the insurance charities

22/23

121st directors' report & financial statements

for the year ended 31 March 2023

Company numbers : England & Wales 00074461 Isle of Man 006098F
Charity numbers: England & Wales 206860 Ireland 20200129
Scotland SC047527 Isle of Man 1230

the insurance charities

Report and Financial Statements

for the year ending 31 March 2023

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Report of the Directors

for the year ending 31 March 2023

The Directors, who are also the Trustees for the purposes of Charity law, are pleased to present their annual report together with the financial statements of the Charity for the year ended 31 March 2023, which are prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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), and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

Our purposes and activities

The Charity's objects are to provide financial assistance towards the education, training and relief of need, hardship, sickness, disability, old age or distress of persons who are or have been engaged in any aspect of the insurance industry and of children, spouses, partners, former spouses or partners and other relatives or dependants of such persons. The principal activities to achieve these objects are the provision of charitable payments and signposting to practical advice. The objectives of the activities for the year and the Charity's achievements against them are discussed under **Achievements and Performance**.

Our vision is to achieve the situation where all past and present insurance employees and their dependants can readily access the Charity's support in times of need.

Our mission to realise this vision is to:

- provide appropriate financial assistance and money advice to eligible applicants to improve their lives,
- work in partnership with individuals and corporate bodies to create and maintain effective communication channels with those eligible for help,
- work in partnership with individuals, appropriate organisations and corporate bodies to generate and sustain adequate income streams.

Our strategic aim is to achieve all this through an ongoing programme of grant making and advice to individuals and various publicity and fundraising campaigns. The Charity's current grant making policy is to assist individuals and their dependants whose service to the insurance industries of the British Isles and Ireland normally covers at least five years and is a significant part of their most recent working life.

Our volunteers

We rely heavily on a team of volunteers to operate effectively and efficiently. Each local and associated institute of the Chartered Insurance Institute (CII), covering the UK and Ireland, nominates one or more members to act as visitors to current and prospective beneficiaries and ambassadors to publicise our work locally. Some insurance employers provide services through their Human Resources or Welfare departments. Visitors are Disclosure and Barring Service (DBS) checked and provided with resources to support them in their role. Whilst home visits were suspended in Spring 2020, we have gradually started to reintroduce these since the start of 2023. Local institute volunteers have continued to publicise the work of the Charity and encourage applications for financial support. The amount of time and resources donated in this way varies but the total is significant and substantially reduces the Charity's operating costs. The expenses of such volunteers are often financed by the local institutes or employers for which the Charity is very grateful.

What we do

As a grant making organisation, we provide financial assistance and advice to individuals to ease financial pressure and improve quality of life. Individuals are advised on income maximisation and expenditure control and given financial and practical support and reassurance in respect of ongoing and one-off needs. Where appropriate, individuals are helped to access support from organisations with expertise in areas such as money management and health issues.

Report of the Directors

for the year ending 31 March 2023

Public Benefit

The principles of public benefit, as defined by the Charity Commission, were noted by the Board on 12 March 2008. Since then, the Directors have had regard to the Charity Commission's guidance, including *Public Benefit: running a charity (PB2)*, and are kept fully updated as to Public Benefit discussions within the charitable sector. The Directors continue to believe that the Charity provides identifiable benefits to a significant section of the public as support is available to eligible past and present employees of the insurance industry. Regular correspondence from those receiving support confirms the positive impact such help makes. More details on our impact appear in our annual Impact Report.

Strategic Report
Achievements and Performance

The key objectives agreed for the year ended 31 March 2023 and the impact of our achievements in delivering the public benefit are summarised as follows:

Provision of financial and practical assistance

We aimed to increase the number of cases we helped. Financial assistance was authorised in 106 out of the Charity's 309 active cases, with some cases considered on more than one occasion. Help was authorised for the first time in 63 cases, a decrease on the previous year. 217 cases received support solely by way of advice, an increase on the previous year's total. Net outright grants payable increased by approximately 145% compared to the previous year. We believe this was a result of individuals being able once again to access support services and secure items, which had been unavailable during the pandemic, as well as existing beneficiaries needing more help due to the sharp rise in many regular costs.

