

Registered Charity No. 1110979
Registered Company No. 5499220

Charity Trustee Networks

(A COMPANY LIMITED BY GUARANTEE)

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2008**

CHARITY TRUSTEE NETWORKS

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For the year ended 31 March 2008

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CHARITY TRUSTEE NETWORKS

LEGAL AND ADMINISTRATIVE INFORMATION For the year ended 31 March 2008

Company Number 5499220

Charity Number 1110979

Director/Trustees

Rodney Buse (Chair of Trustees)	
Michael Carpenter (Deputy Chair)	
Richard Corden	Appointed 26 September 2007
Harinder Mann	Appointed 3 July 2007
Amit Popat	
Shirley Scott	Retired 3 July 2007
Uday Thakkar (Honorary Treasurer)	Appointed 1 April 2006
Tim Toghil	
Zoe Willems	

Staff

Karen Heenan, Chief Executive and Company Secretary
Paige Sinkler, Deputy Chief Executive
Claire Farmer, Head of Operations
Dawn Whyndham, Membership & Events Coordinator
Sue Howson, Administrative Officer

Further information about all our trustees and members of staff can be found at:
www.trusteenet.org.uk.

Registered Office

3-4 Frensham Suite
Friary Court
13-21 High Street
Guildford GU1 3DG

Tel: 01483 230 280
Fax: 01483 303 932
www.trusteenet.org.uk

Bankers

Unity Trust Bank
Nine Brindleyplace, Birmingham, B1 2HB

Solicitors

Russell-Cooke
2 Putney Hill, London, SW15 6AB

Accountants

Alliotts, Friary Court, 13-21 High Street, Guildford, GU1 3DL

CHARITY TRUSTEE NETWORKS

MESSAGE FROM THE CHAIR

For the year ended 31 March 2008



Many of us who have been trustees for some time know that it is very frequently a most rewarding and fulfilling experience. I have met some wonderful people, many of whom have become lifelong friends.

At the beginning I know how much it meant to me to have the support of like-minded people, who did not always have the answers, but could frequently point me in the right direction. This is the essence of CTN, a small organisation that aims to be highly effective by working alongside trustees and the many providers of services to the sector to increase the effectiveness of charities.

It is no easy task to develop a relationship either directly, or indirectly, with some 900,000 trustees and a similar number of committee members of voluntary organizations – a community of public-spirited people aiming to make a real difference for something or someone they care for.

As we approach our 10th birthday, there is a genuine sense that much has been achieved in building important and lasting relationships with trustees. As we do so, we are in a much better position to speak with a trustee perspective on a range of issues that trustees judge to be important. The review that follows sets out our progress as we work towards our ambitious goals.

In identifying our desired outcomes, I would judge it a great achievement if every trustee knew a few other trustees – not necessarily on their own boards – they could call upon to point them in the right direction. We also aspire to an environment conducive to effective governance of charities to ensure the demands placed upon trustees are appropriate to their circumstances. In addition, there is a wonderful opportunity to encourage people from all walks of life to become trustees and, working with others, we will be encouraging potential trustees to take on this fulfilling role.

None of these ambitions can be achieved without the enormous support of so many key players. To thank them all would take many pages, but I would like to acknowledge to key role of the founding trustees of CTN, the current members of the CTN's Policy Advisory Group and a strongly committed and highly supportive trustee Board, without whom my role would be impossible. But mostly I would like to thank Karen and her team for the way they all go about their task, without whom, this small organisation would not be on its way to achieving its enormous ambitions.

CHARITY TRUSTEE NETWORKS

INTRODUCTION FROM THE CHIEF EXECUTIVE For the year ended 31 March 2008



The highlights of the year for me are always the opportunities to talk to other trustees – to hear about the work of their organisations and what they are achieving.

It is that passion for making a difference that drives trustees and so many of us to be involved in this sector. When you consider the fact that over 90% of all charities have no paid staff, you can appreciate the scale of the commitment and hard work that trustees put in to the work of charities with no pay and, often, little recognition.

At CTN, we see the value to trustees of an opportunity for them to come together and share their triumphs, their experiences and their challenges. The importance of networking to trustees was identified 10 years ago, when a group of chairs first came together to found CTN. Now, we are an organisation that has come of age. In the past year, we have developed our staff team from three to five and we are underway with a programme of work dedicated to meeting the needs of trustees, through networks, events, information and signposting.

