

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

England & Wales · Charity number 1049171

Details

Other names	ISTRUCTE BENEVOLENT FUND
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Status	Registered
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Legal form	Charitable company
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Company number	03087463
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Registered	1995-09-13
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Register	View on the Charity Commission register
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Contact

Address	47-58 Bastwick Street London EC1V 3PS
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Phone	02072354535
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Email	benfund@istructe.org
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Website	www.istructe.org
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Activities

Objects: THE PREVENTION OR RELIEF OF POVERTY OR FINANCIAL HARDSHIP OF, AND THE RELIEF OF SICKNESS AND THE PRESERVATION OF HEALTH AMONG, CURRENT OR FORMER MEMBERS OF THE INSTITUTION AND THEIR DEPENDANTS OR FORMER DEPENDENTS, INCLUDING, BUT NOT LIMITED TO, THE PROVISION OF FINANCIAL ASSISTANCE, SUPPORT, EDUCATION AND PRACTICAL ADVICE.

Activities: The Benevolent Fund makes grants and affords assistance to necessitous persons who are members or former members, or dependants of members or former members, of the Institution of Structural Engineers.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Advocacy/advice/information
- **What:** The Prevention Or Relief Of Poverty
- **Who:** Other Defined Groups

Geography

- Australia
- South Africa
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£113,180	£112,798	-	-
2023-12-31	£103,106	£139,637	-	-
2022-12-31	£110,848	£104,845	-	-
2021-12-31	£73,729	£152,014	-	-
2020-12-31	£73,933	£164,893	-	-

Trustees

Name	Role	Appointed
DR J M ROBERTS		1996-05-23
Lee John Gentry		2023-04-10
MR I G HILL		2011-07-29
MR J D PARSONS		2007-05-11
MR J M ALLEN		1996-05-23
MR M F RYLAND		2012-07-20
Nicholas Charles Wheeler		2015-07-24
Nigel Westwood		2016-07-22

Accounts

Report and Financial Statements

for the year ended 31 December 2024

Benevolent Fund

The Benevolent Fund is registered with the Charity Commission for England & Wales, under registered number 1049171 and is regulated by the Financial Conduct Authority under FRN 718626. The company registration number is 03087463.

The registered office of the Benevolent Fund is 47-58 Bastwick Street, London EC1V 3PS.

INDEPENDENT EXAMINER

Thomas Wilson, HaysMac LLP, 10 Queen Street Place, London EC4R 1AG

BANKERS

National Westminster Bank plc, Victoria (A) Branch, PO Box 1357, 169 Victoria Street, London SW1E 5NA

INVESTMENT MANAGERS

W H Ireland Ltd, 24 Martin Lane, London EC4R 0DR

SOLICITORS

Withers LLP, 16 Old Bailey, London EC4M 7EG

TRUSTEE-DIRECTORS 2024

J M Allen BSc (Hons) CEng FIStructE MICE

L J Gentry CEng MIStructE

I G Hill BEng (Hons) CEng FIStructE MICE

Vice-Chair

J D Parsons BSc (Hons) CEng FIStructE MICE

Chair

Dr J M Roberts FREng BEng (Hons) PhD CEng FIStructE FICE

M F Ryland BSc (Hons) CEng FIStructE MICE

N Westwood BSc (Eng) CEng MIStructE FConSE

N C Wheeler BSc (Hons) CEng MIStructE MICE

ADVISORY COUNCIL 2024

L J Gentry CEng MIStructE

Bedfordshire & Adjoining Counties Regional Group

M Thompson

Canada (Ontario)

Vacancy

Devon & Cornwall Regional Group

B Hipwell BEng (Hons) CEng MIStructE FConSE

East Anglia Regional Group

J M Allen BSc (Hons) CEng FIStructE MICE

East Midlands Regional Group

Benevolent Fund

I G Hill BEng (Hons) CEng FIStructE MICE

M Smith CEng MIStructE

C Higgins CEng MIStructE

Vacancy

M F Ryland BSc (Hons) CEng FIStructE MICE

P H Sexton BA BAI MSc CEng MIStructE

A Massie BSc (Eng) CEng MIStructE ACI Arb

Mr J W Bunce DIC, CEng, FIStructE, FRINA

Vacancy

N Westwood BSc (Eng) CEng MIStructE FConSE

A Reeves CEng MIStructE

J D Parsons BSc (Hons) CEng FIStructE MICE

S B Holmes CEng MIStructE

N C Wheeler BSc (Hons) CEng MIStructE MICE

T S F Lok BSc (Hons) PhD CEng PEng FIStructE

Lancashire & Cheshire Regional Group

Midland Counties Regional Group

Northern Counties Regional Group

Northern Ireland Regional Group

North Thames Regional Group

Republic of Ireland Group

Scottish Regional Group

South Eastern Regional Group

Southern Regional Group

Surrey Regional Group

Thames Valley Regional Group

Wales Regional Group

Western Counties Regional Group

Yorkshire Regional Group

Singapore Regional Group

SECRETARY

S J Martin (Appointed 2 July 2024)

Dr K MacDonald (Resigned 2 July 2024)

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT 31 DECEMBER 2024

1 INTRODUCTION

The Trustee-Directors present their report and the financial statements of the Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2024. The accounts which are attached to this report comply with current statutory requirements, the requirements of the Benevolent Fund's articles of association, and with the requirements of 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 – Second Edition)'.

2 REFERENCE AND ADMINISTRATIVE INFORMATION

The Institution of Structural Engineers Benevolent Fund is constituted as a company limited by guarantee incorporated in England & Wales under registered number 03087463 and is governed by its articles of association.

The names of the Trustee-Directors who served during the period are set out on page 1; all remained in office at the date of the approval of this report. No material contracts subsisted during the period in which any Trustee-Director had an interest.

The names of the Secretary and of the principal professional advisers to the Benevolent Fund are set out on pages 1 and 2.

3 ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Benevolent Fund was established in 1936 as an unincorporated association and in 1941 it obtained registration as a friendly society. With the agreement of its members, as well as the relevant statutory authorities, on 2 August 1995 it was incorporated as a company limited by guarantee and on 13 September 1995 it was reregistered as a charity. The Benevolent Fund's governing document is its articles of association (which were amended by special resolution on 19 July 2018), under which the Trustee-Directors have made rules for the management of the Benevolent Fund.

Trustee-Directors

The Benevolent Fund's articles of association provide that there shall be at least three Trustee-Directors. Trustee-Directors are appointed, for three-year terms, at general meetings of the Benevolent Fund, although the Trustee-Directors themselves may also make appointments for one year. Subject to the Benevolent Fund's articles of association, all decisions are taken by the Trustee-Directors (although the Chair, either singularly or with one other Trustee-Director, has limited delegated power to approve emergency grants). On appointment, each Trustee-Director receives an information pack, which, in addition to details about the Benevolent Fund, contains information relating to the roles of trustee and company director; this pack is updated as required.

Advisory Council

The articles of association provide for there to be an Advisory Council of representatives of regional groups of the Institution of Structural Engineers: this Council has been established, comprising delegates from 17 of the Institution's 32 UK and international regional group/hubs. The names of the Advisory Council members are given on pages 1 and 2. As well as contacting applicants and beneficiaries and attending meetings of the Trustee-Directors, the Advisory Council members also undertake local publicity on behalf of the Benevolent Fund and encourage contributions. Neither the Advisory Council members, nor the Trustee-Directors or anyone else acting on behalf of the Benevolent Fund (other than the principal advisers), receives any payment apart from out-of-pocket expenses.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Sub-committees

The articles of association authorise the Trustee-Directors to appoint sub-committees. The Benevolent Fund in 2024 had one sub-committee, namely the Investments Sub-Committee comprising, Mr J M Allen, Mr J D Parsons and Mr I G Hill.

Relationships with other organisations

Wherever possible, the Benevolent Fund co-operates with other charities in relation to applicants and beneficiaries. The list of grants on page 18 shows joint beneficiaries of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds. The Benevolent Fund is a member of the Association of Charitable Organisations.

In 2020 the Benevolent Fund entered into a partnership agreement with Anxiety UK whereby members/former members and dependents can quickly access support for anxiety and anxiety related depression from clinical therapists.

Risk management

The Trustee-Directors oversee an ongoing assessment of the major risks to which the Benevolent Fund is exposed, in particular those relating to its operations and finances, and are satisfied that systems are in place to manage the Benevolent Fund's exposure to those risks. The most significant risk is the long-term fall in the value of the Benevolent Fund's investments, but these are kept under constant review by the Investment Managers and are monitored by the Investments Sub-Committee regularly. Another risk is the unexpected loss of administrative staff, a comprehensive procedural manual is regularly updated for use by the staff and any alternative support cover should the Benevolent Fund staff not be able, for any reason, to meet the responsibilities of the role.

4 OBJECTS, ACTIVITIES AND ACHIEVEMENTS

Objects

The Benevolent Fund's objects are the prevention or relief of poverty or financial hardship of, and the relief of sickness and the preservation of health among, current or former members of the Institution and their dependents or former dependents, including, but not limited to, the provision of financial assistance, support, education and practical advice.

The fulfilment of these objects is clearly of public benefit.

Vision

The vision of the Benevolent Fund is to enable the Institution of Structural Engineers to care for its members, former members and their dependants, in time of need.

Public Benefit

The Trustee-Directors are satisfied that the aims of the Fund are carried out wholly in pursuit of its charitable aims. Members and non-Institution members benefit from receiving financial assistance in times of need.

The Trustee-Directors have regard to guidance on public benefit published by the Charity Commission, when exercising their powers and duties and where such guidance is relevant. The Trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing the Funds' aims and objectives and in planning its future activities.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Activities and achievements

The Benevolent Fund's principal activity during the year was the administration of funds held for charitable purposes.

There is no geographical restriction relating to beneficiaries, and the Benevolent Fund assists members and their dependants both within and beyond the United Kingdom.

The Trustee-Director's objective for 2024 was to assist as many potential beneficiaries as may apply, normally between 15 and 30 Institution members, former members and their dependents. During the year the Benevolent Fund helped 11 individuals and distributed £45,830 in grants which enabled them to meet day to day living expenses or specific items of expenditure. A summary of grants paid is given on page 18. Whenever possible, a representative of the Benevolent Fund visits or makes contact with an applicant to establish a personal link with the Benevolent Fund and to make an independent appraisal of the circumstances to guide the Trustee-Directors in their assessment of need: the Trustee-Directors are grateful to those who undertake this important and sensitive role.

Many members of the Institution support the Benevolent Fund by regular contributions. Some, considerably, remember the Benevolent Fund in their will. Regional Groups of the Institution also support the Benevolent Fund through fund-raising at events. The Trustee-Directors are most grateful for the generous support of the Benevolent Fund by all concerned.

The Trustee-Directors have formulated a strategic plan, and policies and procedures for the administration of the Benevolent Fund and its assets and for grant-making. These are kept under regular review.

5 FINANCIAL REVIEW

Trustee-Directors' responsibilities

The Trustee-Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustee-Directors to prepare financial statements for each financial year. In accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), under company law the Trustee-Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee-Directors are required to:

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

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

The Trustee-Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Trustee-Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Financial statements are published on the charity's section of the Institution of Structural Engineer's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee-Directors. The Trustees-Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Examiners

All of the Trustee-Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Independent Examiners are aware of that information. The Trustee-Directors are not aware of any relevant information of which the charity's Independent Examiners are unaware.

Review of the year

The Benevolent Fund's income in the period comprised donations and legacies of £43,821 (2023: £44,085) and investment income of £69,359 (2023: £59,021), a total of £113,180 (2023: £103,106). Grants made, including support costs, totalled £85,118 (2023: £115,362) and cost of raising funds with support costs were £27,680 (2023: £24,275), realising an operational surplus of £382 (2023: an operational deficit of £36,530). The value of the Benevolent Fund at the year-end was £2,107,977 (2023: £1,972,123). This mainly comprised investments held to generate income for the payment of grants.

The investment portfolio is made up of approximately 64% of shares in equities, with UK equities accounting for almost half, and the remainder is spread over a range of American, Japanese, Emerging Market, Global and European sectors.

Investment policy and performance

As the majority of the Benevolent Fund's investments are in listed securities, their market value (which is the figure used in the balance sheet) varies according to stock market conditions. At 31st December 2024 the market value of the investments stood at £2,028,871, made up of listed investments of £1,947,407 and cash deposits of £81,464. £107,057 above their historical cost of £1,921,814 (2023: £281 above historical cost). Based on the investment value and cash deposits there remains sufficient liquidity within the portfolio to fund additional demands on resources should they be required in the next 12 months. The Trustee-Directors remain confident that the Fund's Investment Policy remains appropriate to fulfil its objective of long-term growth.

No commitment to payments is made beyond a 12-month period and other than the grant, support and governance costs stated above the Fund has no overheads or financial commitments.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Investment policy and performance

Under the articles of association, the Trustee-Directors have adopted rules governing the investment of funds. The Trustee-Directors have approved a detailed investment policy, in accordance with which the main objective of the portfolio is long-term growth in income and capital; the Benevolent Fund accepts medium risk in this aim. Activity in the portfolio is monitored by the Investments Sub-Committee, which receives detailed reports from the investment managers (W H Ireland Ltd), who are represented at its twice-yearly meetings.

Reserves policy

The Institution of Structural Engineers Benevolent Fund does not seek funding from outside the membership of the Institution of Structural Engineers. Approximately 39% of the Fund's income came from donations made with Institution subscriptions, one-off donations and bequests.

Legacy income, in particular, is very uncertain. The levels of dividends, interest received, and inflation tend to fluctuate. In order to safeguard the provision of grants to current and future beneficiaries the Trustees have agreed a target for reserves of between £1.90m to £2.30m (reduced from last year due to a trend, over the last five years, for the totals of grants awarded to be falling); the position relative to the target will continue to be reviewed at each Trustee meeting. As at 31st December 2024 the Fund held reserves of £2.1m, i.e., within the reserves target.

The fund had free reserves of £79k at 31st December 2024, the remainder of its reserves being investments made for the purposes of generating income to pay grants to beneficiaries. Based on the recent analysis of the fund's future financial position, there will be sufficient cash resources available to meet its financial obligations as they fall due.

Grant-making policies

Under policies adopted by the Trustee-Directors, each case is considered on its merits (that is, there is no scale grant); grants are not made to assist in the professional development of Institution members; and grants are not, normally, made to student members of the Institution, or to dependants or former dependants of Institution members who are either their children aged 21 or over or legally separated or divorced from the member, or for the purpose of funding private health care, or totalling more than £14,000 to any individual beneficiary (£21,000 for a couple, £6,000 for first dependent, £3,000 for second dependent) in any year. Furthermore, payments are not made that would reduce a beneficiary's entitlement to public funding. If the Benevolent Fund settles debts, it will not normally pay any subsequent debts. Where applicable, the Benevolent Fund pays in respect of a beneficiary a sum to the Institution in respect of their annual subscription and Engineering Council UK fee.

Fund raising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Benevolent Fund does not undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes.' Such amounts are presented in our accounts as 'Donations and legacies'.

In relation to the above the Trustee-Directors confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the administrative staff and members of the Advisory Council, who are accountable to the Trustee-Directors.

Benevolent Fund

The Benevolent Fund is not required by any undertaking to be bound to any regulatory scheme and the Trustee-Directors do not consider it necessary to comply with any voluntary code of practice.

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

No complaints have been received in relation to fundraising activities.

Charity Governance Code

The Trustee-Directors have considered the Charity Governance Code for smaller charities and have in general adopted its principles.

The Trustee-Directors of the Fund and the members of its Advisory Council are drawn from the membership of the Institution of Structural Engineers. Currently the diversity of this group is not as wide, or as representative of the Institution's membership, as the Trustee-Directors wish, and they intend to take steps to increase its diversity when opportunities are available.

Some Trustee-Directors have served for longer than ten years but having reviewed this it is felt to be appropriate; this will be kept under review.

6 PLANS FOR FUTURE PERIODS

While keeping the Benevolent Fund's policies, procedures and activities under review, and ensuring that it operates effectively and efficiently, the Trustee-Directors currently have no plans for major long-term change. The number of applications received in 2024 and the number of grants awarded has remained relatively unchanged.

Forecast changes are outlined in Section 5 – Review of the year. The Trustee-Directors will continue to promote the Benevolent Fund to potential beneficiaries, including outside the United Kingdom where some 35% of Institution members are located.

7 APPROVAL

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Chair, on behalf of the Board.

J D Parsons

J D Parsons
Trustee-Director

Date: **16 July 2025**

Benevolent Fund

Independent Examiner's report to the members of The Institution of Structural Engineers Benevolent Fund

I report to the Trustees on my examination of the accounts of The Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2024 which are set out on pages 10 to 18.

