

Company Registration No. 3340252 (England and Wales)
Charity Registration No 1061584

**THE WHITEHALL & INDUSTRY GROUP
(A COMPANY LIMITED BY GUARANTEE)**

REPORT AND FINANCIAL STATEMENTS

31 MARCH 2014

TUESDAY



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THE WHITEHALL & INDUSTRY GROUP
(A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Status	The Whitehall & Industry Group is a company limited by guarantee and a registered charity governed by its memorandum and articles of association dated 20 March 1997 (as amended 18 November 2009 and 16 February 2011.)
Charity number	1061584
Company number	3340252
Directors and Trustees	<p>The directors of the charitable company (the Charity) are its trustees for the purpose of charity law. The trustees serving during the year and since the year-end were as follows:</p> <p>Nigel Whitehead - Chairman Bronwyn Hill Nick Bell (appointed 28 August 2013) Bjorn Conway (appointed 28 August 2013) Howard Davies (appointed 28 August 2013) Charles Eales (appointed 28 August 2013) Melanie Lane (appointed 28 August 2013) Chris Last (appointed 28 May 2014) Debbie Alder (appointed 9 September 2014) Catherine Brown (appointed 9 September 2014) Pippa Greenslade (appointed 9 September 2014) Keith Brown (resigned 28 May 2013) James Close (resigned 28 May 2013) Helen Dudley CBE (resigned 20 November 2013) Richard Thomas (resigned 31 March 2014) Rosa Wilkinson (resigned 28 May 2014) Shirley Pointer (resigned 9 September 2014)</p> <p>Debbie Alder, Catherine Brown, Pippa Greenslade and Chris Last, having been appointed since the last Annual General Meeting, retire and, being eligible, offer themselves for re-election. Bronwyn Hill retires by rotation and, being eligible, offers herself for re-election.</p>
Chief Executive	Mark Gibson CB
Company Secretary	Adrian Bannington FCA, C.Dir
Registered office	80 Petty France London SW1H 9EX
Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Solicitors	Clifford Chance 10 Upper Bank Street London E14 5JJ

**THE WHITEHALL & INDUSTRY GROUP
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

The Trustees present their report with the financial statements of the Charity for the year ended 31 March 2014.

Legal and administrative information set out on page 1 forms part of this report. The financial statements have been prepared in accordance with current statutory requirements, the Charity's Memorandum and Articles of Association and the Statement of Recommended Practice: Accounting and Reporting by Charities (The SORP) issued in March 2005.

The Whitehall & Industry Group (WIG) is an independent, not-for-profit, membership organisation that builds understanding and co-operation between the business and government sectors.

Objects of the Charity

The governing document of the Charity is its Memorandum and Articles of Association dated 20 March 1997 (as amended 18 November 2009 to increase the number of trustees from nine to twelve and 16 February 2011 to extend its objects clause to include voluntary organisations).

The objects for which the Charity is established are to promote, for the public good, the efficient public administration of government and public service by means of the provision for public servants, including civil servants, members of the diplomatic service, local authority staff, and staff of other publicly funded bodies, of programmes of study, research, education and training about the organisation and practice of industry and commerce in the UK and for improving in industry and commerce, together with the voluntary sector from 16 February 2011, the understanding of the organisation and practice of government in the UK by means of programmes of study, research, education and training. To achieve this WIG:

- offers membership to companies, government departments and agencies, local authorities, voluntary and other bodies;
- provides cross-sector secondments, attachments, mentoring, leadership programmes and a service for non-executive appointments and support;
- provides workshops, networks and briefings for its members.

Governance & Organisation

The Board of Trustees, that meets four times a year, administers the Charity. Trustees serve for a term of three years and may be appointed for one further term or longer if agreed by the Board; posts are advertised on the Charity's website and are also sent out to member organisations, inviting applications. Appointment is made after interview with the Chairman and, at least, one other Trustee. Newly appointed Trustees receive a letter of appointment and an induction pack and programme covering various aspects of the Charity's activities.

Since the last AGM, three Trustees have resigned as their term had come to an end, one new Trustee was appointed on 28 May 2014 and three on 9 September 2014.

The Board has a wide skills base and cross-sector experience. Each Board member is required to declare any interests, directorships or positions which may conflict with any actual or proposed arrangements with the charity. Such interests etc. are reviewed and authorised annually and training needs are assessed and met as required.