This year's achievements have included working with the Charity Commission to introduce and explain the Charities Act 2006 and its implications; convening a Policy Advisory Group of influential individuals in the sector to help us shape responsive policy; responding to many consultations by government departments on issues affecting trustees; working as part of the Governance Hub to bring governance information and resources to trustees at every level; and building our membership to over 1,000 trustees across the country.

However, there is much more for us to do. It is our belief that we can be most effective in meeting trustees' needs by working collaboratively with others across the sector. With CTN's strong and committed board and with the passion of the staff team and the goodwill of so many people and organisations around us, I look forward to seeing the impact that our work will have in the coming years.

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

The Trustees are pleased to present their annual report and unaudited financial statements for the period from 1 April 2007 to 31 March 2008.

Structure, governance and management

Charity Trustee Networks is a company limited by guarantee (company registration number 5499220) and has no share capital. It is also a registered charity (number 1110979).

Charity Trustee Networks is governed by its Memorandum and Articles of Association dated 5 April 2005, which outline the objects and powers of the charity. The Trustees, who are also Directors of the Company, are responsible for overall governance. The minimum number of Trustees is three and there is no maximum specified in the Articles.

Trustees are recruited by open application process, with the vacancies being advertised as widely as possible, including to CTN's database of trustees and on its website. New trustees are inducted into the role through meetings with other trustees and staff and they receive an induction pack, which contains CTN's Memorandum and Articles of Association, business plan, minutes of recent meetings and other key information. The board undertakes regular skills audits to ensure that the trustees have the necessary skills and experience necessary in order to govern the organisation.

The board convenes six times a year, including an annual 'awayday'.

The organisational structure is laid down in our Roles and Responsibilities of Trustees and Delegation of Authority to the Chief Executive documents. There are also role descriptions for the Chair, Vice-Chair, Honorary Secretary and Honorary Treasurer. Its work is delivered by paid staff.

Related Parties

The Chief Executive of Charity Trustee Networks was a member of the Core Group of the Governance Hub – a government-funded partnership which aims to raise the standards of governance across the third sector. The charity is a member of the National Council for Voluntary Organisations and is represented on the England Volunteering Development Council.

Risk Management

The Trustees have developed a register of significant risks and have action plans in place for the mitigation of these risks. The risk register is regularly reviewed, with two key risks being considered at each board meeting. Significant risks have been identified in relation to:

- Focus on objectives, vision, mission and values
- Loss of trustees or key staff
- Income generation
- Information technology
- External influences

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES For the year ended 31 March 2008

Objectives and Activities

At Charity Trustee Networks (CTN)...

Our **vision** is of confident, effective trustees governing voluntary and community sector organisations.

We recognise that, whilst holding crucially important positions of trust, trustees often do not benefit from the framework of support that is usually available to paid staff or even volunteers of organisations. To this end, we strive to support trustees in their roles with information and resources, and to help them learn and support each other in what can feel quite an isolated role.

Our **charitable objects** are:

To promote the efficiency and effectiveness of charities by improving their governance, through:

- promoting trustee networks
- promoting the education of trustees in the principles and practice of trusteeship; and

Our **values** are:

- to work, wherever possible, in partnership and not to duplicate the work of other voluntary and community sector organisations
- a commitment to diversity, thereby serving all trustees across the sector and promoting the benefits of diversity on boards
- to encourage networks that are trustee-led and therefore focused on meeting the needs of the trustees they serve

Our strategic priorities

CTN pursues our aims through five strategic priorities:

1. To develop networks and strengthen our relationship with and support to them
2. To identify and understand trustee needs and build capacity to meet these needs, either directly or indirectly
3. To build our online community and grow our membership schemes **trusteenet** and **trusteenetplus**, enhancing their benefits
4. To voice a trustee perspective and promote trustee-friendly policies
5. To be a healthy, effective, sustainable organisation

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

For the year 2007-2008, we approached an ambitious and enthusiastic programme of work to support trustees and voice their perspective. There was reform across the charity landscape during this period, with the implementation of aspects of the new Charities Act and Companies Act. There is a great deal for trustees to take on board – many are feeling overwhelmed – and we are responding to their request for summaries of the information that they need to know.

This report looks at our achievements and plans in each of our strategic priorities. We welcome comments on our work plans and on ways we can further help strengthen trusteeship and governance.

