

Company Registration No. 5425493 (England and Wales)

# **THE CONFECTIONERS BENEVOLENT FUND**

**ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDING 31 AUGUST 2009**

# The Confectioners Benevolent Fund

## Report of the Trustees & Financial Statements

### for the year ended 31 August 2009

#### History

In April 1918 Mr J. H. Macadam stood up at a meeting of the London and South of England Confectioners' Protection Society and proposed that the time was right to form a Benevolent Fund. As a result £600 was collected on the spot. Initially seven pensioners were awarded grants of £26 per annum, and over the years, Sweet Charity (the current working name of the Confectioners Benevolent Fund) has responded to the needs of the people within the industry.

#### Today

Sweet Charity is the charity for the confectionery industry. We provide practical and emotional support to past and present employees who are experiencing difficult circumstances and help them to make their lives a bit easier. In the last year Sweet Charity assisted a total of 1,565 people. The valuable support we can offer is made possible by the magnificent efforts of volunteer visitors, area committees and donors both individual and corporate. Events organised by our volunteer committees and by our Central Office are held throughout the UK, supported by the confectionery, grocery and FMCG trade. Our Trustees represent the manufacturing, retail and wholesaling sectors of the industry from which our beneficiaries and supporters are drawn.



The Confectioners Benevolent Fund aims to help people and their dependents who have worked in the confectionery or related industries and are in conditions of need, hardship or sickness. We do this by the provision of care, benefits, advice and friendship.

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The Confectioners Benevolent Fund ('Sweet Charity') is a properly constituted charity registered with the Charity Commission, No. 1109578 and with the Office of the Scottish Charity Regulator, No. SC038665 and a company limited by guarantee registered in England and Wales No.5425493.

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# **The Confectioners Benevolent Fund**

## **Chairman's Report** for the year ended 31 August 2009

I am pleased to report that during the 2008-9 year we achieved a figure of £814,000 funds raised (2007-8 £883,000), being net income from central and area events, corporate and individual donations and investments. This has enabled us to assist a total of 1,565 people in need from our industry (2007-8 - 1,555). The number of welfare applications received was up 10% on the previous year.

There is no doubt that it has been a difficult and challenging year both for our beneficiaries and our benefactors. Despite this, as the year progressed the trustees took the decision to maintain the budgeted support for our beneficiaries, even though our income streams would be under pressure as a result of the economic downturn. Against this background, we maintained our income from our corporate and individual donors and organised an active programme of fundraising throughout the year.

Our 2008-9 fundraising efforts have been magnificently supported by our enthusiastic President Dave Pogson, his wife Sue and his company Cadbury UK, to whom we are particularly indebted. We are also extremely grateful to our volunteer Area Committees for the time and effort spent on our behalf organising a range of fundraising activities throughout the year. In addition to our major events, we have continued to visit trade shows, exhibitions and conferences generating valuable income from these events as well as raising awareness of the charity.

In the turbulent market conditions of late 2008 and early 2009, our investment portfolio saw a marked decline despite the best efforts of our fund manager – in common with many other charities. At the low point in late 2008 we saw a fall in the value of our investment portfolio to £1.6m but I am pleased to say that since then steady progress has been achieved and the value of our fund at the year-end was £1.9m. We also took the decision during the year to move our individual portfolio into a special charities common investment fund giving us greater opportunities and less risk.

As our industry continues to change, we are acutely aware of the necessity to remain relevant to our benefactors and beneficiaries alike. As reported last year we undertook a strategic review, the results of which were implemented during the year. We formally changed our name to Sweet Charity and introduced our new logo in October 2008. We undertook an awareness campaign to promote our activities and new direction and created the post of a Local Community Fundraising Manager to specifically focus on head office and manufacturing sites throughout the UK. We have also been active in the trade press to create awareness of our activities with a new advertising campaign in line with our strategy.

Historically our beneficiaries have come from the Industries' retirees, however with the introduction of pension credit, free TV licences for the over 75s and winter fuel payments, we have seen a slight improvement in the quality of life our pensioners enjoy. Clearly we will continue to support our retirees and in addition actively promote services for the family and individuals in need of help in unexpected adverse circumstances. By doing this we are now reaching out and helping more people in our industry.

Our major objectives for the year ahead are to:

- Implement our business plan in support of our strategy.
- In the tough economic climate we aim to maintain support to our existing beneficiaries and also identify and help those of working age and their families that face hardship.
- Improve the profitability of our fundraising events to ensure that a greater percentage of money raised goes directly to the charity, offering our benefactors a better return on their support.
- Develop awareness throughout the industry to ensure that our benefactors and their employees are more aware of their charity and how they can help.
- Continue to reduce overhead costs to a minimum whilst ensuring that we continue to provide the best help possible to our beneficiaries.

I am pleased to report that the handover at the start of the year from Malcolm Carter to Patrick Davis as Director General went very smoothly and Patrick has established himself in this important post. I am also delighted to report that Charles Wilson (CEO of Booker) became Vice President and has been actively involved in planning his year as President in 2009/10.

## **The Confectioners Benevolent Fund**

# **Chairman's Report** for the year ended 31 August 2009 (continued)

My thanks go to my fellow trustees and also to those who have retired during the year - Peter Barnes and Richard Bishop (both former Presidents) and Dave McNulty and Michael Taylor. In addition I would also like to recognise Peter Barnes' contribution as chairman of the Midlands committee, a role he held for 17 years. I am pleased to welcome Kishor Patel and Darren Goldney to the Board. It is with great sadness I have to report that Graham McPherson of Palmer and Harvey, a Trustee and former President, passed away during the year. Graham was a great supporter of Sweet Charity and will be sadly missed.

Finally I would like to thank our staff for their dedication and commitment to Sweet Charity, our volunteers who visit our beneficiaries, and all those who give time to serve on various committees.

**Mike Denyard**, Chairman

# **Trustees' Report** for the year ended 31 August 2009

The Charity Trustees, who are also Directors of the company for the purposes of the Companies Act ('Trustee Directors'), are pleased to submit the Annual Report for the year ending 31 August 2009 for The Confectioners Benevolent Fund. The Chairman's report on page 2 also forms part of the Trustees Report.

In preparing this report and the financial statements we have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005. We also confirm that the financial statements have been prepared in accordance with the Charity's governing document and applicable law.

## **OBJECTIVES AND ACTIVITIES**

The objects of the Charity as set out in the memorandum of association are:

To relieve persons and their dependants who are or have been engaged in the confectionery or related industries and are in conditions of need, hardship or sickness and to relieve the distress caused thereby and by such charitable means as the Trustees may from time to time think fit.

We offer relevant care, support and resources to make lives a bit easier.

Our Core belief is: We believe in looking after those who have served our industry in the United Kingdom.

Our Vision is: That every industry employee has a safety net during tough times.

Our Mission is: We will engage the industry in supporting any employees, past or present, who experience difficult circumstances.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and in setting our Welfare policy.

Our objectives are:

1. To raise awareness of the charity with people who work or have worked within the industry in which we operate.
2. To continue to raise sufficient funds to cover annual expenditure and to maintain reserves to the equivalent of two years annual expenditure on welfare and overhead support costs.
3. To ensure that the people who come to us for support and advice are receiving the maximum state benefits and any other help to which they are entitled.
4. To liaise with charities and organisations and statutory services to ensure that the needs of our beneficiaries are met.
5. To administer funds equitably to meet the individual needs of each beneficiary to the extent that, where possible, they become self-supporting.
6. To provide and maintain a regular visiting and advisory service, to befriend and monitor the changing needs of each beneficiary.

Following the strategic review carried out in 2007-8 we implemented a range of activities to best meet the changing needs of our beneficiaries. Traditionally the greatest need has been amongst pensioners, and so we have responded by concentrating resource in this area. While there is still much to do for this group there is an increasing need to help people of working age and we are refocusing our efforts on this area. We have also reviewed how we deliver our welfare service to ensure we are responsive to the needs of our applicants and beneficiaries. As a result our overall strategy and direction is being driven by the need to be relevant to employees of the confectionery industry today. We want to be proactive in our approach to finding beneficiaries from the current workforce as well as meeting the needs of those who have left the industry and we want current employees to understand that we are 'their charity', and that they have a collective responsibility for the success of their charity.

