

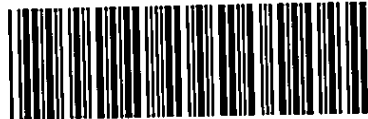
Company Registration No. 3677186 (England and Wales)
Registered Charity No. 1074071

THE CHIEF FIRE OFFICERS' ASSOCIATION
(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2007

TUESDAY



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10/07/2007
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THE CHIEF FIRE OFFICERS' ASSOCIATION
(a company limited by guarantee)

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THE CHIEF FIRE OFFICERS' ASSOCIATION
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LEGAL AND ADMINISTRATIVE INFORMATION
PERIOD ENDED 31 MARCH 2007

Charity Trustees and Directors

P C Toase	(President)
S J McGuirk	(Vice President)
C Hendry	(Vice President Elect)
B Dixon	
K J Knight	
J C Parry	
D G M Prichard	
F J E Sheehan	

Registered Office

10/11 Pebble Close
Amington
Tamworth
Staffs
B77 4RD

Bankers

HSBC
10 Market Street
Tamworth
Staffordshire
B79 7LZ

Solicitors

Downs
156 High Street
Dorking
Surrey
RH4 1BQ

Auditors

Saffery Champness
Lion House
Red Lion Street
London
WC1R 4GB

Company Secretary

Rhonda Bedford

THE CHIEF FIRE OFFICERS' ASSOCIATION

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TRUSTEES' REPORT

PERIOD ENDED 31 MARCH 2007

The Trustees submit the annual report and the audited financial statements for the period ended 31 March 2007

Charitable objects

The Association's objects are to reduce the loss of life, personal injury and damage to property and the environment by improving the quality of firefighting, rescue, fire protection and fire prevention in the United Kingdom

These aims are pursued through the provision of advice, information, leadership, research, informed comments and other services to the relevant bodies and to the Association's own members

Membership of the association

Ordinary membership of the Association is open to principal fire officers / chief executives and area managers in local authority fire brigades, principal fire officers and area managers who have comparable responsibilities elsewhere in the public services of the United Kingdom, and other persons in brigades and the UK public services who have responsibilities comparable with those as above. At 31 March 2007, there were 351 ordinary members of the Association

When ordinary members retire or resign from the fire service they are eligible to become past members. There were 307 past members at 31 March 2007. The Association also has 1 honorary member

Organisation

The charity changed its name from The Chief and Assistant Chief Fire Officers' Association to The Chief Fire Officers' Association in August, 2004

The Association has existed in various forms since 1948, when the fire service was de-nationalised. It was incorporated as a company limited by guarantee on 2 December 1998, and became a registered charity on 19 February 1999

Under the Articles of Association, only serving UK fire officers can be directors of the Association. There are eight directors on the Association's Board, each of whom is also a trustee of the charity. The directors include the President, the Vice-President and the Vice-President Elect of the Association. The Vice-President Elect is elected by ballot of all ordinary members, becoming Vice-President and President after a year in each of the preceding offices. Other directors are also elected by ballot of all ordinary members for a two to three year term

The President chairs the Board. The President and other members of the presidential team take the lead on behalf of the Board in driving forward the Association's business, and in promoting liaison and partnership with the many stakeholders in the fire community

Other directors are allocated responsibilities for particular portfolios. In 2005, the Association's work was reorganised into four strategic portfolios, each of which is led by a director. The portfolios cover Service Delivery (Operational Response), Service Delivery (Prevention and Protection), Human Resources and Service and Corporate Support

At a local level, members of the Association have both regional and independent representatives on a Sounding Board which includes membership from the UK's devolved administrations, and acts as a sub-set of the main CFOA Board to suggest areas for discussion and also for the board to take soundings on specific strategic issues. This sounding board concept has grown from strength to strength during 2006/7 delivering direction of some difficult strategic issues

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TRUSTEES' REPORT

PERIOD ENDED 31 MARCH 2007

Headquarters and CFOA Web Services

The Association's headquarters continue to occupy the three office units at 9, 10 & 11 Pebble Close, Amington, Tamworth, acquired as a freehold asset between 1989 and 1999. These premises are used as the Association's operational base and offer meeting facilities to members as well as housing CFOA's modern server systems providing a suite of web enabled services to a wide range of subscribers.