Charity Trustee Networks gives us a unique chance to talk to each other about these issues and about our different experiences. I value its initiative, and I hope it will prove fruitful and of practical value to everyone who, like myself, may be struggling to keep up with all the changes that are going on.

Robin Guthrie, trustee

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

STRATEGIC PRIORITY 1:

To develop networks and strengthen our relationship with and support to them

We aimed to:

- Develop a network support package
- Develop a system for regular contact with existing networks
- Develop new networks and strengthen relationships with existing ones

What we did:

With the appointment of three new members of staff in this year, we have seen a big increase in the amount of work being done for and with trustee networks in 07/08.

Relationships with existing networks have been re-established and strengthened, and contacts made with CVSs who are interested in developing new networks. This has led to a number of opportunities for CTN to speak at network meetings and to facilitate the first meetings of new networks.

To help maintain contact with network organisers a new newsletter, Network Focus, was developed for production in the first quarter of 2008-09. This will have the added benefits of supporting network organisers, making them aware of what CTN can do to support them and helping to share knowledge and experiences about running networks.

Greater capacity has allowed us to offer more support to trustee networks. Among the package of support for networks, in addition to Network Focus, CTN provides:

- Resources and support for people thinking about setting up a trustee network.
- Speakers or facilitators for network meetings, especially first ones
- Support for networks that are reviewing or planning their future work
- Signposting to appropriate resources and support
- Free publicity on www.trusteenet.org.uk, with each network having its own page, and network events advertised here and in Trustee Focus

Plans for 2008-09

- Continue to support networks, establishing at least six new ones
- Hold an event to support network organisers
- Produce four issues of Network Focus
- Work with national federated organisations to support networks among their members.
- Seek funding to employ a dedicated Trustee Networks Co-ordinator.

Pam Mitchell, Manager of South Downs CVS Developing Communities Project and Organiser of Lewes District Charity Trustee Network, says "The Network has been invaluable in enabling trustees to share experience and ideas. We also offer an element of training at every meeting to increase skills. Meetings are hugely productive and very enjoyable."

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

STRATEGIC PRIORITY 2:

To identify and understand trustee needs and build capacity to meet these needs, either directly or indirectly

We aimed to:

- Find out what trustees are concerned about and what support they'd like
- Provide networking opportunities for trustees
- Support the Governance Hub with projects for trustees
- Explore the potential of a trustee recruitment portal
- Explore the options for services for trustees

What we did:

As part of our on-going consultation with members and other trustees, we held five focus group networking lunches, kindly hosted by HSBC Global Asset Management and Deloitte & Touche LLP, to find out what trustees were concerned about. We also undertook a survey of our members, to discover the issues that are currently concerning them and the ways in which they would like support (results below).

CTN was a key partner in the Core Group of the Governance Hub, in its last year of operation. We also worked with Community First and the Centre of Charity Effectiveness to deliver a project for the Governance Hub to support Chairs and Vice Chairs by:

- Piloting an online network for chairs
- Developing resources for chairs
- Delivering an e-newsletter

Our two lectures, delivered at lunches kindly sponsored by CCLA Investment Management Limited, drew hundreds of trustees in London and York to hear featured speakers Dame Suzi Leather, Chair of the Charity Commission, and Julia Unwin, Chief Executive of the Joseph Rowntree Foundation.

We delivered a range of work for specific groups of trustees, networks and charities, including:

- Providing the trustee perspective for the Third Sector Leadership Centre in the development of their Performer online tool for assessing leadership skills
- Running a workshop on Building an Effective Board, at the NAVCA trustee conference
- Delivering governance training for the trustees of Emmaus
- Holding an event with BTEG (the Black Training and Enterprise Group) to explore the needs of black and minority ethnic trustees
- Giving the keynote speech at Voluntary Norfolk's Trustee Conference
- Running seminars on investment obligations and risk management at Hertfordshire trustee conference
- With the EIRIS/UKSIF Charity Project, holding an event for trustees on socially responsible investment

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

- Running a workshop on Trustee Recruitment, Induction and Motivation, at the Directory of Social Change's Trustee Conference
- Helping SAVO (Suffolk Association of Voluntary Organisations) review and develop their Trustee e-Learning resource
- Exhibiting at relevant conferences

Finally, we worked closely with YouthNet to develop plans for our trustee recruitment portal **trustee finder**, which will syndicate trustee vacancies from the national volunteering database.

