

THE CABB BENEVOLENT FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE CABE BENEVOLENT FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr RG Biggs
Mr R Taylor
Mrs BA Menzies
Mr M Wadood
Mr AW Griffith
Mrs J Hall
Mr D Taylor

Charity number

1194181

Principal address

Lutyens House
Billing Brook Road
Weston Favell
Northampton
Northamptonshire
NN3 8NW

Auditor

Cottons Accountants LLP
1 Billing Road
Northampton
United Kingdom
NN1 SAL

THE CABE BENEVOLENT FUND

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THE CABE BENEVOLENT FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the benevolent fund's constitution, the Charities Act 2011 and "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)" (effective 1 January 2019).

Objectives and activities

The Benevolent Fund exists to provide for the relief in distressed circumstances of members, retired members and former members of the Associations and of widows and children and other immediate dependents in distressed circumstances of deceased members, retired members and former members of the Associations. Former members shall have had at least 15 years continuous membership. The Associations are The Association of Building Engineers and Chartered Association of Building Engineers.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Fund's aims and objectives and in planning future activities and setting the grant making policy for the year.

The fund carries out these objects by providing grants to individuals so to help provide financial relief in distressed circumstances.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the benevolent fund should undertake.

Grantmaking

There were 0 grants (2021 - 4 grants). The fund continued to raise its profile amongst members during the year, being promoted at regional presentations and talks. Improvements to governance and further alignment to the CABE during the year allowed for a focused marketing campaign in 2022 in order to reach more members and promote the benefits of the fund.

Achievements and performance

During 2022, the fund continued to support people. The trustees did this by raising the profile of the fund to the members of CABE. The trustees also streamlined the application process meaning that requests were processed quicker to help members in distress.

The trustees completed their governance review in the summer of 2021. The outstanding work included putting in place revised induction arrangements for new trustees, including a new induction checklist and new induction video. A legal change was made to become a Charitable Incorporated Organisation in April 2021 (with a new registered charity number) and the funds were transferred from the old Trust to the new CIO at the start of the period.

Financial review

Financial position

At the end of the financial year 2021-22, the fund remains in a healthy financial position with net funds of £676,788. Despite economic uncertainty and reduced interest rates, the fund's investments continued to perform well, generating income of £14,174.

All of the Charity's reserves are unrestricted.

Investment policy and objectives

Investments are regularly reviewed by the trustees and professional advice obtained to ensure maximum benefits coupled with security. The trustees' current policy is to place greater emphasis on longer-term capital growth. The Charity's investments are held in accordance with the trustees' powers and are sufficient to meet the fund's obligations.

THE CABA BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

It is the policy of the benevolent fund that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the benevolent fund's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Structure, governance and management

The benevolent fund is a charitable incorporated organisation (CIO). Company number CE025305.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr RG Biggs

Mr R Taylor

Mrs BA Menzies

Mr M Wadood

Mr AW Griffith

Mrs J Hall

Mr D Taylor

Trustees are appointed by the CABA board on the recommendation of the current Trustees. This would follow an advertisement in the CABA journal inviting CABA members to become Trustees, followed by an appropriate interview process.

The Benevolent Fund has a finance policy which is followed concerning the payment of trade creditors, which is to:

- Settle the terms of payment with suppliers when agreeing the terms of each transaction made;
- pay in accordance with the company's contractual and other legal obligations.

The organisation structure for the Benevolent Fund is a board which is made up of 7 trustees, one of whom, Mr Robert Biggs is the chairman. They hold 3 official Trustee meetings each year which are held in September, January and May.

THE CABE BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the benevolent fund and of the incoming resources and application of resources of the benevolent fund for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the benevolent fund and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the benevolent fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.



