

# Roles and expectation of the modern charity CFO



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# Roles and Expectations of the modern charity CFO

- Finance
- IT & AI
- HR/payroll/recruitment
- Regulation and compliance
- Governance
- Property/Housing
- Fundraising
- ESG
- Etc etc ..



# Challenges faced by CFOs

**7 of the top 10 biggest challenges for CFOs are outside of the traditional role of finance**

Sage / sample size: 1,221 finance leaders around the world

Juggling many responsibilities	69%	Time management	66%
Implementing new tech (e.g. automation, AI)	68%	Collaborating with other departments (e.g. HR, IT)	65%
Attracting and retaining talent	68%	Mergers and acquisitions	65%
Balancing the needs/priorities of diverse stakeholders	67%	Employee-related activities (e.g. talent management)	65%
Risk management	67%	Accurate and timely reporting	65%
Strategic responsibilities	66%	Collaborating with c-suite and the board	64%
Digital skills gap in my department or team	66%	Inefficiency of current financial toolkit	64%
Financial regulations	67%	External auditing	64%
Financial reporting and analysis	67%	Managing cash flow	64%
		Operations (e.g. ways of working)	63%

# What makes a successful CFO ?

# Typical activities in a normal week

## Percentage of finance leaders who spend time on the following activities in a normal week

Sage / sample size: 1,221 finance leaders around the world



# Activities to focus on

## Percentage of finance leaders expecting to spend time on the following areas in the next 3 years

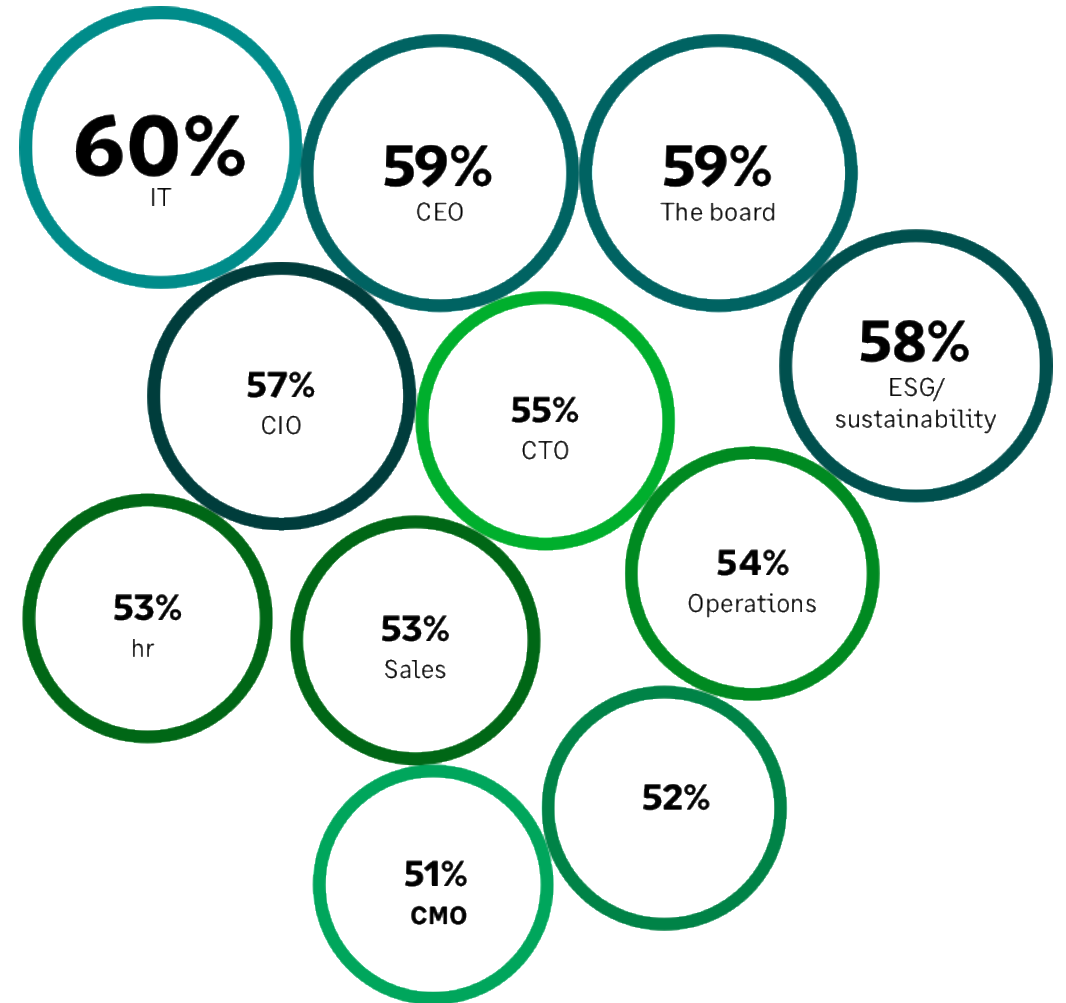
More Same Less



\*Percentages may not add up to 100% due to rounding

# Increase networking activities

Percentage of finance leaders that expect to have more contact with the following departments or stakeholders



