
REPORT TO: CIMA Benevolent Fund Board of Trustee's

SUBJECT: Statement of Financial Activities - 2021 – 2022 (1st Financial year)

As of 2022, the Chartered Institute of Management Accountants' Benevolent Fund has yet to commence operations and has not successfully opened a bank account. The legal status of the organization is that of a Charitable Incorporated Organization (CIO) registered in England & Wales under the registration number 1196072.

In October 2021, the Charity Commission approved the establishment of the new CIO Charity, which shares the same name and objectives as the legacy charity the Chartered Institute of Management Accountants' Benevolent Fund (registration number 261114). The new Charity is expected to be fully operational by end of 2023, with the closure of the legacy Fund anticipated in 2024 following the completion of its final accounts.

The Council of CIMA appointed the initial three trustees to the Chartered Institute of Management Accountants' Benevolent Fund CIO Board in 2021. An additional six trustees were appointed by the new Board in 2022. The new Charity held six trustee board meetings in 2022, five of which were conducted via video conference, and one in-person (expenses charged to legacy charity).

Pending the full operationalization transition to the CIO, expected August 2023, the legacy Fund (registration number 261114) will continue reviewing cases and make decisions on providing assistance to current and former members until the new charity structure is fully operational.

Until operational activities transfer, the new Fund's primary responsibility is to facilitate the completion of tasks to support the foundational setup of the charity. After the transition, the CIO Trustees will assume the roles and responsibilities outlined in the Terms of Reference, including the inquiry into the possibility of hardship among members or their dependents, making grants to relieve necessity, directing members to other forms of assistance, and recommending means of increasing interest and contributions to the charity.

It is noted that the annual financial statement of accounts for the legacy charity (registration number 261114) were submitted on 23 October 2023. The financial statement provides a comprehensive overview of the legacy charity's income, expenditure, and financial position for the year 2022.

As of 31 December 2022, no financial activities have been conducted under the new Charity (registration number 1196072), and it should be noted that all activity figures remain at Zero. Efforts are actively underway to open the necessary bank accounts and finalize the required agreements to enable the Chartered Institute of Management Accountants' Benevolent Fund (CIO) to fully commence its charitable operations.

Should you have any questions or require further information, please do not hesitate to contact us.

Please send any enquiries to:

Melissa Parker, Fund Secretary
melissa.parker@aicpa-cima.com

Members of CIO Board of Trustees

July 2021 – December 2022

Andrew McGunnigle (Chairman)*

Matthew Miller (Vice Chairman)

Amarjeet Hans

Feb 2022 – December 2022

Rona van Hoepen

Elaine Richardson

Rachael Jarrett

Yvonne Dzotsi

Shahzad Manwa Ali

Reena Sanathra

* Member of CIMA Council

Administrators

Melissa Parker (Secretary)

Zara Stevens

Principal address

The Helicon
1 South Place
London EC2M 2RB

Statement of Financial Activities for the year ending 31 December 2022

No activities were conducted under the new Charity (registration number 1196072) and should be noted as Zero. Efforts are still underway to open the necessary bank accounts and sign the necessary agreements.

	2022		2021	
	Unrestricted funds		Unrestricted Funds	
	£000	£000	£000	£000
Income and endowments from				
Donations				
- Income from donations	-		-	
- Legacy Income	-		-	
- Services donated by CIMA	-		-	
	<u>-</u>	-	<u>-</u>	-
Investments				
- Dividends	-		-	
- Bank deposit interest	-		-	
	<u>-</u>	-	<u>-</u>	-
Total Income		-		-
Expenditure on				
Charitable activities				
- Grants to members in hardship	-		-	
- Investment management fees	-		-	
Other expenditure	-		-	
	<u>-</u>	-	<u>-</u>	-
Total expenditure		-		-
Net income before recognized gains and losses		-		-
Other recognized gains and losses				
Net gains (losses) on investment assets	-		-	
	<u>-</u>	-	<u>-</u>	-
Net movement in funds		-		-
Reconciliation of funds				
Total funds brought forward	-		-	
Total funds carried forward	<u>-</u>	-	<u>-</u>	-

All results are from continuing operations.

The Statement of Financial Activity includes all gains and losses recognised in the year.