# The Confectioners Benevolent Fund

## Trustees' Report for the year ended 31 August 2009 (continued)

To meet these objectives our targets are to:

### In the short term (1-2 years)

- Welfare:
- Contact each beneficiary where possible at least once a year and ensure that they are receiving the maximum benefits and any other help to which they are entitled.
  - Raise awareness of the Fund amongst potential beneficiaries by continuing our policy of visiting employers, local agencies (e.g. Citizens Advice Bureaux) and trade shows.
  - Liaise with other charities to achieve maximum support for our beneficiaries.
- Fundraising:
- Create and develop a fundraising awareness campaign that will penetrate throughout the industry, in order that current employees understand that we are "their Charity" and that they have a collective responsibility for its success.
  - Increase the number of corporate and individual donations through a direct approach to companies and individuals currently not supporting the Charity in this way.
  - Widen our involvement and fundraising at trade events.
  - Generate increased awareness and support of Sweet Charity by businesses and individuals through involvement in our Area Committees.
  - Move the Candy Ball to a more appropriately sized venue with lower base costs and overheads, thus generating a better return on the event.
  - Continue to implement 'community fundraising and awareness programmes' in the factories, offices and warehouses of our key supporters.
- Overheads:
- We will continue to review our overheads and make savings where possible.
- Governance
- We are undertaking a benchmarking exercise on governance of the Charity and the responsibilities of our trustees.

### In the longer term:

- Implement our strategy and increase the number of new applications from those in need of help and advice.
- Develop awareness throughout the industry to enable individuals of all ages to be part of and relate to our work.
- Grow in line with our commitments.
- Work with other benevolent societies in our sector and link with other charities, which supply care, goods and services for the poor and disadvantaged.
- Widen our income stream.

## **Welfare**

### **Our beneficiaries**

During the year we have offered help and support to more beneficiaries (1,565). Our beneficiaries come from all sectors of the industry; manufacturing, retail and wholesale. People we have helped in the last year have ranged in age from 25 to 104. We have helped people of working age with families; people who are sick or disabled; people who are retired and those who are at risk of social exclusion and isolation. We have beneficiaries in England, Wales, Scotland and Northern Ireland.

### **Grant Making Policies**

The objects of the Charity are met by providing financial support to beneficiaries in the following ways: grants to individuals of up to £260 a quarter; payment of television licences; birthday vouchers; Christmas hampers; outings; one-off grants and by providing advice and information on welfare issues. In line with good practice and our welfare charter, we ensure that potential and existing beneficiaries are guided to claim all the state benefits to which they are entitled.

# The Confectioners Benevolent Fund

## Trustees' Report for the year ended 31 August 2009 (continued)

Our grant making policy achieves the Charity's objects for the public benefit by providing the support detailed above to any one who has worked in the UK 'confectionery industry' (which we define as being the following areas, where confectionery is a core part of the business: Manufacturing; Wholesaling; Retailing [inc. ice cream sellers]) as follows:

- Anyone who has worked in the industry can be helped with advice and information on a wide range of welfare issues, including state benefit entitlement.
- Those who have worked for over 5 years in the confectionery industry may qualify for help with a one-off payment of up to £600. This may be for home repairs, a disability aid or adaptation or some household necessity.
- Anyone who has worked over 10 years in the industry may qualify for ongoing support with a regular grant of up to £260 a quarter.
- Access to the whole range of assistance is offered on the basis of need. Financial circumstances are only relevant in determining the qualification for one off payments and regular financial help.

The Trustees have not identified any potential detriment or harm arising from these activities, in compliance with public benefit requirements.

### **How we meet our welfare objectives**

Ensuring that our beneficiaries are receiving the maximum benefits and any other help to which they are entitled.

We have a team of 8 professional Welfare Officers across the UK. Our Welfare Officers make home visits and provide advice and support over the telephone, as required. Very often our beneficiaries are not receiving all the help and advice to which they are entitled.

- What we have done:  
This year alone, we have helped our beneficiaries claim state benefits and charitable grants worth an extra £112,000 in a full year.
- What we will do next year:  
Maintain our skilled team of welfare officers to provide practical support and advocacy for those in need from the industry.

To liaise with charities and organisations and statutory services to ensure that the needs of our beneficiaries are met.

- What we have done:  
We have continued to maintain the relationships already established with other charities and jointly funded a number of one-off grants to beneficiaries as well as liaising with Wireless for the Bedridden (W4B) to obtain televisions for those on a low-income.
- What we will do next year:  
Our Welfare Officers will continue to make referrals to other charities for additional regular or one-off financial and practical assistance. They also refer beneficiaries to Local Councils for care assessments, statutory grants and services.

To administer funds equitably to meet the individual needs of each beneficiary to the extent that, where possible, they become self-supporting.

- What we have done:
  - We have made a home visit to each new applicant; to enable us to provide a tailored package of support appropriate to the needs of that individual and, where appropriate, their family. We made 192 one-off grants and helped 501 people with a quarterly grant in 2008-9. We gave 37 fuel grants of £100 to our least well off beneficiaries.
  - We continue to receive increasing numbers of applications from people requiring one-off grants for disability aids and adaptations and for home repairs. We have increased our expenditure in this area by 37%.

# The Confectioners Benevolent Fund

## Trustees' Report for the year ended 31 August 2009 (continued)

- We also receive a high number of applications from those with reasonable incomes but significant debts. These people are referred to specialist advice agencies for debt counselling but have access to help from us with one-off grants for essential items to prevent them falling further into debt.
- In accordance with our strategy we have increased our awareness campaign in the industry through visits to manufacturing sites, articles in company magazines and in the trade press. As a result of this activity, applications for assistance have increased overall by 10% in the last year. We have helped more people of working age and applications from this group are up by 48% (from 27 to 40 applicants).
- What we will do next year:  
In 2009-10 we will continue to provide advice, grants and gifts to beneficiaries and new applicants on the basis of need. Particular focus will be placed on applicants of working age as their state benefit entitlements are low and their needs may be greater.

To provide and maintain a regular visiting and advisory service, to befriend and monitor the changing needs of each beneficiary.

Care and befriending support is provided by means of: outings and tea parties, friendship through regular contact with a visitor, gifts for special occasions, such as Christmas and birthdays and contact through our Candy Carer magazine

- What we have done:
  - We have developed a strategy to increase the number of volunteers visiting our beneficiaries. We have presented to pensioner meetings and had articles published in company magazines. We have taken our message to manufacturing sites.
  - We undertook a survey of all our beneficiaries to solicit their feedback on the effectiveness of our service particularly in respect of welfare visits. This year 94% of respondents said that they were very satisfied or satisfied with the service they had received from us.
  - Delivered our home visiting and telephone advice services to beneficiaries and friends – providing advice and friendship to over 1,200 people, many of whom are isolated or socially excluded due to financial hardship, illness or disability.
  - Distributed our magazine the Candy Carer quarterly, maintaining an on-going contact with the charity.
  - Organised twelve parties and outings for beneficiaries at risk of isolation.
- What we will do next year:
  - Volunteer visitors are an important part of the service we provide and we aim to increase the numbers of volunteer visitors from 38 (as at March 2009) to 45 by March 2010 and to 50 by March 2011.
  - Maintain contact with beneficiaries and individuals from the industry, identified as being in need (whether financially or socially), through home visits and telephone calls.
  - Make a home visit to each new applicant; to enable us to provide a tailored package of support appropriate to the needs of that individual and, where appropriate, their family.

We continue to have demands for outsourcing our welfare service and are pleased our longstanding relationship with the Tobacco Trade Benevolent Association (a sister charity) continues.

### Fundraising and Awareness

The Charity receives no Government funding. It is wholly supported by corporate and voluntary donations and fundraising initiatives.

# The Confectioners Benevolent Fund

## Trustees' Report for the year ended 31 August 2009 (continued)

### Fundraising

#### Central Fundraising

We held three major events organised centrally - the Candy Ball, Burns Supper and Dining with the President. Our Candy Ball is renowned as a premier event throughout the food industry. The economic downturn in late 2008 and early 2009 made it much harder to sell tables and attendance dropped by over 150 to 700 guests. This in turn has hit our bottom line seeing a reduction in profit to £180,000 (2008 £230,000).