The Board has two formally-constituted sub-committees, each with specific terms of reference and functions delegated by the Board. Each sub-committee is chaired by a Trustee appointed by the Board.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

The Remuneration & Governance Committee is responsible for:

- Reviewing and approving the Charity's Human Resources (HR) policies (including remuneration policy) and associated policies and monitoring their implementation
- Ensuring the appropriate governance of WIG in terms of:
 - The role of the Board
 - The recruitment and induction of Board members
 - Approval of senior Executive appointments
 - HR policies, procedures for WIG staff, and areas of HR risk

The Finance & Risk Committee oversees all financial aspects of the Charity, including budgets, forecasts and reserves policy, and monitors performance against them. It approves the presentation of financial information and reviews the audited financial statements of the Charity and recommends them to the Board. It reviews reports from the auditors and reviews their performance every three years. The Committee also reviews formally all risk issues relevant to the Charity twice a year.

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity and attends by invitation, with the Company Secretary, both the Board and the Finance & Risk Committee meetings and, as appropriate, the Remuneration & Governance Committee.

Review of Activities and Future Developments

During the year, WIG continued to provide relevant events and services for its members. This is reflected in the figures (financial and non-financial) for the year to 31 March 2014.

Our previous review of activities included the following planned developments:

- Continued efforts to build membership levels across the sectors, both through retention and through recruitment
- A high quality events programme on topics which our members value
- Further growth in our work with other charities
- The continued delivery of excellent people exchange opportunities and leadership programmes
- Continued outreach to our regional member organisations
- Completion of our various digital communications projects, notably use of social media channels and development of our website, and delivery of the measurable key success factors, including efficiency of operation

In regard to these, we can report the following progress:

Membership recruitment and retention – satisfactory results have been achieved in terms of membership recruitment and retention. In the year to 31 March 2014, we had a 94% renewal rate from existing members (losing 11) and recruited 13 new members, including nine from the private sector. In the current economic climate, we consider this a good achievement. As at 31 March 2014, our total membership stood at 201 organisations (2013 – 199), with 110 private sector members, 88 public sector members and three not-for-profit members. The majority of those leaving from the public sector were organisations that had been abolished or merged. In the current financial year, renewal rates in all sectors have been satisfactory and we are continuing to attract new members from all sectors.

Membership recruitment and retention continues to be supported by both our relationship management approach (ensuring we understand the needs of all our members) and by our programme of activities (responding to these needs and giving members significant value for their membership fee). In the past year, total engagement (delegates at our events and programmes, people exchange candidates) was, at around 6,000, some 11% higher than last year.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

Further growth in our work with other charities – during the year, our increased work with other charities took the form of (a) recruiting trustees for their boards; (b) identifying opportunities in charities for secondment candidates from other sectors to fill; (c) involving them in our cross-sector learning opportunities, and (d) engaging them as active members of WIG. Total engagement (i.e. delegates attending our events and recruitment opportunities filled) during the year was 187. We anticipate continued growth in this activity in the coming year, including an increase in the number of members with charitable status.

Events programme – during the year, we continued to run an extensive and varied programme, including consultation workshops and senior level briefings, as well as events designed for different communities of interest, for example HR, local authorities, public procurement, sustainability, lawyers, etc. Each event is designed to meet our charitable purpose of bringing public, private and not-for-profit sectors together. The fact that delegate numbers over the year have grown again, along with consistently good feedback, gives us reassurance that we are meeting the needs of our members. Two initiatives are worthy of specific mention; our first conference – on Gender Diversity through a cross-sector lens - took place in December, with over 60 delegates. In addition, The Cabinet Office commissioned us this year to deliver the Commissioning Academy, a leadership programme for central and local government commissioners. We have delivered the programme for six cohorts and will start another three cohorts in 2014/5.

People Exchange and Leadership Programmes – we have again had a good year, despite a small drop in leadership programme income, and provided a range of services designed to meet the needs of our members. Our non-executive opportunities business was enhanced during the year by further development into the Trustee market where our recruitment service proposition has proved attractive. We have also worked strategically with a number of government departments to find cross-sector learning opportunities for their aspiring senior leaders. This has been evidenced through attachments, secondments, mentoring arrangements and organisational raids. As regards our leadership programmes, all programmes (from the Future Leaders Programme to our most senior programme, Exchange) ran successfully during the year. We plan to run all these programmes again this year. We continue to review the content and format of all our programmes to ensure they remain relevant to our member organisation. We remain committed to running cross sector programmes; where we do not have sufficient delegates from one sector, we limit our programmes.