The fifteen month period to 31 March 2007

The realignment of the Association to mirror the financial years of our major stakeholders has now been completed in line with our strategy and will make accounting activities far easier at year-end. Our Object, the mission that directs all our work within the Association still remains as valid as ever.

To reduce the loss of life, personal injury and damage to property and the environment by improving the quality of fire fighting, rescue, fire protection and fire prevention in the United Kingdom

In parallel with the development of our strategy, we have defined four strategic objectives that will continue to shape the direction of the Association:

- **Objective 1** - CFOA will lead, from centre stage, and firmly influence the future direction of the FRS on professional, managerial and leadership issues which affect the service
- **Objective 2** - CFOA will be the focal point for professional advice that drives and contributes to the development of policy which impacts upon the UK Fire and Rescue Service
- **Objective 3** - CFOA will be effectively communicating views and priorities to inform key decision makers
- **Objective 4** - CFOA will be supporting its members to achieve individual and collective improvement

The purpose of the Association's activities through its mission and strategic objectives is to continue to increase the promotion of efficiency of the UK's fire and rescue service for the benefit of the public and all communities across the country.

Business Planning

The business management process is aligned to standard commercial practices with a mission and vision reconfirmed each year. These criteria are translated into a strategy which is then consulted across the membership, capturing the current key objectives for the association. The appendices that previously were part of the Strategy document have now been relocated as an action plan within the Association's Business Plan. The annual Business Plan is costed and reviewed through a budget scrutiny process in conjunction with the Department of Communities & Local Government to ensure that the key strategic requirements for the Fire and Rescue Service are being properly identified and funded through the financial year. The development of a robust business management system to underpin all of the Association's activities is now complete and is in place as an interactive, electronic system on our membership web site to guide our day to day activities. Plans exist to consolidate the business management system content into a printable version which will be developed over the next year.

The process of delivering to a concise monthly operating statement to each Board meeting has shown clear benefits in ensuring that Directors are able to quickly understand how expenditure is being monitored and controlled as well as being able to interrogate the figures more easily. The operating statement has now been "mapped" into the SAGE accounting system to provide an interactive and efficient solution to providing the Trustees with the requisite and timely financial information. 2006/7 also saw the production of several key documents.

- An assessment of the status of the organisation using the EFQM system of measurement to further identify areas for improvement,

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TRUSTEES' REPORT PERIOD ENDED 31 MARCH 2007

- An update of a range of CFOA HQ Policies to ensure that Equality and Diversity issues have been properly incorporated into policy,
- An updated risk register capturing the strategic risks faced by the association and revised with a "traffic light" process of assessing the risks and alerting the Board to those risks determined as unacceptable,
- A comprehensive strategy for 2006/7 to inform the future direction of the association,
- An updated set of governance guidelines for the CFOA Board to ensure the proper and transparent operation of the Board and to identify "gaps" that require further action,
- A revised Code of Conduct and associated Disciplinary and Complaint procedures,
- A monthly Operating System in a "dashboard" format to advise Trustees of financial progress,
- A compendium of Road Safety initiatives for the Fire and Rescue Service

The Association's web-enabled systems have seen continuing developments in "usability", offering our members tailored-news, e-mail groupings as well as direct electronic links to documents, archives and other FRS web-sites. The electronic communities designed to cover a wide range of interests and activities where members can freely exchange ideas and information has not progressed as actively as expected, primarily as a result of the information system infrastructure. This small problem will be overcome with some new information systems developments over the coming year. In 2006, the Association launched a web site dedicated to retired members which is now proving a useful link in concert with a regular retired member newsletter.