Net income from the Burns Supper (promoted by Palmer and Harvey) held firm at £118k (2007-8 £118k), despite a decrease in attendance from 450 (2008) to 400, which is a fantastic achievement. We are very grateful to the Palmer and Harvey team for their continued support for this event.

Attendance at Dining with the President... Dave Pogson, increased again in 2008-9, up from 160 (2007-8) to over 200, however the profitability dropped slightly, due to the loss of sponsorship. In 2009-10 we have decided that, due to the continuing general economic situation, it would not be appropriate to hold a formal Dining with the President Event. Those companies who have supported the event in the past have been asked to contribute towards advertising in our annual magazine, Sweet Times, and to provide extra support for the London and North West Area events or simply make a donation. The net effect should be to achieve savings for supporters but generate the same return for the charity.

We continued to be invited to hold raffles at a number of prestigious industry awards (The Retail Industry Awards, the Federation of Wholesale Distributors Gold Medal Awards and the Quality Food Awards) and we gained a new raffle at the Food from Britain Export Awards. Attendance at these events not only raises valuable income but also helps increase the awareness of the Charity within the industry.

In 2008-9 £354,000 (2007-8 £408,000) was raised net from the above activities.

#### Area Committees

We have 8 Area Committees around the country, each run by volunteers from within the industry. They are based in the following areas:

Eastern Counties	London	Midlands	North West & Sheffield
Northern Ireland	Scotland	South West	York

The Committees help raise money by holding their own fundraising events and in 2008-9 contributed 22% of incoming resources, a drop over the previous year (2007-8 24%) mainly due to falling numbers attending events and some being deferred to next year. These activities are an essential part of our fundraising activities and also play a vital role in raising awareness and increasing the profile of the charity within the industry.

In the last five years we have concentrated on sustaining and developing our area network, building and re-launching committees in our aim to provide nationwide coverage. We have a dedicated Area Committee Development Manager to support and develop our area committees.

In 2008-9 the Area Committees raised £119,000 (2007-8 £158,000) of which £99,000 (2007-8 £135,000) came from fundraising events and £20,000 (2007-8 £23,000) from donations. There is no doubt that it has been a year of mixed results in terms of fundraising, with some committees maintaining levels of income and others having difficulty in getting the required support. Although the economic climate did take its toll on the success of events, a lot also depends on the number of volunteers on area committees – without the spread of people and the willingness and contacts to sell events it is a very hard task. A key focus next year will be to increase the number of committee members and the mix of companies providing support. The following gives a snapshot of the main events organised by committees during the year:

- **Eastern Counties** – Held a spring dinner dance and organised a golf day in September 2009.
- **London** - The Committee focused on organising some new events in the year – a pub quiz took place in the year and their main event the Candy Rocks Party took place at the Hard Rock Café in early September, just after the year end
- **Midlands** – Held a race night in November and the annual Summer Ball in June. The Committee also attends Palmer and Harvey's Pro-Retail and Nisa Today's trade shows, holding raffles to raise funds and raising awareness of the Charity with stands at these shows.
- **North West & Sheffield** - The annual North West Candy Ball, a race night and a golf day.
- **Northern Ireland** - An annual Candy Ball and a summer golf day.

# The Confectioners Benevolent Fund

## Trustees' Report for the year ended 31 August 2009 (continued)

- **Scotland** - A Homecoming Ball recognising Robert Burns 250th anniversary and a golf day
- **South West** - The Committee was unable to hold an event this year due to insufficient numbers but is planning an event in early 2010.
- **York** - The Committee held a race night at the York Racecourse and a Candy Ball in March 2009.

In addition to the above activities the Welfare Officers in each area organised a range of beneficiary outings and these in turn are supported by volunteers from the area committees.

We are extremely grateful for the time and effort put in by all of the individuals on our Area Committees. They are all volunteers and have to fit this into their busy schedules whether they are working or retired.

### Awareness

In addition to using our major fundraising events and raffles at various industry awards to raise awareness of the Charity, we also attend important trade shows where we take stands and hold raffles. We are also invited to attend a number of trade events and hold raffles. We promote ourselves nationally through the trade press and on a local basis through service providers such as sheltered housing schemes, doctors' surgeries, Age Concern offices etc

### **How we meet our awareness objectives**

#### Raising awareness of the Charity

- What we have done:
  - We have created the post of a Local Community Fundraising Manager to specifically focus on raising funds, and awareness of the Charity within the head office and manufacturing sites of our major supporters throughout the UK.
  - We have attended a number of trade shows and raised funds and organised raffles at industry awards
  - Obtained pro-bono public relations services from leading industry agency Publicasity, who have helped us produce and deliver press releases to all relevant publications, and provided a collation service for each project.
  - We promote our services nationally via recognised grant-making publications and websites including Guides to Grants for Individuals in Need, Turn2Us and the Association of Charity Officers. In addition we use the trade press and company magazines within the industry.
  - In conjunction with 32 other benevolent funds, we continued to support a joint initiative set up by the Association of Charity Officers called 'Benevolence Today' to create and develop an effective national programme of awareness of benevolence funds aimed at voluntary agencies (such as Age Concern, Citizen Advice Bureaux etc.).
- What we will do next year:
  - We will continue with the awareness schemes detailed above.
  - We will investigate low cost e-communication tools such as an e-newsletter, linking with social networking media and redeveloping our website to a low cost content management site.
  - We will meet with all our major sponsors to ensure their continued understanding of the charity, and develop a programme of awareness and involvement with their past and present employees.
  - Develop a planned programme of regular public relations and advertising to promote 'Sweet Charity' creating greater understanding of our aims and objectives.

#### Raising sufficient funds to cover annual expenditure and to maintain reserves to the equivalent of two years minimum annual expenditure on welfare and overhead support costs.

- What we have done:
  - In order to rebuild our reserves we have moved our investment portfolio to a Charities Common Investment Fund managed by Barings Asset Management, providing greater protection and more opportunities for growth.
  - We tried to attract new committee members but this proved very difficult due to companies reducing their staff around the country to provide overhead savings. We also found that individual work loads have increased putting further pressure on achieving this objective.

# The Confectioners Benevolent Fund

## Trustees' Report for the year ended 31 August 2009 (continued)

- We moved our Central Office in January 2009 to smaller premises to reduce costs and we reduced other overheads during the year as it became apparent that fundraising would be difficult.
  - We created the new position of Local Community Fundraising Manager to try and generate new fundraising at key manufacturing sites throughout the UK
  - We successfully worked with other charities and organisations to seek joint funding of welfare needs for our beneficiaries.
- What we will do next year:
    - Seek to attract further committee members from a wider cross-section of our industry and target to increase each committee by two new members.
    - Seek to achieve the target of a minimum of 2 years of reserves/investments to cover the continuation of our existing welfare services in this time period.
    - Following the Central Office move ensure that we maintain these savings and look at all other opportunities to reduce costs.
    - Continue the work of the Local Community Fundraising Manager to find new streams of income but ensure that this does generate a net return.
    - Look at opportunities to cover the cost of some of our welfare expenditure that could be suitable for sponsorship – Beneficiary Outings – Christmas Hampers – Birthday Cards and Gift Vouchers.
    - Source wherever possible other/joint funding for our Welfare projects.
    - Identify new companies and organisations that can help us increase our fundraising.
    - Increase the profitability of our fundraising events by reducing costs

## Financial Review 2008-9

### Fundraising and events

As the year progressed the effects of the economic downturn became increasingly apparent. Whilst voluntary income increased, with donations from our major supporters at comparable levels to last year and additional support from Booker and Palmer & Harvey (who held a very successful 'President's' golf day on our behalf raising £21k), fundraising and investment income came under pressure. Numbers attending our main central events (Candy Ball and Burns Supper) fell. Cost savings were made on both events enabling Burns to produce a net result of £117.8k similar to last year, but net income from the Candy Ball fell by £50k. Net income from raffles and trade support held firm. Income from existing events reduced slightly but this was compensated by attracting income from several new events.

Area Committee net income decreased by £36k increasingly affected by the economic downturn as the year wore on, suffering falling attendances at events. London and Southwest committees deferred events to 2009-10. In 2007-8 Scotland benefited from income from its inaugural event, a summer ball in September 2007 as well as income from its August 2008 ball.