We have continued to explore appropriate partnerships which can deliver practical support to our beneficiaries and those in our industry and supplement the financial help we have long provided. We have continued working with Shelter and Alzheimer's Society, in the UK, and AWARE, in Ireland, in respect of housing, dementia and mental health support. *The Business in the Community* advice document, *'The Toolkit on Domestic Abuse'*, which we funded in 2018 and 2021, continues to be widely accessed by employers of all sizes.

Post pandemic, we have continued to adjust our procedures to benefit from experience over the past two years and ensure those who apply to us are supported in the most appropriate ways. Home visits by our visitor volunteers have restarted and these, together with video conference calls, help us verify information provided and ensure applicants can effectively convey their needs.

Creation and maintenance of effective communication channels

With more employees gradually returning to the office a physical distribution of publicity materials took place during Insurance Charities Awareness Week (ICAW) for the first time since the pandemic started. We delivered digital events during ICAW with a focus on financial, emotional and physical wellbeing with opportunities to participate in a Webinar with Alzheimer's Society and volunteering opportunities to support our work. The Charity's Annual Golf Day returned in May and was well attended by teams from around the country.

We continued to engage digitally with insurance employers and organisations to publicise the scope of our help and how to apply for it. We again benefitted from complementary exhibition space at various industry events, both in person and virtually, and provided speakers for a number of local insurance institute events as they started to recommence in person.

Report of the Directors

for the year ending 31 March 2023

Generation and sustenance of adequate income streams

We continued to discuss with our investment advisers the stability of our investments, particularly post pandemic, to ensure the return of adequate income to fund the Charity's operations. We worked to maintain support from insurance employees and employers, recognising that requests for donations help facilitate opportunities for publicity and communication with potential beneficiaries. Our expectations that income from local institutes and other planned fundraising would be slowly increasing, were realised.

Reinforcing and improving governance

We continued our policy of open recruitment and were delighted to welcome four new Board members over the past year with supplementary skills and experience to complement those already in existence. Board members continued to make compliance with, and embedding of, the Charity Governance Code's principles a priority. By the end of the financial year, we had completed the implementation of our governance review. This achievement supports the Charity's commitment to be truly representative of the industry it serves.

General Data Protection Regulation (GDPR)

On 16 March 2018, the Board agreed the Charity's response to the above. It determined the basis on which the Charity holds data and agreed procedures in respect of it's capture, retention and any breach. The Charity has continued its compliance over the year.

Risk Management

A full review of the Charity's Risk Register has been undertaken in the year. The revised Register provides a comprehensive analysis of the risks faced, the Charity's appetite for individual risks and its handling of them.

The Directors identified the major risks as system breakdown, due to data breach/cyber-attack, significant disruption of service, the loss of reputation and integrity from real or alleged action by staff or visitor volunteers, delivery of lower than acceptable level of service due to significant national/global events such as the pandemic and several identified risks occurring simultaneously, due to major incident.

As part of the risk management process, the Directors review the adequacy of the Charity's internal controls. The systems of internal control provide reasonable but not absolute assurance against material misstatement or loss. The Risk Register review recommended quarterly monitoring activities be undertaken by the Charity's Secretariat, with findings reported to the Board, and a higher-level annual review be undertaken by a designated member of the Audit Committee.

Cybercrime has been at the forefront of consideration with staff being regularly reminded of the threats faced by the Charity and the need for vigilance. The Charity has attained Cyber Essentials certification; demonstrating strong procedures and providing third party assurance.