Statement of Financial Position for the year ending 31 December 2022

	2022 Unrestricted Funds £000	2021 Unrestricted Funds £000
Non-current assets		
Investments	-	-
Current assets		
Cash	-	-
Due from CIMA	-	-
	<hr/>	<hr/>
	-	-
Current Liabilities		
Grants payable	-	-
Other Payables	-	-
	<hr/>	<hr/>
Net current assets	-	-
	<hr/>	<hr/>
Total net assets	-	-
	<hr/>	<hr/>
Funds		
Unrestricted funds	-	-
	<hr/>	<hr/>

The legacy financial statements (as attached) were acknowledged and approved by the Trustees on 06 May 2023 and signed on its behalf by Andrew McGunnigle, Chair of the Chartered Management Accountants' Benevolent Fund Committee.

The CIO financial statements on pages 3-4 were acknowledged and approved on 16 January 2024 by the initial three trustees, Andrew McGunnigle, Matt Miller, and Amarjeet Hans, of the Chartered Management Accountants' Benevolent Fund CIO on behalf of the Board of Trustees.



Andrew McGunnigle

Chair

CIMA Benevolent Fund Board of Trustees

The Chartered Institute of Management Accountants' Benevolent Fund

**Financial Statements
For the year ended
31 December 2022**

The Chartered Institute of Management Accountants' Benevolent Fund

Annual report of the Trustee For the year ended 31 December 2022

Structure, Governance and Management

Legal status

The Chartered Institute of Management Accountants' Benevolent Fund is a Charity registered in England & Wales, (registration number 261114).

The Fund's sole trustee is The Chartered Institute of Management Accountants (CIMA), incorporated in the UK. CIMA's Royal Charter registration number is RC000251. CIMA's purpose and activities are to help people and businesses succeed in the public and private sectors by providing continuing professional development services, funding academic research, developing thought leadership, monitoring professional standards, maintaining a code of ethics for members, and working with external tuition providers and assessment services to provide the best study and examination experience. Its principal address is The Helicon, 1 South Place, London, EC2M 2RB (same as the Benevolent Fund).

The CIMA Benevolent Fund was established in 1969 by Rules which were revised in June 1995. The rules may be altered, added to or rescinded by CIMA members at a general meeting. The Council of CIMA, acting for the Trustee, is responsible for determining how the CIMA Benevolent Fund is administered and invested.

The Council of CIMA appoints a CIMA Benevolent Fund Committee and delegates to this Committee powers relating to the day-to-day operations of the Fund. The Committee's terms of reference are to inquire into the possibility of hardship being suffered by members or their dependents, to make grants to relieve necessity, to direct members to other forms of assistance and support at the Fund's expense where appropriate, and to make recommendations to the Council as to means of increasing interest in and contributions to the Fund. Six Committee meetings were held in 2022 via video conference to discuss cases and Fund related tasks. These meetings were coordinated by the CIMA Benevolent Fund Administrators who manage operations relating to the Fund.

No staff were employed by the Fund. All administrative work was undertaken by staff of CIMA and the Association.

Connected charities

CIMA maintains two other charities. The Anthony Howitt Lecture Trust exists to fund and run a biennial lecture on management accountancy issues. The General Charitable Trust exists to fund the advancement of education in accounting, management accounting, electronic data processing, costing, auditing, taxation, applied economics, finance and other related subjects of an educational nature. The GCT is not controlled by CIMA. The activities of the GCT are governed by its trust deed.

Risk management statement

In support of further governance development, the Fund's administrators have updated documentation as additional mitigation measures for multiple risk areas. On other risks it was satisfied that systems or procedures were established in order to manage those risks. The risk register is updated every six months by the Fund Secretary and presented to the Trustees at the next meeting for review. CIMA Council and the Committee will continue to monitor risks at its future meetings.

Objectives and Activities

The Fund's objective is to provide relief to necessitous persons who are or have been members of CIMA, or any predecessor body, and to any disadvantaged persons connected by ties of relationship or dependency at any time with persons who are, or were, members of CIMA. The Council, acting on behalf of the Trustee, confirms that due regard has been paid to the Charity Commission's guidance on public benefit when reviewing the Fund's aims and objectives and planning future activities.

The Chartered Institute of Management Accountants' Benevolent Fund

Annual report of the Trustee For the year ended 31 December 2022

During the year, the Fund continued to fulfil its objectives by making grants and offering other support to relieve and prevent poverty amongst current and past CIMA members and dependants of members. The CIMA Benevolent Fund Committee continued to consider all new applications for assistance and review regularly all cases where the Fund was offering ongoing financial support. The Committee looks at each case individually with a view to reaching a decision on how the Fund can best assist in each instance.