Investment income fell in the year as the full impact of the economic crisis became apparent, with interest rates falling dramatically and dividends being reduced. Interest from instant access deposits reduced by £6k to £5k and investment income by £30k to £64k, partially offset by interest of £9k from a one year fixed rate deposit of £150k (see investments below).

Central fundraising & area committee support costs have increased by some £18k largely due to the appointment of a Local Community Fundraising Manager to specifically focus on creating awareness and raising funds. Expenditure on publicity and awareness has fallen from 2007-8 where consultancy, design and development work consequential on our strategy review increased costs.

### Charitable Activities

Charitable expenditure on grants, goods and services was £389,790 (2007-8 £370,029), the increase in expenditure mainly relating to one off discretionary payments. Welfare salaries and expenses increased marginally to £183,205 (2007-8 £181,072).

### Administration costs

Governance costs, establishment expenses and other overheads remain well controlled. Included in this years figure of £201.1k for support costs are the costs of moving the central office (£41k in total, which

# The Confectioners Benevolent Fund

## Trustees' Report for the year ended 31 August 2009 (continued)

includes dilapidations of £14k for our old offices at Red Lion Street and £18k in respect of services donated at nil charge). The benefits of the move in terms of lower rent, rates etc are now being seen in reduced overhead costs.

### Balance sheet

Net assets decreased by £223,037 to £2,343,051 the principal movements being as follows:

Investments decreased by £147k following a further period of economic turmoil (see investments below)

Debtors increased by 7k due to timing of events however there was an underlying decrease of £22k due to our increased efforts in debt collection.

Creditors increased by nearly £47k to £132,063 largely due to an increase in deferred income from ticket sales received in advance of 2009-10 events, which is a timing issue and a creditor of £14k for dilapidations.

Cash decreased by £38,000 resulting from the loss of £74k on net incoming resources and the movement in debtors and creditors during the year.

Reserves at 31 August 2009 are £2,343,051 a decrease of £223,037 and now stand at 149% (2008 174% on the same basis) of target (see reserves policy on page 13).

### Volunteers

The contribution of volunteers to the Charity continues to be fundamental to its success. Volunteers give their time, free of charge, visiting beneficiaries, sitting on Board sub-committees as well as organising fundraising activities and outings with local Area Committees. Our volunteers come from across the industry. We have retailers, manufacturers and wholesalers all represented on Area Committees, as well as companies and agencies supplying services to our industry. The volunteer committees generated 22% of our total incoming resources in 2008-9 and during the year we had the services of 46 volunteer visitors, an indication of the importance of the contribution that they make to the Charity.

We have embarked on a campaign to increase the number of volunteer Visitors for our beneficiaries. We will be targeting both those currently employed in the industry and those who have recently retired.

### Governance and Internal Control

The Confectioners Benevolent Fund is a company limited by guarantee (incorporated on 15 April 2005) registered in England and Wales no.5425493 and registered with the Charity Commission, No 1109578. and the office of the Scottish Charity Regulator, No. SC038665, as it undertakes charitable fundraising activities (see page 9 Scottish Committee) and has over 68 beneficiaries in Scotland.

A Memorandum and Articles of Association regulate the governance of the Charity clearly defining its objectives and the powers the Board may exercise in the furtherance of these objectives.

All members of the Board of Directors of the incorporated Charity are also the members of the company and in this capacity they select new members of the Board. Trustee Directors serve for a three-year period and may then be re-elected to serve for a further three years. They must then retire for one year before becoming eligible for re-election unless the Board, by ordinary resolution, determines otherwise for a good and sufficient reason.

The Board is composed of members who are either representatives of the Charity's major contributors, the Area Committees or associate organisations and includes the Chairman of the Charity, the President, the Vice-President, the Immediate Past President and the Honorary Treasurer. Four members shall form a quorum. The Board has the power to set up trading companies should the need arise.

None of our Trustee directors are remunerated. Details of expenses reimbursed to trustees is disclosed in note 7 to the accounts. All Trustee Directors are required to sign an annual declaration of any relevant interests, which might give rise to a conflict of interest. Prior to every meeting of the Board, Trustees are required to declare any potential conflicts of interest and a Trustee having a material interest in a matter under discussion may not vote on any such matter.

New Trustees are given an individual induction by the Chairman and/or the Director General covering the history of the Charity, its current objects/strategy and their responsibilities specific to the Charity. They

# The Confectioners Benevolent Fund

## Trustees' Report for the year ended 31 August 2009 (continued)

are also provided with an induction pack containing this and other relevant information, together with guidance on the general responsibilities of trustees. A formal presentation on the responsibilities of trustees, provided by the professional third party, takes place annually during our November Board meeting, providing an annual update to all trustees.

Trustees are selected from major donors to the Fund, manufacturers, suppliers and distributors to the confectionery and related industries as well as from our voluntary Area Committees, with a view to balancing the representation from these various sectors and the skills balance that they will individually contribute to the Board.

The Board meets quarterly and has responsibility for the strategic direction and policy of the Charity. Patrick Davis in his capacity as Director General manages the day-to-day operations of the Charity. He reports to the Board of Trustees at their quarterly meetings and attends these meetings in an advisory capacity, as does the Welfare Manager and the Company Secretary. During the year the Board undertook a self-assessment appraisal to review the effectiveness of the board and determine if any aspects required attention. The results of this assessment were satisfactory. In tandem with this a code of conduct has been developed with which all our trustees are expected to comply.

Various Trustees sit on our Sub-Committees (see page 14). Each sub-committee has terms of reference, within which they may operate and which are subject to periodic review (in 2008-9 the terms of reference of the Investment & Audit and Steering Committee were reviewed). All sub-committees are required to report decisions made within these terms of reference at the subsequent Board meeting. The Charity has committees responsible for Welfare, the Candy Ball, Investment & Audit, and Staff Remuneration. In addition a Steering Committee is delegated the responsibility to review matters relating to strategy and any other action points that the Board require further investigation and recommendations.

It has been decided to replace the Candy Ball sub committee with a Fundraising Committee having broader responsibilities to determine the content and format of Board approved Fundraising Activities in line with the budget set for such activities and recommend new fundraising activities to the Board for consideration and approval. The terms of reference of this committee have been approved and members will be appointed in the coming year.

Two committees may co-opt non-trustees to assist: the Candy Ball/ Fundraising Committee may co-opt non-trustees with industry knowledge and contacts relevant to our fundraising activities and the Welfare Committee co-opts individuals with appropriate welfare skills and/or industry experience.

### **Risk Management**

The Trustees have examined the short, medium and long-term risks to the Fund. They have determined the differing potential of these risks and formally review them each year and take action as appropriate. The major risk to the Fund is the consolidation and globalisation of the confectionery, snacks and soft drinks manufacturers coupled with the dominance of the UK multiples over the traditional confectionery/tobacco/newsagents retailers whom we represent. This has a significant influence on our ability to secure funding. This was recognised in our major strategic review in 2008 and efforts are ongoing to broaden our supporter base and maintain close links with current supporters.

### **Investment Policy**

In 2005 Baring Asset Management was appointed the Fund's investment manager and an investment strategy of 'targeted' returns approved by the Board. The Investment & Audit Committee reviewed our investment policy during the year and recommended only minor changes to the Board. Our targets remain unchanged:

- Income generation of 3% after fees
- Maintenance of the real capital value of the fund, by achieving a return of at least RPI plus yield, being no less than 6.5%.

The 2007-8 performance of our investment portfolio was impacted by exceptionally difficult financial markets, against the background of the world-wide banking crisis and ensuing recession. In autumn 2008 these conditions continued to worsen and at the end of October 2008 the value of our portfolio had fallen to

## **The Confectioners Benevolent Fund**

# **Trustees' Report** for the year ended 31 August 2009 (continued)

£1,576,000. In the light of this continued diminution in value, the Investment Committee undertook discussions with our investment managers to review our options. It was decided to move our portfolio into the Baring Asset Management Targeted Return Fund for charities, a common investment fund. This has the advantages of lower risk, additional flexibility and transparency and offers greater opportunity for capital growth in current market conditions. A number of charities have invested in this fund during the last 12 months, which had a value circa £30 million in total at the end of July 2009. The value of the portfolio has recovered to £1,866k (an increase of £296k) since being invested in the Targeted Return Fund.