Financial Review

The Statement of Financial Activities (SoFA) on page 14 reflects all incoming resources receivable in the year irrespective of when income is spent. Total incoming resources increased by £82,000 to £1,127,000. Expenditure on charitable activities increased by £619,000 to £1,559,000. Total resources expended of £1,768,000 (2022: £1,126,000) resulted in a net outflow for the year of £641,000 (2022: £81,000). After considering realised and unrealised gains on investments, total fund balances decreased by £3,918,000 (2022: increased by £1,114,000) to £36,029,000 (2022: £39,947,000).

The Directors do not consider that there are any financial KPIs that are relevant and appropriate for the Charity for the year. *Provision of financial and practical assistance* refers to support given to beneficiaries in the year. The deliverance of the 4 strategic objectives during the year to 31 March 2024 should enable relevant financial KPIs to be produced in the future.

Report of the Directors

for the year ending 31 March 2023

The Directors do not consider that the recent pandemic negatively impacted the financial sustainability of the Charity and conclude it remains a going concern. The Directors consider the value of the investment portfolio and the forecast investment income to be sufficient to sustain the Charity for at least twelve months from the date of signing the financial statements.

Investment Policy and Performance

The Charity has an agreed investment strategy with its Investment Manager, based on the income requirements to support grant giving, Directors' attitude to investment risk and the long timeframe for investment. The portfolio is invested across the key asset classes; fixed interest, equities, alternatives, property and cash. The performance benchmark is a composite benchmark of comparable indices, weighted according to the agreed strategy. Inflation and peer group comparators are also provided. The performance benchmark has historically been skewed to UK equities due to the higher historic dividend premium of the UK market. Following a strategy review in 2023, it was agreed to transition to a global strategy within equities, in order to access a wider investment universe. The benchmark was updated accordingly and as follows: 12% FTA British Government All Stocks Index, 80% MSCI All Countries World Index, 3% IPD Monthly Index, 4% Bank of England Base Rate+2%, 1% Bank of England Base Rate-0.5%. This strategy remains classified as Medium/High risk and imposes agreed limitations as to the minimum and maximum amounts of each asset class that can be held.

The Directors understand that over the long term, the agreed strategy will allow the generation of return from both capital growth and income to fund grant making today and for future generations of beneficiaries. The Directors understand that a Medium/High mandate with a high equity component will experience a high level of volatility in the short term. As capital markets do not move in a linear fashion, there will be individual years and periods, perhaps in excess of a year, when the portfolio value may fall. However, it is necessary to take risk and withstand short term volatility in order to achieve higher returns over the long investment timeframe. They also understand that, based on historical returns, equity investment is necessary if the value of both the capital value of the fund and income is to maintain its purchasing power when compared with inflation.

The Directors are comfortable with the performance of the portfolio over the given period.

Our investments include £33,909,000 (2022: £37,719,000) managed by Investec Wealth & Investment Limited. The investments are held on the Charity's behalf in the nominee company or in depot.

Reserves policy

Reserves are needed to bridge the gap between spending and receiving of income and to cover unplanned expenditure. Budgetary and financial control continues to be exercised to reduce the risk of over expenditure and mitigate the effect of a significant reduction in income in any financial year. The General Fund represents funds which are readily realisable, less those whose uses are restricted or designated for specific purposes. The Directors keep under review reserves required to be held in investments and cash not restricted to any particular purpose. The Directors consider that the sum of £36,029,000, held by way of reserves as at the year-end (2022: £39,947,000), is adequate, in view of the current economic climate and stock market activity, as it should generate adequate future investment income to meet likely demands after other income is accounted for. They also believe that the long-term position of the portfolio will withstand any required fund drawdowns. The Directors do not consider it to be necessary to establish a specific target reserve total and monitor against it. The current level is deemed to be that required to generate sufficient income for the Charity to continue long-term support of its beneficiaries and achieve its charitable objectives in the absence of other income streams.

Report of the Directors

for the year ending 31 March 2023

Plans for future periods to continue delivering public benefit

In January the Board held two Strategy Days in which 4 strategic objectives were agreed for the next two years.