A survey of our members revealed:

Top of the list of concerns was, of course, funding, but strategic planning also ranked highly. Some were facing organisational change, others wondered how to plan in a time of financial uncertainty. Another recurring theme was 'getting along' – how to smooth the path of the Chair/CEO relationship or how to refresh a long-standing board. The kinds of things that would make their lives easier as trustees were: information on current issues (34%), chances to network (20%) and general support (17%). When thinking about a challenge recently faced, 31% wished they had had access to advice – whether legal, financial or other. As a close second, many (27%) would have liked support, whether a mentor, network or helpline. Members favoured online resources (88%) over paper ones, followed closely by receiving information/learning through meeting other trustees through networks or at other events (54%). So it's not just about speed of delivery, but getting the right information in the right form at the right time.

These results were crucial in helping us shape our business plan for 2008-09 and thinking about the direction of some of our existing services, such as the trusteeenet website.

Plans for 2008-09

- Produce tools to help trustees develop and use a Trustee Code of Conduct
- Launch **trustee finder**, an online trustee recruitment resource in partnership with www.do-it.org.uk
- Work with partners to promote trusteeship through a campaign and employer-supported trusteeship
- Hold trustee networking events around the country, including a third annual lecture
- Undertake further research among trustees on issues of interest, such as changes in accounting requirements, trustee board codes of conduct

*I picked up the information on trusteeenet and **trusteenetplus** when it was first launched. As Chair, I encouraged all of my trustees to join the former, and two or three of us joined the latter. I have found the networking lunch to be of great benefit as the forum was provided to allow us to discuss matters of mutual interest and benefit from each other's experiences. I have certainly used some of the information I have gathered in trying to run my organisation in a better way. There are other mediums available to me, but I like the style of this and would recommend that others take advantage of its existence.*

*Eric Smart, Chair of Hackney Voluntary Action
and of the National Operatic & Dramatic Association.*

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

STRATEGIC PRIORITY 3:

To build trusteeenet membership and services (to provide trustees with an online resource base and community)

CTN's new membership schemes **trusteenet** and the enhanced package **trusteenetplus** were developed to support trustees' needs and launched on 1 February 2007. Equally, they create a community where trustees, whether new or experienced, from all over the country, and from charities large and small, can meet online and request and offer their experience and advice on the issues that trustees face.

trusteenet members have access to all the resources on the www.trusteenet.org.uk website, as well as to the discussion forums and to our free bimonthly e-newsletters *Trustee Focus* and *Chair Focus*.

Those who upgrade to **trusteenetplus** membership, at £40 per year, receive the following additional benefits:

- Free annual subscription to *governance* magazine
- Free individual Trustee Indemnity Insurance, provided by Zurich Insurance, which covers the insured for any number of trusteeships they hold
- Discounts to CTN events and publications, including free entry to our annual lecture

In 2007-08 we aimed to:

- Increase membership of **trusteenet** and the benefits to members
- Enhance the online trustee community website for users
- Explore potential future developments of **trusteenet** and **trusteenetplus**
- Develop an e-network for Chairs

What we did:

trusteenet was promoted through several third sector publications and newsletters, and membership grew to over 1,000 by the end of March 2008. We negotiated new benefits which will come into effect in 2008-09, such as free basic legal advice and further discounts on products of use to trustees.

Our website was redesigned and enhanced, and relaunched in December 2007. It was reviewed in *Third Sector* magazine, whose Andy Ricketts said "this site could become a goldmine for trustees and chairs".

Five issues of our e-newsletters *Trustee Focus* went to trusteeenet members, and six issues of *Chair Focus* went to all chairs. These were packed with information and ideas for trustees, and always included thoughts and views from members and others with experience of trusteeship.

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

Plans for 2008-09

- Increase membership by 500%
- Add new benefits to the membership package
- Reach more trustees with information on the free scheme
- Enhance the content of **trusteenet** as a web-based resource

I became a member of trusteenet because I wanted to know more about the role I had taken on and I also found it really useful to know that there are a lot of people out there who share the same ethos. I have found the resources available to members invaluable the documents and information is of the highest quality and accuracy. The icing on the cake is the real feeling of being a member and knowing that if I don't have an answer there is someone at trusteenet who does!