Just prior to the 2007-8 year end £150k was withdrawn from the investment portfolio and in September 2009 placed on a 1-year term deposit at 6.5%. These funds have now matured and £100k has now been re-invested back in the Targeted Return Fund. Interest of £9k was earned in the year on these funds

### **Reserves Policy**

Our reserve policy is reviewed annually. It was last amended in 2004-5 at which point our stated aim was to build reserves to the equivalent of five years welfare expenditure. Our ability to achieve this target has been adversely impacted by the turbulence in the financial markets and the movement of the UK economy into recession. In 2008-9 our reserves have been impacted by a further £149k decline in the value of our investment portfolio (in addition to £282k reduction in 2007-8) and fundraising has become significantly more difficult, while the requirements of our beneficiaries have not reduced. In the light of this experience, the policy aiming to have five years reserves was seen as unrealistic and has been amended to two years annual expenditure on welfare and overhead support costs. This level is regarded as sufficiently prudent to safeguard our beneficiaries' interests and meet our obligations to them. We evaluate our financial plans using a model with a three-year time horizon, incorporating various risk scenarios to evaluate their impact upon reserves.

Our investments/reserves currently stand at the equivalent of 3 years of ongoing welfare expenditure and relevant overheads.

### **Trading Company CBF (1993) Ltd.**

CBF (1993) Ltd is a wholly owned trading company, which is incorporated in the United Kingdom – registration no. 2844432. The company donates all profits to the Charity. Its audited accounts are filed with the Registrar of Companies.

The primary purpose of the trading company was to produce the Candy Ball and to operate certain other activities that might be regarded as trading. With effect from 1 September 2008 the activities of CBF (1993) Ltd. were transferred to the Charity, as its 'trading' activities are within the limits permissible for corporation tax purposes in the Charity. CBF (1993) Ltd will be retained as a dormant entity to be utilised in the event that the Charity's trading activities increase substantially.

The Directors of the subsidiary company are: R Grundy, G Walker and P Davis.

By order of the Trustees

**Mike Denyard**, Chairman  
10 November, 2009

# The Confectioners Benevolent Fund

## Trustees, Management & Advisors

year ended 31 August 2009

### Registered Office

19-20 Hatton Place, London EC1N 8RU

### Board of Trustees

Mike Denyard (**Chairman**)

Charles Wilson (**President**)

Robert Grundy (**Hon Treasurer**)

Peter Barnes (resigned 10 February 2009)

Richard Bishop (resigned 10 February 2009)

Christopher Etherington

David Glynn-Jones

Darren Goldney (appointed 20 May 2009)

Paul Graham (resigned 19 October 2009)

Peter Hough

Christopher McLaughlin (appointed 10 November 2009)

David McNulty (resigned 20 May 2009)

Graham McPherson (deceased 14 April 2009)

Christopher Morgan

Kishor Patel (appointed 11 November 2008)

David Pogson

Margaret Robinson

Stuart Storey

Michael Taylor (resigned 25 August 2009)

Graham Walker

Unless otherwise indicated all trustees served on the Board throughout the whole of the 12 months ending 31 August 2009.

### Welfare Committee

Mike Granger (**Chairman**)

Terry Horn

Bob Lock

John Matchett

Christopher Morgan \*

Stan Murton

Bill Tyzack

### Steering Committee

Mike Denyard (**Chairman**) \*

Patrick Davis

Stuart Storey \*

David Glynn-Jones \*

Margaret Robinson \*

### Investment & Audit Committee

David Glynn Jones (**Chairman**) \*

Patrick Davis

Mike Denyard \*

Robert Grundy \*

### Remuneration Committee

David Glynn-Jones (**Chairman**) \*

Peter Hough \*

Robert Grundy \*

Christopher Morgan \*

\* Trustee Director

# The Confectioners Benevolent Fund

## Trustees, Management & Advisors

year ended 31 August 2009 (continued)

### Auditors

Kingston Smith LLP, Chartered Accountants, 60 Goswell Road, London EC1M 7AD

### Investment Fund Managers

Baring Asset Management, 155 Bishopsgate, London EC2M 3XY

### Solicitor

Richard Hughes (Sidley Austin LLP)

### Bankers

National Westminster Bank PLC, North Audley Street, London W1

### Staff

Director General:	Patrick Davis
Welfare Manager:	Robin Lomas
Fundraising & Events Manager:	Sarah Fitzer
Development Manager:	Mike Nelson
Community fundraising manager	J Easton Millar
Finance Manager/Company Secretary:	Janet Ford
Office Manager:	Geraldine McLachlan
Office Administrator:	Teresa Reynolds
Welfare Officers:	York Jenni Close
	North West Dot Curtin
	Midlands Janet Kempson
	Sheffield Terry Sully & Liz Taylor
	London & South East Yusuf Yusuf (Resigned August 2009) / Peter Patton (Appointed September 2009)
	Scotland Steven Trowman
	South & South West Irene Wills

## The Confectioners Benevolent Fund

# Donations & Sponsorship year ended 31 August 2009

### Over £50,000

The Cadbury Foundation/Cadbury UK  
Nestlé UK  
Mars UK

### £10,000 - £49,999

Booker  
Kraft Foods  
Palmer and Harvey

### £1,000 - £9,999

Bernard Matthews  
Britvic  
M Butler (sponsorship for running the London marathon)  
Coca Cola Enterprises  
C Store Connections event  
Cadbury Mintmasters  
Federation of Wholesale Distributors (Gold Medal Awards)  
Food From Britain (Export Awards)  
General Mills  
Glendenning  
Green & Blacks  
Kelloggs  
Landmark Wholesale Group  
McKinsey & Company

Mulberry Trust  
Nisa Today's  
K Patel  
Walkers Snack Foods  
Newtrade Publishing  
Nexus Media Communication (Retail Industry and Quality Food Awards)  
Sugro  
Sugro members  
Typhoo  
Unilever  
United Biscuits  
The Wrigley Company

### Under £1,000

Allied Bakeries  
D Atwell  
P Baird  
G Baker  
M Banner  
P Barnes  
J Barrett  
P Basham  
G Belfield  
C Brand  
British American Tobacco  
M Carter  
Y Cashin  
CBF beneficiaries (for raffle funds raised)  
G Cook  
Courtney & Nelson  
M Davey  
P Davis  
R Dawson  
M Denyard  
C Doody  
J Elliott

V Freeburne  
D Glynn-Jones  
M Granger  
A Grew  
H & G Ritchie  
P Hudson  
R Hughes  
J B Communications  
John Henderson Ltd  
A Jones  
J & T Enterprises  
Mr & Mrs Kerr  
J Lewis  
J Marks  
G McLachlan  
G McPherson  
Michael Davies & Associates  
N Morgan  
J S Morrison  
M Nelson  
O'Reilly's Sweets  
Palmer and Harvey employees  
Paypoint

G Piper  
D Pogson  
A & O Pugh  
M Robinson  
V Robinson  
Scottish Local Retailer  
SHS Sales & Marketing  
Tangerine  
J R Taylor  
Mr & Mrs Taylor  
TNS UK  
W Tyzack  
M Webber OBE  
William Reed Publishing  
Wrigley Employees  
Yorkshire Building Society

R Duffield, P Metcalfe, P Birch & S Fello who undertook sponsored events to raise funds for Sweet Charity

## The Confectioners Benevolent Fund

# Donations and Sponsorship year ended 31 August 2009 (continued)

### We would like to express our grateful thanks to the following:

Chartwells for their payroll and accounts services.

Sidley Austin for their legal assistance.

Publicasity for their public relations assistance.

The many donors who have contributed their products and prizes for events.

Friends & colleagues who sponsored individuals and events during the year and held raffles.

The Trade Press, particularly:

Asian Trader

Cash & Carry Management

Confectionery Production

Convenience Store

Independent Retail News

Nisa Consortium

Pro Wholesaler

Retail Express,

Retail Newsagent

SLR (Scottish Local Retailer)

The Grocer

[www.talkingretail.co.uk](http://www.talkingretail.co.uk)

The national trade shows particularly CRS, ISM (Food From Britain), Pro Retail, and NISA Today's.