Achievements and Performance

In 2022, total income showed a decrease of £23k. The largest driving factor for this was the decrease in services donated by CIMA. The drop was mainly due to staff services utilized for operations of the Fund.

The Fund spent £75k on assistance to beneficiaries which is an increase over the prior year of 21%. In total, 15 individuals received assistance in 2022 (25 in 2021). The average assistance per beneficiary in 2022 was around £5k while average assistance in 2021 was around £2.5k. There were 10 new beneficiaries (15 in 2021), of whom 4 were resident in the UK and 6 lived outside of the UK.

The Fund also referred several individuals, at the Fund's expense, to an outplacement organisation for support in finding work, often with beneficial results for the individuals. The Fund was also able to direct some beneficiaries to other potential sources of support, such as, welfare benefits and support and advice from other organizations, as well as other members.

Financial Review

Reserves policy

The statement of policy on reserves reads as follows:

1. *Given the level of donation income and the unpredictability of legacy receipts, CIMA Benevolent Fund needs to hold reserves to invest in order to generate income to cover its expected expenditure over the next 12-month period.*
2. *For the purpose of this policy, reserves are unrestricted funds that are freely available for spend on the Fund's purposes. They will not include any funds set aside to meet a defined future item of expenditure.*
3. *The Fund, therefore, aims to maintain a level of reserves sufficient to generate investment income equal to roughly twelve months of its expenditure.*
4. *Council, acting on behalf of the Trustee, will review the Policy on Reserves annually. The Benevolent Fund Committee will monitor the level of reserves in between these reviews.*

The value of reserves held by the Charity at end of 2022 was £2,482k (£2,682k in 2021).

Investment policy

The statement of policy on investment reads as follows:

1. *The Fund seeks to target a financial return (net of management fees) that matches or exceeds the objective, within an acceptable level of risk.*

The Chartered Institute of Management Accountants' Benevolent Fund

Annual report of the Trustee For the year ended 31 December 2022

2. *The Trustee's guidelines require the CIMA Benevolent Fund Committee to manage the CIMA Benevolent Fund portfolio in such a way as to achieve a broad balance between maintaining or increasing its real capital value and generating sufficient income and liquidity to meet the Fund's immediate cash requirements, while at the same time maintaining an appropriate risk profile and considering the advice of the Fund's investment advisors.*
3. *The Fund's strategy is, therefore, to generate sufficient total investment returns, on average over a period of one year, both to cover the part of grant expenditure which cannot be funded out of other income and to conserve or grow the real value of the portfolio in the interests of future beneficiaries of the Fund.*
4. *To allow for the unpredictable nature of voluntary income (particularly legacies) and for a possible increase in grant expenditure as CIMA membership continues to grow, the Fund's investment objective and strategy is for a return of at least inflation plus 4%.*

During the year the value of the Fund's investment in the Cazenove Multi-Asset Fund decreased by 10.4% from £2.36m to £2.11m, reflecting market movements. The Cazenove Charity Multi-Asset Fund is an investment vehicle managed by Schroder & Co Ltd. specifically for charity investors. It invests in a range of asset classes and aims to give an average long-term return of 4% p.a. over inflation.

Plans for Future Periods

In October 2021, a new charitable incorporated organisation (CIO), of the same name and objectives, was approved by the Charity Commission. The new Chartered Institute of Management Accountants' Benevolent Fund is a Charity registered in England & Wales (registration number 1196072). This new CIO structure is expected to be fully operational in 2023. The current Fund (261114) will continue assisting current and past members in times of need in line with the charity's objectives until the new charity structure is fully operational. The Council of CIMA, acting for the Trustee, will review final recommendations for closure of the former entity (261114).

Acknowledgements

Council and the CIMA Benevolent Fund Committee wish to acknowledge with thanks the donations members have given to the Fund. The many expressions of thanks received from recipients confirm that the help given is truly appreciated.

Reference and Administrative Information

Inquiries may be addressed by email to benevolent.fund@aicpa-cima.com.

Other Administrative Details

Trustee: The Chartered Institute of Management Accountants (CIMA) is the sole Trustee of the Fund. The Council of the Institute is responsible for deciding the manner of administering and investing the Fund.