Respective responsibilities of Trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act). The trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Thomas Wilson ACA

10 Queen Street Place
London
EC4R 1AG

Date: **16/07/2025**

Benevolent Fund

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

		Total Unrestricted Funds	
	Notes	2024 £	2023 £
Income from:			
Donations and legacies	4	43,821	44,085
Investment income	5	69,359	59,021
Total income		113,180	103,106
Expenditure on:			
Costs of raising funds			
Fundraising and publicity		27,680	24,275
Expenditure on Charitable activities			
Grants	13	85,118	115,362
Total expenditure		112,798	139,637
Net expenditure before gains and losses on investments		382	(36,530)
Gains / (losses) on investments		135,472	186,755
Net movement in funds for the year		135,854	150,225
Total funds brought forward		1,972,123	1,821,898
Total funds carried forward		2,107,977	1,972,123

All amounts relate to continuing activities.

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

The notes on pages 12 to 18 form part of these financial statements.

Benevolent Fund

BALANCE SHEET

31 December 2024

Company number 03087463

		2024	2023
	Notes	£	£
FIXED ASSETS			
Investments	10	<u>2,028,871</u>	<u>1,910,835</u>
CURRENT ASSETS			
Debtors due within one year	11	46,382	25,768
Debtors due greater than one year	11	110,570	84,070
Cash at bank and in hand		20,631	17,444
		<u>177,583</u>	<u>127,282</u>
CREDITORS			
Amounts falling due within one year	12	(98,477)	(65,994)
NET CURRENT ASSETS		<u>79,106</u>	<u>61,288</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		<u>2,107,977</u>	<u>1,972,123</u>
INCOME FUND			
Unrestricted funds:			
General fund surpluses and gains		2,107,977	1,972,123
		<u>2,107,977</u>	<u>1,972,123</u>

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

For the year ending, 31 December 2024, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities,

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

On behalf of the board:

J D Parsons

J D Parsons
Trustee - Director

These financial statements were approved by the Board on 16 July

2025 and authorised for issue.

The notes on pages 12 to 18 form part of these financial statements.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2024

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102 - Second Edition)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institution of Structural Engineers Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Trustee-Directors are satisfied that based on the work done that the preparation of the accounts on a going concern basis is appropriate. This conclusion has been mostly formed based on the high level of liquid funds available compared to the annual spend.

The financial statements are presented in UK Sterling, which is the Charity's functional currency, and rounded to the nearest pound.

(a) Income

Donations, gifts, and legacies

Donations, gifts, and legacies are included in the financial statements when; the Benevolent Fund has entitlement to the funds, there is a probability that the Benevolent Fund will receive economic benefit, and the monetary value can be measured.

Investment income

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which it is receivable.

(b) Expenditure

Expenditure is incorporated in the financial statements as incurred, and includes irrecoverable Value Added Tax.

Grants are incorporated when notified to beneficiaries. Any commitments payable at a later date are included in the balance sheet as creditors. Payments comprise grants awarded to members and their families. Any grants which are subsequently repaid are treated as donations.

Support costs

These costs represent the general administration in supporting the operational activities for which the charity is responsible.

Governance costs

These costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activities. This includes external audit costs and legal fees.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

(c) **Investments**

Investments are shown at market value. Unrealised gains and losses are incorporated within the fund balance and are identified as unrealised. Market value is based on bid prices for listed investments.

(d) **Loans to beneficiaries**

Loans to beneficiaries are recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any impairments.

The Benevolent Fund does not charge interest on its loans to beneficiaries.

(e) **Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

(f) **Cash at bank and in hand**

Cash and cash equivalents include cash at bank, cash in hand and other short term highly liquid investments.

(g) **Creditors**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(h) **Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(i) **Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity does not currently have any significant accounting estimates or areas of judgement.

2. GENERAL INFORMATION

The Institution of Structural Engineers Benevolent Fund is a company limited by guarantee with the charity registration number 1049171 and company registration 03087463. The registered office of the Benevolent Fund is 47-58 Bastwick Street, London EC1V 3PS. The principal objectives of the Charity are set out in the Trustees Report, on page 4.

3. NET INCOME AND NET MOVEMENT IN FUNDS

The net income and net movement in funds are wholly attributable to the company's activity of the administration of funds held for charitable purposes and arise mainly within the United Kingdom.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

4. INCOME FROM DONATIONS AND LEGACIES

Donations in the year were received from:

	2024 £	2023 £
Regional Groups	2,923	-
Individual donations	32,598	44,085
Legacies	8,300	-
Total	43,821	44,085

5. INVESTMENT INCOME

Investment income for the year is derived from:

	2024 £	2023 £
Listed investments including government securities	69,359	59,021
	69,359	59,021

6. SUPPORT AND GOVERNANCE COSTS

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	4,869	14,971	19,840
Governance	Expenditure ratios	1,227	3,774	5,001
Total		6,096	18,745	24,841

COMPARATIVE FIGURES FOR 2023

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	3,768	17,909	21,677
Governance	Expenditure ratios	670	3,184	3,854
Total		4,438	21,093	25,531

All grants issued are to individuals with links to the Institution of Structural Engineers, and who require financial assistance.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

7. NET INCOME FOR THE YEAR

Net income is stated after charging:

	2024 £	2023 £
Independent Examiner's' remuneration	2,160	2,040

8. DIRECTORS AND TRUSTEES

No director received any remuneration during the year (2023 – none).

During the year 3 directors were reimbursed travelling expenses incurred whilst engaged on the business of the charity amounting to £926 (2023 – 2 directors were reimbursed £655).

The Benevolent Fund does not employ any staff, and there is no Senior Management remuneration.

9. RELATED PARTY TRANSACTIONS

During the year the Fund had the following transactions with the Institution of Structural Engineers.

	2024 £	2023 £
Income		
Charitable donations	32,632	35,634
Expenditure		
Management charge	15,876	15,120

There were no transactions with any other related parties during the financial year (2023 - £Nil) and there are no balances outstanding with any related parties, at the Balance sheet date (2023 - £Nil).

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

10. INVESTMENTS

	2024 £	2023 £
Carrying value at the beginning of year	1,910,835	1,760,334
Add: additions to investments at cost	420,616	416,011
Less: disposals at carrying value	(305,572)	(479,820)
Net (loss) / gain on investments	134,842	186,755
Loss on disposals	(24,256)	(108,099)
Net movement in dividends received from listed companies	630	6,740
Cash movement	(108,224)	128,914
Carrying value at the end of the year	2,028,871	1,910,835

	2024 £	2023 £
Investments, all of which are in the UK, are made up of:		
Listed	1,947,407	1,721,778
Cash	81,464	189,057
Carrying value at the end of the year	2,028,871	1,910,835

The historical cost of fixed asset investment is:	1,921,814	1,910,554
--	------------------	------------------

The listed investments and cash deposits were managed on behalf of the company by WH Ireland, on a discretionary basis and include direct investment in listed investments and indirect investment through unit and investment trusts.

Cash deposits within the portfolio are held on overnight deposit.

Investment Management Fees:

	2024 £	2023 £
Amounts paid to manage investments	17,435	16,254
	17,435	16,254

Investment management fees appear in the Statement of Financial Activities under Other Costs

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

11. DEBTORS

	2024 £	2023 £
Amounts due within 1 year:		
Other debtors	46,382	25,768
Amounts due after 1 year:		
Secured loans to beneficiaries	110,570	84,070
	156,952	109,838

The secured loans to beneficiaries were advanced on the security of a fixed charge over freehold property. The loans are repayable when vacant possession of the properties is available. The Benevolent Fund does not charge interest on these loans.

12. CREDITORS

	2024 £	2023 £
Amounts falling due within 1 year:		
Other creditors	11,977	7,512
Management charge due to Institution of Structural Engineers	15,876	21,150
Grant creditors	70,624	37,332
	98,477	65,994

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2024 (CONTINUED)

13. GRANTS 2024

		£	
	Grants committed to during 2023 and paid during 2024	(21,150)	First assisted
290	Unemployed , aged 54	8,040	2009
310	Widow of Fellow, aged 84	3,000	2010
312	Member, aged 87, married	2,643	2010
347	Fellow, aged 83, married	7,200	2016
358	Fellow, aged 96, married	4,975	2017
369	Fellow, aged 86, married	7,343	2018
370	Fellow, aged 79, married	5,050	2018
380	Associate-Member, aged 62, married	1,440	2022
407	Graduate, aged 55	3,150	2023
409	Member, aged 78	2,239	2023
415	Member*, aged 78, married	750	2023
	Total grants paid during 2024	45,830	
	Grants committed to during 2024 and due to be paid during 2025	41,693	
	Allocated support costs	18,745	
		<u>85,118</u>	

*Joint beneficiary of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds.

14. Analysis of changes in net debt

	At the 1 st January 2024 £	Cash flows £	Other non- cash changes £	At 31 st December 2024 £
Cash	17,444	3,187	-	20,631
	<u>17,444</u>	<u>3,187</u>	<u>-</u>	<u>20,631</u>
Total	<u>17,444</u>	<u>3,187</u>	<u>-</u>	<u>20,631</u>

Accounts

Report and Financial Statements

for the year ended 31 December 2023

Benevolent Fund

The Benevolent Fund is registered with the Charity Commission for England & Wales, under registered number 1049171 and is regulated by the Financial Conduct Authority under FRN 718626. The company registration number is 03087463.

The registered office of the Benevolent Fund is 47-58 Bastwick Street, London EC1V 3PS.

INDEPENDENT EXAMINER

Thomas Wilson, FCA, Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

BANKERS

National Westminster Bank plc, Victoria (A) Branch, PO Box 1357, 169 Victoria Street, London SW1E 5NA

INVESTMENT MANAGERS

W H Ireland Ltd, 24 Martin Lane, London EC4R 0DR

SOLICITORS

Withers LLP, 16 Old Bailey, London EC4M 7EG

TRUSTEE-DIRECTORS 2023

J M Allen) CEng FIStructE MICE

L J Gentry CEng MIStructE (appointed 10 April 2023)

I G Hill CEng FIStructE MICE

Vice-Chair

J D Parsons CEng FIStructE MICE

Chair

Dr J M Roberts FEng CEng FIStructE FICE

M F Ryland CEng FIStructE MICE

N Westwood CEng MIStructE FConSE

N C Wheeler CEng MIStructE MICE

F J McGlade BSc CEng FIStructE MICE (resigned 10 April 2023)

ADVISORY COUNCIL 2023

L J Gentry CEng MIStructE

Bedfordshire & Adjoining Counties Regional Group

Vacancy

Devon & Cornwall Regional Group

B Hipwell CEng MIStructE FConSE

East Anglian Regional Group

J M Allen CEng FIStructE MICE

East Midlands Regional Group

Benevolent Fund

I G Hill CEng FStructE MICE	Lancashire & Cheshire Regional Group
M Smith CEng MStructE	Midland Counties Regional Group
C Higgins CEng MStructE	Northern Counties Regional Group
<i>Vacancy</i>	Northern Ireland Regional Group
M F Ryland CEng FStructE MICE	North Thames Regional Group
P H Sexton CEng MStructE	Republic of Ireland Group
A Massie CEng MStructE ACI Arb	Scottish Regional Group
Mr J W Bunce DIC, CEng, FStructE, FRINA	South Eastern Regional Group
N J Groves CEng MStructE MCMI	Southern Regional Group
N Westwood CEng MStructE FConSE	Surrey Regional Group
A Reeves CEng MStructE	Thames Valley Regional Group
J D Parsons CEng FStructE MICE	Wales Regional Group
S B Holmes CEng MStructE	Western Counties Regional Group
N C Wheeler CEng MStructE MICE	Yorkshire Regional Group
Dr T S F Lok CEng PEng FStructE	Singapore Regional Group

SECRETARY

M J Martin

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT 31 DECEMBER 2023

1 INTRODUCTION

The Trustee-Directors present their report and the financial statements of the Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2023. The accounts which are attached to this report comply with current statutory requirements, the requirements of the Benevolent Fund's articles of association, and with the requirements of 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 – Second Edition)'.

2 REFERENCE AND ADMINISTRATIVE INFORMATION

The Institution of Structural Engineers Benevolent Fund is constituted as a company limited by guarantee incorporated in England & Wales under registered number 03087463 and is governed by its articles of association.

The names of the Trustee-Directors who served during the period are set out on page 1; all remained in office at the date of the approval of this report. No material contracts subsisted during the period in which any Trustee-Director had an interest.

The names of the Secretary and of the principal professional advisers to the Benevolent Fund are set out on page 1.

3 ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Benevolent Fund was established in 1936 as an unincorporated association and in 1941 it obtained registration as a friendly society. With the agreement of its members, as well as the relevant statutory authorities, on 2 August 1995 it was incorporated as a company limited by guarantee and on 13 September 1995 it was reregistered as a charity. The Benevolent Fund's governing document is its articles of association (which were amended by special resolution on 19 July 2018), under which the Trustee-Directors have made rules for the management of the Benevolent Fund.

Trustee-Directors

The Benevolent Fund's articles of association provide that there shall be at least three Trustee-Directors. Trustee-Directors are appointed, for three-year terms, at general meetings of the Benevolent Fund, although the Trustee-Directors themselves may also make appointments for one year. Subject to the Benevolent Fund's articles of association, all decisions are taken by the Trustee-Directors (although the Chair, either singularly or with one other Trustee-Director, has limited delegated power to approve emergency grants). On appointment, each Trustee-Director receives an information pack, which, in addition to details about the Benevolent Fund, contains information relating to the roles of trustee and company director; this pack is updated as required.

Advisory Council

The articles of association provide for there to be an Advisory Council of representatives of regional groups of the Institution of Structural Engineers: this Council has been established, comprising delegates from 19 of the Institutions 32 UK and international regional hubs. The names of the Advisory Council members are given on pages 1 and 2. As well as contacting applicants and beneficiaries and attending meetings of the Trustee-Directors, the Advisory Council members also undertake local publicity on behalf of the Benevolent Fund and encourage contributions. Neither the Advisory Council members, nor the Trustee-Directors or anyone else acting on behalf of the Benevolent Fund (other than the principal advisers), receives any payment apart from out-of-pocket expenses.

Benevolent Fund

Sub-committees

The articles of association authorise the Trustee-Directors to appoint sub-committees. The only sub-committee appointed in 2023 was the Investments Sub-Committee, comprising Mr J M Allen, Mr J D Parsons and Mr I G Hill.

Relationships with other organisations

Wherever possible, the Benevolent Fund co-operates with other charities in relation to applicants and beneficiaries. The list of grants on page 22 shows joint beneficiaries of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds. The Benevolent Fund is a member of the Association of Charitable Organisations.

In 2020 the Benevolent Fund entered into a partnership agreement with Anxiety UK whereby members/former members and dependents can quickly access support for anxiety and anxiety related depression from clinical therapists.

Risk

The Trustee-Directors oversee an ongoing assessment of the major risks to which the Benevolent Fund is exposed, in particular those relating to its operations and finances, and are satisfied that systems are in place to manage the Benevolent Fund's exposure to those risks. The most significant risk is the long-term fall in the value of the Benevolent Fund's investments, but these are kept under constant review by the Investment Managers and are monitored by the Investments Sub-Committee regularly. Another risk is the unexpected loss of the Secretary, a comprehensive procedural manual is regularly updated for use by the Secretary and any alternative support cover should the Secretary not be able, for any reason, to meet the responsibilities of the role.

4 OBJECTS, ACTIVITIES AND ACHIEVEMENTS

Objects

The Benevolent Fund's objects are the prevention or relief of poverty or financial hardship of, and the relief of sickness and the preservation of health among, current or former members of the Institution and their dependents or former dependents, including, but not limited to, the provision of financial assistance, support, education and practical advice.

The fulfilment of these objects is clearly of public benefit.

Vision

The vision of the Benevolent Fund is to enable the Institution of Structural Engineers to care for its members, former members and their dependants, in time of need.

Public Benefit

The Trustee-Directors are satisfied that the aims of the Fund are carried out wholly in pursuit of its charitable aims. Members and non-Institution members benefit from receiving financial assistance in times of need.

The Trustee-Directors have regard to guidance on public benefit published by the Charity Commission, when exercising their powers and duties and where such guidance is relevant. The Trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing the Funds' aims and objectives and in planning its future activities.

Benevolent Fund

Activities and achievements

The Benevolent Fund's principal activity during the year was the administration of funds held for charitable purposes.

There is no geographical restriction relating to beneficiaries, and the Benevolent Fund assists members and their dependants both within and beyond the United Kingdom.