## Memorial Tribute

To give recognition to an individual, following a one-off minimum donation of £1,000, their name is recorded in our book of recognition, and on our website.

# **The Confectioners Benevolent Fund**

## **Auditors' Report** for the year ended 31 August 2009

### **Independent Auditors' Report To The Members And Trustees Of The Confectioners Benevolent Fund**

We have audited the group and parent charitable company financial statements of The Confectioners Benevolent Fund for the year ended 31 August 2009 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charitable company Balance Sheets and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members and trustees those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of the company for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006, section 43 of the Charities Act 1993 and under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 1993. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate and proper accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Chairman's report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances, consistently applied and adequately disclosed.

# **The Confectioners Benevolent Fund**

## **Auditors' Report** for the year ended 31 August 2009 (continued)

### **Independent Auditors' Report To The Members Of The Confectioners Benevolent Fund (continued)**

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 group's and the parent company's affairs as at 31 August 2009 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been properly prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, and the Charities Act 1993; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Sandra De Lord, Senior Statutory Auditor  
For and on behalf of Kingston Smith LLP, Statutory Auditor  
Devonshire House, 60 Goswell Road, London, EC1M 7AD

Date: 18 December 2009

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

## **The Confectioners Benevolent Fund**

# **Statement of Trustees Responsibilities**

**year ended 31 August 2009**

## **To the Members of The Confectioners Benevolent Fund - Statement of Trustees Responsibilities in Relation to the Financial Statements**

The trustees (who are also the directors of The Confectioners Benevolent Fund for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Audit information**

So far as each of the directors at the time the trustees' report is approved is aware:

- a) there is no relevant information of which the auditors are unaware; and
- b) they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

# The Confectioners Benevolent Fund

## Consolidated Statement of Financial Activities (including Income and Expenditure) for the 12 months ended 31 August 2009

	Notes	2009 £	2008 £
<b>Incoming resources</b>			
Incoming resources from generated funds: Voluntary income	2	282,901	239,164
Activities for generating funds: Central & area committee fundraising	3	922,338	1,123,891
Investment income	5	78,579	106,086
<b>Total incoming resources</b>		<b>1,283,818</b>	<b>1,469,141</b>
<b>Resources expended</b>			
Cost of generating funds: Costs of generating voluntary income		(1,539)	(1,085)
Central & area committee fundraising	3	(683,288)	(771,390)
Investment manager fees		1,378	(3,988)
<b>Total cost of generating funds</b>		<b>(683,449)</b>	<b>(776,463)</b>
<b>Net incoming resources available for charitable application</b>		<b>600,369</b>	<b>692,678</b>
Charitable activities: Grants	6	(232,687)	(228,306)
Goods & services	6	(157,103)	(141,723)
Support costs	6	(249,066)	(234,479)
Total expenditure on charitable activities		(638,856)	(604,508)
Governance costs	7	(35,057)	(33,511)
<b>Total resources expended</b>		<b>(1,357,362)</b>	<b>(1,414,482)</b>
<b>Net (outgoing) incoming resources before other (losses) gains</b>		<b>(73,544)</b>	<b>54,659</b>
Other recognised gains & losses: Realised losses on investment assets	13	(446,010)	(125,570)
<b>Total net (loss) income for the year</b>		<b>(519,554)</b>	<b>(70,911)</b>
Unrealised net gains (losses) on investment assets	13	296,517	(156,036)
<b>Net movement in funds</b>		<b>(223,037)</b>	<b>(226,947)</b>
Balance brought forward from previous year		2,566,088	2,793,035
<b>Balance carried forward at 31 August 2009</b>	<b>16</b>	<b>2,343,051</b>	<b>2,566,088</b>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities. There have been no acquisitions or discontinued operations during the current year.

The notes on pages 23 to 30 form part of these financial statements.

# The Confectioners Benevolent Fund

## Balance Sheet as at 31 August 2009

	Notes	As at 31 August 2009		As at 31 August 2008	
		Group £	Charity £	Group £	Charity £
<b>Fixed assets</b>					
Tangible assets	12	14,391	14,391	12,641	12,641
Investments	13	1,866,092	1,866,094	2,012,806	2,012,808
		<b>1,880,483</b>	<b>1,880,485</b>	<b>2,025,447</b>	<b>2,025,449</b>
<b>Current assets</b>					
Debtors & prepayments	14	84,836	84,836	78,134	80,602
Cash with Area Committees		59,109	59,109	75,556	75,556
Cash with bank		450,686	450,686	472,012	469,009
		<b>594,631</b>	<b>594,631</b>	<b>625,702</b>	<b>625,167</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(132,063)	(132,065)	(85,061)	(85,061)
<b>Net current assets</b>		<b>462,568</b>	<b>462,566</b>	<b>540,641</b>	<b>540,106</b>
<b>Net assets</b>		<b>2,343,051</b>	<b>2,343,051</b>	<b>2,566,088</b>	<b>2,565,555</b>
<b>Funds</b>					
Unrestricted		2,343,051	2,343,051	2,565,555	2,565,555
Non charitable trading		-	-	533	-
<b>Total funds</b>	16	<b>2,343,051</b>	<b>2,343,051</b>	<b>2,566,088</b>	<b>2,565,555</b>

The financial statements were approved and authorised for issue on 10 November 2009

M Denyard, Chairman

Robert Grundy, Honorary Treasurer

# The Confectioners Benevolent Fund

## Notes to the Accounts for the year ended 31 August 2009

### 1 ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment portfolios in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, accounting standards and the Companies Act 2006.

The financial statements consolidate the results of the Charity and its wholly owned trading subsidiary, CBF (1993) Ltd. on a line by line basis. Neither a separate Statement of Financial Activities nor an income and expenditure account has been presented for the Charity alone as permitted by section 408 the Companies Act 2006 and paragraph 397 of the SORP.

#### INCOMING RESOURCES

All incoming resources are accounted for in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income: Income from donations is accounted for on a receivable basis being included at the earliest of the date of receipt or the point at which a pledge is received in writing.

Investment income: Income from investments is accounted for on a receivable basis.

Gifts in kind: Goods donated for fundraising events are included in income in the financial statements at market value and a corresponding amount is included in resources expended against the respective activities. The donation of services is similarly recognised in the financial statements based on estimated market value.

The value of services provided by volunteers is not included in these financial statements.

#### RESOURCES EXPENDED

Liabilities: Are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds: Comprises costs which are associated with the cost of raising funds.

Charitable activities: Comprises expenditure incurred in the performance of the charity's objectives. It includes monetary grants and the expenditure incurred in providing goods and services to beneficiaries and the costs of administering this charitable provision.

Grants payable are recognised in the year when the offer is conveyed to the recipient, except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

Governance: Comprises costs incurred in the strategic management of the Charity as opposed to those incurred in the performance of its operational activities. It includes costs incurred in the preparation of information required for public accountability in compliance with applicable laws and regulations and costs associated with the strategic management of the Charity's activities as opposed to its day-to-day activities.

Allocation and apportionment of costs: Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support costs have been apportioned to activities on the basis of staff time spent.

# The Confectioners Benevolent Fund

## Notes to the Accounts for the year ended 31 August 2009

### 1 ACCOUNTING POLICIES (continued)

#### TANGIBLE FIXED ASSETS

All assets costing over £200 are capitalised subject to considerations as to the likely useful life of each item. Tangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at the following rates:

Office furniture and equipment	20% per annum
Computers	25% per annum
Major computer software	33% per annum

#### LEASED ASSETS

The Charity has no finance leases. Operating lease rentals are charged to the income and expenditure account on a straight line basis over the lease term.

#### INVESTMENTS

Investments are stated at market value. Realised and unrealised gains and losses on investments are recognised in the Statement of Financial Activities for the period to which they relate.

#### PENSIONS

The Charity makes payments on behalf of employees within a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in a year.

#### LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. The members of the Company are the Trustee Directors (who are named on page 14). The liability of each member in the event of winding up is £1.

#### FUND ACCOUNTING

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the Trustee Directors in furtherance of the general objectives of the Charity and that have not been designated for any other purpose.