The Chartered Institute of Management Accountants' Benevolent Fund

Annual report of the Trustee For the year ended 31 December 2022

Members of Benevolent Fund Committee during the year:

Until June 2022

Andrew McGunnigle (Chairman)*

Matthew Miller (Vice Chairman)

Rona van Hoepen

Amarjeet Hans

Fergal Foley

Bob Beedham

Magda Werenda-Kolasinska (Left in September 2021)

Mike Agate (Left in April 2022)

Victor Mwape Peter Nyasulu (Left in September 2021)

From July 2022

Andrew McGunnigle (Chairman)*

Matthew Miller (Vice Chairman)

Rona van Hoepen

Amarjeet Hans

Fergal Foley

Bob Beedham

* Member of Council

Administrators

Melissa Parker

Zara Stevens

Principal address

The Helicon

1 South Place

London EC2M 2RB

Bankers

Barclays Bank plc

London Corporate Banking

1 Churchill Place

London E14 5HP

Investment Managers

Schroder & Co. Limited

1 London Wall Place

London EC2Y 5AU

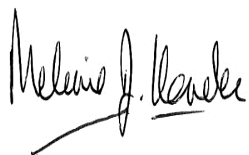
The Chartered Institute of Management Accountants' Benevolent Fund

Annual report of the Trustee For the year ended 31 December 2022

Independent Auditors

Saffery Champness LLP
Westpoint
Peterborough Business Park
Lynch Wood
Peterborough PE2 6FZ

Approved by the Trustee on 4 May 2023



Melanie Kanaka
President of CIMA
On behalf of the Trustee



Andrew McGunnigle
Chair
CIMA Benevolent Fund Committee

The Chartered Institute of Management Accountants' Benevolent Fund

Trustee's responsibilities statement For the year ended 31 December 2022

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year. Under that law the Trustee has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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 is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustee is responsible for keeping 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. 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.

The Chartered Institute of Management Accountants' Benevolent Fund

Statements of Financial Activities For the year ended 31 December 2022

Opinion

We have audited the financial statements of The Chartered Institute of Management Accountants' Benevolent Fund for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, 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 December 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 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 charity'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 annual report, other than the financial statements and our auditor's report thereon. 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.

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.

The Chartered Institute of Management Accountants' Benevolent Fund

Statements of Financial Activities For the year ended 31 December 2022

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 Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

The Chartered Institute of Management Accountants' Benevolent Fund

Statements of Financial Activities For the year ended 31 December 2022

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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Saffery Champness LLP

Statutory Auditors

Date:

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Chartered Institute of Management Accountants' Benevolent Fund

Statements of Financial Activities For the year ended 31 December 2022

			2022 Unrestricted funds	2021 Unrestricted Funds
	Note	£000	£000	£000
Income and endowments from:				
Donations				
- Income from donations	3	51		57
- Legacy Income	3	-		1
- Services donated by CIMA	3	43		63
			94	121
Investments				
- Dividends		92		90
- Bank deposit interest		2		-
			94	90
Total Income			188	211
Expenditure on:				
Charitable activities				
- Grants to members in hardship	4a	(75)		(62)
- Investment management fees		(5)		(5)
Other expenditure	4b	(62)		(69)
Total expenditure			(142)	(136)
Net income before recognised gains and losses			46	75
Other recognised gains and losses				
Net gains (losses) on investment assets	2		(246)	141
Net movement in funds			(200)	216
Reconciliation of funds:				
Total funds brought forward			2,682	2,466
Total funds carried forward			2,482	2,682

All results are from continuing operations

The SOFA includes all gains and losses recognised in the year

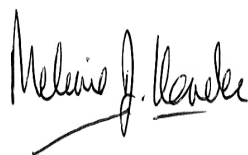
The notes on pages 12 to 17 form part of the financial statements

The Chartered Institute of Management Accountants' Benevolent Fund

Statements of Financial Position For the year ended 31 December 2022

		2022 Unrestricted Funds	2021 Unrestricted Funds
	Note	£000	£000
Non-current assets			
Investments	2	2,111	2,357
Current assets			
Cash	6	373	319
Due from CIMA		14	15
		<u>387</u>	<u>334</u>
Current Liabilities			
Grants payable		13	9
Other Payables		3	-
		<u>16</u>	<u>9</u>
Net current assets		<u>371</u>	<u>325</u>
Total net assets		<u>2,482</u>	<u>2,682</u>
Funds			
Unrestricted funds		<u>2,482</u>	<u>2,682</u>

The financial statements on pages 10 to 17 were approved by the Trustee on 04 May 2023 and signed on its behalf by:



Melanie Kanaka
President of CIMA



Andrew McGunnigle
Chair
CIMA Benevolent Fund Committee

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

The Chartered Institute of Management Accountants' Benevolent Fund

Notes to the financial statements For the year ended 31 December 2022

Charity information

The Chartered Institute of Management Accountants' Benevolent Fund (BF) is a registered charity in England and Wales. Its principal address is The Helicon, One South Place, London, EC2M 2RB.