Margaret Simpson, trustee

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

STRATEGIC PRIORITY 4:

To voice the trustee perspective and promote trustee-friendly policy

We aimed to:

- Consult trustees on relevant issues of national policy
- Feed the trustee perspective into national policy
- Create a policy advisory group of partner organisations

What we did:

Funded generously by the Office of the Third Sector to deliver the voice of trustees on national and sector policy, CTN carried out a range of activities aiming to canvass and convey the trustee perspective.

To feed into policy formulation and ensure our work complements what is going on around us, CTN asked a small group of key third sector leaders to join us in discussion on a regular basis. This new Policy Advisory Group (PAG) met in January and discussed current issues and CTN's proposed response to them. Two messages we took away were the need for a trustee recruitment portal, and their view that CTN ought to focus particularly on trustees of small and medium sized organisations, where need is greatest and resources most stretched.

Working with the Charity Commission and the Office for the Third Sector, we chaired eight regional events to raise awareness of the new Charities Act 2006 and its implementation. These were primarily for professionals such as lawyers, accountants, umbrella bodies and large charities' legal and finance advisers, so that they can provide informed advice to charities and their trustees.

We also collated and expressed to government bodies our members' views on consultations of relevance to trustees, including reporting public benefit; the draft Charity Tribunal rules; the Risk and Proportionality framework; and Financial Reporting Thresholds (CC).

We contributed to a review of the Code of Good Governance and to plans for taking it forward after the demise of the Governance Hub.

Finally, we continued to strengthen our relationships with key bodies and people in the sector, working with NAVCA, the Charity Commission, the Directory for Social Change, Getting on Board, the Governance Hub partners and many others.

Plans for 2008-09

- Continue to consult and relay the trustee perspective on topical issues
- Work with the OTS, CC and other organisations on consultations and briefings to do with new developments such as the launch of Charitable Incorporated Organisations.
- Develop policy papers on key issues
- Enhance relationships with experts in governance and trusteeship

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

CTN's POLICY ADVISORY GROUP 2007-08

CTN invited experienced senior sector colleagues to come together to act as a sounding board for our potential policy initiatives and strategic direction, as well as to converse with each other on current issues affecting the sector. All members accepted readily, and the first meeting was a lively debate on topics ranging from payment for trusteeship to the need for resources to aid in trustee recruitment. We are very grateful for their time and good will. The following people were members in 2007-08:

Dr Ian Bruce	Professor and Director of the Centre for Charity Effectiveness, Cass Business School
Rodney Buse (Chair)	Chair, CTN
Tesse Akpeki	Consultant Bates Wells Braithwaite
Richard Fries	Visiting Fellow, LSE Dept of Civil Society Former Chief Charity Commissioner
Mike Martin	Chair, NAVCA Director, Reading Voluntary Action Founding trustee, RAISE
Charles Nall	Chair, Charity Finance Directors' Group Finance Director, Children's Society
Dr Mike Nussbaum	Chair, Volunteering England
Anne-Marie Piper	Partner at Farrers & Co. Founder, Charity Law Association
Joe Saxton	Chair, Institute of Fundraising Founder, nfpsynergy
Rev Hilary Watkins	Chair, Citizens Advice

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

STRATEGIC PRIORITY 5:

To be a healthy, effective, sustainable organisation

We aimed to:

- Expand capacity to focus on networks and partnerships
- Develop systematic monitoring of organisational governance
- Develop a sustainable income generation strategy
- Strengthen the organisation's infrastructure
- Develop a CTN communications strategy

What we did:

CTN nearly doubled its capacity in the year, which has increased the breadth and depth of support we are able to offer trustees. The new Deputy Chief Executive, Paige Sinkler, has been focusing on strengthening internal relations and policies, CTN communications work, and developing the recruitment portal. The Head of Operations, Claire Farmer, has been directing trustee supporting work, developing new partnerships and leading on voice and policy work. Dawn Whyndham joined as our new Membership and Events Coordinator, to develop trusteeenet and trusteeenetplus and to provide support in events management.

We now had the capacity to draft a comprehensive Communications Strategy to raise our profile and that of the issues trustees are facing, which should bear fruit in the next financial year. We produced promotional materials and began to ensure we had a presence on the websites of relevant organisations.

We also drafted a relationships policy, as we work with increasing numbers of organisations in different ways, started work on a suite of human resources policies, and engaged new IT support and strengthened our electronic security.

