

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

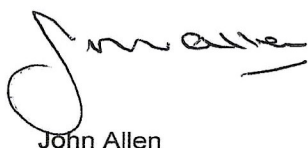
While keeping the Benevolent Fund's policies, procedures and activities under review, and ensuring that it operates effectively and efficiently, the Trustee-Directors currently have no plans for major long-term change. Whilst the Covid-19 pandemic has led to changes in income the number of applications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

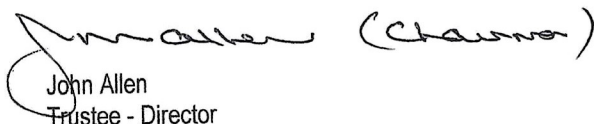
31 December 2021

Company number 3087463

		2021	2020
	Notes	£	£
FIXED ASSETS			
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
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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

	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>