The Trustee-Director's objective for 2023 was to assist between 15 and 30 Institution members, former members and their dependents. During the year the Benevolent Fund helped 20 individuals and distributed £84,294 in grants which enabled them to meet day to day living expenses or specific items of expenditure. A summary of grants paid is given on page 18. Whenever possible, a representative of the Benevolent Fund visits or makes contact with an applicant to establish a personal link with the Benevolent Fund and to make an independent appraisal of the circumstances to guide the Trustee-Directors in their assessment of need: the Trustee-Directors are grateful to those who undertake this important and sensitive role.

Many members of the Institution support the Benevolent Fund by regular contributions. Some, considerably, remember the Benevolent Fund in their will. Regional Groups of the Institution also support the Benevolent Fund through fund-raising at events. The Trustee-Directors are most grateful for the generous support of the Benevolent Fund by all concerned.

The Trustee-Directors have formulated a strategic plan, and policies and procedures for the administration of the Benevolent Fund and its assets and for grant-making. These are kept under regular review.

5 FINANCIAL REVIEW

Trustee-Directors' responsibilities

The Trustee-Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustee-Directors to prepare financial statements for each financial year. In accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), under company law the Trustee-Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee-Directors are required to:

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

Benevolent Fund

The Trustee-Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Trustee-Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee-Directors. The Trustees-Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Examiners

All of the Trustee-Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Independent Examiners are aware of that information. The Trustee-Directors are not aware of any relevant information of which the charity's Independent Examiners are unaware.

Review of the year

The Benevolent Fund's income in the period comprised donations and legacies of £44,085 (2022: £58,324) and investment income of £59,021 (2022: £52,524), a total of £103,106 (2022: £110,848). Grants made, including support costs, totalled £115,362 (2022: £77,760) and cost of raising funds with support costs were £24,275 (2022: £27,085), realising an operational deficit of £36,530 (2022: an operational surplus of £6,003). The value of the Benevolent Fund at the year-end was £1,972,123 (2022: £1,821,988). This mainly comprised investments held to generate income for the payment of grants.

The investment portfolio is spread over 9 sectors with UK equities accounting for a third, the remainder is spread over a range of American, Japanese, Emerging Market, Global and European sectors. There has been very little change in the total value of the listed investments, showing a modest increase of £14,848 from 2022. The number of entities in which the Fund holds more than 5% in value of the total portfolio remained unchanged at one, when compared to the holding at 31.12.2022. A more detailed assessment of the situation is given below with its likely impact.

Investment policy and performance

As the majority of the Benevolent Fund's investments are in listed securities, their market value (which is the figure used in the balance sheet) varies according to stock market conditions. At 31st December 2023 the market value of the investments stood at £1,910,835, made up of listed investments of £1,721,778 and cash deposits of £189,057. £281 above their historical cost of £1,910,554 (2022: £219,291 below historical cost). Based on the investment value and cash deposits there remains sufficient liquidity within the portfolio to fund additional demands on resources should they be required in the next 12 months. The Trustee-Directors remain confident that the Fund's Investment Policy remains appropriate to fulfil its objective of long-term growth.

No commitment to payments is made beyond a 12-month period and other than the grant, support and governance costs stated above the Fund has no overheads or financial commitments.

Benevolent Fund

Investment policy and performance

Under the articles of association, the Trustee-Directors have adopted rules governing the investment of funds. The Trustee-Directors have approved a detailed investment policy, in accordance with which

the main objective of the portfolio is long-term growth in income and capital; the Benevolent Fund accepts medium risk in this aim. Activity in the portfolio is monitored by the Investments Sub-Committee, which receives detailed reports from the investment managers (W H Ireland Ltd), who are represented at its twice-yearly meetings.

Reserves policy

The Institution of Structural Engineers Benevolent Fund does not seek funding from outside the membership of the Institution of Structural Engineers. Approximately 43% of the Fund's income came from donations made with Institution subscriptions, one-off donations and bequests.

Legacy income, in particular, is very uncertain. The levels of dividends, interest received, and inflation tend to fluctuate. As at 31st December 2023 the Fund held reserves of £1.97m. The fund had free reserves of £61k at 31st December 2023, the remainder of its reserves being investments made for the purposes of generating income to pay grants to beneficiaries. Based on the recent analysis of the fund's future financial position, there will be sufficient cash resources available to meet its financial obligations as they fall due.

Grant-making policies

Under policies adopted by the Trustee-Directors, each case is considered on its merits (that is, there is no scale grant); grants are not made to assist in the professional development of Institution members; and grants are not, normally, made to student members of the Institution, or to dependants or former dependants of Institution members who are either their children aged 21 or over or legally separated or divorced from the member, or for the purpose of funding private health care, or totalling more than £14,000 to any individual beneficiary (£21,000 for a couple, £6,000 for first dependent, £3,000 for second dependent) in any year. Furthermore, payments are not made that would reduce a beneficiary's entitlement to public funding. If the Benevolent Fund settles debts, it will not normally pay any subsequent debts. Where applicable, the Benevolent Fund pays in respect of a beneficiary a sum to the Institution in respect of their annual subscription and Engineering Council UK fee.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Fund raising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Benevolent Fund does not undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes.' Such amounts are presented in our accounts as 'Donations and legacies'.

In relation to the above the Trustee-Directors confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the Secretary and members of the Advisory Council, who are accountable to the Trustee-Directors.

The Benevolent Fund is not required by any undertaking to be bound to any regulatory scheme and the Trustee-Directors do not consider it necessary to comply with any voluntary code of practice.

Benevolent Fund

No complaints have been received in relation to fundraising activities.

Charity Governance Code

The Trustee-Directors have considered the Charity Governance Code for smaller charities and have in general adopted its principles.

The Trustee-Directors of the Fund and the members of its Advisory Council are drawn from the membership of the Institution of Structural Engineers. Currently the diversity of this group is not as wide, or as representative of the Institution's membership, as the Trustee-Directors wish, and they intend to take steps to increase its diversity when opportunities are available.

Some Trustee-Directors have served for longer than ten years but having reviewed this it is felt to be appropriate; this will be kept under review.

6 PLANS FOR FUTURE PERIODS

While keeping the Benevolent Fund's policies, procedures and activities under review, and ensuring that it operates effectively and efficiently, the Trustee-Directors currently have no plans for major long-term change. Whilst the Covid-19 pandemic and global economic crisis has led to changes in income, the number of applications received in 2023 and the number of grants awarded has remained relatively unchanged.

Forecast changes are outlined in Section 5 – Review of the year. The Trustee-Directors will continue to promote the Benevolent Fund to potential beneficiaries, including outside the United Kingdom where some 35% of Institution members are located.

7 APPROVAL

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Chair, on behalf of the Board.



J D Parsons
Trustee-Director

Date: 20 Sept 2024

Benevolent Fund

Independent Examiner's report to the members of The Institution of Structural Engineers Benevolent Fund

I report to the Trustees on my examination of the accounts of The Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2023 which are set out on pages 10 to 18.

Respective responsibilities of Trustees and examiner

The Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). The Trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust's accounts as carried out under section 44 (1) (c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

- 1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or**
- 2. the accounts do not accord with those records; or**
- 3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.**

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Thomas Wilson, FCA
10 Queen Street Place
London
EC4R 1AG

Date: 23/09/24

Benevolent Fund

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

		Total Unrestricted Funds	
	Notes	2023 £	2022 £
Income from:			
Donations and legacies	4	44,085	58,324
Investment income	5	59,021	52,524
Total income		<u>103,106</u>	<u>110,848</u>
Expenditure on:			
Costs of raising funds			
Fundraising and publicity		24,275	27,085
Expenditure on Charitable activities			
Grants	13	115,362	77,760
Total expenditure		<u>139,637</u>	<u>104,845</u>
Net expenditure before gains and losses on investments		(36,530)	6,003
Gains / (losses) on investments	10	186,755	(160,597)
Net movement in funds for the year		<u>150,225</u>	<u>(154,594)</u>
Total funds brought forward		1,821,898	1,976,492
Total funds carried forward		<u>1,972,123</u>	<u>1,821,898</u>

All amounts relate to continuing activities.

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

The notes on pages 12 to 17 form part of these financial statements.

Benevolent Fund

BALANCE SHEET

31 December 2023

Company number 03087463

		2023	2022
	Notes	£	£
FIXED ASSETS			
Investments	10	1,910,835	1,760,334
CURRENT ASSETS			
Debtors due within one year	11	25,768	20,912
Debtors due greater than one year	11	84,070	86,546
Cash at bank and in hand		17,444	19,963
		127,282	127,421
CREDITORS			
Amounts falling due within one year	12	(65,994)	(65,857)
NET CURRENT ASSETS		61,288	61,564
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		1,972,123	1,821,898
INCOME FUND			
Unrestricted funds:			
General fund surpluses and gains		1,972,123	1,821,898
		1,972,123	1,821,898

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

For the year ending, 31 December 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities,

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

On behalf of the board:

J. D. Parsons

J D Parsons
Trustee - Director

These financial statements were approved by the Board on 20 / 09 2024 and authorised for issue.

The notes on pages 12 to 17 form part of these financial statements.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2023

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102 - Second Edition)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institution of Structural Engineers Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The mix of investments within the investment portfolio changed during the year. The purpose of the change was to improve both the value of the investments and the dividend yield. The Trustee-Directors are satisfied that based on the work done that the preparation of the accounts on a going concern basis is appropriate. This conclusion has been mostly formed based on the high level of liquid funds available compared to the annual spend.

The financial statements are presented in UK Sterling, which is the Charity's functional currency, and rounded to the nearest pound.

(a) Income

Donations, gifts, and legacies

Donations, gifts, and legacies are included in the financial statements when; the Benevolent Fund has entitlement to the funds, there is a probability that the Benevolent Fund will receive economic benefit, and the monetary value can be measured.

Investment income

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which it is receivable.

(b) Expenditure

Expenditure is incorporated in the financial statements as incurred, and includes irrecoverable Value Added Tax.

Grants are incorporated when notified to beneficiaries. Any commitments payable at a later date are included in the balance sheet as creditors. Payments comprise grants awarded to members and their families. Any grants which are subsequently repaid are treated as donations.

Support costs

These costs represent the general administration in supporting the operational activities for which the charity is responsible.

Governance costs

These costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activities. This includes external audit costs and legal fees.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2023 (CONTINUED)

(c) **Investments**

Investments are shown at market value. Unrealised gains and losses are incorporated within the fund balance and are identified as unrealised. Market value is based on bid prices for listed investments.

d) **Loans to beneficiaries**

Loans to beneficiaries are recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any impairments.

The Benevolent Fund does not charge interest on its loans to beneficiaries.

(e) **Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

(f) **Cash at bank and in hand**

Cash and cash equivalents include cash at bank, cash in hand and other short term highly liquid investments.

(g) **Creditors**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(h) **Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(i) **Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity does not currently have any significant accounting estimates or areas of judgement.

2. GENERAL INFORMATION

The Institution of Structural Engineers Benevolent Fund is a company limited by guarantee with the charity registration number 1049171 and the company registration 03087463. The registered office of the Benevolent Fund is 47-58 Bastwick Street, London EC1V 3PS. The principal objectives of the charity are set out in the Trustees Report, on page 4.

3. NET INCOME AND NET MOVEMENT IN FUNDS

The net income and net movement in funds are wholly attributable to the company's activity of the administration of funds held for charitable purposes and arise mainly within the United Kingdom.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2023 (CONTINUED)

4. INCOME FROM DONATIONS AND LEGACIES

Donations in the year were received from:

	2023 £	2022 £
Regional Groups	-	2,096
Individual donations	44,085	32,594
Legacies	-	23,634
Total	44,085	58,324

5. INVESTMENT INCOME

Investment income for the year is derived from:

	2023 £	2022 £
Listed investments including government securities	<u>59,021</u>	<u>32,412</u>

6. SUPPORT AND GOVERNANCE COSTS

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	3,768	17,909	21,677
Governance	Expenditure ratios	670	3,184	3,854
Total		4,438	21,093	25,531

COMPARATIVE FIGURES FOR 2022

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	5,139	14,755	19,894
Governance	Expenditure ratios	1,389	3,987	5,376
Total		6,528	18,742	25,270

All grants issued are to individuals with links to the Institution of Structural Engineers, and who require financial assistance.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2023 (CONTINUED)

7. NET INCOME FOR THE YEAR

Net income is stated after charging:

	2023 £	2022 £
Independent Examiner's' remuneration	2,040	1,980

8. DIRECTORS AND TRUSTEES

No director received any remuneration during the year (2022 – none).

During the year 2 directors were reimbursed travelling expenses incurred whilst engaged on the business of the charity amounting to £655 (2022 – 2 directors were reimbursed £390).

The Benevolent Fund does not employ any staff, and there is no Senior Management remuneration.

9. RELATED PARTY TRANSACTIONS

During the year the Fund had the following transactions with the Institution of Structural Engineers.

	2023 £	2022 £
Income		
Charitable donations	35,634	34,690
Expenditure		
Management charge	15,120	15,120

There were no transactions with any other related parties during the financial year (2022 - £Nil) and there are no balances outstanding with any related parties, at the Balance sheet date (2022 - £Nil).

10. INVESTMENTS

	2023 £	2022 £
Carrying value at the beginning of year	1,760,334	1,977,953
Add: additions to investments at cost	416,011	1,024,221
Less: disposals at carrying value	(479,820)	(973,209)
Net gain / (loss) on investments	186,755	(160,597)
Loss on disposals	(108,099)	(5,804)
Net movement in dividends received from listed companies	6,740	4,730
Cash movement	128,914	(106,960)
Carrying value at the end of the year	1,910,835	1,760,334

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2023 (CONTINUED)

	2023 £	2022 £
Investments, all of which are in the UK, are made up of:		
Listed	1,721,778	1,706,930
Cash	189,057	53,404
Carrying value at the end of the year	1,910,835	1,760,334
The historical cost of fixed asset investment is:	1,910,554	1,979,625

The listed investments and cash deposits were managed on behalf of the company by WH Ireland, on a discretionary basis and include direct investment in listed investments and indirect investment through unit and investment trusts.

Cash deposits within the portfolio are held on overnight deposit.

Investment Management Fees:

	2023 £	2022 £
Amounts paid to manage investments	16,254	17,021
	16,254	17,021

Investment management fees appear in the Statement of Financial Activities under Other Costs

11. DEBTORS

	2023 £	2022 £
Amounts due within 1 year:		
Other debtors	25,768	20,912
Amounts due after 1 year:		
Secured loans to beneficiaries	84,070	86,546
	109,838	107,458

The secured loans to beneficiaries were advanced on the security of a fixed charge over freehold property. The loans are repayable when vacant possession of the properties is available. The Benevolent Fund does not charge interest on these loans.

12. CREDITORS

	2023 £	2022 £
Amounts falling due within 1 year:		
Other creditors	7,512	6,936
Grant creditors	21,150	11,175
Amounts owed to the Institution of Structural Engineers	37,332	47,746
	65,994	65,857

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2023 (CONTINUED)

13. GRANTS 2023

		£	
	Grants committed to during 2022 and paid during 2023	(11,175)	First assisted
308	Graduate*, aged 74	300	2010
310	Widow of Fellow, aged 81	5,600	2010
312	Member, aged 85, married	3,170	2010
342	Widow of Fellow, aged 85*	2,977	2014
347	Fellow, aged 82, married	2,050	2016
358	Fellow, aged 93, widowed	5,725	2017
362	Fellow, aged 98, married *	3,550	2017
367	Technician, aged 65, married	4,649	2018
369	Fellow, aged 84, married	6,416	2018
370	Fellow, aged 77, married	6,000	2018
377	Graduate, aged 68, married*	3,900	2019
380	Associate-Member, aged 61, married	1,912	2022
391	Graduate, aged 38	5,171	2021
397	Member, aged 50	1,250	2022
401	Member, aged 42	165	2022
403	Member, aged 39, married with 2 children	7,666	2022
405	Member, aged 39, married with 1 child	10,000	2023
407	Graduate, aged 54	12,118	2023
408	Widow of Fellow, aged 88	700	2023
415	Member*, aged 82, married	975	2023
	Total grants paid during 2023	84,294	
	Grants committed to during 2023 and due to be paid during 2024	21,150	
	Allocated support costs	21,093	
		<u>115,362</u>	

* Joint beneficiary of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds.

14. Analysis of changes in net debt

	At the 1 st January 2023 £	Cash flows £	At 31 st December 2023 £
Cash	19,963	(2,519)	17,444
	<u>19,963</u>	<u>(2,519)</u>	<u>17,444</u>
Total	<u>19,963</u>	<u>(2,519)</u>	<u>17,444</u>

Accounts

Report and Financial Statements

for the year ended 31 December 2022

Benevolent Fund

The Benevolent Fund is registered with the Charity Commission for England & Wales, under registered number 1049171 and is regulated by the Financial Conduct Authority under FRN 718626.