1) To have a name/ brand which drives people to our door

We will carry out initial surveys to gauge industry perceptions of us and our messaging. We will then engage branding specialists to conduct intensive research. The findings of this study will suggest appropriate steps to address anything which is preventing people benefiting from our help and may necessitate the engagement of additional specialists.

2) To increase the support we give to insurance people in terms of numbers and amount

We will look to understand who we are currently helping and map where in the market these beneficiaries come from. We will then look at ways of reaching all who are eligible for help to increase the volume of those being supported and the total level of help authorised.

3) To deliver applicants an improved handling experience of their case and demonstrate a fair outcome

We will review our application process, to identify any areas which can be more efficiently handled in other ways. We will then assess what resources are needed to deliver an improved application experience which demonstrates fair outcomes.

4) To improve our ratio of spend to income

We will analyse our welfare expenditure to establish if there are new ways of supporting insurance people facing difficult circumstances including via current and new partnership initiatives.

Reinforcing and improving governance

We will continue to recruit Board and committee members whose current insurance involvement and skills, knowledge and experience reflect the diversity and inclusion of the insurance industry.

We will continue to follow and embed the principles of the Charity Governance Code in our procedures and actions.

Report of the Directors

for the year ending 31 March 2023

Reference and administrative details

Charity numbers:	England & Wales	206860
	Ireland	20200129
	Scotland	SC047527
	Isle of Man	1230
Company numbers:	England & Wales	00074461
	Isle of Man	006098F
Registered offices:	Third Floor, 2 St Andrew's Hill, London, EC4V 5BY	
	19-21 Circular Road, Douglas, IM1 1AF	

Our advisers

Auditor	
RSM UK Audit LLP	25 Farringdon Street London EC4R 4AB
Bankers	
National Westminster Bank plc	1 Princes Street London EC2R 8PA
Allied Irish Banks plc	100/01 Grafton Street Dublin 2 Republic of Ireland
Solicitors	
Hunters	9 New Square Lincoln's Inn London WC2A 3QN
Blackadders	30-34 Reform Street Dundee DD1 1RJ
Investment Managers	
Investec Wealth & Investment Ltd	30 Gresham Street London EC2V 7QN

Directors

The Directors and officers serving during the year and since the year end were as follows:

Key management personnel: Directors

Mr Joshua Brekenfeld ***Chairman***
Mr Michael Gaughan ***Deputy Chairman & Chair of the Marketing Committee***
Mr Antony Greensweig ***Chair of the Grants Committee***
Mr Allan Clare ***Chair of the Audit Committee***
Mrs Lisa Bartlett
Mrs Mary Bowie (appointed 28 September 2022)
Mr Paul Buckle
Mrs Deborah Bullock (appointed 28 September 2022)
Mr Graham Cave (retired 28 September 2022)
Mrs Caroline Dungar (appointed 28 September 2022)
Mr George Gager
Mr John Greenway (retired 28 September 2022)
Mrs Kirsten Hardiker (retired 28 September 2022)
Mr Paul Howard (appointed 28 September 2022)
Mrs Alexandra Hughes
Mr Richard Talbot-Jones (retired 28 September 2022)
Mrs Elizabeth Williams

Key management personnel:	
Honorary President	Ms Adrienne O'Sullivan
Vice President	Mr Graham Cave
Vice President	Mr John Greenway
Vice President	Mrs Kirsten Hardiker
Key management personnel: Senior management	
Chief Executive Officer and Company Secretary	Mrs Annali-Joy Thornicroft
Accountant	Mrs Phyllis Stanton

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Report of the Directors

for the year ending 31 March 2023

Structure, Governance and Management

Governing Document

The Charity is governed by its Memorandum and Articles of Association adopted on 21 July 1902. The latest revision of the Memorandum and Articles of Association was approved on 29 September 2016. It is registered as a charity with the Charity Commission. The members of the Charity each agree to contribute £10 in the event of it winding up.