The President of the Association has continued to chair the FRS top level stakeholders' group, the Practitioners Forum, which provides Minister with appropriate advice on a wide range of FRS issues and also carries out project work through a number of Task & Finish groups. The President has also made significant progress in greater collaboration with the other strategic stakeholder group, the Business Community Safety Forum to ensure that both groups will meet jointly at least once each year. The Association has been very effective in managing the secretariat support to the Practitioners Forum together with reinforcing and coordinating its wide span of activities.

In pursuance of our stated mission, Association work throughout 2006/7 has included the involvement of our strategic directors and members in activities including

- **Protection and Prevention** - Regulatory Reform (Fire Safety) Order, use of third party accreditation schemes, fire suppression systems in key buildings, road safety initiatives, Building Disaster Assessment Group, sprinkler initiatives in schools and multiple dwellings
 - **Finances and Resources** - Develop the background for the Comprehensive Spending Review 2007, AES (Annual Efficiency Savings), liaison with the National Joint Council, financial modelling for the Centre of Excellence
 - **Service Support and Performance** - Development of future BVPIs, Work with Audit Commission and Communities & Local Government to develop the Operational Assessment of Service Delivery audit process, support to the national FiReBuy initiative including the integrated clothing project
 - **FRS Communication** - FirePRO network, influence the IRMP communication process
 - **Regional Control Centres/FireLink** - Continuing involvement in national project activities with direct advice and project secondments
 - **E-Government** - Guidance and support on implementation of the Fire Gateway portal and how it might be further developed
 - **HR** - support to IPDS, Equality & Diversity initiatives, guidance on Disability Discrimination Act, an HR Strategy
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TRUSTEES' REPORT

PERIOD ENDED 31 MARCH 2007

- **Operational Response** – Contingency Planning & Business Continuity, the New Dimension Programme, Command & Control training and doctrine, continuing liaison support to Maritime Coastguard Agency, coordination of the IRMP Steering Group, Water Rescue initiatives

Future Plans

In conjunction with central government the Association has identified key priorities for its future work through its Strategic Directors' portfolios. This work will concentrate on the modernisation programme for the Fire and Rescue Service with the aim of improving its effectiveness and thereby continuing to deliver a valuable service for the benefit of the public. The key areas on which the Association's efforts will be directed will include

- Coordinating and Chairing the Practitioners Forum
- Taking over responsibility for the Business Community Safety Forum
- Managing the National Arson Control Forum
- Operational Contingency Planning
- Prevention and Protection Initiatives
- Integrated Personal Development System
- Learning and Development System
- National Health and Safety
- Long Term Capability Management of the UK's resilience capability
- Integrated Risk Management System
- The Regional Control Centre project
- A 10-year vision for the FRS

Risk management

A review of the risks facing the charity was conducted in 2006 and incorporated into a CFOA Risk Register covering both General and Charity risks. This Risk Register defines the level of risk and ascribes a value to each risk. The register is regularly reviewed and updated as part of the new business management process and in conjunction with the EFQM and the Governance Guidelines assessments, helps to identify any gaps and deficiencies that require further attention. Using the Code of Good Governance guidelines for the Voluntary and Community Sector provided through the Good Governance Hub, we noted that the induction and training of new Trustees was not being handled as well as it could be. To rectify this we have therefore introduced a new Trustees Induction pack containing a comprehensive package of material useful for new trustees which is also made available on our members web-site. The effectiveness of this pack will be monitored over the coming year.

Financial review

The net income for the year is £134,886 (2005 £113,941). This increases the Association's net assets to £1,143,824 (2005 £1,008,938) of which £472,404 (2005 £397,367) is designated funds for fixed assets and investments considered to be long term as explained in note 10 and £20,262 represents the net assets of the subsidiary company.