Date: 20th April 2023

Mr RG Biggs

Trustee

THE CABE BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CABE BENEVOLENT FUND

Opinion

We have audited the financial statements of The CABE Benevolent Fund (the 'benevolent fund') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including 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 charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 benevolent fund 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 benevolent fund'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard,

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE CABE BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CABE BENEVOLENT FUND

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 benevolent fund'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

THE CABE BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CABE BENEVOLENT FUND

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of factual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- maintaining professional skepticism throughout the audit.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested Journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they *may* involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our audit report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

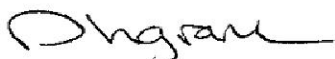
This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

THE CABE BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE CABE BENEVOLENT FUND

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



David Ingram FCCA (Senior Statutory Auditor)
for and on behalf of Cottons Accountants LLP

27/04/2023

Chartered Accountants
Statutory Auditor

1 Billing Road
Northampton
United Kingdom
NN1 5AL

Cottons Accountants LLP is eligible for appointment as auditor of the benevolent fund by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE CABE BENEVOLENT FUND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £
<u>Income from:</u>		
Donations and legacies	3	692,105
Investments	4	14,174
Total income		706,279
<u>Expenditure on:</u>		
Charitable activities	5	6,177
Net gains/(losses) on investments	9	(23,314)
Net movement in funds		676,788
Fund balances at 1 September 2021		
Fund balances at 31 August 2022		676,788

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

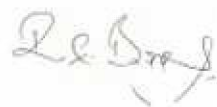
THE CABE BENEVOLENT FUND

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£
Fixed assets			
Investments	10		648,200
Current assets			
Cash at bank and in hand		29,688	
Creditors: amounts falling due within one year	11	(1,100)	
Net current assets			28,588
Total assets less current liabilities			676,788
Income funds			
Unrestricted funds			676,788
			676,788

The financial statements were approved by the Trustees on 20th April 2023



Mr RG Biggs
Trustee

THE CABE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

The CABE Benevolent Fund is a charitable incorporated organisation registered in the UK and formed by Deed of Trust on 22 April 2021. Company number - CE025305.

1.1 Accounting convention

The financial statements have been prepared in accordance with the benevolent fund's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The benevolent fund is a Public Benefit Entity as defined by FRS 102.

The benevolent fund has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the benevolent fund. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the benevolent fund has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the benevolent fund.

1.4 Income

Income is recognised when the benevolent fund is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the benevolent fund has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE CABE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the benevolent fund has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the benevolent fund's contractual obligations expire or are discharged or cancelled.

THE CABE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and judgements

In the application of the benevolent fund's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds
	2022 £
Donations and gifts	1,544
Assets transferred from the Trust	690,561
	692,105

4 Investments

	Unrestricted funds
	2022 £
Interest receivable	550
Income from investments	13,624
	14,174

THE CABE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Charitable activities

	Charitable Expenditure 2022 £
Insurance	577
Sundry	234
Professional services	3,096
	3,907
Share of governance costs (see note 6)	2,270
	6,177

6 Support costs

	Support costs £	Governance costs £	2022 £
Audit fees		1,100	1,100
Legal and professional		1,170	1,170
		2,270	2,270
Analysed between Charitable activities		2,270	2,270

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the benevolent fund during the year.

Expenses of £Nil (2021 - £Nil) were reimbursed to the trustees.

8 Employees

The average monthly number of employees during the year was:

	2022 Number
Total	

There were no employees whose annual remuneration was more than £60,000.

THE CABE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Net gains/(losses) on investments

Unrestricted funds

2022
£

Revaluation of investments	(23,314)
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10 Fixed asset investments

Unlisted investments £

Cost or valuation

At 1 September 2021

Additions

671,514

Valuation changes

(23,314)

At 31 August 2022

648,200

Carrying amount

At 31 August 2022

648,200

11 Creditors: amounts falling due within one year

2022
£

Accruals and deferred income

1,100

12 Analysis of net assets between funds

Unrestricted funds 2022 £

Fund balances at 31 August 2022 are represented by:

Investments

648,200

Current assets/(liabilities)

28,588

676,788

THE CABE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Related party transactions

The Benevolent Fund exists to provide for the relief in distressed circumstances of members, retired members and former members of the Association of Building Engineers and Chartered Association of Building Engineers of widows and children and other immediate dependants in distressed circumstances of deceased members, retired members and former members of the Associations.

Various members of the Association submit donations to the CABE Benevolent Fund along with their annual subscriptions. As at 31 August 2022 £Nil (2021 - £Nil) was owed to the CABE Benevolent Fund from the Chartered Association of Building Engineers.