1 Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, in accordance with Financial Reporting Standard 102: "The financial reporting standard applicable in the UK and Ireland", the Charities Statement of Recommended Practice, and the Charities Act 2011. Consistent accounting standards have been applied in preparation of these financial statements. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

Preparation of the accounts on a going concern basis

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

Income

Donations and similar incoming resources are included in the Statement of Financial Activities (SOFA) when received. Bank interest is also included on a receivable basis.

Expenditure

Expenditure has been included in the Statement of Financial Activities on an accruals basis. Grants are recognised when approved and the recipient has been informed.

Valuation of service and facilities provided free of charge

The Chartered Institute of Management Accountants provides staff and facilities free of charge to the charity in order to fulfil its charitable objectives. Additionally, certain administrative costs are borne directly by CIMA.

Valuation of the services and facilities has been included as follows:

- Staff are valued as proportion of salary costs based on an estimate of the amount of time relevant CIMA staff members spend on Trust activities over the period the Financial Statements are prepared.
- Facilities provided by CIMA for hosting charity meetings are valued using a delegate rate for hiring similar venues from a third-party venue provider.
- Costs, including audit fees, which are borne directly by CIMA are measured using the amount paid by CIMA to the third-party provider.

These methods approximate fair value.

Taxation

The Chartered Institute of Management Accountants' Benevolent Fund is a registered charity, and as such is entitled to certain tax exemptions on income and profits from exemptions, and surpluses on any activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Chartered Institute of Management Accountants' Benevolent Fund

Notes to the financial statements For the year ended 31 December 2022

Investments

The investment policy is to produce sufficient annual income to provide funds to cover the bulk of the Funds expected grant expenditure. Investments are invested 100% in a Cazenove Charity Multi-Asset Fund. The investments are reported at fair value at the reporting date, based on the market price in an active market. Any gains or losses on revaluation are recorded through the Statement of Financial Activities.

Funds

Financial projections are prepared annually and revised as necessary. The resources of the Benevolent Fund are used to the full extent available, and any accumulation of assets is for future use under the terms of the Fund. Reserves are not intentionally held at a defined level but are used as and when appropriate activities are approved that fulfil the objectives of the Fund.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

Financial Instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement. Basic financial assets, which include trade and other receivables and cash and bank balances, are measured at transaction price including transaction costs.

Provision of loans

In the past, loans were issued to some members during the year. These loans were made interest free and a full provision was applied to the amount that remains unpaid at the end of the year. The provision was included on the Statement of Financial Activities under expenditure as loans issued. If any repayments were made in a future year, these repayments were included on the Statement of Financial Activities as loans repaid in that year. The Benevolent Fund is moving away from issuing loans to members and instead, focusing on short term or one-time grants to members.

2 Investments	2022	2021
	Total	Total
	£000	£000
Market value at 1 January	2,357	2,216
Unrealised gains (losses)	(246)	141
Market value at 31 December	2,111	2,357
Total investment portfolio	2,111	2,357
Historical cost at 31 December	1,780	1,780

The Chartered Institute of Management Accountants' Benevolent Fund

Notes to the financial statements For the year ended 31 December 2022

3 Income from donations

	2022	2021
Donations from:	£000	£000
Members	49	51
Gift Aid	2	6
Legacy Income	-	1
CIMA Donations	43	63
	<u>94</u>	<u>121</u>

4 Total resources expended

	2022	2021
a Grants to members in hardship	£000	£000
Grants paid to 15 (2021: 25) beneficiaries	<u>75</u>	<u>62</u>

	2022	2021
b Other expenditure	£000	£000
Audit fees	8	7
Facilities/services	35	56
Professional fees	-	3
Meetings and travel	18	-
Other	1	3
Net outgoing resources for the year	<u>62</u>	<u>69</u>

5 Transactions with Trustees

No remuneration has been paid to the Trustee in either year.

Expenses paid to and on behalf of Committee members and Trustees in the year amounted to £11k (2021: £0). The number of Committee members and Trustees that received expenses reimbursement during the year was 8 (0 in 2021).