Appointment of Directors

Directors are either elected by members or appointed by the Directors mid-term. Those appointed mid-term by the Directors must stand down at the following Annual General Meeting and may submit themselves for election by the members. Elected Directors may remain in office for three years and offer themselves for re-election by the members for a further final three years. Only in exceptional circumstances can Directors be considered for a third term of office. Composition of the Board is reviewed, at least annually, to assess needs in terms of skills, knowledge, diversity and corporate and geographical representation. An open recruitment policy is followed to recruit suitable candidates to complete the Board's needs.

Director induction and training

New Directors receive an information pack about the Charity and all that is needed for effective and informed decision-making. The pack includes confirmation of Directors' legal obligations under charity and company law, Charity Commission guidance on being a trustee and public benefit, the Charity's governing document, the Charity's internal governance document and information on the Charity's recent financial performance. Since 1 December 2005, Director training sessions, on at least an annual basis, have formed part of Board meetings. Directors are encouraged to attend appropriate internal and external training events where these will support and enhance their role. Two Directors during the year have had internal training on finance and six Directors attending external training on investment. Directors are encouraged to maintain a log of their personal training and development.

Organisation

The Board of Directors, of up to 13 members, is responsible for the overall governance of the Charity. Directors must hold at least five meetings a year including the Annual General Meeting and quarterly Board meetings, where strategy, operational and investment performance is reviewed, and operating plans and budgets set. The Board has established Audit, Grants and Marketing Committees to which it delegates certain powers in conjunction with the management and administration of the Charity. To ensure Directors' skills and knowledge are appropriately used within the Charity, each sits on at least one Committee. The Committees report regularly to the Board for ratification of all decisions made under delegated powers. Attendance details for those who were Directors as at the year end are as follows.

Meeting attendance	Board	Audit	Grants	Marketing
Mr Joshua Brekenfeld	4/4	N/A	N/A	3/4
Mr Michael Gaughan	4/4	N/A	N/A	4/4
Mr Antony Greensweig	4/4	N/A	3/4	N/A
Mrs Mary Bowie	3/3	N/A	2/2	N/A
Mr Allan Clare	4/4	4/4	N/A	N/A
Mrs Lisa Bartlett	3/4	N/A	4/4	N/A
Mr Paul Buckle	4/4	N/A	N/A	4/4
Mrs Deborah Bullock	3/3	N/A	2/2	N/A
Mrs Caroline Dungar	2/3	N/A	2/2	N/A
Mr George Gager	4/4	N/A	3/4	N/A
Mr Paul Howard	3/3	N/A	1/2	N/A
Mrs Alexandra Hughes	4/4	3/4	N/A	N/A
Mrs Elizabeth Williams	2/4	3/4	N/A	N/A

Report of the Directors

for the year ending 31 March 2023

A Chief Executive Officer (CEO) is appointed by the Directors to manage the day-to-day operations of the Charity. To facilitate effective operations the CEO has delegated authority, with the terms of delegation approved by the Directors, for operational matters.
The Charity paid premiums of £1,200 for Directors' & Officers' liability insurance during the period.

Related parties and co-operation with other organisations

None of our Directors receives remuneration from working with the Charity. Any connection between a Director or senior manager of the Charity and a beneficiary or supplier is disclosed to the full board of Directors, in the same way as any other contractual relationship with a related party.

The Charity's Directors are indebted to the many companies, individuals and local and associated institutes of the CII who have given both financial and practical support so generously over the year. Some employers provide significant practical support in place of, or in addition to, the financial support recorded in these financial statements. The Charity also wishes to record its sincere thanks to the representatives who volunteer many hundreds of hours collectively in promoting the work of the Charity throughout the British Isles and Ireland.