	2009 £	2008 £
<b>2 VOLUNTARY INCOME- Donations</b>		
Donations: to the Charity	<b>232,814</b>	211,412
to Area Committees	<b>10,453</b>	7,193
Donations of funds raised by donors at events/raffles: to the Charity	<b>30,204</b>	4,607
to Area Committees	<b>9,430</b>	15,952
	<b>282,901</b>	239,164

Included in donations to the Charity is £18,450 (2008 £433) in respect of donated legal and professional services donated at nil charge. The corresponding amount for the donation of services is included in support costs note 8.

# The Confectioners Benevolent Fund

## Notes to the Accounts for the year ended 31 August 2009

	2009			2008		
	Income £	Expense £	Surplus £	Income £	Expense £	Surplus £
<b>3 FUNDRAISING</b>						
Candy Ball	346,817	(166,217)	180,600	439,105	(208,581)	230,524
Burns Supper	176,466	(58,643)	117,823	192,865	(74,680)	118,185
Raffles and trade support	25,870	(4,180)	21,690	23,028	(2,449)	20,579
Other fundraising	74,636	(41,214)	33,422	77,667	(39,391)	38,276
Central fundraising	623,789	(270,254)	353,535	732,665	(325,101)	407,564
South West	-	-	-	21,525	(15,178)	6,347
York	49,939	(39,123)	10,816	69,914	(46,370)	23,544
North West	79,004	(53,793)	25,211	89,189	(59,771)	29,418
Northern Ireland	37,396	(17,443)	19,953	41,470	(16,388)	25,082
London	4,093	(664)	3,429	23,390	(16,724)	6,666
Midlands	56,540	(26,485)	30,055	60,655	(30,221)	30,434
Scotland	21,695	(15,971)	5,724	43,139	(33,386)	9,753
Eastern Counties	10,103	(6,299)	3,804	10,038	(6,031)	4,007
Area committee fundraising	258,770	(159,778)	98,992	359,320	(224,069)	135,251
<b>Fundraising support costs:</b>						
Fundraising salaries and direct expenses	-	(98,114)	(98,114)	-	(80,207)	(80,207)
Publicity and awareness	39,779	(42,548)	(2,769)	31,906	(42,896)	(10,990)
Support costs (note 8)	-	(112,594)	(112,594)	-	(99,117)	(99,117)
	<b>922,338</b>	<b>(683,288)</b>	<b>239,050</b>	<b>1,123,891</b>	<b>(771,390)</b>	<b>352,501</b>

Gifts in kind included in the income and expenses above, amount to: Central fundraising events and raffles £66,230 (2008 £81,529), Area committee fundraising £44,732 (2008 £55,738).

Publicity and awareness income and expenses includes £39,779 (2008 £31,906) being the value of advertisements placed in various trade publications and exhibition space at major industry trade shows, to help raise awareness of the charity and help in its fundraising efforts.

	2009			2008		
	Candy Ball £	Other £	Total £	Candy Ball £	Other £	Total £
<b>4 NET INCOME FROM THE TRADING ACTIVITIES OF THE SUBSIDIARY CBF (1993) LTD</b>						
Turnover	-	-	-	289,732	4,659	294,391
Trading expenses	-	(32)	(32)	(139,284)	(2,655)	(141,939)
Operating (loss) profit	-	(32)	(32)	150,448	2,004	152,452
Interest received	-	24	24	-	666	666
Net (loss) profit	-	(8)	(8)	150,448	2,670	153,118
Amount donated to The Confectioners Benevolent Fund	-	(525)	(525)	(150,448)	(2,670)	(153,118)
<b>Retained in subsidiary</b>	-	<b>(533)</b>	<b>(533)</b>	-	-	-

# The Confectioners Benevolent Fund

## Notes to the Accounts for the year ended 31 August 2009

	2009 £	2008 £
<b>4 NET INCOME FROM THE TRADING ACTIVITIES OF THE SUBSIDIARY CBF (1993) LTD (continued)</b>		
The subsidiary's net assets were comprised as follows:		
Debtors	2	6,240
Cash at bank	-	3,003
Creditors	-	(8,708)
<b>Retained in subsidiary</b>	<b>2</b>	<b>535</b>
The primary purpose of the trading company was to produce the Candy Ball and to operate certain other activities that might be regarded as trading. In 2007-8 these other activities related to the advertising revenue received and revenue arising from the sale of the CBF diary. With effect from 1 September 2008 the activities of the trading company in respect of the Candy Ball were transferred to the Confectioners Benevolent Fund and production of the CBF diary ceased.		
	2009 £	2008 £
<b>5 INVESTMENT INCOME</b>		
UK dividend income (equities, unit trusts and common investment fund)	45,376	18,351
UK other investment income (including bank deposit interest on managed funds)	10,883	51,943
Overseas income	7,728	23,730
Interest on cash deposits	14,592	12,062
	<b>78,579</b>	<b>106,086</b>
	2009	2008
<b>6 CHARITABLE EXPENDITURE</b>		
<b>Direct Welfare Payments &amp; Grants:</b>		
Number of beneficiaries assisted	1,565	1,555
Number of individuals assisted by 'one-off' grants	200	175
All grants are paid to individuals and are in accordance with the objects of the Charity		
	2009 £	2008 £
<b>Monetary grants payable in furtherance of the Charity's objectives:</b>		
Quarterly grants	(232,687)	(228,306)
<b>Provision of goods and services in furtherance of the Charity's objectives:</b>		
One-off grants	(61,683)	(44,996)
Birthday vouchers and TV licenses	(34,181)	(37,825)
Christmas hampers	(39,045)	(39,368)
Publication of the Candy Carer	(6,028)	(6,544)
Holidays and beneficiary outings	(16,166)	(12,990)
	<b>(157,103)</b>	<b>(141,723)</b>
Support costs: Welfare Director & Welfare Officers - salaries and direct expenses	(169,659)	(164,746)
Other expenses	(13,546)	(16,326)
Support costs (note 8)	(65,861)	(53,407)
	<b>(249,066)</b>	<b>(234,479)</b>
<b>Total expenditure on charitable activities</b>	<b>(638,856)</b>	<b>(604,508)</b>

# The Confectioners Benevolent Fund

## Notes to the Accounts for the year ended 31 August 2009

	2009 £	2008 £
<b>7 GOVERNANCE COSTS</b>		
Meeting costs	(204)	(118)
Audit: current year	(9,201)	(8,908)
Printing annual report	-	(2,278)
Legal & professional advice (including trustee training)	(1,187)	-
Trustee liability insurance	(998)	(997)
Other expenses	(779)	(1,482)
Support costs (note 8)	(22,688)	(19,728)
	<b>(35,057)</b>	<b>(33,511)</b>

The trustees were not remunerated.

One trustee was reimbursed £204 (2008 one trustee was reimbursed £119) for expenses incurred in attending meetings during the year.

	2009				2008			
	Central fund- raising £	Charit- able Activities £	Govern- ance £	Total £	Central fund- raising £	Charit- able Activities £	Govern- ance £	Total £
<b>8 SUPPORT COSTS</b>								
Printing, stationery, books & postage	(231)	(185)	(46)	(462)	(555)	(444)	(111)	(1,110)
Telephones	(1,349)	(1,079)	(270)	(2,698)	(1,563)	(1,250)	(313)	(3,126)
Salaries & expenses	(67,186)	(29,534)	(13,606)	(110,326)	(68,227)	(28,688)	(13,550)	(110,465)
Establishment expenses	(17,322)	(13,859)	(3,465)	(34,646)	(22,617)	(18,094)	(4,523)	(45,234)
Office relocation	(20,487)	(16,389)	(4,097)	(40,973)	-	-	-	-
Office machinery, equip- ment & maintenance	(2,472)	(1,977)	(494)	(4,943)	(3,032)	(2,425)	(606)	(6,063)
Depreciation & disposal of tangible assets	(2,692)	(2,154)	(539)	(5,385)	(2,395)	(1,923)	(479)	(4,797)
Sundry expenses	(855)	(684)	(171)	(1,710)	(728)	(583)	(146)	(1,457)
	<b>(112,594)</b>	<b>(65,861)</b>	<b>(22,688)</b>	<b>(201,143)</b>	<b>(99,117)</b>	<b>(53,407)</b>	<b>(19,728)</b>	<b>(172,252)</b>

The costs shown above are not specific to any one activity and have been allocated as follows:

Salaries & expenses: On the basis of a judgement of the proportion of time spent by the Director General, Finance Manager, Office Manager and Office Administrator on these activities.