The Chartered Institute of Management Accountants' Benevolent Fund

Notes to the financial statements For the year ended 31 December 2022

6 Current Assets

Cash

Cash comprises	2022 £000	2021 £000
Cash on hand and at bank	292	238
Short term cash deposits	81	81
	<u>373</u>	<u>319</u>

7 Movement in Funds

	Balance at 31 December 2021 £000	Incoming resources £000	Expenditures £000	Loss on revaluation £000	Balances at 31 December 2022 £000
Unrestricted funds	2,682	188	(142)	(246)	2,482

8 Related Party Transactions

The Chartered Institute of Management Accountants (CIMA)

The Chartered Institute of Management Accountants (CIMA) is the world's largest and leading professional body of management accountants. Its mission is to help people and businesses succeed in the public and private sectors.

The Chartered Institute of Management Accountants donates staff and facilities to the Trust and bears the cost of certain administrative expenses in respect of governance of the charity, managing the finances of the charity and managing the activities of the charity in accordance with the charitable objectives. In 2022 donated staff and facility costs were valued at £35k and audit fee was valued at £8k.

CIMA's place of business and principal address is The Helicon, 1 South Place, London EC2M 2RB. Contact CIMA in writing for Consolidated Financial Statements.

Association of International Certified Professional Accountants (Association)

The Association of International Certified Professional Accountants (Association) is a global membership organization whose mission and vision is to be the most influential body of professional accountants driving a dynamic accounting profession worldwide.

In June 2016, members of the AICPA and CIMA, in separate membership ballots, approved the creation of the Association to integrate management, operations and strategy while preserving the membership bodies of both organizations. The Association launched on January 1, 2017, with the AICPA and CIMA as founding members. Members of the AICPA and CIMA are also members of the Association. The Association is organized as a NFP organization domiciled in the United States of America ("US").

During 2021 a small portion of the donated services were from staff of the Association.

The Chartered Institute of Management Accountants' Benevolent Fund

Notes to the financial statements For the year ended 31 December 2022

9 Employees

The average monthly number of persons employed by the charity during the year was 0 (2021: 0). There were no employees who received benefits of more than £60,000.

10 Loans

The Charity occasionally makes concessionary loans to beneficiaries that further the charitable aims of the Benevolent Fund. These loans are made interest free, and because of the risk of non-expectation of repayment, the Council has decided that a full provision should be applied to amounts outstanding at the year end. During 2022 and 2021 the Charity issued no loans. In 2022, a decision was made by the Committee to write off the remainder of the loans outstanding in the amount of £11.2k to alleviate the borrower's financial burden.

11 Legal Form

The Chartered Institute of Management Accountants' Benevolent Fund is an unincorporated charity registered in England and Wales (registration number 261114). The registered office is as follows:

The Helicon
One South Place
London
EC2M 2RB

12 CIMA Ireland Transactions

There is an Irish Committee that is a sub-committee of the global CIMA Benevolent Fund Committee. The CIMA Benevolent Fund Administrators assess applications from members in Ireland. Irish donors pay into a deposit only account that is controlled by CIMA Ireland.

In 2022 donations were received in the amount of €5k (£4k) and €6k (£5k) in 2021 into the CIMA Ireland deposit only bank account. These were recorded in the CIMA Benevolent general ledger as donations revenue and intercompany receivable from CIMA Ireland. In 2019 and thus going forward grants paid to members in Ireland are paid from the CIMA Benevolent Fund bank account.

Irish donations will continue to be deposited into the CIMA Ireland bank account and will be paid to the CIMA Benevolent Fund by intercompany transfer.

The Irish Benevolent Fund Committee will be disbanded once the new CIO mentioned below in Note 13 is fully operational.

13 Future CIO

In October 2021, a new charitable incorporated organisation (CIO), of the same name and objects, was approved by the Charity Commission. The new Chartered Institute of Management Accountants' Benevolent Fund is a Charity registered in England & Wales (registration number 1196072). This new CIO structure is expected to be fully operational in 2023. At that time, the existing Fund (261114) will be closed.

The existing Fund has examined all liabilities and will honour those obligations. The investments of the existing fund will be transferred to the new CIO. There are no impairments that have been identified.

The Chartered Institute of Management Accountants' Benevolent Fund

Notes to the financial statements For the year ended 31 December 2022

14 Subsequent Events

The Chartered Institute of Management Accountants' Benevolent Fund has evaluated events and transactions for potential recognition or disclosure through to 4 May 2023, which is the date the financial statements were approved. There are no post balance sheet events to disclose.