The registered office of the Benevolent Fund is 47-58 Bastwick Street, London EC1V 3PS.

INDEPENDENT EXAMINER

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

BANKERS

National Westminster Bank plc, Victoria (A) Branch, PO Box 1357, 169 Victoria Street, London SW1E 5NA

INVESTMENT MANAGERS

W H Ireland Ltd, 24 Martin Lane, London EC4R 0DR

SOLICITORS

Withers LLP, 16 Old Bailey, London EC4M 7EG

BENEFITS CONSULTANT

C Pedroza, 53 Ryde Road, Brighton BN2 3EG

TRUSTEE-DIRECTORS 2022

J M Allen BSc(Hons) CEng FIStructE MICE	Chair
I G Hill BEng(Hons) CEng FIStructE MICE	
F J McGlade BSc CEng FIStructE MICE	
J D Parsons BSc(Hons) CEng FIStructE MICE	Vice-Chair
Dr J M Roberts FREng BEng(Hons) PhD CEng FIStructE FICE	
M F Ryland BSc(Hons) CEng FIStructE MICE	
N Westwood BSc(Eng) CEng MIStructE FConSE	
N C Wheeler BSc(Hons) CEng MIStructE MICE	

ADVISORY COUNCIL 2022

Vacancy	Bedfordshire & Adjoining Counties Regional Group
Vacancy	Devon & Cornwall Regional Group
B Hipwell BEng(Hons) CEng MIStructE FConSE	East Anglian Regional Group
J M Allen BSc(Hons) CEng FIStructE MICE	East Midlands Regional Group

Benevolent Fund

I G Hill BEng(Hons) CEng FStructE MICE	Lancashire & Cheshire Regional Group
<i>Vacancy</i>	Midland Counties Regional Group
C Higgins CEng MStructE	Northern Counties Regional Group
F J McGlade BSc CEng FStructE MICE	Northern Ireland Regional Group
M F Ryland BSc(Hons) CEng FStructE MICE	North Thames Regional Group
Mr J G Dunny BEng Tech IEng, AMStructE, MIEI	Republic of Ireland Group
A Massie BSc(Eng) CEng MStructE ACI Arb	Scottish Regional Group
Mr J W Bunce DIC, CEng, FStructE, FRINA	South Eastern Regional Group
N J Groves BSc(Hons) MSc CEng MStructE MCMI	Southern Regional Group
N Westwood BSc(Eng) CEng MStructE FConsE	Surrey Regional Group
L M P Chong BSc(Hons) MSc CEng Peng FStructE MICE MCIHT	Thames Valley Regional Group
J D Parsons BSc(Hons) CEng FStructE MICE	Wales Regional Group
S B Holmes CEng MStructE	Western Counties Regional Group
N C Wheeler BSc(Hons) CEng MStructE MICE	Yorkshire Regional Group
T S F Lok BSc(Hons) PhD CEng PEng FStructE	Singapore Regional Group

SECRETARY

Dr K MacDonald BSc(Hons) PhD CSci CChem MRSC

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT 31 DECEMBER 2022

1 INTRODUCTION

The Trustee-Directors present their report and the financial statements of the Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2022. The accounts which are attached to this report comply with current statutory requirements, the requirements of the Benevolent Fund's articles of association, and with the requirements of 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 – Second Edition)'.

2 REFERENCE AND ADMINISTRATIVE INFORMATION

The Institution of Structural Engineers Benevolent Fund is constituted as a company limited by guarantee incorporated in England & Wales under registered number 3087463 and is governed by its articles of association.

The names of the Trustee-Directors who served during the period are set out on page 1; all remained in office at the date of the approval of this report. No material contracts subsisted during the period in which any Trustee-Director had an interest.

The names of the Secretary and of the principal professional advisers to the Benevolent Fund are set out on page 1.

3 ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Benevolent Fund was established in 1936 as an unincorporated association and in 1941 it obtained registration as a friendly society. With the agreement of its members, as well as the relevant statutory authorities, on 2 August 1995 it was incorporated as a company limited by guarantee and on 13 September 1995 it was reregistered as a charity. The Benevolent Fund's governing document is its articles of association (which were amended by special resolution on 19 July 2018), under which the Trustee-Directors have made rules for the management of the Benevolent Fund.

Trustee-Directors

The Benevolent Fund's articles of association provide that there shall be at least three Trustee-Directors. Trustee-Directors are appointed, for three-year terms, at general meetings of the Benevolent Fund, although the Trustee-Directors themselves may also make appointments for one year. Subject to the Benevolent Fund's articles of association, all decisions are taken by the Trustee-Directors (although the Chair, either singularly or with one other Trustee-Director, has limited delegated power to approve emergency grants). On appointment, each Trustee-Director receives an information pack, which, in addition to details about the Benevolent Fund, contains information relating to the roles of trustee and company director; this pack is updated as required.

Advisory Council

The articles of association provide for there to be an Advisory Council of representatives of regional groups of the Institution of Structural Engineers: this Council has been established, comprising delegates from 19 of the Institutions 32 UK and international regional groups. The names of the Advisory Council members are given on pages 1 and 2. As well as contacting applicants and beneficiaries and attending meetings of the Trustee-Directors, the Advisory Council members also undertake local publicity on behalf of the Benevolent Fund and encourage contributions. Neither the Advisory Council members, nor the Trustee-Directors or anyone else acting on behalf of the Benevolent Fund (other than the principal advisers), receives any payment apart from out-of-pocket expenses.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Sub-committees

The articles of association authorise the Trustee-Directors to appoint sub-committees. The only sub-committee appointed in 2022 was the Investments Sub-Committee, comprising Mr J M Allen, Mr J D Parsons and Mr I G Hill.

Relationships with other organisations

Wherever possible, the Benevolent Fund co-operates with other charities in relation to applicants and beneficiaries. The list of grants on page 22 shows joint beneficiaries of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds. The Benevolent Fund is a member of the Association of Charitable Organisations.

In 2020 the Benevolent Fund entered into a partnership agreement with Anxiety UK whereby members/former members and dependents can quickly access support for anxiety and anxiety related depression from clinical therapists.

Risk

The Trustee-Directors oversee an ongoing assessment of the major risks to which the Benevolent Fund is exposed, in particular those relating to its operations and finances, and are satisfied that systems are in place to manage the Benevolent Fund's exposure to those risks. The most significant risk is the long-term fall in the value of the Benevolent Fund's investments, but these are kept under constant review by the Investment Managers and are monitored by the Investments Sub-Committee regularly. Another risk is the unexpected loss of the Secretary, a comprehensive procedural manual is regularly updated for use by the Secretary and any alternative support cover should the Secretary not be able, for any reason, to meet the responsibilities of the role.

4 OBJECTS, ACTIVITIES AND ACHIEVEMENTS

Objects

The Benevolent Fund's objects are the prevention or relief of poverty or financial hardship of, and the relief of sickness and the preservation of health among, current or former members of the Institution and their dependents or former dependents, including, but not limited to, the provision of financial assistance, support, education and practical advice.

The fulfilment of these objects is clearly of public benefit.

Vision

The vision of the Benevolent Fund is to enable the Institution of Structural Engineers to care for its members, former members and their dependants, in time of need.

Public Benefit

The Trustee-Directors are satisfied that the aims of the Fund are carried out wholly in pursuit of its charitable aims. Members and non-Institution members benefit from receiving financial assistance in times of need.

The Trustee-Directors have regard to guidance on public benefit published by the Charity Commission, when exercising their powers and duties and where such guidance is relevant. The Trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing the Funds' aims and objectives and in planning its future activities.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Activities and achievements

The Benevolent Fund's principal activity during the year was the administration of funds held for charitable purposes.

There is no geographical restriction relating to beneficiaries, and the Benevolent Fund assists members and their dependants both within and beyond the United Kingdom.

The Trustee-Director's objective for 2022 was to assist between 15 and 30 Institution members, former members and their dependents. During the year the Benevolent Fund helped 20 individuals and distributed £82,918 in grants which enabled them to meet day to day living expenses or specific items of expenditure. A summary of grants paid is given on page 18. Whenever possible, a representative of the Benevolent Fund visits or makes contact with an applicant to establish a personal link with the Benevolent Fund and to make an independent appraisal of the circumstances to guide the Trustee-Directors in their assessment of need: the Trustee-Directors are grateful to those who undertake this important and sensitive role.

Many members of the Institution support the Benevolent Fund by regular contributions. Some, considerably, remember the Benevolent Fund in their will. Regional Groups of the Institution also support the Benevolent Fund through fund-raising at events. The Trustee-Directors are most grateful for the generous support of the Benevolent Fund by all concerned.

The Trustee-Directors have formulated a strategic plan, and policies and procedures for the administration of the Benevolent Fund and its assets and for grant-making. These are kept under regular review.

5 FINANCIAL REVIEW

Trustee-Directors' responsibilities

The Trustee-Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustee-Directors to prepare financial statements for each financial year. In accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), under company law the Trustee-Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee-Directors are required to:

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

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

The Trustee-Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Trustee-Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee-Directors. The Trustees-Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Examiners

All of the Trustee-Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Independent Examiners are aware of that information. The Trustee-Directors are not aware of any relevant information of which the charity's Independent Examiners are unaware.

Review of the year

The Benevolent Fund's income in the period comprised donations and legacies of £58,324 (2021: £41,317) and investment income of £52,524 (2021: £32,412), a total of £110,848 (2021: £73,729). Grants made, including support costs, totalled £77,760 (2021: £128,560) and cost of raising funds with support costs were £27,085 (2021: £23,454), realising an operational surplus of £6,003 (2021: an operational deficit of £78,285). The value of the Benevolent Fund at the year-end was £1,821,898 (2021: £1,976,492). This mainly comprised investments held to generate income for the payment of grants.

The investment portfolio is made up of approximately 70% of shares in equities, with UK equities accounting for half, and the remainder is spread over a range of American, Japanese, Emerging Market, Global and European sectors. The main change from 2021 is the increase in the number of entities in which the fund holds investments. The number of entities in which the Fund holds more than 5% in value of the total portfolio has dropped from eight at 31st December 2021 to one at 31st December 2022. A more detailed assessment of the situation is given below with its likely impact.

Investment policy and performance

As the majority of the Benevolent Fund's investments are in listed securities, their market value (which is the figure used in the balance sheet) varies according to stock market conditions. At 31st December 2022 the market value of the investments stood at £1,760,334, made up of listed investments of £1,706,930 and cash deposits of £53,404. £219,291 below their historical cost of £1,979,625 (2021: £141,029 below historical cost). Based on the investment value and cash deposits

there remains sufficient liquidity within the portfolio to fund additional demands on resources should they be required in the next 12 months. The Trustee-Directors remain confident that the Fund's Investment Policy remains appropriate to fulfil its objective of long-term growth.

No commitment to payments is made beyond a 12-month period and other than the grant, support and governance costs stated above the Fund has no overheads or financial commitments.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Investment policy and performance

Under the articles of association, the Trustee-Directors have adopted rules governing the investment of funds. The Trustee-Directors have approved a detailed investment policy, in accordance with which

the main objective of the portfolio is long-term growth in income and capital; the Benevolent Fund accepts medium risk in this aim. Activity in the portfolio is monitored by the Investments Sub-Committee, which receives detailed reports from the investment managers (W H Ireland Ltd), who are represented at its twice-yearly meetings.

Reserves policy

The Institution of Structural Engineers Benevolent Fund does not seek funding from outside the membership of the Institution of Structural Engineers. Approximately 65% of the Fund's income came from dividends made with Institution subscriptions, one-off donations and bequests.

Legacy income, in particular, is very uncertain. The levels of dividends, interest received, and inflation tend to fluctuate. In order to safeguard the provision of grants to current and future beneficiaries the Trustees have agreed a target for reserves of between £2.25m to £2.7m with the position relative to the target reviewed at each Trustee meeting. As at 31st December 2022 the Fund held reserves of £1.82m, still below target. The fund had free reserves of £62k at 31st December 2022, the remainder of its reserves being investments made for the purposes of generating income to pay grants to beneficiaries. Based on the recent analysis of the fund's future financial position, there will be sufficient cash resources available to meet its financial obligations as they fall due.

Grant-making policies

Under policies adopted by the Trustee-Directors, each case is considered on its merits (that is, there is no scale grant); grants are not made to assist in the professional development of Institution members; and grants are not, normally, made to student members of the Institution, or to dependants or former dependants of Institution members who are either their children aged 21 or over or legally separated or divorced from the member, or for the purpose of funding private health care, or totalling more than £14,000 to any individual beneficiary (£21,000 for a couple, £6,000 for first dependent, £3,000 for second dependent) in any year. Furthermore, payments are not made that would reduce a beneficiary's entitlement to public funding (each application is reviewed by the Benefits Consultant). If the Benevolent Fund settles debts, it will not normally pay any subsequent debts. Where applicable, the Benevolent Fund pays in respect of a beneficiary a sum to the Institution in respect of their annual subscription and Engineering Council UK fee.

Fund raising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Benevolent Fund does not undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes.' Such amounts are presented in our accounts as 'Donations and legacies'.

In relation to the above the Trustee-Directors confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the Secretary and members of the Advisory Council, who are accountable to the Trustee-Directors.

The Benevolent Fund is not required by any undertaking to be bound to any regulatory scheme and the Trustee-Directors do not consider it necessary to comply with any voluntary code of practice.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

No complaints have been received in relation to fundraising activities.

Charity Governance Code

The Trustee-Directors have considered the Charity Governance Code for smaller charities and have in general adopted its principles.

The Trustee-Directors of the Fund and the members of its Advisory Council are drawn from the membership of the Institution of Structural Engineers. Currently the diversity of this group is not as wide, or as representative of the Institution's membership, as the Trustee-Directors wish, and they intend to take steps to increase its diversity when opportunities are available.

Some Trustee-Directors have served for longer than ten years but having reviewed this it is felt to be appropriate; this will be kept under review.

6 PLANS FOR FUTURE PERIODS

While keeping the Benevolent Fund's policies, procedures and activities under review, and ensuring that it operates effectively and efficiently, the Trustee-Directors currently have no plans for major long-term change. Whilst the Covid-19 pandemic and global economic crisis has led to changes in income, the number of applications received in 2022 and the number of grants awarded has remained relatively unchanged.

Forecast changes are outlined in Section 5 – Review of the year. The Trustee-Directors will continue to promote the Benevolent Fund to potential beneficiaries, including outside the United Kingdom where some 35% of Institution members are located.

7 APPROVAL

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Chair, on behalf of the Board.

J M Allen

John Allen
Trustee-Director

Date: 11 September 2023

Benevolent Fund

Independent Examiner's report to the members of The Institution of Structural Engineers Benevolent Fund

I report to the Trustees on my examination of the accounts of The Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2022 which are set out on pages 10 to 18.

Respective responsibilities of Trustees and examiner

The Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). The Trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust's accounts as carried out under section 44 (1) (c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Thomas Wilson, FCA
10 Queen Street Place
London
EC4R 1AG

Date: 12/09/23

Benevolent Fund

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

		Total Unrestricted Funds	
	Notes	2022 £	2021 £
Income from:			
Donations and legacies	3	58,324	41,317
Investment income	4	52,524	32,412
Total income		<u>110,848</u>	<u>73,729</u>
Expenditure on:			
Costs of raising funds			
Fundraising and publicity		27,085	23,454
Expenditure on Charitable activities			
Grants	12	77,760	128,560
Total expenditure		<u>104,845</u>	<u>152,014</u>
Net expenditure before gains and losses on investments		6,003	(78,285)
Gains / (losses) on investments	9	(160,597)	400,314
Net movement in funds for the year		<u>(154,594)</u>	<u>322,029</u>
Total funds brought forward		1,976,492	1,654,463
Total funds carried forward		<u>1,821,898</u>	<u>1,976,492</u>

All amounts relate to continuing activities.

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

Benevolent Fund

BALANCE SHEET
31 December 2022
Company number 3087463

		2022	2021
	Notes	£	£
FIXED ASSETS			
Investments	9	1,760,334	1,977,953
CURRENT ASSETS			
Debtors due within one year	10	20,912	21,432
Debtors due greater than one year	10	86,546	87,670
Cash at bank and in hand		19,963	27,440
		127,421	136,542
CREDITORS			
Amounts falling due within one year	11	(65,857)	(138,003)
NET CURRENT ASSETS		61,564	(1,461)
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		1,821,898	1,976,492
INCOME FUND			
Unrestricted funds:			
General fund surpluses and gains		1,821,898	1,976,492
		1,821,898	1,976,492

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

For the year ending, 31 December 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities,

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

On behalf of the board:

J M Allen

John Allen
Trustee - Director

These financial statements were approved by the Board on 11 September 2023 and authorised for issue.