In 2006 the Association changed its year end date from 31st December to 31st March and therefore had a fifteen month accounting period from 1st January 2006 to 31st March 2007.

The Association currently estimates that income and expenditure will be broadly in balance in 2007/08 but may undertake initiatives that will require the use of reserves to support capital and revenue expenditure.

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Reserves policy

Unrestricted funds comprise of

Designated funds – this represents amounts that have been put aside out of unrestricted funds at the discretion of the trustees for particular projects. The designation is for administrative purposes only and does not legally restrict the trustees' discretion to apply the fund. The charity has one designated fund, which is represented by fixed assets and investments. The purpose of the fund is detailed in note 13 in the financial statements.

General unrestricted funds – it is the policy of the trustees, having regard to the specific designated fund referred to above, to maintain the general unrestricted funds, which are the free reserves of the charity, at a level that equates to a minimum of three months unrestricted expenditure. At 31 March 2007 free reserves of £671,420 represents approximately 3.5 months' expenditure.

Related organisations

The Association established CACFOA (Services) Limited in 1989 as a trading company, initially to handle the non-charitable operation of FINDS. By this arrangement, this company was permitted to accept subscriptions from organisations other than those of the UK fire services and to pay over by covenant the whole of the net income from this source.

The trading company changed its name in 2005 from CACFOA (Services) Ltd to CFOA (Services) Ltd. All of the net profits from CFOA (Services) Limited are gift aided to the Association.

Fire Conferences and Exhibitions Limited was incorporated in 1992 with the principle objectives of organising joint fire conferences and exhibitions on behalf of The Chief Fire Officers Association (CFOA), The Institution of Fire Engineers (IFE) and The Fire Protection Association (FPA), together with any associated social functions and all hotel accommodation and travel facilities for delegates, speakers, exhibitors etc. attending such conferences and exhibitions. CFOA is an equal one-third partner in this company.

At no time during this accounting period did Fire Conferences and Exhibitions Limited own or separately occupy any premises, neither did it employ any staff or own any equipment. It was able to make use of services and facilities provided by CFOA (Services) Limited and was charged £38,151 for these.

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TRUSTEES' REPORT
PERIOD ENDED 31 MARCH 2007

Directors


The directors during the year were

T M Carroll	(Resigned 8 April 2006)
B Dixon	
K J Knight	
S McGuirk	
P C Toase	
C Hendry	(Appointed 8 April 2006)
J C Parry	
D G M Prichard	
F J E Sheehan	

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Saffery Champness be re-appointed as auditors of the company will be put to the Annual General Meeting

Approved by the Trustees and signed on their behalf on 17 May 2007


Rhonda Bedford
Company Secretary

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
PERIOD ENDED 31 MARCH 2007

For Companies Act purposes the members of the Board are considered to be directors of the company. For the purposes of charity law they are also considered to be charity trustees.

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

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group and of the profit and loss of the group for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and apply consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

So far as each of the directors is aware, there is no relevant information that has not been disclosed to the company's auditors and each of the directors 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
PERIOD ENDED 31 MARCH 2007

We have audited the financial statements of The Chief Fire Officers' Association for the period ended 31 March 2007 on pages 10 to 20 which have been prepared under the accounting policies set out therein

Respective responsibilities of trustees and auditors

As described in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purposes of company law, are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

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

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

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it

Basis of 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 circumstances, consistently applied and adequately disclosed

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
PERIOD ENDED 31 MARCH 2007

Opinion

In our opinion

- the financial statements give a true and fair view of the state of affairs of the charity and the group as at 31 March 2007 and of the incoming resources and application of resources of the group, including its income and expenditure, for the period then ended, and
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the trustees' report is consistent with the financial statements