# Top 5 attributes of successful CFOs

## Top 5 attributes that are crucial to be successful over the next 3 years

### Top skills listed by CFOs who identify themselves to be successful

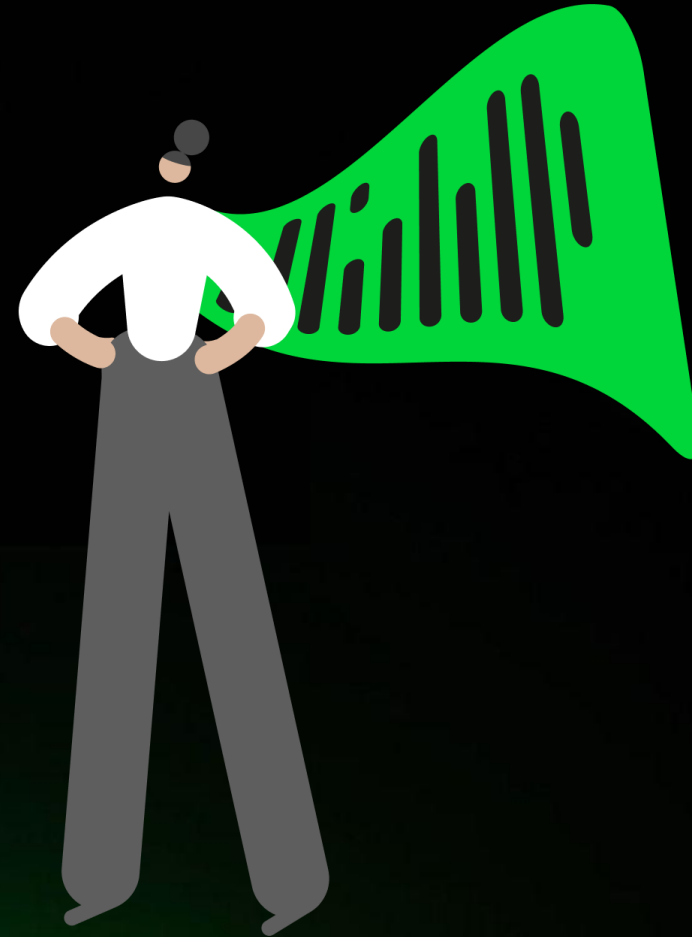


### Top skills listed by all CFOs



# Why does any of this matter ?

- **CFOs are playing a leading role** in trying to create an environment to help generate funding to support good causes
- **Charities are having to deliver more for less** and in some case take on more responsibilities than ever before
- **Failure to do this will result in reducing/cutting services**, which can impact on staff and our service users (business cases)



# Enhancing skills, knowledge and experience

# Constantly reevaluate

- What is our mission ?
- What monies do we need to survive ?
- What skills do we need to survive ?
- How do we attract more monies ?
- How do we assess our performance

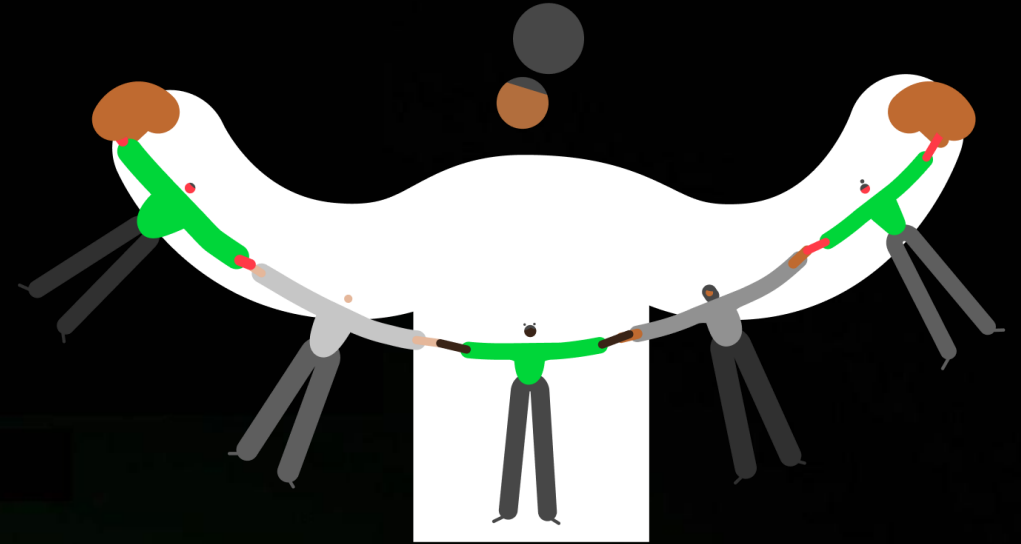
**Covering short, medium and long term**