Pay policy for key management personnel and staff

The Board of Directors and the senior management team comprise the key management personnel in charge of directing, controlling, running and operating the Charity on a day-to-day basis. All Directors give their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in note 8 to the accounts.

The pay of staff is reviewed annually to account for CPI increases to basic salary and London Allowance for travel and any exceptional performance during the year. The CEO recommends reviews for all the staff, excluding herself, to the Chairman and Deputy Chairman. The annual review of the CEO's package is agreed by the Chairman and Deputy Chairman.

Diversity, equity and inclusion

The Charity is committed to encouraging diversity, equity and inclusion amongst its workforce, and eliminating unlawful discrimination of its employees, its beneficiaries and other stakeholders. The aim is for our workforce to be truly representative of its beneficiary class and all sections of society and for each employee to feel respected and able to give of their best. One of our employees is registered disabled.

Directors' responsibilities in relation to the financial statements

The Directors are responsible for preparing the Directors Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Charity's Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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Report of the Directors

for the year ending 31 March 2023

The Directors are responsible for keeping proper accounting records that 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Directors are aware at the time of approving our Report of the Directors (incorporating the Strategic Report):

- there is no relevant information, of which the Charity's auditor is unaware, and
- the Directors have each taken all steps that he/she is obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The members of the Board, who are Directors for the purpose of company law and Trustees for the purpose of charity law, approved the Report of the Directors (including Strategic Report) on 21 June 2023.

Joshua Brekenfeld
Chairman

Independent Auditor's Report

to the members of The Insurance Charities

Opinion

We have audited the financial statements of The Insurance Charities (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including it's income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

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Independent Auditor's Report

to the members of The Insurance Charities

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors (including Strategic Report), prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Report of the Directors (including Strategic Report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors (including Strategic Report).

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Directors' responsibilities set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

Independent Auditor's Report
to the members of The Insurance Charities

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks,
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud,
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Directors' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulations. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Hannah Catchpool (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London EC4A 4AB
12 July 2023

the insurance charities

Statement of Financial Activities (including Income and Expenditure account)

Year ended 31 March 2023

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total Funds 2023 £000	Total Funds 2022 £000
Income					
Donations and legacies	2	210	4	**214**	100
Investment income	3	824	82	**906**	938
Income from charitable activities:					
Membership subscriptions		6	0	**6**	6
Interest charged on loans	12	1	0	**1**	1
		1,041	86	**1,127**	1,045
Other income:					
Funds transferred from other charities	15	0	0	**0**	0
Total income		1,041	86	**1,127**	1,045
Expenditure					
Expenditure on raising funds	4	205	4	**209**	186
Expenditure on charitable activities	5	1,325	234	**1,559**	940
Total expenditure		1,530	238	**1,768**	1,126
Net expenditure		(489)	(152)	**(641)**	(81)
Gain/ (Losses) on investment assets	11	(2,926)	(351)	**(3,277)**	1,195
Net movement in funds for the year		(3,415)	(503)	**(3,918)**	1,114
Reconciliation of funds					
Total funds brought forward	16	36,482	3,465	**39,947**	38,833
Total funds carried forward		33,067	2,962	**36,029**	39,947

Balance Sheet

Company numbers: England & Wales 00074461 Isle of Man 006098F
Charity numbers: England & Wales 206860 Ireland 20200129 Scotland SC047527 Isle of Man 1230
As at 31 March 2023

	Notes	2023 £000	2022 £000
Fixed assets			
Tangible assets	10	**2**	3
Investments:			
Investments	11	**33,909**	37,719
Loans to beneficiaries	12	**2,360**	2,457
Total fixed assets		**36,271**	40,179
Current assets			
Debtors	13	**126**	125
Cash at bank and in hand		**191**	185
Total current assets		**317**	310
Liabilities			
Creditors falling due within one year	14	**(559)**	(542)
Net current liabilities		**(242)**	(232)
Total assets less current liabilities		**36,029**	39,947
Total net assets		**36,029**	39,947