Other: On the basis of a judgement of the proportion of time spent by all employees on these activities (fundraising 50%, charitable activities 40% & governance 10%).

Included within sundry expenses is a charge of £450 (2008 £433) in respect of services donated at nil charge.

Office relocation costs are the one-off costs arising from the relocation in January 2009 of our offices (of which £14,000 relates to dilapidations for the premises in Red Lion Street and £18,000 to donated legal and professional services donated at nil charge.).

A corresponding amount for the donation of services at nil charge is included in donations (note 2 voluntary income).

	2009 £	2008 £
<b>9 Results of the parent undertaking</b>		
Gross income	<b>1,283,794</b>	1,174,084
Net movement in funds: Net movement in funds excluding donation from subsidiary undertaking (CBF (1993) Ltd)	<b>(223,029)</b>	(380,065)
Donation from subsidiary undertaking (CBF (1993) Ltd)	<b>525</b>	153,118
Net movement in funds	<b>(222,504)</b>	(226,947)

# The Confectioners Benevolent Fund

## Notes to the Accounts for the year ended 31 August 2009

10 Charitable expenditure is stated after charging £20,259 (2008 £26,552 operating lease charges).

	2009	2008
<b>11 STAFF COSTS</b>		
<b>Staff Numbers *</b>		
Welfare & casework	5.0	5.5
Publicity & marketing	0.5	0.5
Fundraising	3.0	2.5
Management & administration	0.5	0.5
	<b>9.0</b>	<b>9.0</b>

\* 13 out of 15 employees are part-time (2008 13 out of 15 employees are part-time). These are shown above as full-time equivalent.

	2009 £	2008 £
<b>Staff Costs</b>		
Salaries	(279,596)	(270,888)
Social security costs	(24,495)	(23,932)
Pension costs	(26,750)	(21,124)
	<b>(330,841)</b>	<b>(315,944)</b>

There were no employees with emoluments above £60,000 per annum.

Pension contributions were made to a defined contribution scheme in respect of 13 members of staff

	Cost £	Depreciation £	2009 Net book value £
<b>12 TANGIBLE FIXED ASSETS</b>			
<u>Group &amp; Charity: Office equipment</u>			
Opening balance	29,154	(16,513)	12,641
Additions	7,138	-	7,138
Disposals	(4,014)	4,011	(3)
Depreciation charge for year	-	(5,385)	(5,385)
<b>At year end</b>	<b>32,278</b>	<b>(17,887)</b>	<b>14,391</b>

	Group £	Shares in Group undertaking £	2009 Charity £
<b>13 INVESTMENTS</b>			
At 31 August 2008	2,012,806	2	2,012,808
Additions at cost	2,126,065	-	2,126,065
Sales proceeds from disposals	(2,089,701)	-	(2,089,701)
Unrealised net gains on revaluation for the period	296,517	-	296,517
Realised loss on disposals	(446,010)	-	(446,010)
Net gain in the year	(149,493)	-	(149,493)
	1,899,677	2	1,899,679
Cash movement	(33,585)	-	(33,585)
<b>Market Value at 31 August 2009</b>	<b>1,866,092</b>	<b>2</b>	<b>1,866,094</b>
<b>Historic Cost at 31 August 2009</b>	<b>1,569,575</b>	<b>2</b>	<b>1,569,577</b>

# The Confectioners Benevolent Fund

## Notes to the Accounts for the year ended 31 August 2009

	2009 Group and Charity £	2008 Group and Charity £
<b>13 INVESTMENTS (continued)</b>		
At the balance sheet date, the investment portfolio was invested as follows:		
Bonds & preference shares:		
UK	-	152,728
Overseas	-	335,217
Equities:		
UK	-	607,599
Overseas	-	312,329
Hedge funds	-	237,842
Property	-	187,674
Commodities	-	131,494
Common investment Fund	<b>1,851,754</b>	-
Cash	<b>14,338</b>	47,923
<b>Market Value at 31 August 2009</b>	<b>1,886,092</b>	2,012,806

	2009 Value £	2008 Value £
%	%	%
At the balance sheet date, the following investments represent more than 5% of the portfolio by market value:		
Baring FM targeted return fund	<b>99.2% 1,851,754</b>	-
Mayfair Cap Part Property Inc Fd Charity	-	6.8% 136,877
Ishares plc FTSE 100 shares	-	11.8% 237,143
Lyxor Asset Management EFT FTSE All Share	-	13.3% 307,271
Baring International Fund Managers IE EM mkt fd USD inc	-	5.9% 118,595

### HOLDINGS IN SUBSIDIARY COMPANY

	Nature of business	Class of shares held	Proportion of class held
CBF (1993) Ltd	Promotional events	Ordinary	100%

The investment in the subsidiary company is held at cost.

	2009 Group £	2009 Charity £	2008 Group £	2008 Charity £
<b>14 DEBTORS &amp; PREPAYMENTS</b>				
Trade debtors	<b>56,437</b>	<b>56,437</b>	51,240	45,000
Tax recoverable	<b>111</b>	<b>111</b>	943	943
Prepayments	<b>15,958</b>	<b>15,958</b>	19,963	19,963
Other debtors	<b>12,330</b>	<b>12,330</b>	5,988	5,988
Amount due from subsidiary	-	-	-	8,708
	<b>84,836</b>	<b>84,836</b>	78,134	80,602
<b>15 CREDITORS: AMOUNTS FALLING DUE IN ONE YEAR</b>				
Deferred income	<b>(68,249)</b>	<b>(68,249)</b>	(29,095)	(29,095)
Other taxes & social security	<b>(7,101)</b>	<b>(7,101)</b>	(8,658)	(8,658)
Other creditors	<b>(56,713)</b>	<b>(56,713)</b>	(47,308)	(47,308)
Amount due to subsidiary	-	<b>(2)</b>	-	-
	<b>(132,063)</b>	<b>(132,065)</b>	(85,061)	(85,061)

# The Confectioners Benevolent Fund

## Notes to the Accounts for the year ended 31 August 2009

	Group £	2009 Charity £	Group £	2008 Charity £
<b>15 CREDITORS: AMOUNTS FALLING DUE IN ONE YEAR (continued)</b>				
Movement on deferred income balances was as follows:				
Opening balance	(29,095)	(29,095)	(58,104)	(55,104)
Released to statement of financial activities	29,095	29,095	58,104	55,104
Fundraising proceeds received	(68,249)	(68,249)	(29,095)	(29,095)
<b>Balance carried forward</b>	<b>(68,249)</b>	<b>(68,249)</b>	<b>(29,095)</b>	<b>(29,095)</b>

The balance for deferred income in both 2009 and 2008 has been caused by advance ticket sales for fundraising events taking place in the next accounting period

	Group £	2009 Charity £	Group £	2008 Charity £
<b>16 RECONCILIATION OF FUNDS</b>				
Opening balance	2,566,088	2,565,555	2,793,035	2,792,502
Net Movements in Funds	(223,037)	(222,504)	(226,947)	(226,947)
<b>Funds at 31 August 2009</b>	<b>2,343,051</b>	<b>2,343,051</b>	<b>2,566,088</b>	<b>2,565,555</b>

At the balance sheet date all the Charity's assets and liabilities were represented by unrestricted funds.

### 17 COMMITMENTS UNDER OPERATING LEASE

At 31 August the Charity had annual commitments under non-cancellable operating leases as follows:

	2009				2008			
	Expiring after 5 years £	Expiring between 2 & 5 years £	Expiring between 1 & 2 years £	Total £	Expiring after 5 years £	Expiring between 2 & 5 years £	Expiring between 1 & 2 years £	Total £
Buildings	-	19,057	-	19,057	-	-	9,454	9,454
Fixtures & fittings	-	1,787	-	1,787	-	1,787	436	2,223
	-	<b>20,844</b>	-	<b>20,844</b>	-	1,787	9,890	11,677

### 18 LEGACIES

The Charity has been notified of two legacies, which have not been included within the financial statements, as no notification of impending distribution has been received. Both are pecuniary legacies, with an estimated total value (as they are subject to probate) of £10,500