Income generation is crucial to the future of CTN, and the team began work on a strategy to diversify and increase income streams in the medium and longer term.

Plans for 2008-09

- Generate sustainable income for CTN
- Launch HR policies on key issues such as sick leave, grievance.
- Undertake a PQASSO review
- Implement marketing and communications plans, increase visibility and coverage, collaborate on joint publications of use to trustees and the sector
- Create new database of contacts and members
- Continue to update and enhance our website and resources
- Improve ease of use of our finance function
- Develop a monitoring and evaluation plan of CTN's work

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

Financial Review

CTN has benefited from receiving a full 12 months strategic grant from the Office of the Third Sector of £92,250, compared to £26,000 in the prior period of eight months. The service/supply income of £65,552 has resulted principally through CTN's participation and support of the Governance Hub. As the Governance Hub has now been terminated the income will not be recurring. Other sources of unrestricted income are being pursued but will take some time to become established. Membership subscriptions to **trusteenetplus** commenced in the year and are expected to show a steady increase into the following year.

Expenditure in the year reflects the support costs to the Governance Hub and the increase in staffing levels within CTN in pursuit of expanding and supporting services to member networks and to trustees generally. The reserves of CTN show an increase due to timing differences between resources received and those expended on the Governance Hub support. CTN expects that there will be a small deficit in the year ending 31 March 2009.

CTN also benefited from a grant from the Joseph Rowntree Foundation, for work on materials to help trustees develop board codes of conduct; and a commitment from the Unity Trust Bank, to fund a VIP Trustee Lounge at CharityFair in June 2008.

CTN also benefited from gifts in kind from CCLA Investments, who generously sponsored our two major lectures, delivered by Dame Suzi Leather, Chair of the Charity Commission, and Dr Julia Unwin, Chief Executive of the Joseph Rowntree Foundation; from HSBC Global Asset Management, who hosted three networking lunches, Deloitte & Touche LLP, who hosted two networking lunches for Chairs; from Unity Trust Bank, for allowing us the use of their facilities; from Plaza Publishing and Zurich Insurance, who have provided subsidised benefits for **trusteenetplus** members, to Red Ochre for allowing us to use their facilities for our Board Meetings; and from Kingston Smith for giving us a free stand at the CHASE Exhibition conference.

CTN is extremely grateful to all its supporters for their financial support of CTN's aim to raise the standards of governance across the sector.

The application of funds in support of CTN's activities are shown in note 6 to the accounts.

Reserves policy

The Trustees have reviewed the Charity's needs for reserves in line with the guidance issued by the Charity Commission. The Board has resolved to seek to maintain the level of its financial reserves at around three months of budgeted expenditure.

Code of Governance

CTN chaired the working group that originally developed the Code of Governance for the voluntary and community sector. CTN has audited its own governance practices against the Code and, through that process, has identified areas for continual improvement. These areas have been incorporated into the business plan.

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

Audit exemption

The company is entitled to exemption from audit for the period ended 31 March 2008 both under the Companies Act 1985 and the Charities Act 1993; but, as a charity, it is required to have independent scrutiny of its accounts. The trustees have therefore taken advantage of audit exemption.

Equal Opportunities Policy

Charity Trustee Networks respects and values diversity, and is committed to applying equality of opportunity in all its activities and its recruitment and employment practices.

Trustees' responsibilities

The Trustees, as directors, are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements which give a true and fair view of the charity's financial activities and of its financial position at the end of the period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgments and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the company to enable them to ensure that the financial statements comply with the Companies' Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHARITY TRUSTEE NETWORKS

REPORT OF THE TRUSTEES

For the year ended 31 March 2008

Our supporters

We would not have been able to provide the support we do to trustees without the generous help from these organisations. We would like to thank them for their support.

The Office of the Third Sector
CCLA Investment Management Ltd
HSBC Global Asset Management
The Joseph Rowntree Foundation
Deloitte & Touche LLP
Unity Trust Bank
Plaza Publishing
Zurich Insurance Company
Red Ochre
Kingston Smith LLP
Russell Cooke LLP
The Charity Commission for England and Wales

We are also deeply grateful for the support and advice we have received from our volunteers, friends and the many organisations with whom we work.