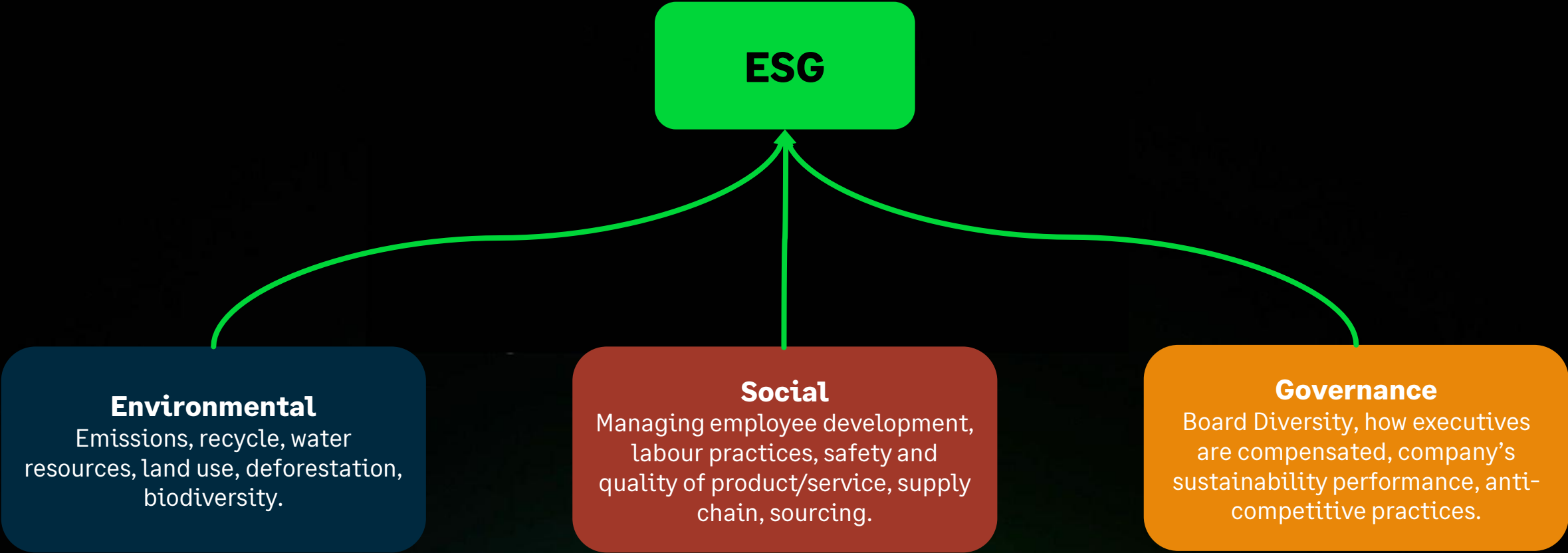
# Targeted Fund Raising

Key factors in donation decisions:

- **Generation Z:** cause-driven, social media influence, transparency, micro-donations, digital platforms
- **Millennials:** cause-driven, peer influence, recurring donations, CSR programs, tech and social engagement
- **Generation X:** local impact, family-oriented causes, loyalty to trusted organizations, cautious but tech-savvy
- **Baby Boomers:** loyalty, religious giving, traditional methods (mail, phone), larger one-time donations, legacy giving
- **Silent generation:** traditional giving (religious, local), personal relationships, trusted institutions, planned giving