Saffery Champness

Chartered Accountants
Registered Auditors

Lion House
Red Lion Street
London
WC1R 4GB

Saffery Champness

17 May 2007

THE CHIEF FIRE OFFICERS' ASSOCIATION
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
PERIOD ENDED 31 MARCH 2007

		15 Months to 31 March 2007 £	Year ended 31 December 2005 £
Incoming resources			
<i>Incoming resources from generated funds</i>			
Grants receivable		952,165	815,000
Activities for generating funds			
Trading activities	15	463,198	262,818
Investment income	3	50,278	21,320
<i>Activities in furtherance of the Charity's objects</i>			
FORA subscription income		345,414	282,280
Subscription income		63,285	43,780
Seminars		73,899	84,049
Special projects		433,885	120,024
Sundry income		1,527	11,907
Total incoming resources		2,383,651	1,641,178
Resources expended			
Cost of generating funds			
Trading expenses	15	363,275	204,075
Charitable activities	4		
Provide coherent leadership to secure influence and common direction		343,198	275,832
Provide professional advice to develop and influence policy		919,906	575,530
Communicating views and priorities to inform key decision makers		287,062	231,910
Support CFOA members to achieve individual and collective improvement		301,573	219,472
Governance costs	4	33,751	20,417
Total resources expended		2,248,765	1,527,236
Net incoming resources			
- net income for the year		134,886	113,941
Revaluation gain on investments	10	-	-
Net movement in funds		134,886	113,941
Total funds brought forward		1,008,938	894,997
Total funds carried forward	14	1,143,824	1,008,938

All activities derived from continuing operations

The notes on pages 12 to 20 form part of these financial statements

There have been no recognised gains and losses for the current and preceding year other than as stated above

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BALANCE SHEET
AS AT 31 MARCH 2007

	Notes	Group 31 March 2007 £	Group 31 December 2005 £	Charity 31 March 2007 £	Charity 31 December 2005 £
Tangible fixed assets	9	351,404	398,303	351,404	397,367
Investments	10	121,000	46,000	46,002	46,002
		<u>472,404</u>	<u>444,303</u>	<u>397,406</u>	<u>443,369</u>
Current assets					
Debtors	11	300,346	203,940	460,303	222,752
Cash at bank and in hand		558,906	626,792	442,543	572,161
		<u>859,252</u>	<u>830,732</u>	<u>902,846</u>	<u>794,913</u>
Creditors: Amounts falling due within one year	12	(187,832)	(266,097)	(176,690)	(249,603)
Net current assets		<u>671,420</u>	<u>564,635</u>	<u>726,156</u>	<u>545,310</u>
Net assets		<u>1,143,824</u>	<u>1,008,938</u>	<u>1,123,562</u>	<u>988,679</u>
Revenue reserves					
Unrestricted funds					
- General funds	13	651,158	591,309	651,158	591,311
- Designated funds	13	472,404	397,367	472,404	397,367
Reserves retained in subsidiary company	13	20,262	20,262	-	-
Total reserves		<u>1,143,824</u>	<u>1,008,938</u>	<u>1,123,562</u>	<u>988,678</u>

The notes on pages 12 to 20 form part of these financial statements

These financial statements were approved by the Board of Directors on 17th May 2007

Signed on behalf of the Board of Directors



P C Toase
Director

THE CHIEF FIRE OFFICERS' ASSOCIATION
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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2007

1 Accounting policies

The financial statements are prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005 (SORP 2005) and applicable United Kingdom Accounting Standards and the Companies Act 1985. The particular accounting policies adopted in the preparation of the financial statements are as follows:

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention as modified for the revaluation of investments in associated companies.

1.2 Basis of consolidation

The group financial statements consolidate the results of the charity and its wholly owned subsidiary company, CFOA (Services) Limited, on a line-by-line basis. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by Section 230 of the Companies Act 1985 and paragraph 397 of SORP 2005.

1.3 Resources arising - income

1.3.1 Grants receivable

Income received from Communities and Local Government is included in the financial statements of the year to which it relates.