Outreach to regional member organisations – during the year we established “WIG North”, a programme of events for our members in the north of England, with partners Civil Service Local North West (NW), NW Employers and WIG members with significant presence in the North. In addition to providing opportunities to access our London programme digitally, we have run six WIG events in the programme (briefing, workshop, HR Network event, development seminars, round table) with a further five planned by the end of 2014/5. We continue to learn lessons for other possible non-London programmes.

Digital communications - during the year, we completed the installation of our new Customer Relationship Management (CRM) system and this is now being used to enhance the way we communicate with our members and to improve the efficiency of our work processes. Small improvements to our website were made during the year, ahead of a planned major investment in our website which will be designed to fully integrate with the new CRM now that we have this up and running.

Innovation – we introduced an Insight programme for Permanent Secretaries and FTSE chief executives, extended our range of specialist events with a series for Communications Directors in the public and private sectors, roundtable sessions for HR Directors in both sectors and a programme designed specifically for local authorities. In addition, as mentioned elsewhere, we extended the geographic coverage of our activities with a programme of regional events for our members in the north of England.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Activities - WIG has three main activities through which its public benefit objectives – building co-operation and understanding between the sectors – are delivered:

- events
- people exchange
- leadership programmes

Events - our programme of events is on topical subjects of strategic importance to our members, and, through it, we engage with them as widely as possible and in specific networks, for example government/public affairs, local authorities, HR, lawyers, public procurement, sustainability, finance and regulatory issues, as well as events for senior management.

During the year, our events programme continued at the high levels seen in the previous year, both in the number of events and in attendance levels. The number of free events we organised, including a number of smaller, more focussed events for specific communities of interest, increased by some 22% to 98, while attendance levels overall were, at 5,600, some 30% up on the previous year. These significant growth figures demonstrate the relevance of the subjects, the high quality of our speakers, our attention to detail in the delivery, and, overall, the value for money we offer. WIG charges for attendance at our longer training events. The topics which we focused on here have included Social Media, cyber security, and finance and the economy. Such topics are proving increasingly popular with our members, providing additional income for WIG and excellent cross-sector learning.

People Exchange – Total placements across all our People Exchange business, including non-executives, totalled 77 in 2014 (2013 – 77). By its nature, People Exchange business is mainly ad hoc, but efforts to work with organisations in a more strategic way helped to grow our income. The current business environment for People Exchange is challenging, and we are responding by widening the range of organisations (for example, NHS, universities) for whom our services are relevant.

Leadership Programmes – although delegate numbers were lower than seen previously, all our programmes performed well during the year, giving delegates strong cross-sector perspectives in the framework of leadership development. Our programmes now cover a wide range of seniority, stretching from board level in public and private sectors to the future leaders for whom an early introduction to cross-sector perspectives is considered important. Feedback continues to rate all our leadership programmes and development seminars highly. Our programme of events for alumni continued to expand during the year.

Future Developments – The essence of WIG's purpose – bringing business and government together for learning and sharing views – remains critical. As an independent, non-lobbying membership organisation, we shall continue to make that happen in innovative and cost-effective ways which all our members value. Specific future developments are shaped by WIG's strategy for 2014-17. This strategy is one of growth, which translates into three goals:

1. Grow WIG membership;
2. Grow member engagement;
3. Grow member learning.

For 2014/15, the future developments will include efforts to:

- A. sustain and increase WIG's membership and engagement in the public, private and voluntary sectors;
- B. develop new ways of communicating digitally with the membership, including a major investment in our website;
- C. develop new and innovative services which expand the portfolio of learning opportunities and build sustained funding for the organisation;
- D. raise the profile of WIG consistent with its charitable purpose of learning and understanding and its strict political neutrality.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

PUBLIC BENEFIT

Our public benefit objectives (better understanding and learning between the sectors) dictate all that WIG does. Our membership fees are kept low to maximise membership so we have a broad public and private sector base and we measure ourselves on the level of engagement between the sectors, not by income generation. It is only by engagement across a broad spread of our activities that we can achieve the better co-operation and understanding that our charitable objects require.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

WIG's charitable purpose is enshrined in its objects of efficient public administration through understanding of industry and commerce and improving industry and commerce and the voluntary sector through the understanding of Government. Our Charity Next initiative, in conjunction with the Prince's Charitable Foundation, is tangible evidence of the greater involvement of the voluntary sector in our work.