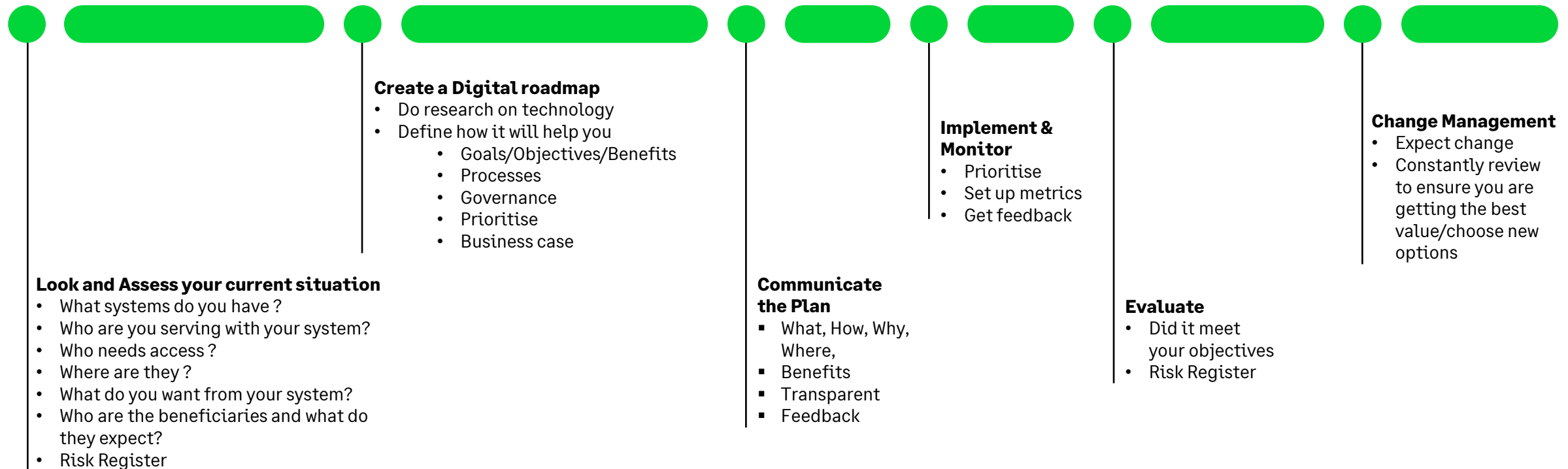


# Having an ESG agenda will attract funders



# Technology could open up more options

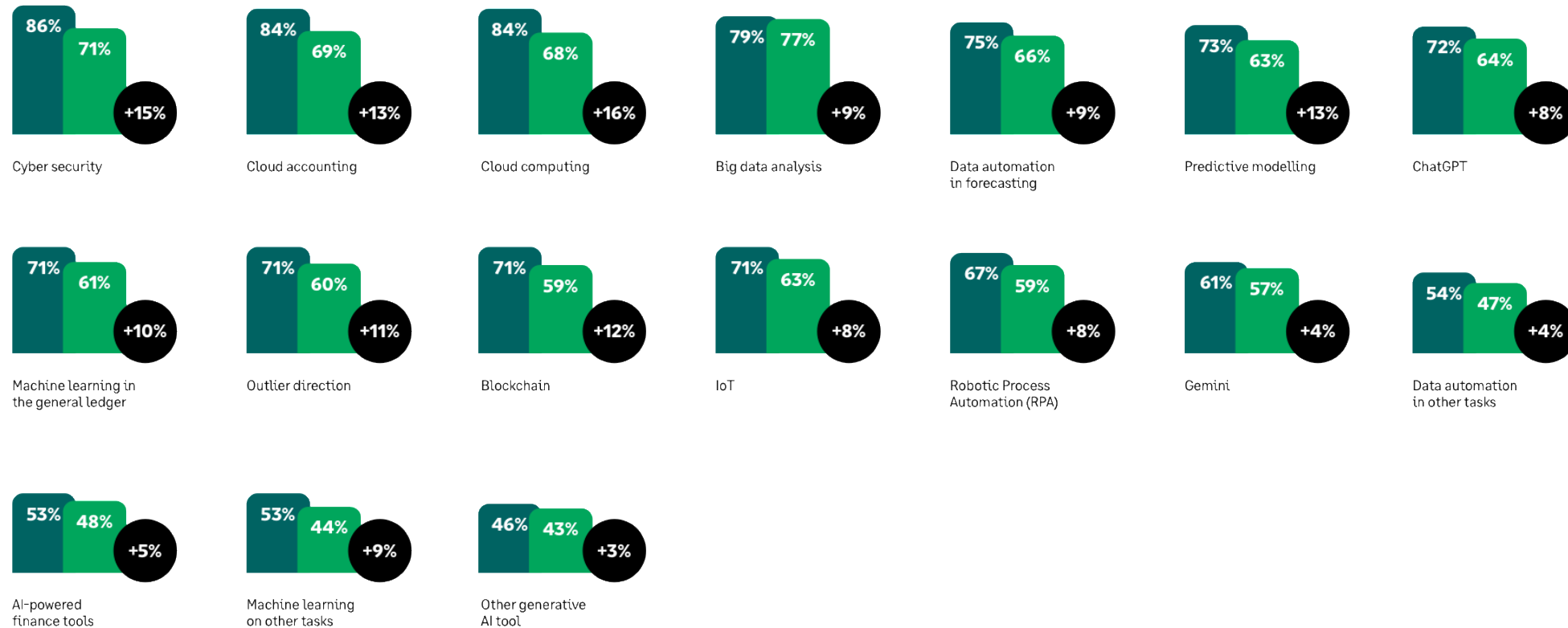
By digitising your business, you open up a world of possibilities for growth and innovation and more importantly vital funds.