1.3.2 Members' subscriptions, fees and other income

All such income is accounted for on a receivable basis.

1.4 Deferred income

Subscriptions are paid by members on an annual basis and fees are paid for seminars held and publications produced by the charity. The amounts received are treated as deferred income until the period to which the subscriptions and seminars relates commences.

1.5 Allocation of costs

The charity's operating costs include staff costs, premises and other related costs. Such costs are allocated between costs of charitable activities and cost of generating funds. Staff, premises and general running costs are apportioned on the basis of staff time allocations to each cost category.

1.6 Governance costs

Governance costs represent the costs of running the charity as a legal entity and includes costs of audit, costs of Trustees meetings and costs of complying with statutory requirements.

1.7 Pension costs

The charity contributes to stakeholder pension policies of some of its staff. The cost of the contributions is charged to the Statement of Financial Activities in accordance with FRS17.

1.8 Fund accounting

The charity maintains various types of funds as follows:

1.8.1 Restricted funds - which represent grants which are allocated by the donor for specific purposes

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NOTE TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2007

1 Accounting policies (continued)

1 8 Fund accounting (continued)

1 8 2 Unrestricted funds

Designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the Trustees for particular projects. The designation is for administrative purposes only and does not legally restrict the Trustees' discretion to apply the funds.

General unrestricted funds represent amounts which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

1 9 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation which is provided over the estimated useful lives of the assets. The useful lives assigned to the assets are:

Computer and equipment	3-5 years
Video conferencing equipment	4 years
MRS3 Web project	5 years
Freehold premises	40 years

Freehold land is not depreciated.

Assets are capitalised when they cost more than £2,000 and are expected to have a useful life of 3 years or more. All other costs are written off as expenditure as incurred.

1 10 Investments

Shares in the associated company are included at CFOA's share of the net asset value of the associated company at the balance sheet date. Other investments are included at cost as a market value is not available.

2 Related parties

The Association has the power to appoint all the directors to CFOA (Services) Limited, its wholly owned subsidiary. All of the profits of CFOA (Services) Limited are paid by Gift Aid to the Association. The Association also nominates two out of the six directors on the Board of Fire Conferences and Exhibition Limited.

All these organisations and the trade union, APFO, use the Tamworth headquarters at 9-11 Pebble Close and pay administrative charges to CFOA (Services) Limited which employs the staff jointly with the charity and incurs common running expenses.

The Association has taken advantage of the exemption contained in FRS8 and does not disclose transactions between itself and CFOA (Services) Limited.

£38,151 were recharged as expenses to FIRE Conferences and Exhibitions Limited in the year by the Association and CFOA (Services) Limited and the balance owed on this at the year-end was £5,982. CFOA (Services) Limited also received £50,000 in revenue from the company.

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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2007

3	Investment income					2007	2005
						£	£
	Dividend					8,000	5,000
	Bank interest					40,623	16,320
	Loan Interest					1,655	0
						<u>50,278</u>	<u>21,320</u>
4	Resources expended						
		Staff costs	Other direct costs	Support costs		Total 2007	Total 2005
		£	£	staff £	other £	£	£
	Cost of generating funds						
	Trading expenses	-	363,275	-	-	363,275	204,075
	Charitable activities						
	1 Leadership	103,728	176,777	46,396	16,297	343,198	275,832
	2 Professional Advice	206,391	591,115	90,583	31,817	919,906	575,530
	3 Communications	92,317	141,008	39,768	13,969	287,062	231,910
	4 Member Development	99,812	142,054	44,187	15,520	301,573	219,472
	Governance	9,031	24,720	-	-	33,751	20,417
		<u>511,279</u>	<u>1,438,949</u>	<u>220,934</u>	<u>77,603</u>	<u>2,248,765</u>	<u>1,527,236</u>

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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2007

