upon the organisation's primary sources of income and will prioritise activities as necessary.

Advice and information

- To highlight new and emerging fraud issues and to examine ways to address them effectively.
- To contribute to the development of a national agenda on fraud.
- To publish best practice fraud investigation, prevention and detection advice to individuals and organisations.
- To develop strategic relationships with other relevant organisations to raise awareness of fraud and financial crime.

Education and training

- To develop and implement an annual programme of seminars and conferences on a range of fraud-related subjects for business and the professions.

REPORT OF TRUSTEE DIRECTORS

For the year ended 31 December 2008

- To contribute to the development of fraud-specific modules within the educational prospectuses offered by external providers.
- To offer advice, training and support to organisations which provide assistance to victims of fraud.
- To provide general fraud awareness education and training services to organisations.

Research

- To identify any gaps in the prevailing knowledge or understanding of the prevention, detection, investigation, prosecution and deterrence of fraud that might benefit from research.

Other activities

- To implement initiatives to ensure the financial sustainability and governance of the Fraud Advisory Panel in the long term.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustee directors to prepare financial statements for each financial year which give a true and fair view of the company's state of affairs and of its financial activities during the year. In preparing these financial statements the trustee directors have:

- Selected suitable accounting policies and applied them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Followed applicable United Kingdom accounting standards and the SORP Accounting and Reporting by Charities' revised 2005;
- And prepared the financial statements on the going concern basis.

The trustee directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Company and ensure that the financial statements comply with the Companies Act 1985, the Charities Act 1993 and regulations thereunder. The trustee directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each person who is a trustee director at the date of approval of this report confirms that:

- So far as the trustee director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- Each trustee director has taken all the steps that he/she ought to have taken as a trustee director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of Section 234ZA of the Companies Act 1985.

REPORT OF TRUSTEE DIRECTORS
For the year ended 31 December 2008

Auditors

A proposal to re-appoint Grant Thornton UK LLP as auditors will be made at the Annual General Meeting.

Approval of the annual report and financial statements

The attached Annual Report and Financial Statements were approved by the trustee directors at a meeting of Board held on 02 April 2009 and are signed on their behalf by:

R Wright
Trustee Director

F J Banks
Trustee Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FRAUD ADVISORY PANEL

For the year ended 31 December 2008

We have audited the financial statements of Fraud Advisory Panel for the year ended 31 December 2008 which comprises the statement of financial activities incorporating the income and expenditure account, the balance sheet and the related accounting policies and notes.

This report is made solely to the charitable Company's members as a body in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable Company'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 charitable Company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustee Directors and auditors

The Trustees' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the directors report. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. We have been appointed as auditors under Section 43 of the Charities Act 1993 and report in accordance with regulations made under Section 44 of that Act.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993 and the Companies Act 1985. We also report to you if, in our opinion, the directors report is not consistent with the financial statements, if the charitable Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable Company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements with it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustee Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- The financial statements give a true and fair view of the state of the charitable Company as at 31 December 2008 and of its incoming resources and application of resources expended, including its income and expenditure for the year then ended,

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
FRAUD ADVISORY PANEL**

For the year ended 31 December 2008

- The financial statements have been properly prepared in accordance with the Charities Act 1993 and the Companies Act 1985, and
- The information given in the director's report is consistent with the financial statements.

Grant Thornton UK LLP
Chartered Accountants and Registered Auditors
London

FINANCIAL STATEMENTS

For the year ended 31 December 2008

STATEMENT OF FINANCIAL ACTIVITIES Incorporating Income and Expenditure Account For the year ended 31 December 2008

	Note	Unrestricted funds 2008 £	Unrestricted funds 2007 £
Incoming resources			
Incoming resources from generated funds			
Voluntary income - membership subscriptions		60,613	53,776
Voluntary income - sponsorship donations		74,304	66,706
Investment income – bank interest		3,612	4,701
Incoming resources from charitable activities			
Event income		46,996	28,902
Total incoming resources		<u>185,525</u>	<u>154,085</u>
Resources expended			
Charitable activities	2	184,351	148,891
Governance costs	3	7,321	2,607
Total resources expended		<u>191,672</u>	<u>151,498</u>
Net (Deficit)/Surplus for the year		<u>(6,147)</u>	<u>2,587</u>
Retained balance brought forward	4	<u>105,435</u>	<u>102,848</u>
Retained balance carried forward	4	<u>99,288</u>	<u>105,435</u>

All activities are continuing.