# The secrets of successful CFOs

## Percentage of finance leaders who say they use the following technologies in their current role

Very successful finance leaders   Others



# Using AI to support the NFP CFO

## How Not-for-Profit CFOs Should Use AI

### Purpose:

NFP CFOs should use AI to **strengthen financial stewardship, resilience, and govt and mission delivery**. AI is an *enabler of better control and insight*, not a replacement.

## 1. Capacity Protection and Efficiency

AI should first be applied to **high-volume, rules-based finance activities** where a

### Validated uses include:

- Transaction classification and coding (including funds/projects)
- Bank reconciliation support and anomaly detection
- Risk-based approval routing
- Period-close task tracking and issue surfacing

### Verified benefit:

Finance teams regain capacity without weakening controls—critical in resource-constrained environments.

## 2. Restricted Funds and Grant Compliance

AI is most valuable where NFP complexity is highest: **restricted and grant funding**.

### Appropriate uses include:

- Continuous monitoring of spend against fund rules
- Early alerts for under- or over-spend risk
- Automated support for grant and funder reporting

### Verified benefit:

Reduced risk of funding breaches and stronger funder confidence.

## 3. Cashflow and Financial Risk Management

Given income volatility across the sector, AI should be used to **surface risk earlier**, not to predict it.

### Use cases include:

- Rolling short- and medium-term cashflow forecasts
- Pattern-based alerts for income or cost pressure
- Scenario modelling for plausible funding shocks

### Verified benefit:

NFPs gain time to intervene before financial stress becomes critical.

## 4. Board and Trustee Decision Support

AI should help translate complex financial data into **clear, understandable insight**.

### Validated applications include:

- Plain-English variance explanations
- Highlighting key risks and trends
- Supporting financial narratives in board papers

### Verified benefit:

Better-informed trustees and more effective governance.

## 5. Governance, Assurance, and Audit Readiness

AI should **enhance**, not bypass, control frameworks.

### Appropriate applications include:

- Continuous exception monitoring
- Policy compliance checking
- Stronger audit trails and evidence collation

## 6. Strategic and Mission-Led Planning

AI can support—but not replace—strategic financial judgement.

### Use cases include:

- Linking financial data to operational delivery
- Assessing long-term service sustainability
- Supporting reserves and funding-mix discussions

### Verified benefit:

Financial decisions remain mission-led but evidence-based.

## 7. CFO as AI Steward

In NFPs, the CFO has a critical **guardianship role**.

### This includes responsibility for:

- Data quality and integrity
- Clear boundaries between AI recommendation and human decision-making
- Ethical, explainable, and auditable AI use
- Cost discipline and value realisation