The Trustees ensure that these purposes are carried out by delivering services which have a mix of participants from the public, private and voluntary sectors. The services include exchanges of people between the sectors; leadership programmes and best practice events.

Through these services, WIG aims to build understanding and co-operation between **government, business and the voluntary sector to achieve:**

- better informed legislation and regulation;
- more effective partnerships;
- better leadership.

WIG's membership is corporate and the fee is paid by the organisation not the individual, providing access to the employees of that organisation. Members are from across the UK.

Any charges for our services such as leadership programmes, seminars and cross-sector placements are kept low thanks to the support in-kind received from our members.

The structure of the Trustees' Annual Report allows us to report on our charitable objectives during the year and our plans for 2014/15.

Financial & Operating Review

The charity recorded a deficit of £31,134 during the year (2013: surplus £147,766). Income fell slightly by 0.5% compared with the excellent performance in 2012-13. Membership, events and people exchange all showed an improvement over 2013. Leadership programmes fell short of the previous year but exceeded expectation in a challenging year.

Expenditure rose by 10.5%. This was mainly due to expenditure on the new CRM system, with other expenditure being slightly higher than in the previous year. Further expenditure in IT will be undertaken in the 2014-15 financial year but it is expected that this investment will be covered by an operating surplus. Our ongoing activities continue to be affected by the uncertain conditions in both the public and the private sectors, but we remain true to our public benefit goals (greater public, private and voluntary sector understanding) and, subject to our Reserves Policy, will continue to invest for the benefit of our members.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

Reserves policy

The Trustees have set a reserves policy for the unrestricted fund which represents funds arising from operating results to date which requires that they be maintained at a level which ensures that the Charity could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form easily converted into cash and designated as net current assets.

The Trustees believe that, in view of the continued uncertainty in the market and the effect that this may have on income levels over the next few years, coupled with anticipated higher staff costs and the costs associated with further investment in our IT systems during 2014-15, reserves at 31 March 2014 should now be at a level that equates to approximately six months running costs (being employee, premises, office and management and administration costs) to ensure that the Charity can run in an efficient manner.

Our reserves that are represented by net current assets are, at £808,646, £156,467 above the target period of six months. The Trustees agree that this level of difference is appropriate at this time.

The results of the Charity for the year ended 31 March 2014 are set out on page 11.

Risk management

The risk assessment and management process is embedded in the general management of the Charity. The Trustees continue to review the risk management strategy of the Charity, identifying and examining all major risks associated with its activities. The Finance & Risk Committee has reviewed the risk assessment during the year and reported on this to the Board. The Trustees are satisfied that adequate reporting structures and procedures are in place to manage the risks associated with the Charity's activities.

Investment Policy

WIG receives income on an annual basis through membership subscriptions and throughout the year from its other activities. It plans its budget to expend all anticipated income, except for retaining a prudent amount in reserves after providing for capital expenditure within the budget.

The Trustees annually review the investment policy and have concluded that the policy objectives should be to seek to produce the best financial return within an acceptable level of determined risk with an aim to invest sums for varying periods not longer than a specified term in a number of secure accounts and achieve the best possible return linked to its reserves policy.

Remuneration Policy

In line with the National Council for Voluntary Organisation's report on charity remuneration, we explain WIG's policy on remuneration.

Remuneration for WIG's staff is set to be competitive with the top quartile of charities of a similar size in London. We do not seek to be competitive with either the private or public sectors. Pay increases depend entirely on WIG's financial performance.

No individual bonuses are paid; a discretionary team bonus of the same amount for all staff may be paid if justified by WIG's performance.

In 2013-14, WIG did not have a pension scheme involving employer contributions. A new scheme was introduced in April 2014 (employer contribution 3 per cent, employee contribution 1 per cent).

Pay for WIG's senior staff is set out in Note 6.

**THE WHITEHALL & INDUSTRY GROUP
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 Company will continue in business.

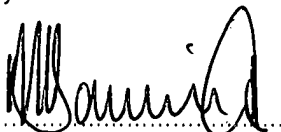
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware, there is no relevant information that has not been disclosed to the Company's auditors and each of the Trustees believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the Company's auditors have been made aware of that information. The auditors have the opportunity to discuss with the Chairman of the Finance & Risk Committee any matters concerning the financial statements.

Auditors

The Company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with Section 487(2) of the Companies Act 2006. Therefore, the auditors, Saffery Champness, will be deemed to be reappointed for each succeeding financial year.