The notes on pages 12 to 18 form part of these financial statements.

Benevolent Fund

STATEMENT OF CASH FLOWS AND RELATED NOTES 31 DECEMBER 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Net movement in funds for the financial year		(154,594)	322,029
Adjustments for:			
Net (gains) / losses recognised in statement of financial activities		160,597	(400,314)
Net movement on cash in portfolio	9	106,960	(135,850)
Dividend income from fixed and current asset investments	4	(52,524)	(32,412)
Decrease / (increase) in debtors		1,644	(7,678)
(Decrease) / increase in creditors		(72,146)	18,865
Net cash used from operating activities		(10,063)	(235,360)
Cash flows from investing activities			
Dividends received on fixed and current asset investments	4	52,524	32,412
Purchase of current asset investments	9	(1,024,221)	(732,726)
Sale of current asset investments		974,283	934,719
Net cash used from investing activities		2,586	234,405
Net decrease in cash and cash equivalents		(7,477)	(955)
Cash and cash equivalents at beginning of year		27,440	28,395
Cash and cash equivalents at end of year		19,963	27,440

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2022

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102 - Second Edition)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institution of Structural Engineers Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The mix of investments within the investment portfolio changed during the year. The purpose of the change was to improve both the value of the investments and the dividend yield. The Trustee-Directors are satisfied that based on the work done that the preparation of the accounts on a going concern basis is appropriate. This conclusion has been mostly formed based on the high level of liquid funds available compared to the annual spend.

(a) Income

Donations, gifts, and legacies

Donations, gifts, and legacies are included in the financial statements when; the Benevolent Fund has entitlement to the funds, there is a probability that the Benevolent Fund will receive economic benefit, and the monetary value can be measured.

Investment income

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which it is receivable.

(b) Expenditure

Expenditure is incorporated in the financial statements as incurred, and includes irrecoverable Value Added Tax.

Grants are incorporated when notified to beneficiaries. Any commitments payable at a later date are included in the balance sheet as creditors. Payments comprise grants awarded to members and their families. Any grants which are subsequently repaid are treated as donations.

Support costs

These costs represent the general administration in supporting the operational activities for which the charity is responsible.

Governance costs

These costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activities. This includes external audit costs and legal fees.

(c) Investments

Investments are shown at market value. Unrealised gains and losses are incorporated within the fund balance and are identified as unrealised. Market value is based on bid prices for listed investments.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2022 (CONTINUED)

d) Loans to beneficiaries

Loans to beneficiaries are recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any impairments.

The Benevolent Fund does not charge interest on its loans to beneficiaries.

2. NET INCOME AND NET MOVEMENT IN FUNDS

The net income and net movement in funds are wholly attributable to the company's activity of the administration of funds held for charitable purposes and arise mainly within the United Kingdom.

3. INCOME FROM DONATIONS AND LEGACIES

Donations in the year were received from:

	2022 £	2021 £
Regional Groups	2,096	255
Individual donations	32,594	41,062
Legacies	23,634	-
Total	58,324	41,317

4. INVESTMENT INCOME

Investment income for the year is derived from:

	2022 £	2021 £
Listed investments including government securities	52,524	32,412
	52,524	32,412

5. SUPPORT AND GOVERNANCE COSTS

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	5,139	14,755	19,894
Governance	Expenditure ratios	1,389	3,987	5,376
Total		6,528	18,742	25,270

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2022 (CONTINUED)

COMPARATIVE FIGURES FOR 2021

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	3,424	18,769	22,193
Governance	Expenditure ratios	690	3,784	4,474
Total		4,114	22,553	26,667

All grants issued are to individuals with links to the Institution of Structural Engineers, and who require financial assistance.

6. NET INCOME FOR THE YEAR

Net income is stated after charging:

	2022 £	2021 £
Independent Examiner's' remuneration	1,980	1,800

7. DIRECTORS AND TRUSTEES

No director received any remuneration during the year (2021 – none).

During the year 9 directors were reimbursed travelling expenses incurred whilst engaged on the business of the charity amounting to £Nil (2021 – 9 directors were reimbursed £176).

The Benevolent Fund does not employ any staff, and there is no Senior Management remuneration.

8. RELATED PARTY TRANSACTIONS

During the year the Fund had the following transactions with the Institution of Structural Engineers.

	2022 £	2021 £
Income		
Charitable donations	34,690	40,373
Expenditure		
Management charge	15,120	14,400

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2022 (CONTINUED)

9. INVESTMENTS

	2022 £	2021 £
Carrying value at the beginning of year	1,977,953	1,643,781
Add: additions to investments at cost	1,024,221	732,726
Less: disposals at carrying value	(973,209)	(872,980)
Net (loss) / gain on investments	(160,597)	400,314
Loss on disposals	(5,804)	(66,869)
Net movement in dividends received from listed companies	4,730	5,131
Cash movement	(106,960)	135,850
Carrying value at the end of the year	1,760,334	1,977,953

	2022 £	2021 £
Investments, all of which are in the UK, are made up of:		
Listed	1,706,930	1,822,319
Cash	53,404	155,634
Carrying value at the end of the year	1,760,334	1,977,953

The historical cost of fixed asset investment is:	1,979,625	2,118,982
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The listed investments and cash deposits were managed on behalf of the company by WH Ireland, on a discretionary basis and include direct investment in listed investments and indirect investment through unit and investment trusts.

Cash deposits within the portfolio are held on overnight deposit.

Investment Management Fees:

	2022 £	2021 £
Amounts paid to manage investments	17,021	16,142
	17,021	16,142

Investment management fees appear in the Statement of Financial Activities under Other Costs

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2022 (CONTINUED)

10. DEBTORS

	2022 £	2021 £
Amounts due within 1 year:		
Other debtors	20,912	21,432
Amounts due after 1 year:		
Secured loans to beneficiaries	86,546	87,670
	<u>107,458</u>	<u>109,102</u>

The secured loans to beneficiaries were advanced on the security of a fixed charge over freehold property. The loans are repayable when vacant possession of the properties is available. The Benevolent Fund does not charge interest on these loans.

11. CREDITORS

	2022 £	2021 £
Amounts falling due within 1 year:		
Other creditors	6,936	13,609
Management charge due to Institution of Structural Engineers	15,120	14,400
Grant creditors	43,801	109,994
	<u>65,857</u>	<u>138,003</u>

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2022 (CONTINUED)

12. GRANTS 2022

		£	
	Grants committed to during 2021 and paid during 2022	(35,075)	First assisted
308	Graduate*, aged 73	1,520	2010
310	Widow of Fellow, aged 80	6,100	2010
312	Member, aged 84, married	2,782	2010
342	Widow of Fellow, aged 84*	3,337	2014
358	Fellow, aged 93, married	8,700	2017
362	Fellow, aged 97, married *	3,600	2017
367	Technician, aged 65, married	12,073	2018
369	Fellow, aged 83, married	4,407	2018
370	Fellow, aged 76, married	8,600	2018
377	Graduate, aged 67, married*	3,650	2019
379	Former member, aged 80, married	5,250	2020
380	Associate-Member, aged 60, married	912	2022
382	Member, aged 54, married	157	2020
389	Graduate, aged 41, married with 2 children*	71	2020
391	Graduate, aged 37	3,882	2021
396	Graduate, aged 34, married	71	2021
397	Member, aged 49	6,104	2022
399	Member, aged 66, married with 1 child	71	2022
401	Member, aged 41	6,165	2022
403	Member, aged 38, married with 2 children	5,466	2022
	Total grants paid during 2022	82,918	
	Grants committed to during 2022 and due to be paid during 2023	11,175	
	Allocated support costs	18,742	
		<u>77,760</u>	

*Joint beneficiary of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds.

13. Analysis of changes in net debt

	At the 1 st January 2022 £	Cash flows £	Other non- cash changes £	At 31 st December 2022 £
Cash	27,440	(7,477)	-	19,963
	<u>27,440</u>	<u>(7,477)</u>	<u>-</u>	<u>19,963</u>
Total	<u>27,440</u>	<u>(7,477)</u>	<u>-</u>	<u>19,963</u>

Accounts

Report and Financial Statements

for the year ended 31 December 2021

Benevolent Fund

TRUSTEE-DIRECTORS 2021

J M Allen BSc(Hons) CEng FStructE MICE	Chairman
I G Hill BEng(Hons) CEng FStructE MICE	
F J McGlade BSc CEng FStructE MICE	
J D Parsons BSc(Hons) CEng FStructE MICE	Vice-Chairman
Dr J M Roberts FEng BEng(Hons) PhD CEng FStructE FICE	
M F Ryland BSc(Hons) CEng FStructE MICE	
N Westwood BSc(Eng) CEng MStructE FConsE	
N C Wheeler BSc(Hons) CEng MStructE MICE	

ADVISORY COUNCIL 2021

N Ball BSc CEng MStructE MICE	Bedfordshire & Adjoining Counties Regional Group
<i>Vacancy</i>	Devon & Cornwall Regional Group
B Hipwell BEng(Hons) CEng MStructE FConsE	East Anglian Regional Group
J M Allen BSc(Hons) CEng FStructE MICE	East Midlands Regional Group
I G Hill BEng(Hons) CEng FStructE MICE	Lancashire & Cheshire Regional Group
A K Strong CEng FStructE MICE MCI Arb FIHT MCMI	Midland Counties Regional Group
C Higgins CEng MStructE	Northern Counties Regional Group
F J McGlade BSc CEng FStructE MICE	Northern Ireland Regional Group
M F Ryland BSc(Hons) CEng FStructE MICE	North Thames Regional Group
Mr J G Dunne BEng Tech IEng, AMStructE, MIEI	Republic of Ireland Group
A Massie BSc(Eng) CEng MStructE ACI Arb	Scottish Regional Group
Mr J W Bunce DIC, CEng, FStructE, FRINA	South Eastern Regional Group
N J Groves BSc(Hons) MSc CEng MStructE MCMI	Southern Regional Group
N Westwood BSc(Eng) CEng MStructE FConsE	Surrey Regional Group
L M P Chong BSc(Hons) MSc CEng FStructE MICE MCI HT	Thames Valley Regional Group
J D Parsons BSc(Hons) CEng FStructE MICE	Wales Regional Group
S B Holmes CEng MStructE	Western Counties Regional Group
N C Wheeler BSc(Hons) CEng MStructE MICE	Yorkshire Regional Group

Benevolent Fund

SECRETARY

Dr K MacDonald Bsc(Hons) PhD CSci CChem MRSC

BENEFITS CONSULTANT

C Pedroza, 53 Ryde Road, Brighton BN2 3EG

INDEPENDENT EXAMINER

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

BANKERS

National Westminster Bank plc, Victoria (A) Branch, PO Box 1357, 169 Victoria Street, London SW1E 5NA

INVESTMENT MANAGERS

W H Ireland Ltd, 24 Martin Lane, London EC4R 0DR

SOLICITORS

Withers LLP, 16 Old Bailey, London EC4M 7EG

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT

31 DECEMBER 2021

1 INTRODUCTION

The Trustee-Directors present their report and the financial statements of the Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2021. The accounts which are attached to this report comply with current statutory requirements, the requirements of the Benevolent Fund's articles of association, and with the requirements of 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 – Second Edition)'.

2 REFERENCE AND ADMINISTRATIVE INFORMATION

The Institution of Structural Engineers Benevolent Fund is constituted as a company limited by guarantee incorporated in England & Wales under registered number 3087463 and is governed by its articles of association.

The Benevolent Fund is registered with the Charity Commission for England & Wales, under registered number 1049171 and is regulated by the Financial Conduct Authority under FRN 718626.

The registered office of the Benevolent Fund is 47-58 Bastwick Street, London EC1V 3PS.

The names of the Trustee-Directors who served during the period are set out on page 1; all remained in office at the date of the approval of this report. No material contracts subsisted during the period in which any Trustee-Director had an interest.

The names of the Secretary and of the principal professional advisers to the Benevolent Fund are set out on page 2.

3 ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Benevolent Fund was established in 1936 as an unincorporated association and in 1941 it obtained registration as a friendly society. With the agreement of its members, as well as the relevant statutory authorities, on 2 August 1995 it was incorporated as a company limited by guarantee and on 13 September 1995 it was reregistered as a charity. The Benevolent Fund's governing document is its articles of association (which were amended by special resolution on 19 July 2018), under which the Trustee-Directors have made rules for the management of the Benevolent Fund.

Trustee-Directors

The Benevolent Fund's articles of association provide that there shall be at least three Trustee-Directors. Trustee-Directors are appointed, for three-year terms, at general meetings of the Benevolent Fund, although the Trustee-Directors themselves may also make appointments for one year. Subject to the Benevolent Fund's articles of association, all decisions are taken by the Trustee-Directors (although the Chairman, with one other Trustee-Director, has limited delegated power to approve emergency grants). On appointment, each Trustee-Director receives an information pack, which, in addition to details about the Benevolent Fund, contains information relating to the roles of trustee and company director; this pack is updated as required.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Advisory Council

The articles of association provide for there to be an Advisory Council of representatives of regional groups of the Institution of Structural Engineers: this Council has been established, comprising delegates from 18 of the UK/Republic of Ireland regional groups. The names of the Advisory Council members are given on page 1. As well as visiting applicants and beneficiaries and attending meetings of the Trustee-Directors, the Advisory Council members also contact widows/widowers of members and other potential beneficiaries, undertake local publicity on behalf of the Benevolent Fund and encourage contributions. Neither the Advisory Council members, nor the Trustee-Directors or anyone else acting on behalf of the Benevolent Fund (other than the principal advisers), receives any payment apart from out-of-pocket expenses.

Sub-committees

The articles of association authorise the Trustee-Directors to appoint sub-committees. The only sub-committee appointed in 2021 was the Investments Sub-Committee, comprising Mr J M Allen, Mr J D Parsons and Mr I G Hill.

Relationships with other organisations

The Benevolent Fund is deemed a connected charity to the Institution of Structural Engineers as its objects are to provide benefit to members of the Institution, and to former members and dependants of members, who are in need (See Section 4) and as it benefits from administrative services provided by the Institution. The affairs of the Benevolent Fund are conducted from the Institution's offices and the secretariat is provided by the Institution.

Wherever possible, the Benevolent Fund co-operates with other charities in relation to applicants and beneficiaries. The list of grants on page 22 shows joint beneficiaries of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds. The Benevolent Fund is a member of the Association of Charitable Organisations.

Risk

The Trustee-Directors oversee an ongoing assessment of the major risks to which the Benevolent Fund is exposed, in particular those relating to its operations and finances, and are satisfied that systems are in place to manage the Benevolent Fund's exposure to those risks. The most significant risk is the long-term fall in the value of the Benevolent Fund's investments, but these are kept under constant review by the Investment Managers and are monitored by the Investments Sub-Committee regularly. Further information pertaining to the impact of the Covid-19 pandemic on the Fund's income/investments, expenditure and cash flow may be found under Section 5 Financial Review. Another risk is the unexpected loss of the Secretary, a comprehensive procedural manual is regularly updated for use by the Secretary and any alternative support cover should the Secretary not be able, for any reason, to meet the responsibilities of the role.

4 OBJECTS, ACTIVITIES AND ACHIEVEMENTS

Objects

The Benevolent Fund's objects are the prevention or relief of poverty or financial hardship of, and the relief of sickness and the preservation of health among, current or former members of the Institution and their dependents or former dependents, including, but not limited to, the provision of financial assistance, support, education and practical advice.

The fulfilment of these objects is clearly of public benefit.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Vision

The vision of the Benevolent Fund is to enable the Institution of Structural Engineers to care for its members, former members and their dependants, in time of need.

Public Benefit

The Trustee-Directors are satisfied that the aims of the Fund are carried out wholly in pursuit of its charitable aims. Members and non-Institution members benefit from receiving financial assistance in times of need.

The Trustee-Directors have regard to guidance on public benefit published by the Charity Commission, when exercising their powers and duties and where such guidance is relevant. The Trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing the Funds' aims and objectives and in planning its future activities.

Activities and achievements

The Benevolent Fund's principal activity during the year was the administration of funds held for charitable purposes.

There is no geographical restriction relating to beneficiaries, and the Benevolent Fund assists members and their dependants both within and beyond the United Kingdom.

The Trustee-Director's objective for 2021 was to assist between 15 and 30 Institution members, former members and their dependents. During the year the Benevolent Fund helped 20 individuals and distributed £115,836 in grants which enabled them to meet day to day living expenses or specific items of expenditure. A summary of grants paid is given on page 22. Whenever possible, a representative of the Benevolent Fund visits or makes contact with an applicant to establish a personal link with the Benevolent Fund and to make an independent appraisal of the circumstances to guide the Trustee-Directors in their assessment of need: the Trustee-Directors are grateful to those who undertake this important and sensitive role.