### Verified benefit:

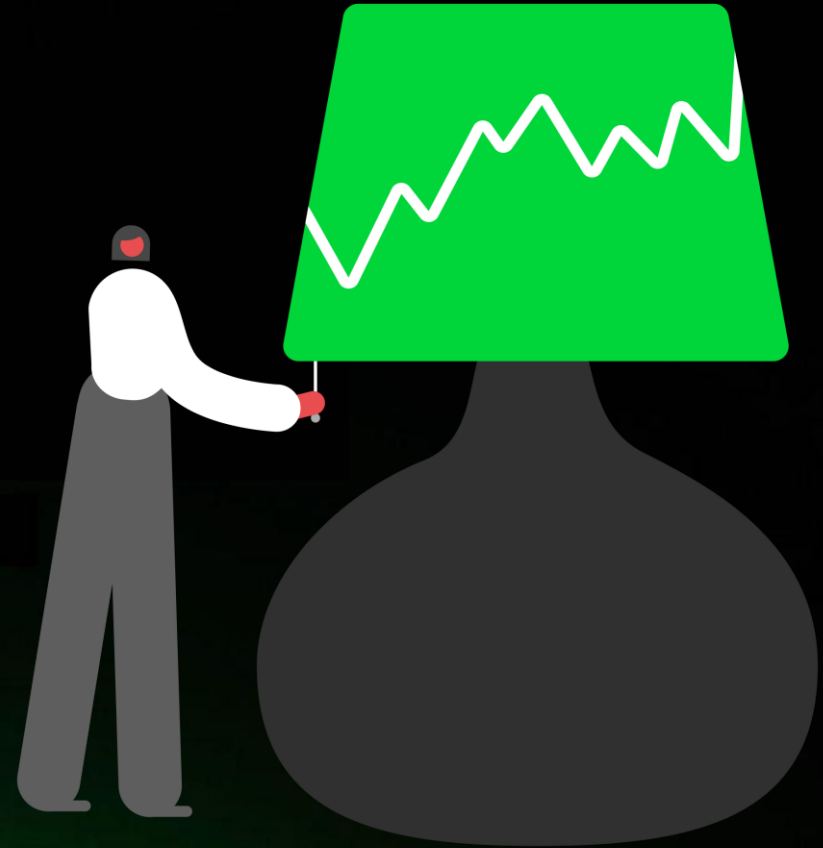
Maintains trust with funders, regulators, beneficiaries, and the public.

## What is explicitly *not* recommended

- Using AI solely as a cost-cutting tool
- Automating decisions without human oversight
- Deploying AI without trustee understanding
- Relying on AI where data quality is poor

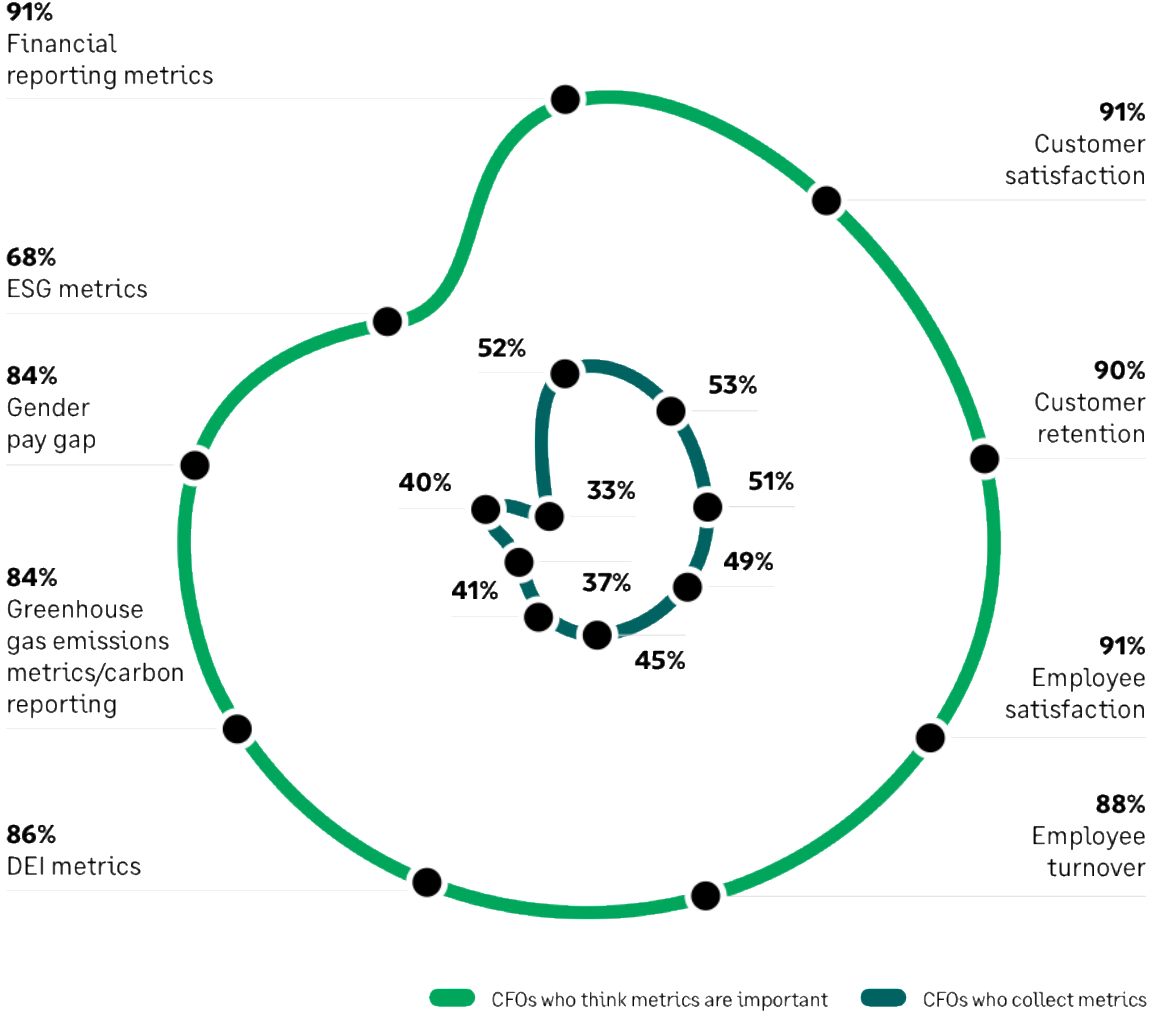
# How are CFOs actually using AI technology