By order of the Trustees

Rodney Buse
Chair of Trustees

Date

CHARITY TRUSTEE NETWORKS

ACCOUNTANT'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF CHARITY TRUSTEE NETWORKS For the year ended 31 March 2008

We report on the financial statements for the year ended 31 March 2008 which comprise the Statement of Financial Activities, Balance Sheet and supporting Notes to the Financial Statements.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND REPORTING ACCOUNTANTS

As described on page in the Report of the Trustees, the trustees, who are also directors of the charity for the purposes of the Companies Act, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurances expressed in our opinion.

OPINION

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985, as amended;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in the Statement of Recommended Practice, "Accounting and Reporting by Charities", and in section 249C(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Alliotts
Chartered Accountants
Friary Court
13-21 High Street
Guildford, Surrey, GU1 3DL
Dated:

CHARITY TRUSTEE NETWORKS

STATEMENT OF FINANCIAL ACTIVITIES For the year ended 31 March 2008

INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	8 Months to 31/3/07 Total Funds (Restated)
		£	£	£	£
Incoming Resources					
Incoming resources from generated funds					
Bank interest		1,639	-	1,639	870
Incoming resources from charitable activities	4, 5	157,802	26,000	183,802	73,570
Other incoming resources		-	-	-	173
Total incoming resources		<u>159,441</u>	<u>26,000</u>	<u>185,441</u>	<u>74,613</u>
Resources expended					
Charitable activities	6	142,565	25,000	167,565	117,588
Governance costs	7	3,023	-	3,023	362
Total resources expended		<u>145,588</u>	<u>25,000</u>	<u>170,588</u>	<u>117,950</u>
Net movement in funds					
Total funds brought forward	14	13,853	1,000	14,853	(43,337)
		75,334	6,000	81,334	124,671
Total funds carried forward		<u>89,187</u>	<u>7,000</u>	<u>96,187</u>	<u>81,334</u>

The SOFA includes all gains and losses recognised in the year and the previous period.

All incoming resources and resources expended derive from continuing activities for this year and the previous period.

CHARITY TRUSTEE NETWORKS

BALANCE SHEET AS AT 31 MARCH 2008

	Notes	2008		2007 (reinstated)
		£	£	£
Fixed Assets				
Tangible assets	10		4,459	6,285
Current Assets				
Debtors	11	21,298	-	
Cash at bank and in hand		78,877	82,691	
Total current assets		<u>100,175</u>	<u>82,691</u>	
Creditors				
Amounts falling due within one year	12	<u>8,447</u>	<u>7,642</u>	
Net current assets			91,728	75,049
Net Assets			<u>96,187</u>	<u>81,334</u>
FUNDS				
Unrestricted income funds	13		89,187	75,334
Restricted income funds	13		7,000	6,000
Total funds			<u>96,187</u>	<u>81,334</u>

In preparing these annual financial statements:

- The trustees (directors) are of the opinion that the company is entitled to the exemption under Section 249A(1) of the Companies Act 1985;
- Members have not required the company to obtain an audit in accordance with Section 249B(2) of the Companies Act 1985;
- The trustees (directors) acknowledge their responsibility for ensuring the company keeps accounting records which comply with section 221 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to the accounts, so far as applicable to the company;
- The accounts have been prepared in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Board on

by:

)
) Trustee

CHARITY TRUSTEE NETWORKS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

1. COMPANY STATUS AND MEMBERS' LIABILITY

The Company is a private company limited by guarantee and not having any share capital. The extent of the liability of the members of the company on a winding up is limited to a maximum of one pound each. The Company is also a registered charity and accordingly no liability to corporation tax arises on the financial statements.

2. TITLE

The Company has an exemption under section 30(5) of the Companies Act 1985 from using "Limited" in the title.

3. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005) (SORP), applicable accounting standards and the Companies Act 1985. The company has followed the Financial Reporting Standard for Smaller Entities (effective January 2005). The company has taken advantage of the exemptions in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Incoming Resources

The Charity's policy is to recognise all incoming resources on a receivable basis.

Grants Receivable

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year for the year for which they are received. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

Unrestricted Funds

Unrestricted funds are donations and other incoming resources received or generated for the general charitable purposes of the charity.

Restricted Funds

Restricted funds are funds received which can only be used for the specific purpose as laid out by the donor. Expenditure which meets this criterion is identified to the fund, together with a fair allocation of overhead costs. The aim and use of each designated fund is set out in the note to the financial statements.