The Company has no recognised gains and losses other than those reported above for the year.

The notes on pages 17 to 18 form part of these financial statements.

FINANCIAL STATEMENTS

For the year ended 31 December 2008

BALANCE SHEET AT 31 DECEMBER 2008

	Note	2008 £	2007 £
Current assets			
Trade debtors		4,952	9,936
Other debtors		2,092	3,923
Prepayments and accrued income		10,388	1,297
Cash at bank and in hand		<u>132,512</u>	<u>129,576</u>
		<u>149,944</u>	<u>144,732</u>
Current liabilities			
Creditors: amounts falling due within one year		2,871	504
Other tax and social security payable		-	342
Accruals and deferred income		<u>47,785</u>	<u>38,451</u>
		<u>50,656</u>	<u>39,297</u>
Net Assets		<u>99,288</u>	<u>105,435</u>
Funds of the charity			
Unrestricted funds	4	<u>99,288</u>	<u>105,435</u>

Approved by the Board on 02 April 2009:

R Wright
Trustee Director

F J Banks
Trustee Director

The notes on pages 17 to 18 form part of these financial statements.

FINANCIAL STATEMENTS

For the year ended 31 December 2008

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2008

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared on an accruals basis, under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Charities (Accounts and Reports) Regulations 1995 and the SORP revised in 2005 titled 'Accounting and Reporting by Charities'.

b. Income

Membership subscriptions are recognised in the accounting period to which the services covered by those subscriptions relate. Other income is recognised when it is received.

c. Resources expended

Expenditure is recognised when it is incurred on the following bases:

- Charitable activities – expenditure associated with the delivery of the Company's activities including events and publicity
- Governance costs – include those costs incurred in the governance of the Company's assets and are associated with constitutional and statutory requirements, including external audit and trustees' expenses.

2. Charitable activities

	2008 £	2007 £
Employment costs	75,307	72,387
Direct event costs	48,316	34,145
Publications	30,152	27,871
Fraud research	22,342	-
Website development	7,400	7,000
Other expenses	834	7,488
	<u>184,351</u>	<u>148,891</u>

The Company has no direct employees. Two employees were seconded to the Company from the ICAEW for the year.

3. Governance costs

The Trustee Directors receive no remuneration for their services. Their services are given voluntarily and they receive no benefits in kind. Directors out of pocket expenses of £0 (2007: £0) were paid during the year, and are included within governance costs. Volunteers expenses of £361 (2007: £538) were paid for the services provided to Trustee Directors, including meeting room hire and refreshments, and are also included within governance costs.

There are no contracts of service between the Company and the Trustee Directors.

The auditors' remuneration amounted to £1,612 (2007: £1,550) inclusive of irrecoverable VAT.

FINANCIAL STATEMENTS

For the year ended 31 December 2008

As a registered charity, the Company has no liability to corporation tax with the exception of investment income. Corporation tax of £0 (2007: £0) is payable in respect of investment income at 19%.

4. Reconciliation of movements in funds

	2008
	£
Members' funds at 1 January	105,435
Deficit for the year	<u>(6,147)</u>
Members' funds at 31 December	<u>99,288</u>

5. Members' funds

The Company is limited by guarantee. Each member of the Company (being those individuals who have subscribed to membership) has guaranteed £1 on winding up or dissolution of the Company.