5	Staff costs and trustees' remuneration	2007	2005
		£	£
	Directors' remuneration	-	-
	Average number of full-time equivalent employees During the year were	2007 Number	2005 Number
	Administrative staff	15	15
	Wages and salaries	645,068	408,340
	Social security costs	69,010	43,239
	Pension costs	18,135	13,315
		732,213	464,894

No Trustees, or person related or connected by business to them, has received any remuneration from the charity during the year

Staff whose emoluments were over £60,000 in the year fell in the following bands (none of these staff received pension contributions)

	2007	2005
£60,000 to £69,999	-	1
£70,000 to £79,999	-	1
£90,000 to £99,999	2	-

During the year the total expenses reimbursed to 4 Trustees amounted to £23,500 (2005 4 of £17,462) in respect of travel and subsistence expenses

7	Movement in total funds for the year	2007	2005
		£	£
	This is stated after charging		
	Depreciation – owned assets	62,363	53,426
	Trustees Indemnity Insurance	6,398	8,400
	Auditors' remuneration	6,750	7,000

8 **Taxation**

The Chief Fire Officers' Association has charitable status and is thus exempt from taxation of its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No material tax charges have arisen in its subsidiary and no provision is required for deferred taxation.

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NOTES TO THE ACCOUNTS
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9 Tangible fixed assets

a) The Group	Freehold premises £	Improvements to freehold premises £	Computer and equipment £	Video conferencing equipment £	Total £
Cost					
At 1 January 2006	280,000	8,537	185,806	78,810	553,153
Additions	-	-	15,464	-	15,464
Disposals	-	-	(6,244)	-	(6,244)
At 31 March 2007	280,000	8,537	195,026	78,810	562,373
Accumulated depreciation					
At 1 January 2006	4,625	7,283	88,366	54,576	154,850
Provided in year	5,782	1,254	34,721	20,606	62,363
On disposals	-	-	(6,244)	-	(6,244)
At 31 March 2007	10,407	8,537	116,843	75,182	210,969
Net book value					
At 31 March 2007	269,593	-	78,183	3,628	351,404
At 31 December 2005	275,375	1,254	97,440	24,234	398,303
b) The Company					
	Freehold premises £	Improvements to freehold premises £	Computer and equipment £	Video conferencing equipment £	Total £
Cost					
At 1 January 2006	280,000	8,537	176,455	78,810	543,802
Additions	-	-	15,464	-	15,464
Disposals	-	-	(6,244)	-	(6,244)
At 31 March 2007	280,000	8,537	185,675	78,810	553,022
Accumulated depreciation					
At 1 January 2006	4,625	7,283	79,951	54,576	146,435
Provided in year	5,782	1,254	33,785	20,606	61,427
Disposals	-	-	(6,244)	-	(6,244)
At 31 March 2007	10,407	8,537	107,492	75,182	201,618
Net book value					
At 31 March 2007	269,593	-	78,183	3,628	351,404
At 31 December 2005	275,375	1,254	96,504	24,234	397,367

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10 Investments

Group	Programme related investments £	Shares in Associate Company £	Total
At 1 January 2006	-	46,000	46,000
Additions	75,000	-	75,000
At 31 March 2007	75,000	46,000	121,000

Charity	Shares in Subsidiary Company £	Shares in Associate Company £	Total £
At 1 January 2006	2	46,000	46,002
Unrealised gain on investment	-	-	-
At 31 March 2007	2	46,000	46,002

a) Subsidiary

The company owns two ordinary shares of £1 each, being the entire share capital of CFOA (Services) Limited, which are held in the name of the Chief Fire Officers' Association

b) Associate

Two ordinary shares of £1 each were purchased in FIRE Conferences & Exhibitions Limited, of which CFOA is an equal one-third partner along with the Institution of Fire Engineers and the Fire Protection Association. A further 15,998 additional ordinary shares of £1 each, all fully paid, were allocated each to CFOA and the two other partners by FIRE Conferences & Exhibitions Limited during 1997/98

c) Programme related investments

During the year the CFOA Services Limited made a loan to Keyways of £75,000 which was funded by a loan from CFOA. The loan becomes repayable after 5 years. This loan has been made to further the objects of the Association rather than for its economic benefits and therefore has been classed as a programme related investment and is included at cost