Many members of the Institution, and some firms, support the Benevolent Fund by regular contributions. Some considerately remember the Benevolent Fund in their will. Regional Groups of the Institution also support the Benevolent Fund through fund-raising at events. The Trustee-Directors are most grateful for the generous support of the Benevolent Fund by all concerned.

The Trustee-Directors have formulated a strategic plan, and policies and procedures for the administration of the Benevolent Fund and its assets and for grant-making. These are kept under review.

5 FINANCIAL REVIEW

Trustee-Directors' responsibilities

The Trustee-Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustee-Directors to prepare financial statements for each financial year. In accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), under company law the Trustee-Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

In preparing these financial statements, the Trustee-Directors are required to:

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

The Trustee-Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Trustee-Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee-Directors. The Trustees-Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Examiners

All of the Trustee-Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Independent Examiners are aware of that information. The Trustee-Directors are not aware of any relevant information of which the charity's Independent Examiners are unaware.

Review of the year

The Benevolent Fund's income in the period comprised donations and legacies of £41,317 (2020: £39,001) and investment income of £32,412 (2020: £34,932), a total of £73,729 (2020: £73,933). The overall income was in line with 2020. Grants made, including support costs, totalled £128,560 (2020: £140,886) and cost of raising funds with support costs were £23,454 (2020: £24,007), realising an operational deficit of £78,285 (2020: an operational deficit of £90,960). The value of the Benevolent Fund at the year-end was £1,976,492 (2020: £1,654,463). This mainly comprised investments held to generate income for the payment of grants.

Due to the uncertainty caused by the Covid-19 pandemic, the Trustee-Directors have reviewed the resilience of the Benevolent Fund to continue to fulfil its charitable objects and to meet its targets over the next 12 months. Four key measures have been assessed to determine the Fund's ability to continue as a "going concern" namely, the value of investments, income, expenditure, and cash flow. Based on a reforecast of the likely activity in each of these areas the Trustee-Directors are satisfied that the Fund continues to meet the 'going concern' definition.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

During the year, the investment portfolio has changed/diversified away from travel industries, with increased investment in pharmaceuticals. The investment portfolio continues to be made up of approximately 33% of shares in the banking and financial sectors whereby it should be easier to convert these to cash. A more detailed assessment of the situation is given below with its likely impact.

Investment policy and performance

As the majority of the Benevolent Fund's investments are in listed securities, their market value (which is the figure used in the balance sheet) varies according to stock market conditions. At 31 December 2021 the market value of the investments stood at £1,977,953, made up of listed investments of £1,822,319 and cash deposits of £155,634. £141,029 below their historical cost of £2,188,982 (2020: £675,616 below historical cost). Based on the investment value and cash deposits there remains sufficient liquidity within the portfolio to fund additional demands on resources should they be required in the next 12 months. The Trustee-Directors remain confident that the Fund's Investment Policy remains appropriate to fulfil its objective of long-term growth.

Income

Income is derived from two principal sources, firstly investments and secondly donations and legacies. Investment income in 2021 was £32,412 representing a decrease of 7% over 2020 levels. Donations and legacies in 2021 were £41,317, 6% higher than the 2020 figure of £39,001.

The Trustee-Directors have reviewed investment income for 2022 and have been assured that the dividend income from the investments will be significantly higher than in 2021. The current estimate is £50,000.

Donation income is unlikely to be significantly affected by Covid-19 and much of the expected donations for 2022 (£22,652) have already been received as at 31 March 2022. Furthermore, donations to the Fund tend to be resilient in times of recession – as evidenced in 2009 and 2010 when the average donation, over the two years remained at £36,424.

Expenditure

Expenditure mainly represents grants to beneficiaries. The total varies each year, and in 2021 grant expenditure was £128,560, 9% lower than 2020. The support and governance costs included in this figure amounted to £22,553.

No commitment to payments is made beyond a 12-month period and other than the grant, support and governance costs stated above the Fund has no overheads or financial commitments.

Cash Flow

Cash, cash equivalents and cash held with investment managers at the end of 2021 was £183,074 (see note 13). Combined with the reforecast of income for 2022 of £110,000 and reforecast expenditure of £143,000 there will be a need to release assets in the investment portfolio to the value of circa £40,000. The current value of the Fund's investment portfolio stands at £1,977,953 and as such the Fund is very well placed to continue its operations against a background of increased expenditure and reduced income.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Investment policy and performance

Under the articles of association, the Trustee-Directors have adopted rules governing the investment of funds. The Trustee-Directors have approved a detailed investment policy, in accordance with which the main objective of the portfolio is long-term growth in income and capital; the Benevolent Fund accepts medium risk in this aim. Activity in the portfolio is monitored by the Investments Sub-Committee, which receives detailed reports from the investment managers (W H Ireland Ltd), who are represented at its twice-yearly meetings.

Reserves policy

The Institution of Structural Engineers Benevolent Fund does not seek funding from outside the membership of the Institution of Structural Engineers. Approximately 56% of the Fund's income came from donations made with Institution subscriptions, one-off donations and bequests.

Legacy income, in particular, is very uncertain. The levels of dividends, interest received, and inflation tend to fluctuate. In order to safeguard the provision of grants to current and future beneficiaries the Trustees have agreed a target for reserves of between £2.25m to £2.7m with the position relative to the target reviewed at each Trustee meeting. As at 31 December 2021 the Fund held reserves of £1.98m, still below target. The fund had free reserves of £154k at 31 December 2021, the remainder of its reserves being investments made for the purposes of generating income to pay grants to beneficiaries. Due to the impact of Covid-19 on the value of shares, the amount of free reserves has weakened. Although not achieved at the end of 2021, the recent valuation and increase in investment performance of the investments suggest that the minimum reserves level of £2.25m is achievable by the end of 2022, although this is not guaranteed as it depends on the performance of the stock market. Based on the recent analysis of the fund's future financial position, there will be sufficient cash resources available to meet its financial obligations as they fall due.

Grant-making policies

Under policies adopted by the Trustee-Directors, each case is considered on its merits (that is, there is no scale grant); grants are not made to assist in the professional development of Institution members; and grants are not, normally, made to student members of the Institution, or to dependants or former dependants of Institution members who are either their children aged 21 or over or legally separated or divorced from the member, or for the purpose of funding private health care, or totalling more than £14,000 to any individual beneficiary (£21,000 for a couple, £6,000 for first dependent, £3,000 for second dependent) in any year. Furthermore, payments are not made that would reduce a beneficiary's entitlement to public funding (each application is reviewed by the Benefits Consultant). If the Benevolent Fund settles debts, it will not normally pay any subsequent debts. Where applicable, the Benevolent Fund pays in respect of a beneficiary a sum to the Institution in respect of their annual subscription and Engineering Council UK fee.

Fund raising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Benevolent Fund does not undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes.' Such amounts are presented in our accounts as 'Donations and legacies'.

In relation to the above the Trustee-Directors confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the Secretary and members of the Advisory Council, who are accountable to the Trustee-Directors.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

The Benevolent Fund is not bound by any undertaking to be bound to any regulatory scheme and the Trustee-Directors do not consider it necessary to comply with any voluntary code of practice.

No complaints have been received in relation to fundraising activities.

Charity Governance Code

The Trustee-Directors have considered the Charity Governance Code for smaller charities and have in general adopted its principles.

The Trustee-Directors of the Fund and the members of its Advisory Council are drawn from the membership of the Institution of Structural Engineers. Currently the diversity of this group is not as wide, or as representative of the Institution's membership, as the Trustee-Directors wish, and they intend to take steps to increase its diversity when opportunities are available.

Some Trustee-Directors have served for longer than ten years but having reviewed this it is felt to be appropriate; this will be kept under review.

6 PLANS FOR FUTURE PERIODS

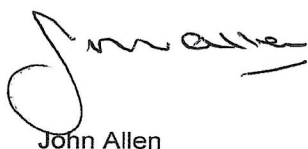
While keeping the Benevolent Fund's policies, procedures and activities under review, and ensuring that it operates effectively and efficiently, the Trustee-Directors currently have no plans for major long-term change. Whilst the Covid-19 pandemic has led to changes in income the number of applications received in 2021 and the number of grants awarded has remained relatively unchanged.

Forecast changes are outlined in Section 5 – Review of the year. The Trustee-Directors will continue to promote the Benevolent Fund to potential beneficiaries, including outside the United Kingdom where some 35% of Institution members are located.

7 APPROVAL

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Chairman, on behalf of the Board.



John Allen

Trustee-Director

Date: Sept 6th 2022

Benevolent Fund

Independent Examiner's report to the members of The Institution of Structural Engineers Benevolent Fund

I report to the Trustees on my examination of the accounts of The Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2021 which are set out on pages 12 to 21.

Respective responsibilities of Trustees and examiner

The Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). The Trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust's accounts as carried out under section 44 (1) (c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

- 1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or**
- 2. the accounts do not accord with those records; or**
- 3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.**

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Thomas Wilson, FCA
10 Queen Street Place
London
EC4R 1AG

Date: 15 September 2022

Benevolent Fund

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

		Total Unrestricted Funds	
	Notes	2021 £	2020 £
Income from:			
Donations and legacies	3	41,317	39,001
Investment income	4	32,412	34,932
Total income		<u>73,729</u>	<u>73,933</u>
Expenditure on:			
Costs of raising funds			
Fundraising and publicity		23,454	24,007
Expenditure on Charitable activities			
Grants	12	128,560	140,886
Total expenditure		<u>152,014</u>	<u>164,893</u>
Net expenditure before gains and losses on investments		(78,285)	(90,960)
Gains / (losses) on investments	9	400,314	(1,020,767)
Net movement in funds for the year		<u>322,029</u>	<u>(1,111,727)</u>
Total funds brought forward		1,654,463	2,766,190
Total funds carried forward		<u>1,976,492</u>	<u>1,654,463</u>

All amounts relate to continuing activities.

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

Benevolent Fund

BALANCE SHEET

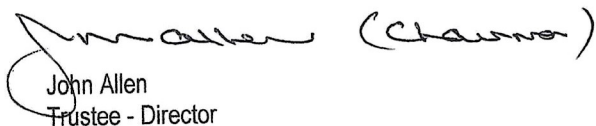
31 December 2021

Company number 3087463

		2021	2020
		£	£
FIXED ASSETS	Notes		
Investments	9	1,977,953	1,643,781
CURRENT ASSETS			
Debtors due within one year	10	21,432	9,754
Debtors due greater than one year	10	87,670	91,670
Cash at bank and in hand		27,440	28,395
		136,542	129,819
CREDITORS			
Amounts falling due within one year	11	(138,003)	(119,138)
NET CURRENT ASSETS		(1,461)	10,681
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		1,976,492	1,654,462
INCOME FUND			
Unrestricted funds:			
General fund surpluses and gains		1,976,492	1,654,462
		1,976,492	1,654,462

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

On behalf of the board:

 (Chairman)
John Allen
Trustee - Director

These financial statements were approved by the Board on 06 September 2022 and authorised for issue.

The notes on pages 14 to 20 form part of these financial statements.

Benevolent Fund

STATEMENT OF CASH FLOWS AND RELATED NOTES 31 DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net movement in funds for the financial year		322,029	(1,111,727)
Adjustments for:			
Net (gains) / losses recognised in statement of financial activities		(400,314)	1,020,767
Net movement on cash in portfolio	9	(135,850)	152,400
Dividend income from fixed and current asset investments	4	(32,412)	(34,932)
(Increase) / decrease in debtors		(7,678)	25,884
Increase in creditors		18,865	70,026
Net cash used from operating activities		(235,360)	122,418
Cash flows from investing activities			
Dividends received on fixed and current asset investments	4	32,412	34,932
Purchase of current asset investments	9	(732,726)	(378,270)
Sale of current asset investments		934,719	200,413
Net cash used from investing activities		234,405	(142,925)
Net decrease in cash and cash equivalents		(955)	(20,507)
Cash and cash equivalents at beginning of year		28,395	48,902
Cash and cash equivalents at end of year		27,440	28,395

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102 - Second Edition)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institution of Structural Engineers Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Due to the Covid-19 pandemic the Fund has reviewed its income and expenditure and the impact on cash flow to May 2023. The mix of investments within the investment portfolio changed during the year. The purpose of the change was to improve both the value of the investments and the dividend yield. This has largely been successful as the value of the portfolio has increased, and the income from dividends is predicted to rise in 2022. The Trustee-Directors are satisfied that based on the work done that the preparation of the accounts on a going concern basis is appropriate. This conclusion has been mostly formed based on the high level of liquid funds available compared to the annual spend.

(a) Income

Donations, gifts, and legacies

Donations, gifts, and legacies are included in the financial statements when; the Benevolent Fund has entitlement to the funds, there is a probability that the Benevolent Fund will receive economic benefit, and the monetary value can be measured.

Investment income

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which it is receivable.

(b) Expenditure

Expenditure is incorporated in the financial statements as incurred, and includes irrecoverable Value Added Tax.

Grants are incorporated when notified to beneficiaries. Any commitments payable at a later date are included in the balance sheet as creditors. Payments comprise grants awarded to members and their families. Any grants which are subsequently repaid are treated as donations.

Support costs

These costs represent the general administration in supporting the operational activities for which the charity is responsible.

Governance costs

These costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activities. This includes external audit costs and legal fees.

(c) Investments

Investments are shown at market value. Unrealised gains and losses are incorporated within the fund balance and are identified as unrealised. Market value is based on bid prices for listed investments.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2021 (CONTINUED)

d) Loans to beneficiaries

Loans to beneficiaries are recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any impairments.

The Benevolent Fund does not charge interest on its loans to beneficiaries.

2. NET INCOME AND NET MOVEMENT IN FUNDS

The net income and net movement in funds are wholly attributable to the company's activity of the administration of funds held for charitable purposes and arise mainly within the United Kingdom.

3. INCOME FROM DONATIONS AND LEGACIES

Donations in the year were received from:

	2021 £	2020 £
Regional Groups	255	957
Tax recovery	-	1,916
Individual donations	41,062	36,128
Total	41,317	39,001

4. INVESTMENT INCOME

Investment income for the year is derived from:

	2021 £	2020 £
Listed investments including government securities	32,412	34,932
	32,412	34,932

5. SUPPORT AND GOVERNANCE COSTS

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	3,424	18,769	22,193
Governance	Expenditure ratios	690	3,784	4,474
Total		4,114	22,553	26,667

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2021 (CONTINUED)

COMPARATIVE FIGURES FOR 2020

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	3,820	22,419	26,239
Governance	Expenditure ratios	200	1,176	1,376
Total		4,020	23,595	27,615

All grants issued are to individuals with links to the Institution of Structural Engineers, and who require financial assistance.

6. NET INCOME FOR THE YEAR

Net income is stated after charging:

	2021 £	2020 £
Auditors/Independent Examiner's' remuneration	1,800	1,200

7. DIRECTORS AND TRUSTEES

No director received any remuneration during the year (2020 – none).

During the year 9 directors were reimbursed travelling expenses incurred whilst engaged on the business of the charity amounting to £Nil (2020 – 9 directors were reimbursed £176).

The Benevolent Fund does not employ any staff, and there is no Senior Management remuneration.

8. RELATED PARTY TRANSACTIONS

During the year the Fund had the following transactions with the Institution of Structural Engineers.

	2021 £	2020 £
Income		
Charitable donations	40,373	35,875
Expenditure		
Management charge	14,400	14,400

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2021 (CONTINUED)

9. INVESTMENTS

	2021 £	2020 £
Carrying value at the beginning of year	1,643,781	2,639,092
Add: additions to investments at cost	732,726	378,270
Less: disposals at carrying value	(872,980)	(239,080)
Net gain / (loss) on investments	400,314	(1,020,767)
Gain / (loss) on disposals	(66,869)	47,768
Net movement in dividends received from listed companies	5,130	(9,102)
Cash movement	135,850	(152,400)
Carrying value at the end of the year	1,977,953	1,643,781

	2021 £	2020 £
Investments, all of which are in the UK, are made up of:		
Listed	1,822,319	1,629,127
Cash	155,634	14,654
Carrying value at the end of the year	1,977,953	1,643,781

The historical cost of fixed asset investment is:	2,118,982	2,360,369
--	------------------	------------------

The listed investments and cash deposits were managed on behalf of the company by WH Ireland, on a discretionary basis and include direct investment in listed investments and indirect investment through unit and investment trusts.

Cash deposits within the portfolio are held on overnight deposit.