- Financial forecasting and planning
- Automation of routine tasks
- Enhancing decision-making with real-time data
- Risk management and compliance
- Cost optimisation
- Improved cash flow management
- Strategic role in business growth



# Capture the right metrics

**Capturing the right metrics: The number of CFOs thinking metrics are important, versus the number of CFOs actually collecting these metrics**



# Examples of metrics to capture #1

Grant Income

**£917,125** ↓

This year to date

-31.26% vs. prior year

Total Income Received

**£2,358,135** ↑

This year

+£63,039 vs. prior year

Total Program Expense

**£6,240,859** ↓

This year

-£2,472,221 vs. prior year

Visitors Served

**4,009** ↑

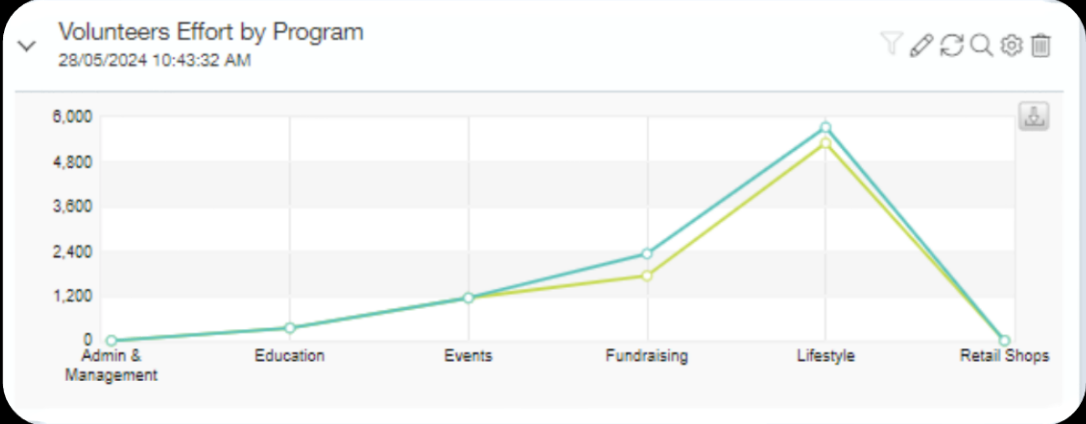
This month

+4,009 vs. prior month

Enquiries

**217,840**

This year to date



Program Expenditure with cost per Area

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Expenditures	Program Services				
	Events Year Ending 31/12/2021 Departments	Lifestyle Year Ending 31/12/2021 Departments	Fundraising Year Ending 31/12/2021 Departments	Education Year Ending 31/12/2021 Departments	All Departments Year Ending 31/12/2021 Departments
Personnel Expenses	1,085,072.84	319,014.87	73,848.18	83,729.09	1,521,684.78
Professional Fees	641,585.69	51,545.40	65,508.55	37,788.84	796,398.48
Program Expenses	649,623.25	322,341.88	342,428.36	192,388.25	1,506,781.74
Occupancy	228,568.25	190,379.30	51,711.41	88,285.55	558,944.51
General and Administrative Expenses	828,846.74	387,191.35	363,436.78	279,593.28	1,859,070.15
<b>Total Expenditures</b>	<b>3,411,698.57</b>	<b>1,270,472.80</b>	<b>896,933.28</b>	<b>661,765.01</b>	<b>6,240,859.66</b>
Clients Served	1,900.00	435.00	1,473.00	201.00	4,009.00
<b>Cost per Client</b>	<b>1,795.63</b>	<b>2,920.63</b>	<b>608.92</b>	<b>3,292.31</b>	<b>1,556.71</b>
Programmatic Expenses	1,795.63	2,920.63	608.92	3,292.31	1,556.71
Total Programmatic Expenses	1,795.63	2,920.63	608.92	3,292.31	1,556.71
Total Cost per Client	1,795.63	2,920.63	608.92	3,292.31	1,556.71