CHARITY TRUSTEE NETWORKS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008 (cont)

3. ACCOUNTING POLICIES (cont)

Depreciation Policy

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment -33.33% on cost
Office equipment -25% on cost

Taxation

The activities of Charity Trustee Networks are exempt from Corporation Tax under Section 505 of the Income and Corporation Taxes Act 1988 to the extent that they are applied to the organisation's charitable objects.

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2008 £	2007 £
Incoming Resources				
Grants (see note 5)	92,250	26,000	118,250	66,000
Service/Supplies	65,552	-	65,552	7,570
	<u>157,802</u>	<u>26,000</u>	<u>183,802</u>	<u>73,570</u>

5. GRANTS

	Unrestricted £	Restricted £	2008 £	2007 £
Office of the Third Sector	92,250	-	92,250	60,000
Governance Hub	-	12,000	12,000	6,000
Joseph Rowntree	-	7,000	7,000	-
Other (Zurich)	-	7,000	7,000	-
	<u>92,250</u>	<u>26,000</u>	<u>118,250</u>	<u>66,000</u>

CHARITY TRUSTEE NETWORKS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008 (cont)

6. CHARITABLE ACTIVITIES

Undertaking work to meet our charitable objectives:

	£
Network development	15,204
Understanding trustee needs and meeting needs	
- general	38,010
- direct costs of development projects	3,991
- work with Mentoring and Befriending Foundation	4,000
Development of trusteeenet membership and services	
- support	22,806
- direct costs	2,040
Delivery of the trustee perspective and promotion of trustee-friendly policy	50,106
Organisational development work, including website development	<u>31,408</u>
TOTAL	<u>167,565</u>

7. GOVERNANCE COSTS

The cost of trustee and staff travel and subsistence for attendance of 5 trustees at Board Meetings was £2,142. (2007- £362)

Governance costs also include payments to the reporting accountants of £881. (2007 – Nil)

8. TRUSTEE REMUNERATION

No remuneration was paid to the Board of Trustees during the period.

9. STAFF COSTS AND NUMBERS

	2008 £	2007 £
Salaries	89,736	34,717
Social security costs	8,790	3,282
Pension costs	<u>4,281</u>	<u>1,307</u>
	<u>102,807</u>	<u>39,306</u>

The average monthly numbers of person (including the Chief Executive) employed by Charity Trustee Networks during the period was 3.5.

No employee received more than £60,000 of remuneration during the year. (2007- None).

CHARITY TRUSTEE NETWORKS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2008 (cont)

10. TANGIBLE FIXED ASSETS

	Computer Equipment £	Office Equipment £	TOTAL £
COST:			
Reclassification	2,834	5,164	7,998
Additions	376	212	588
At 31 March 2008	<u>3,210</u>	<u>5,376</u>	<u>8,586</u>
DEPRECIATION:			
Reclassification	253	1,460	1,713
Charge for the year	1,070	1,344	2,414
At 31 March 2008	<u>1,323</u>	<u>2,804</u>	<u>4,127</u>
NET BOOK VALUE:			
At 31 March 2008	<u>1,887</u>	<u>2,572</u>	<u>4,459</u>

Following a review of the policy for fixed assets a prior year reclassification has capitalised items which had previously been written off in earlier periods.

11. DEBTORS

There were other debtors owing £21, 298 at 31 March 2008. (2007 – Nil)

12. CREDITORS - Amounts falling due within one year

There were accruals of £8,447 at 31 March 2008. (2007- £7,642)

CHARITY TRUSTEE NETWORKS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008 (cont)

13. SUMMARY OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed assets	4,459	-	4,459
Net current assets	<u>84,728</u>	<u>7,000</u>	<u>91,728</u>
	<u>89,187</u>	<u>7,000</u>	<u>96,187</u>

Unrestricted net current assets represent the general 'free reserves' of the charity, which are available for the general activities of the charity.

Restricted funds represent the funds received from the Governance Hub to deliver a package of resources for Chairs of boards of charity trustees.

14. PRIOR YEAR ADJUSTMENT

Following a review of capitalisation policy opening unrestricted reserves have been restated to include items with a net book value of £6,285 at 1 April 2007 which had previously written off and has now been included in fixed assets. The comparative figures have been restated and opening reserves adjusted as indicated below:

	£
Unrestricted funds as previously reported	69,049
Reclassification	<u>6,285</u>
Opening balance as restated	<u>75,334</u>