Investments within the portfolio which amount to more than 5% of the total values are:

Listed investments

	2021 £	2020 £
2,000 AstraZeneca PLC	173,560	-
45,000 Barclays PLC	-	98,276
67,000 BT Group GBP0.025	113,598	120,347
6,000 Carnival PLC ORD USD 1.66	-	90,905
16,596 EasyJet ORD GBP 0.27285714	-	141,100
67,000 Fidelity European Trust PLC	228,135	-
10,000 GlaxoSmithKline PLC	160,660	-
170,000 International Consolidated Airlines Group	271,660	271,660
225,000 Lloyds Banking Group PLC	107,550	163,980
49,000 NatWest Group PLC	110,593	177,457
6,000 Prudential PLC	-	119,210
85,733 Rolls-Royce Holdings PLC	105,349	117,628
	1,271,105	1,300,653

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2021 (CONTINUED)

Other listed investments individually under 5%	551,214	328,564
Cash	155,634	14,654
	1,977,953	1,643,781

Investment Management Fees:

	2021	2020
	£	£
Amounts paid to manage investments	16,142	16,544
	16,142	16,544

Investment management fees appear in the Statement of Financial Activities under Other Costs

10. DEBTORS

	2021	2020
	£	£
Amounts due within 1 year:		
Other debtors	21,432	9,754
Amounts due after 1 year:		
Secured loans to beneficiaries	87,670	91,670
	109,102	101,424

The secured loans to beneficiaries were advanced on the security of a fixed charge over freehold property. The loans are repayable when vacant possession of the properties is available. The Benevolent Fund does not charge interest on these loans.

11. CREDITORS

	2021	2020
	£	£
Amounts falling due within 1 year:		
Other creditors	13,609	5,769
Management charge due to Institution of Structural Engineers	14,400	14,400
Grant creditors – secured	109,994	98,969
	138,003	119,138

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2020 (CONTINUED)

12. GRANTS 2021

		£	
	Grants committed to during 2020 and paid during 2021	(44,500)	First assisted
308	Graduate, aged 72*	1,600	2010
310	Widow of Fellow, aged 79	5,350	2010
312	Member, aged 83, married	4,989	2010
342	Widow of Fellow, aged 83*	3,162	2014
355	Fellow, aged 86, widowed	3,433	2016
358	Fellow, aged 92, married	7,700	2017
362	Fellow, aged 96, married*	4,000	2017
367	Technician, aged 64, married	10,872	2018
369	Fellow, aged 82, married	8,490	2018
370	Fellow, aged 75, married	8,600	2018
371	Former member, aged 46*	621	2019
377	Graduate, aged 66, married*	3,550	2019
379	Former member, aged 79, married	7,200	2020
382	Member, aged 53, married	15,106	2020
383	Member, aged 64, married*	1,200	2020
385	Graduate, aged 40, married with 2 children*	2,100	2020
387	Graduate, aged 30	172	2020
389	Graduate, aged 40, married with 2 children*	6,300	2020
391	Graduate, aged 36	7,537	2021
392	Graduate, aged 36	4,500	2021
396	Graduate, aged 33, married	8,950	2021
	Total grants paid during 2021	115,432	
	Grants committed to during 2021 and due to be paid during 2022	35,075	
	Allocated support costs	22,553	
		128,560	

*Joint beneficiary of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2021 (CONTINUED)

13. Analysis of changes in net debt

	At the 1 st January 2021 £	Cash flows £	Other non- cash changes £	At 31 st December 2021 £
Cash	28,395	(955)	-	27,440
	<u>28,395</u>	<u>(955)</u>	<u>-</u>	<u>27,440</u>
Total	<u>28,395</u>	<u>(955)</u>	<u>-</u>	<u>27,440</u>

Accounts

Report and Financial Statements

for the year ended 31 December 2020

Benevolent Fund

TRUSTEE-DIRECTORS 2020

J M Allen BSc(Hons) CEng FStructE MICE	Chairman
I G Hill BEng(Hons) CEng FStructE MICE	
F J McGlade BSc CEng FStructE MICE	
J D Parsons BSc(Hons) CEng FStructE MICE	Vice-Chairman
Dr J M Roberts FEng BEng(Hons) PhD CEng FStructE FICE	
M F Ryland BSc(Hons) CEng FStructE MICE	
N Westwood BSc(Eng) CEng MStructE FConsE	
N C Wheeler BSc(Hons) CEng MStructE MICE	

ADVISORY COUNCIL 2020

N Ball BSc CEng MStructE MICE	Bedfordshire & Adjoining Counties Regional Group
<i>Vacancy</i>	Devon & Cornwall Regional Group
B Hipwell BEng(Hons) CEng MStructE FConsE	East Anglian Regional Group
J M Allen BSc(Hons) CEng FStructE MICE	East Midlands Regional Group
I G Hill BEng(Hons) CEng FStructE MICE	Lancashire & Cheshire Regional Group
A K Strong CEng FStructE MICE MCI Arb FIHT MCMI	Midland Counties Regional Group
C Higgins CEng MStructE	Northern Counties Regional Group
F J McGlade BSc CEng FStructE MICE	Northern Ireland Regional Group
M F Ryland BSc(Hons) CEng FStructE MICE	North Thames Regional Group
Mr J G Dunny BEng Tech IEng, AMStructE, MIEI	Republic of Ireland Group
A Massie BSc(Eng) CEng MStructE ACI Arb	Scottish Regional Group
Mr J W Bunce DIC, CEng, FStructE, FRINA	South Eastern Regional Group
N J Groves BSc(Hons) MSc CEng MStructE MCMI	Southern Regional Group
N Westwood BSc(Eng) CEng MStructE FConsE	Surrey Regional Group
L M P Chong BSc(Hons) MSc CEng Peng FStructE MICE MCiHT	Thames Valley Regional Group
J D Parsons BSc(Hons) CEng FStructE MICE	Wales Regional Group
S B Holmes CEng MStructE	Western Counties Regional Group
N C Wheeler BSc(Hons) CEng MStructE MICE	Yorkshire Regional Group

Benevolent Fund

SECRETARY

Dr K MacDonald Bsc(Hons) PhD CSci CChem MRSC

BENEFITS CONSULTANT

C Pedroza, 53 Ryde Road, Brighton BN2 3EG

AUDITORS

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

BANKERS

National Westminster Bank plc, Victoria (A) Branch, PO Box 1357, 169 Victoria Street, London SW1E 5NA

INVESTMENT MANAGERS

W H Ireland Ltd, 24 Martin Lane, London EC4R 0DR

SOLICITORS

Withers LLP, 16 Old Bailey, London EC4M 7EG

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT

31 DECEMBER 2020

1 INTRODUCTION

The Trustee-Directors present their report and the financial statements of the Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2020. The accounts which are attached to this report comply with current statutory requirements, the requirements of the Benevolent Fund's articles of association, and with the requirements of 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 – Second Edition)'.

2 REFERENCE AND ADMINISTRATIVE INFORMATION

The Institution of Structural Engineers Benevolent Fund is constituted as a company limited by guarantee incorporated in England & Wales under registered number 3087463 and is governed by its articles of association.

The Benevolent Fund is registered with the Charity Commission for England & Wales, under registered number 1049171 and is regulated by the Financial Conduct Authority under FRN 718626.

The registered office of the Benevolent Fund is 47-58 Bastwick Street, London EC1V 3PS.

The names of the Trustee-Directors who served during the period are set out on page 1; all remained in office at the date of the approval of this report. No material contracts subsisted during the period in which any Trustee-Director had an interest.

The names of the Secretary and of the principal professional advisers to the Benevolent Fund are set out on page 2.

3 ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Benevolent Fund was established in 1936 as an unincorporated association and in 1941 it obtained registration as a friendly society. With the agreement of its members, as well as the relevant statutory authorities, on 2 August 1995 it was incorporated as a company limited by guarantee and on 13 September 1995 it was reregistered as a charity. The Benevolent Fund's governing document is its articles of association (which were amended by special resolution on 19 July 2018), under which the Trustee-Directors have made rules for the management of the Benevolent Fund.

Trustee-Directors

The Benevolent Fund's articles of association provide that there shall be at least three Trustee-Directors. Trustee-Directors are appointed, for three-year terms, at general meetings of the Benevolent Fund, although the Trustee-Directors themselves may also make appointments for one year. Subject to the Benevolent Fund's articles of association, all decisions are taken by the Trustee-Directors (although the Chairman, with one other Trustee-Director, has limited delegated power to approve emergency grants). On appointment, each Trustee-Director receives an information pack, which, in addition to details about the Benevolent Fund, contains information relating to the roles of trustee and company director; this pack is updated as required.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Advisory Council

The articles of association provide for there to be an Advisory Council of representatives of regional groups of the Institution of Structural Engineers: this Council has been established, comprising delegates from 18 of the UK/Republic of Ireland regional groups. The names of the Advisory Council members are given on page 1. As well as visiting applicants and beneficiaries and attending meetings of the Trustee-Directors, the Advisory Council members also contact widows/widowers of members and other potential beneficiaries, undertake local publicity on behalf of the Benevolent Fund and encourage contributions. Neither the Advisory Council members, nor the Trustee-Directors or anyone else acting on behalf of the Benevolent Fund (other than the principal advisers), receives any payment apart from out-of-pocket expenses.

Sub-committees

The articles of association authorise the Trustee-Directors to appoint sub-committees. The only sub-committee appointed in 2020 was the Investments Sub-Committee, comprising Mr J M Allen, Mr J D Parsons and Mr I G Hill.

Relationships with other organisations

The Benevolent Fund is deemed a connected charity to the Institution of Structural Engineers as its objects are to provide benefit to members of the Institution, and to former members and dependants of members, who are in need (See Section 4) and as it benefits from administrative services provided by the Institution. The affairs of the Benevolent Fund are conducted from the Institution's offices and the secretariat is provided by the Institution.

Wherever possible, the Benevolent Fund co-operates with other charities in relation to applicants and beneficiaries. The list of grants on page 22 shows joint beneficiaries of the Institution Structural Engineers and the Institution of Civil Engineers Benevolent Funds. The Benevolent Fund is a member of the Association of Charitable Organisations.

Risk

The Trustee-Directors oversee an ongoing assessment of the major risks to which the Benevolent Fund is exposed, in particular those relating to its operations and finances, and are satisfied that systems are in place to manage the Benevolent Fund's exposure to those risks. The most significant risk is the long-term fall in the value of the Benevolent Fund's investments, but these are kept under constant review by the Investment Managers and are monitored by the Investments Sub-Committee regularly. Further information pertaining to the impact of the Covid-19 pandemic on the Fund's income/investments, expenditure and cash flow may be found under Section 5 Financial Review. Another risk is the unexpected loss of the Secretary, a comprehensive procedural manual is regularly updated for use by the Secretary and any alternative support cover should the Secretary not be able, for any reason, to meet the responsibilities of the role.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

4 OBJECTS, ACTIVITIES AND ACHIEVEMENTS

Objects

The Benevolent Fund's objects are the prevention or relief of poverty or financial hardship of, and the relief of sickness and the preservation of health among, current or former members of the Institution and their dependents or former dependents, including, but not limited to, the provision of financial assistance, support, education and practical advice.

The fulfilment of these objects is clearly of public benefit.

Vision

The vision of the Benevolent Fund is to enable the Institution of Structural Engineers to care for its members, former members and their dependants, in time of need.

Public Benefit

The Trustee-Directors are satisfied that the aims of the Fund are carried out wholly in pursuit of its charitable aims. Members and non-Institution members benefit from receiving financial assistance in times of need.

The Trustee-Directors have regard to guidance on public benefit published by the Charity Commission, when exercising their powers and duties and where such guidance is relevant. The Trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing the Funds' aims and objectives and in planning its future activities.

Activities and achievements

The Benevolent Fund's principal activity during the year was the administration of funds held for charitable purposes.

There is no geographical restriction relating to beneficiaries, and the Benevolent Fund assists members and their dependants both within and beyond the United Kingdom.

The Trustee-Director's objective for 2020 was to assist between 15 and 30 Institution members, former members and their dependents. During the year the Benevolent Fund helped 21 individuals and distributed £115,161 in grants which enabled them to meet day to day living expenses or specific items of expenditure. A summary of grants paid is given on page 22. Whenever possible, a representative of the Benevolent Fund visits or makes contact with an applicant to establish a personal link with the Benevolent Fund and to make an independent appraisal of the circumstances to guide the Trustee-Directors in their assessment of need: the Trustee-Directors are grateful to those who undertake this important and sensitive role.

Many members of the Institution, and some firms, support the Benevolent Fund by regular contributions. Some considerately remember the Benevolent Fund in their will. Regional Groups of the Institution also support the Benevolent Fund through fund-raising at events. The Trustee-Directors are most grateful for the generous support of the Benevolent Fund by all concerned.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

The Trustee-Directors have formulated a strategic plan, and also policies and procedures for the administration of the Benevolent Fund and its assets and for grant-making. These are kept under review.

5 FINANCIAL REVIEW

Trustee-Directors' responsibilities

The Trustee-Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustee-Directors to prepare financial statements for each financial year. In accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), under company law the Trustee-Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee-Directors are required to:

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

The Trustee-Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity, 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This Trustee-Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee-Directors. The Trustees-Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Auditors

All of the Trustee-Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The Trustee-Directors are not aware of any relevant audit information of which the charity's auditors are unaware.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Review of the year

The Benevolent Fund's income in the period comprised donations and legacies of £39,001 (2019: £46,299) and investment income of £34,932 (2019: £123,280), a total of £73,933 (2019: £169,579). The overall income was 56% lower than in 2019. Grants made, including support costs, totalled £140,886 (2019: £119,552) and cost of raising funds with support costs were £24,007 (2019: £24,400), realising an operational deficit of £90,960 (2019: an operating surplus of £25,627). The value of the Benevolent Fund at the year-end was £1,654,462 (2019: £2,766,190). This mainly comprised investments held to generate income for the payment of grants.

Due to the uncertainty caused by the Covid-19 pandemic, the Trustee-Directors have reviewed the resilience of the Benevolent Fund to continue to fulfil its charitable objects and to meet its targets over the next 12 months. Four key measures have been assessed to determine the Fund's ability to continue as a "going concern" namely, the value of investments, income, expenditure, and cash flow. Based on a reforecast of the likely activity in each of these areas the Trustee-Directors are satisfied that the Fund continues to meet the 'going concern' definition. As the investment portfolio is made up of approximately 33% of shares in the banking and financial sectors it should be easier to convert these to cash. A more detailed assessment of the situation is given below with its likely impact.

Investment policy and performance

As the majority of the Benevolent Fund's investments are in listed securities, their market value (which is the figure used in the balance sheet) varies according to stock market conditions. At 31 December 2020 the market value of the investments stood at £1,643,781, made up of listed investments of £1,629,127 and cash deposits of £14,654. £716,588 below their historical cost of £2,360,369. Because of the ongoing uncertainty caused by the Covid-19 pandemic the Trustee-Directors requested a current valuation of the investment portfolio. On 17th March 2021 the value of the portfolio stood at £2,001,390. This represents a gain of 31% from its lowest value of £1,167,556 in 2020. The Trustee-Directors have received confirmation from the portfolio fund manager that the Fund's Investment Policy and current investments remain appropriate. The expert advice is that there is no reason why the worst-hit sectors will not recover post Covid-19, although it remains unclear how long this may take. The Trustee-Directors remain confident that the Fund's Investment Policy remains appropriate to fulfil its objective of long-term growth.

The investments chosen by the investment managers include 33% in the banking and financial services sectors, with the remainder split between travel/leisure and other sectors. Due to Covid-19 the share values of the investments across all sectors have decreased significantly. However, based on the most recent valuation of £2,001,390 in March 2021 there is still enough liquidity within the portfolio to fund additional demands on resources should they be required in the next 12 months. At the end of December 2020 there was £14,654 in cash within the portfolio.

Income

Income is derived from two principal sources, firstly investments and secondly donations and legacies. Investment income in 2020 was £34,932 representing a decrease of 72% over 2019 levels. Donations and legacies in 2020 were £39,001, 16% lower than the 2019 figure of £46,299.

The Trustee-Directors have reviewed investment income for 2021 and have been assured that the dividend income from the investments will be significantly higher than in 2020. The current estimate is £61,000.

Benevolent Fund

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Donation income is unlikely to be significantly affected by Covid-19 and much of the donations for 2021 (£35,304) have already been received as at 28.02.2021. Furthermore, donations to the Fund tend to be resilient in times of recession – as evidenced in 2009 and 2010 when the average donation over the two years remained at £36,424.

Expenditure

The major part of expenditure represents grants to beneficiaries. The total varies each year, and in 2020 grant expenditure was £140,886, 18% higher than 2019, with costs of raising funds amounting to £24,007, which included investment costs of £16,544.