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NOTES TO THE ACCOUNTS
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11 Debtors

	Group 2007 £	Group 2005 £	Charity 2007 £	Charity 2005 £
Other debtors	293,302	197,960	274,195	98,866
Amounts owed by CFOA (Services) Limited	-	-	185,045	117,906
Amounts owed by associated undertakings	7,044	5,980	1,063	5,980
	<u>300,346</u>	<u>203,940</u>	<u>460,303</u>	<u>222,752</u>

12 Creditors: Amounts falling due within one year

	Group 2007 £	Group 2005 £	Charity 2007 £	Charity 2005 £
Trade creditors	108,557	104,326	99,439	94,947
Subscriptions in advance	-	75,280	-	75,280
Accruals and deferred income	16,843	60,009	14,818	57,509
Other creditors	62,432	26,282	62,433	21,667
Amounts owed to associated undertaking	-	200	-	200
	<u>187,832</u>	<u>266,097</u>	<u>176,690</u>	<u>249,603</u>

13 Unrestricted funds

	General Fund £	Designated Fund £	Retained reserves of subsidiary £	Total £
Balance at 1 January 2006	591,309	397,367	20,262	1,008,938
Net movement in funds for the period	59,849	75,037	-	134,886
	<u>651,158</u>	<u>472,404</u>	<u>20,262</u>	<u>1,143,824</u>

The Trustees have designated funds that represent those assets of the charity that are not readily realisable. The fund represents the net book value of the Group's tangible fixed assets, principally land and buildings, currently held for use in the furtherance of the Charity's objects and investments made in furtherance of the Charity's objects and the funds are therefore unavailable for other use.

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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2007

14 Analysis of group net assets between funds

	General Fund £	Designated Fund £	Retained reserves of subsidiary £	Total £
Fixed assets				
Tangible assets	-	351,404	-	351,404
Investments	-	121,000	-	121,000
Current assets				
Debtors	275,338	-	25,008	300,346
Cash at bank and in hand	442,542	-	116,364	558,906
Current liabilities	(66,722)	-	(121,110)	(187,832)
	<u>651,158</u>	<u>472,404</u>	<u>20,262</u>	<u>1,143,824</u>

15 Results of trading company

The charity has one wholly owned subsidiary which is incorporated in the UK CFOA (Services) Limited Gift Aid their taxable profits to the parent company A summary of the trading results is shown below Separate audited accounts have been filed with the Registrar of Companies

Summary profit and loss account	2007 £	2005 £
Turnover	463,198	262,818
Cost of sales	(298,373)	(164,174)
Gross profit	<u>164,825</u>	<u>98,644</u>
Administrative expenses	(64,902)	(39,901)
Operating profit	<u>99,923</u>	<u>58,743</u>
Investment income	8,467	2,423
Net profit before Gift Aid	<u>108,390</u>	<u>61,166</u>
Payments to CFOA under Gift Aid	(108,390)	(61,166)
Profit for the year	<u>-</u>	<u>-</u>
The assets and liabilities of the subsidiary were		
Tangible fixed assets	-	936
Investments	75,000	-
Current assets	141,452	153,726
Current liabilities	(196,190)	(134,400)
Total net assets	<u>20,262</u>	<u>20,262</u>
Aggregate share capital and reserves	<u>20,262</u>	<u>20,262</u>

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16 Members' liability

The Association is limited by guarantee and does not have a share capital divided into shares. In the event of a Winding Up Order, each member of the Association guarantees to pay during their membership and for one year after membership ceases, a sum not exceeding £10 to the Association. Any surplus on Winding Up is to go to a charity having objects of a similar nature.