By order of the board



Adrian Bannington
Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements of The Whitehall & Industry Group for the year ended 31 March 2014 set out on pages 11 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Andrew Arnott (Senior Statutory Auditor)
For and on behalf of



Saffery Champness
Chartered Accountants
Statutory Auditors
Lion House
Red Lion Street
London
WC1R 4GB

9th September 2014

THE WHITEHALL & INDUSTRY GROUP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014 (including income and expenditure account)

	Note	2014	2013
		£	£
Incoming resources			
Incoming resources from charitable activities:			
Members' subscriptions		831,083	807,023
Events		160,037	144,790
		<u>991,120</u>	<u>951,813</u>
People Exchange		248,717	246,137
Leadership Programmes		484,617	529,634
Incoming Resources from Generated Funds:			
Bank Interest		11,000	18,406
		<u>1,735,454</u>	<u>1,745,990</u>
Total incoming resources			
Resources expended	2		
Charitable activities			
Membership services		471,364	424,451
Events		414,387	371,693
		<u>885,751</u>	<u>796,144</u>
People Exchange		293,870	265,053
Leadership Programmes		503,663	471,242
Governance costs	4	83,304	65,785
		<u>1,766,588</u>	<u>1,598,224</u>
Total resources expended			
Net (outgoing)/ incoming resources for the year		(31,134)	147,766
Unrestricted Fund balance brought forward at 1 April 2013		879,221	731,455
		<u>848,087</u>	<u>879,221</u>
Unrestricted Fund balance carried forward at 31 March 2014			

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

All recognised gains and losses are shown in the Statement of Financial Activities.

The notes on pages 13 to 16 form part of these financial statements.

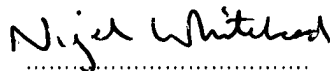
THE WHITEHALL & INDUSTRY GROUP
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BALANCE SHEET
AT 31 MARCH 2014 Company no 3340252

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible fixed assets	7		41,301		48,298
Current assets					
Debtors	8	238,715		301,527	
Cash at bank and in hand		55,625		37,853	
Short Term Deposits		1,108,351		1,283,900	
		1,402,691		1,623,280	
Current liabilities					
Creditors: Amounts falling due within one year					
Creditors and accrued charges	9	209,655		302,454	
Deferred income		386,250		489,903	
		595,905		792,357	
Net current assets			806,786		830,923
Total assets less current liabilities			848,087		879,221
Unrestricted fund			848,087		879,221

The notes on pages 13 to 16 form part of these financial statements.

The financial statements on pages 11 to 16 were approved by the directors on
9th September 2014 and signed on their behalf by:


.....
Nigel Whitehead


.....
Nick Bell

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and comply with the Companies Act 2006. The financial statements have been prepared in accordance with Statement of Recommended Practice (SORP), 2005 and applicable accounting standards.

The Company has taken advantage of the exemption contained in FRS 1 "Cash flow statements" and has not produced a cash flow statement.

1.2 Limited by guarantee

The Company does not have a share capital, but its liability is limited by the guarantees of its Trustee members. Each Trustee member has agreed to accept liability not exceeding £1 should the Company be wound up. At 31 March 2014, the total of such guarantees amounts to £8.

1.3 Incoming resources

Membership income, Events, People Exchange and Leadership Programme Income are included in the year they are receivable. Income that relates to future periods is carried forward. Bank interest is included in the year in which it is received.

1.4 Resources Expended

All expenditure is included on an accruals basis and has been classified under appropriate headings in the accounts. Charitable activities expenditure including staff and other direct costs enables WIG to meet its aims and objectives. Governance costs are associated with the governance arrangements of the Charity, and relate to the general running of the Charity and include audit, legal advice and costs associated with meeting constitutional and statutory requirements such as trustee meetings and the preparation of statutory accounts. This category also includes costs associated with the strategic as opposed to the day to day management of the Charity's activities. Support costs are those costs which enable charitable activities to be undertaken. These costs include premises, communications, HR, IT and general administration and management costs. Staff costs have been apportioned over the various charitable activities on the basis of time spent. Direct costs are allocated on an actual basis. All other overheads are allocated among expense headings on the basis of time spent.

1.5 Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the term of the lease.