No commitment to payments is made beyond a 12-month period and other than the grant, support and governance costs stated above the Fund has no overheads or financial commitments. However, the Trustee-Directors have assumed that applications to the Fund will remain unchanged through the remainder of 2021 and into 2022 and have reforecast expenditure to be £168,000.

Cash Flow

Cash, cash equivalents and cash held with investment managers at the end of 2020 was £43,048 (see note 13). Combined with the reforecast of income to May 2022 of £96,000 and reforecast expenditure of £168,000 there will be a need to release assets in the investment portfolio to the value of circa £72,000. The current value of the Fund's investment portfolio stands at £1,921,298 and as such the Fund is very well placed to continue its operations against a background of reduced income.

Investment policy and performance

Under the articles of association, the Trustee-Directors have adopted rules governing the investment of funds. The Trustee-Directors have approved a detailed investment policy, in accordance with which the main objective of the portfolio is long-term growth in income and capital; the Benevolent Fund accepts medium risk in this aim. Activity in the portfolio is monitored by the Investments Sub-Committee, which receives detailed reports from the investment managers (W H Ireland Ltd), who are represented at its twice-yearly meetings.

Reserves policy

The Institution of Structural Engineers Benevolent Fund does not seek funding from outside the membership of the Institution of Structural Engineers. Approximately 53% of the Fund's income came from donations made with Institution subscriptions, one-off donations and bequests.

Legacy income, in particular, is very uncertain. The levels of dividends, interest received, and inflation tend to fluctuate. In order to safeguard the provision of grants to current and future beneficiaries the Trustees have agreed a target for reserves of between £2.25m to £2.7m with the position relative to the target reviewed at each Trustee meeting. As at 31 December 2020 the Fund held reserves of £1.65m, considerably below target. The fund had free reserves of £25k at 31 December 2020, the remainder of its reserves being investments made for the purposes of generating income to pay grants to beneficiaries. Due to the impact of Covid-19 on the value of shares, the amount of free reserves has weakened. However, the recent valuation and increase in investment performance of the investments suggest that the minimum reserves level of £2.25m is achievable by the end of 2021. Based on the recent analysis of the fund's future financial position, there will be sufficient cash resources available to meet its financial obligations as they fall due.

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Benevolent Fund

Grant-making policies

Under policies adopted by the Trustee-Directors, each case is considered on its merits (that is, there is no scale grant); grants are not made to assist in the professional development of Institution members; and grants are not, normally, made to student members of the Institution, or to dependants or former dependants of Institution members who are either their children aged 21 or over or legally separated or divorced from the member, or for the purpose of funding private health care, or totalling more than £14,000 to any individual beneficiary (£21,000 for a couple, £6,000 for first dependent, £3,000 for second dependent) in any year. Furthermore, payments are not made that would reduce a beneficiary's entitlement to public funding (each application is reviewed by the Benefits Consultant). If the Benevolent Fund settles debts, it will not normally pay any subsequent debts. Where applicable, the Benevolent Fund pays in respect of a beneficiary a sum to the Institution in respect of their annual subscription and Engineering Council UK fee.

Fund raising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Benevolent Fund does not undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes.' Such amounts are presented in our accounts as 'Donations and legacies'.

In relation to the above the Trustee-Directors confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the Secretary and members of the Advisory Council, who are accountable to the Trustee-Directors.

The Benevolent Fund is not bound by any undertaking to be bound to any regulatory scheme and the Trustee-Directors do not consider it necessary to comply with any voluntary code of practice.

No complaints have been received in relation to fundraising activities.

Charity Governance Code

The Trustee-Directors have considered the Charity Governance Code for smaller charities and have in general adopted its principles.

The Trustee-Directors of the Fund and the members of its Advisory Council are drawn from the membership of the Institution of Structural Engineers. Currently the diversity of this group is not as wide, or as representative of the Institution's membership, as the Trustee-Directors wish, and they intend to take steps to increase its diversity when opportunities are available.

Some Trustee-Directors have served for longer than ten years but having reviewed this it is felt to be appropriate; this will be kept under review.

6 PLANS FOR FUTURE PERIODS

While keeping the Benevolent Fund's policies, procedures and activities under review, and ensuring that it operates effectively and efficiently, the Trustee-Directors currently have no plans for major long-term change. Clearly the Covid-19 pandemic has led to changes in income and a possible increase in applications in 2021, which may in turn lead to an increase in the number of grants awarded to

DIRECTORS AND TRUSTEES' REPORT (CONTINUED)

Benevolent Fund

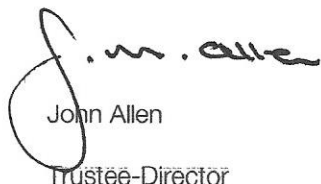
support members, former members, and their families in financial need. Forecast changes are outlined in Section 5 – Review of the year. The Trustee-Directors will continue to promote the Benevolent Fund to potential beneficiaries, including outside the United Kingdom where some 35% of Institution members are located.

7 APPROVAL

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Chairman

on behalf of the Board.


John Allen
Trustee-Director

2nd June 2021
Date: ~~xxxx 2021~~

Benevolent Fund

Independent auditor's report to the members of The Institution of Structural Engineers Benevolent Fund

Opinion

We have audited the financial statements of The Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of the charitable company's net movement in funds, including the 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Directors' and Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there

Benevolent Fund

is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' and Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Directors' and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' and Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement as set out on page 6, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Benevolent Fund

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to income and grant recognition. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the group relevant to the preparation of the financial statements to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates, in particular donation and legacy recognition and the recognition of grant expenditure.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 Auditor's 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.



Thomas Wilson (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
10 Queen Street Place
London
EC4R 1AG

Date: 02 June 2021

Benevolent Fund

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

		Total Unrestricted	
		Funds	
		2020	2019
		£	£
Income from:	Notes		
Donations and legacies	3	39,001	46,299
Investment income	4	34,932	123,280
Total income		73,933	169,579
Expenditure on:			
Costs of raising funds			
Fundraising and publicity		24,007	24,400
Expenditure on Charitable activities			
Grants	12	140,886	119,552
Total expenditure		164,893	143,952
Net (expenditure) / income before gains and losses on investments		(90,960)	25,627
(Losses) / gains on investments		(1,020,767)	199,056
Net movement in funds for the year	9	(1,111,727)	224,683
Total funds brought forward		2,766,190	2,541,507
Total funds carried forward		1,654,463	2,766,190

All amounts relate to continuing activities.

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

Benevolent Fund

BALANCE SHEET
31 December 2020
Company number 3087463

		2020	2019
	Notes	£	£
FIXED ASSETS			
Investments	9	1,629,127	2,462,936
CURRENT ASSETS			
Debtors due within one year	10	28,408	203,794
Debtors due greater than one year	10	87,670	99,670
Cash at bank and in hand		28,395	48,902
		<u>144,473</u>	<u>352,366</u>
CREDITORS			
Amounts falling due within one year	11	(119,138)	(49,112)
NET CURRENT ASSETS		<u>25,335</u>	<u>303,254</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		<u><u>1,654,462</u></u>	<u><u>2,766,190</u></u>
INCOME FUND			
Unrestricted funds:			
General fund surpluses and gains		1,654,462	2,766,190
		<u><u>1,654,462</u></u>	<u><u>2,766,190</u></u>

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

On behalf of the board:


John Allen
Trustee - Director



These financial statements were approved by the Board of Trustees on ~~2020~~ 2021 and authorised for issue.

The notes on pages 17 to 23 form part of these financial statements.

Benevolent Fund

STATEMENT OF CASH FLOWS AND RELATED NOTES 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Net movement in funds for the financial year		(1,111,727)	224,683
Adjustments for:			
Net fair value losses / (gains) recognised in statement of financial activities		1,011,665	(199,056)
Dividend income from fixed and current asset investments	4	(34,932)	(123,280)
Decrease / (increase) in trade and other debtors		187,386	(162,486)
Increase / (decrease) in trade creditors		70,026	(2,307)
Net cash used from operating activities		122,418	(262,446)
Cash flows from investing activities			
Dividends received on fixed and current asset investments	4	34,932	123,280
Purchase of current asset investments	9	(378,270)	(257,941)
Sale of current asset investments		200,413	434,685
Net cash used from investing activities		(142,925)	300,024
Net (decrease) / increase in cash and cash equivalents		(20,507)	37,578
Cash and cash equivalents at beginning of year		48,902	11,324
Cash and cash equivalents at end of year		28,395	48,902

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102 - Second Edition)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institution of Structural Engineers Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Due to the Covid-19 pandemic the Fund has reviewed its income and expenditure and the impact on cash flow to May 2022. The current value and mix of investments within the investment portfolio was also reviewed and although there has been a significant drop in the value of the portfolio, the Trustee-Directors are satisfied that based on the work done that the preparation of the accounts on a going concern basis is appropriate. This conclusion has been largely formed based on the high level of liquid funds available compared to the annual spend.

(a) Income

Donations, gifts, and legacies

Donations, gifts, and legacies are included in the financial statements when; the Benevolent Fund has entitlement to the funds, there is a probability that the Benevolent Fund will receive economic benefit, and the monetary value can be measured.

Investment income

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which it is receivable.

(b) Expenditure

Expenditure is incorporated in the financial statements as incurred, and includes irrecoverable Value Added Tax.

Grants are incorporated when notified to beneficiaries. Any commitments payable at a later date are included in the balance sheet as creditors. Payments comprise grants awarded to members and their families. Any grants which are subsequently repaid are treated as donations.

Support costs

These costs represent the general administration in supporting the operational activities for which the charity is responsible.

Governance costs

These costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activities. This includes external audit costs and legal fees.

(c) Investments

Investments are shown at market value. Unrealised gains and losses are incorporated within the fund balance and are identified as unrealised. Market value is based on bid prices for listed investments.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2020(CONTINUED)

d) Loans to beneficiaries

Loans to beneficiaries are recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any impairments.

The Benevolent Fund does not charge interest on its loans to beneficiaries.

2. NET INCOME AND NET MOVEMENT IN FUNDS

The net income and net movement in funds are wholly attributable to the company's activity of the administration of funds held for charitable purposes and arise mainly within the United Kingdom.

3. INCOME FROM DONATIONS AND LEGACIES

Donations in the year were received from:

	2020 £	2019 £
Regional Groups	957	2,684
Legacies	-	2,500
Tax recovery	1,916	2,298
Individual donations	36,128	38,817
Total	39,001	46,299

4. INVESTMENT INCOME

Investment income for the year is derived from:

	2020 £	2019 £
Listed investments including government securities	34,932	123,280
Cash deposit	-	-
	34,932	123,280

5. SUPPORT AND GOVERNANCE COSTS

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	3,820	22,419	26,239
Governance	Expenditure ratios	200	1,176	1,376
Total		4,020	23,595	27,615

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2020 (CONTINUED)

COMPARATIVE FIGURES FOR 2019

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	1,950	9,556	11,506
Governance	Expenditure ratios	136	669	805
Total		2,086	10,225	12,311

All grants issued are to individuals with links to the Institution of Structural Engineers, and who require financial assistance.

6. NET INCOME FOR THE YEAR

Net income is stated after charging:

	2020 £	2019 £
Auditors' remuneration	1,200	690

7. DIRECTORS AND TRUSTEES

No director received any remuneration during the year (2019 – none).

During the year 9 directors were reimbursed travelling expenses incurred whilst engaged on the business of the charity amounting to £176 (2019 – 9 directors were reimbursed £2,126).

The Benevolent Fund does not employ any staff, and there is no Senior Management remuneration.

8. RELATED PARTY TRANSACTIONS

During the year the Fund had the following transactions with the Institution of Structural Engineers.

	2020 £	2019 £
Income		
Charitable donations	35,875	39,002
Expenditure		
Management charge	14,400	6,000

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2020 (CONTINUED)

9. INVESTMENTS

	2020 £	2019 £
Carrying value at the beginning of year	2,639,092	2,464,457
Add: additions to investments at cost	378,270	257,941
Less: disposals at carrying value	(239,080)	(213,044)
Less: net loss / gain on revaluation	(972,999)	(22,584)
Cash movement	(161,502)	152,322
Carrying value at the end of the year	1,643,781	2,639,092

	2020 £	2019 £
Investments, all of which are in the UK, are made up of:		
Listed investments	1,629,127	2,462,936
Cash investments (see note 10)	14,654	176,156

Carrying value at the end of the year	1,643,781	2,639,092
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The historical cost of fixed asset investment is:	2,360,369	2,371,430
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The listed investments and cash deposits were managed on behalf of the company by WH Ireland, on a discretionary basis and include direct investment in listed investments and indirect investment through unit and investment trusts.

Cash deposits within the portfolio are held on overnight deposit.

Investments within the portfolio which amount to more than 5% of the total values are:

Listed investments

	2020 £	2019 £
23,620 Aviva GBP 0.25	-	199,385
67,000 Barclays PLC	98,276	-
91,000 BT Group GBP0.025	120,347	175,120
6,650 Carnival PLC ORD USD 1.66	90,905	209,530
17,000 EasyJet ORD GBP 0.27285714	141,100	259,259
170,000 International Consolidated Airlines Group	271,660	431,250
450,000 Lloyds Banking Group	163,980	268,750
24,100 TUI AG ORD REG SHS NPV (DI) ST GBX12.25389	-	172,161
8,850 Prudential PLC	119,210	152,145
105,733 Rolls-Royce Holdings PLC	117,628	-
105,850 NatWest Group PLC	177,457	266,373
	1,300,563	2,133,973

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS

31 DECEMBER 2020 (CONTINUED)

Other listed investments individually under 5%	328,564	328,963
Cash investments	14,654	176,156
	1,643,781	2,639,092

Investment Management Fees:

	2020	2019
	£	£
Amounts paid to manage investments	16,544	22,313
	16,544	22,313

Investment management fees appear in the Statement of Financial Activities under Other Costs

10. DEBTORS

	2020	2019
	£	£
Amounts due within 1 year:		
Unsecured loans to beneficiaries	4,000	2,000
Cash investments	14,654	176,156
Other debtors	9,754	25,638
Amounts due after 1 year:		
Secured loans to beneficiaries	81,670	91,670
Unsecured loans to beneficiaries	6,000	8,000
	116,078	303,464

The secured loans to beneficiaries were advanced on the security of a fixed charge over freehold property. The loans are repayable when vacant possession of the properties is available. The Benevolent Fund does not charge interest on these loans. The unsecured loan is repayable over 5 years with the first and second instalments paid on 1st February 2021.

11. CREDITORS

	2020	2019
	£	£
Amounts falling due within 1 year:		
Other creditors	5,769	742
Management charge due to Institution of Structural Engineers	14,400	6,000
Grant creditors – secured	98,969	42,370
	119,138	49,112

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2020 (CONTINUED)

12. GRANTS 2020

		£	
	Grants committed to during 2019 and paid during 2020	(42,370)	First assisted
226	Widow of Fellow, aged 91*	250	1998
308	Graduate, aged 71*	1,550	2010
310	Widow of Fellow, aged 78	6,350	2010
312	Member, aged 82, married	3,825	2010
337	Former Associate-Member, aged 67, married	4,792	2014
342	Widow of Fellow, aged 82*	3,020	2014
355	Fellow, aged 85, widowed	4,600	2016
358	Fellow, aged 91, married	5,200	2017
362	Fellow, aged 95, married*	2,300	2017
367	Technician, aged 63, married	10,325	2018
369	Fellow, aged 81, married	14,700	2018
370	Fellow, aged 74, married	12,300	2018
372	Member, aged 32, married*	4,462	2018
377	Graduate, aged 65, married*	3,500	2019
379	Former member, aged 78, married	8,950	2020
381	Member, aged 35, married	3,900	2020
382	Member, aged 52, married	10,850	2020
383	Member, aged 63, married*	1,945	2020
385	Graduate, aged 39, married with 2 children*	3,342	2020
388	Former member, aged 76, married	3,200	2020
389	Graduate, aged 39, married with 2 children*	5,800	2020
	Total grants paid during 2020	115,161	
	Grants committed to during 2020 and due to be paid during 2021	44,500	
	Allocated support costs	23,595	
		<u>140,886</u>	

*Joint beneficiary of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds.

Benevolent Fund

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2020 (CONTINUED)

13. Analysis of changes in net debt

	At the 1 st January 2020	Cash flows	Other non- cash changes	At 31 st December 2020
	£	£	£	£
Cash	48,902	(20,507)	-	28,395
Cash investments	176,156	(161,503)	-	14,653
	<u>225,058</u>	<u>(182,010)</u>	<u>-</u>	<u>43,048</u>
Total	<u>225,058</u>	<u>(182,010)</u>	<u>-</u>	<u>43,048</u>