Total Gifts Received

**£2,358,135** ↑

this year

+£63,039 vs. prior year

Gifts received

**11,735** ↑

this year

+1,928 vs. prior year

Average Gift Amount

**£200** ↓

this year

-£33 vs. prior year

# Meals Served

**217,040** ↑

this year

+6.85% vs. prior year

Volunteer Hours

**8,584** ↓

this year

-10.50% vs. prior year

Average Gift Value

**£611** ↓

this year

-£3 vs. prior year

Total Program Expense

**£6,240,859** ↓

this year

-£390,681 vs. prior year

# Examples of data to capture #2



# Examples of metrics to capture #3

<p>At least <b>70p in every £1</b> that is donated, is available to fund our lifesaving work</p>	<p>There is <b>£437 million</b> of BHF-funded research currently underway</p>	<p>We have over <b>100,000 defibrillators</b> on The Circuit, the national defibrillator network</p>
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## Whoever you are, whatever it takes



There are almost 3.5 million people with cancer in the UK - a record number that is continuing to rise. We know that receiving a cancer diagnosis can be one of the hardest times in people's lives and that's why Macmillan exists. To do whatever it takes to help everyone with cancer get the best care the UK has to offer, whoever and wherever they are.



**2.4 million**

In 2024 alone, we helped 2.4 million people affected by cancer



**484,000 people**

We supported 484,000 people living with cancer with our in-person, phone and digital services



**100,000 hours**

Our community of more than 11,000 volunteers gave more than 100,000 hours of their time

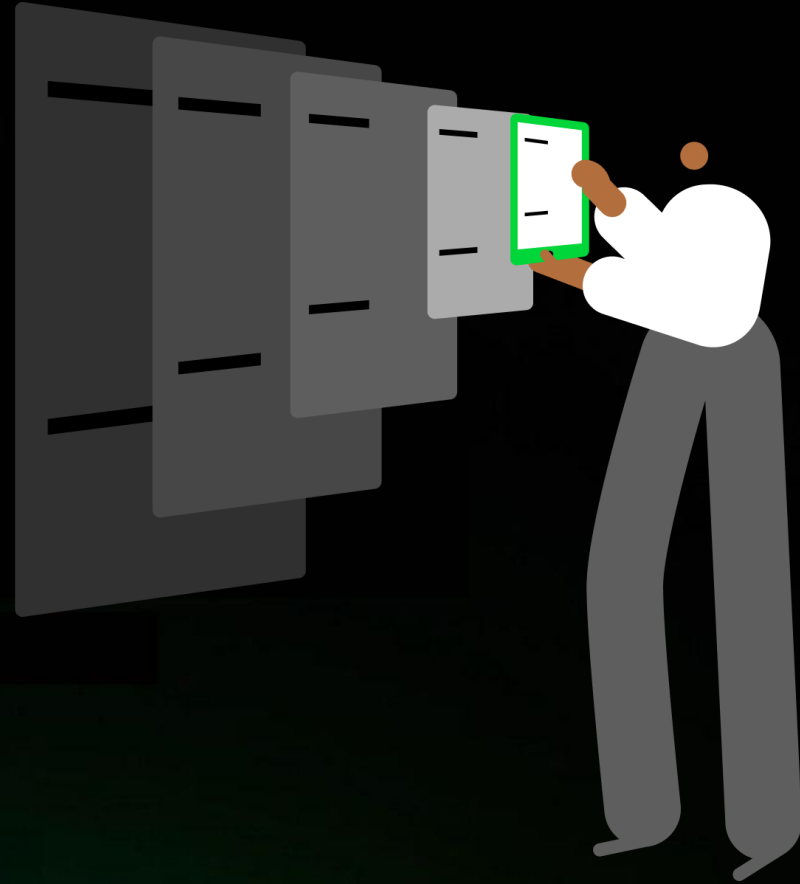


**£239.7 million**

Thanks to the generosity of our amazing supporters we raised £239.7 million - this was 98% of our total income

# Empowerment Techniques

- Continue your expertise on finance for which you are accountable
- Educate yourself on what's impacting the charity sector e.g. ESG, IT, AI e-Invoicing and fund raising
- Network both internally and externally
- Constantly evaluate what you do
- Work with Mentors/Buddies



# For more Information



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# Q & A

THANK YOU



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**Thank you for joining us!**