1.6 Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The annual rates generally used for this purpose are:

Leasehold Improvements	20.0%
Office equipment	33.33%
Furniture, fixtures and fittings	10.0%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

2 Resources expended

	Total 2014 £	Employee Costs £	Direct Costs £	Support Costs (Note 3) £	Total 2013 £
Membership services	471,364	248,021	-	223,343	424,451
Events	414,387	187,553	57,941	168,893	371,693
	<u>885,751</u>	<u>435,574</u>	<u>57,941</u>	<u>392,236</u>	<u>796,144</u>
People Exchange	293,870	150,868	7,145	135,857	265,053
Leadership Programmes	503,663	140,957	235,774	126,932	471,242
Governance	83,304	30,356	25,613	27,335	65,785
	<u>1,766,588</u>	<u>757,755</u>	<u>326,473</u>	<u>682,360</u>	<u>1,598,224</u>

3 Analysis of support costs

	Premises £	Communication £	IT & equipment £	Financial £	Management & Administration £	HR £	Deprec- iation £	Total 2014 £
Membership Services	29,168	50,773	82,483	15,470	20,802	17,372	7,275	223,343
Events	22,057	38,395	62,373	11,698	15,731	13,137	5,502	168,893
People exchange	17,742	30,885	50,173	9,410	12,654	10,567	4,426	135,857
Leadership Programmes	16,577	28,856	46,877	8,792	11,822	9,873	4,135	126,932
Governance	3,570	6,214	10,096	1,893	2,546	2,126	890	27,335
	<u>89,114</u>	<u>155,123</u>	<u>252,002</u>	<u>47,263</u>	<u>63,555</u>	<u>53,075</u>	<u>22,228</u>	<u>682,360</u>
Total 2014	89,114	155,123	252,002	47,263	63,555	53,075	22,228	682,360
Total 2013	93,009	123,523	84,044	35,941	80,509	40,031	21,120	478,177

Support costs consist of direct costs of £509,197 (2013 £320,565) and salary costs of £173,163 (2013 £157,612). Both are allocated on the basis of staff time.

Premises include Operating Lease costs of Land & Buildings £65,909 (2013 £68,284).

THE WHITEHALL & INDUSTRY GROUP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

4 Analysis of governance costs

	2014	2013
	£	£
Legal & Professional fees	20,565	12,095
Audit fees	5,000	4,700
Trustee meeting & travel costs	48	586
Apportionment of staff & support costs	57,691	48,404
	<hr/>	<hr/>
Total Governance costs	83,304	65,785
	<hr/>	<hr/>

5 Taxation

As a registered charity, The Whitehall & Industry Group is not liable to corporation tax.

6 Employees

	2014	2013
	£	£
Employee costs during the year were		
Salaries	822,559	800,334
Social Security	93,950	93,890
Pension	14,409	20,072
	<hr/>	<hr/>
	930,918	914,296
	<hr/>	<hr/>
Employee costs allocated to direct charitable purposes	757,755	756,684
Employee costs allocated to support activities	173,163	157,612

The average weekly number of employees during the year was 22 including part time employees (2013: 21).

The number of employees whose salary fell in the following ranges was:

	2014	2013
£110,000 to £120,000	-	1
£100,000 to £110,000	1	-
£70,000 to £80,000	-	-
£60,000 to £70,000	1	1
£50,000 to £60,000	2	2

Trustees' remuneration

No remuneration was paid to the trustees during the year (2013: £Nil).

Travel expenses of £48 were paid to one trustee during the year (2013: two £586).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

7 **Tangible fixed assets**

	Leasehold Improvements £	Furniture Fixtures and Fittings £	Office equipment £	Total £
Cost				
At 1 April 2013	27,092	21,554	90,877	139,523
Additions	-	-	15,231	15,231
At 31 March 2014	27,092	21,554	106,108	154,754
Depreciation				
At 1 April 2013	12,192	9,536	69,497	91,225
Charge for the year	5,418	1,702	15,108	22,228
At 31 March 2014	17,610	11,238	84,605	113,453
Net book value				
At 31 March 2014	9,482	10,316	21,503	41,301
At 31 March 2013	14,900	12,018	21,379	48,298

8 **Debtors**

	2014 £	2013 £
Trade debtors	156,015	234,802
Other debtors	13,330	10,633
Prepayments	69,370	56,092
	238,715	301,527

9 **Creditors**

	2014 £	2013 £
Amounts falling due within one year:		
Trade creditors	63,808	80,250
Other taxation and social security costs	55,092	104,666
Accruals	90,755	117,538
	209,655	302,454

10 **Lease commitments**

At 31 March 2014, the Charity had an annual commitment under a non-cancellable operating lease as follows:

Land and buildings

	2014 £	2013 £
Operating lease which expires on 1 January 2016	56,916	56,916