		2023 £000	2022 £000
The funds of the charity:			
Restricted income funds	15	**2,962**	3,465
Unrestricted general fund	15	**31,237**	25,302
Investment revaluation reserve	15	**1,830**	11,180
Total Charity Funds		**36,029**	39,947

The financial statements on pages 14 to 27 were approved by the Board of Directors and authorised for issue on 21st June 2023 and signed on its behalf by

Joshua Brekenfeld
Chairman

Allan Clare
Chair Audit Committee

the insurance charities

Statement of cash flows

for the year ending 31 March 2023

	Notes	2023 £000	2022 £000
Cash used in operating activities:			
Net cash used in operating activities	17	**(1,434)**	(1,015)
Cash flows from investing activities:			
Purchase of fixed assets		**0**	(1)
Dividends and interest from investments		**906**	938
Proceeds from disposal of investments		**20,166**	5,829
Purchase of investments		**(20,242)**	(5,272)
Cash movements from investing activities		**609**	(437)
Net cash provided by investing activities		**1,440**	1,058
Change in cash and cash equivalents in the reporting period		**6**	43
Cash and cash equivalents at the beginning of the year		**185**	142
Total cash and cash equivalents at the end of the year		**191**	185

Notes on the accounts

Year ended 31 March 2023

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

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 (FRS102) (effective 1 January 2019) - (Charities SORP (FRS 102), and with the Companies Act 2006, and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Insurance Charities meets the definition of a public benefit entity under FRS 102. The accounts are presented in pounds, the functional currency of the Charity, and are rounded to the nearest thousand. Assets and liabilities are initially recognised at historic cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern for the foreseeable future; and the going concern basis of accounting remains appropriate. The trustees consider that the current cash levels, forecast investment income and investment portfolio provide the Charity with free reserves that will allow it to continue to achieve its objectives and meet liabilities as they fall due for at least 12 months from the approval of the financial statements.

Income

Income is recognised when the Charity has entitlement to the funds, any conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date in which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or part, is only considered probable when the amount can be measured reliabily and the Charity has been notified of the executors intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Compound interest, if charged, on loans secured by mortgages on private property owned by beneficiaries or made against promissory notes is accrued from the date of the advance, unless exceptionally deferred, and credited annually to the Statement of Financial Activities.

Income received in advance of a specified service is deferred until the criterial for income recognition are met.

Gifts in Kind and donated services

Gifts in kind and donated services are included at the value to the Charity where this can be quantified (that is, the price the Charity would have paid on the open market). An equivalent amount is recognised in costs. No amounts are included in the financial statements for services donated by volunteers.

Fund accounting

Funds held by the charitable company are:

Unrestricted

Unrestricted funds are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

The investment revaluation reserve represents the difference between the historical cost of investments and their revalued amount at the balance sheet date.

Designated funds have been set aside by the Trustees from general reserves towards certain projects and committed expenditure.

Notes on the accounts

Year ended 31 March 2023

Restricted

These are funds that can only be used for particular restricted purposes within the objects of the charitable company. The restrictions arise by the donor or when funds are raised for a specific purpose.

The Paul Golmick Fund

The Paul Golmick Fund was a charity whose objects fell within those of The Insurance Charities.

It was of mutual benefit to both charities for The Insurance Charities to administer the grants of The Paul Golmick Fund. The Insurance Charities could direct some of its applicants to The Paul Golmick Fund leaving more funds available for other applicants. Also administration costs could be shared.

Grants payable were shown before and after contributions from The Paul Golmick Fund. The contribution of The Paul Golmick Fund to expenses was also shown separately.

The Paul Golmick Fund transferred its assets to The Insurance Charities in April 2015 as a restricted fund.

CILA Benevolent Fund

CILA Benevolent Fund was a charity whose objects fell within those of The Insurance Charities.

The CILA Benevolent Fund transferred its assets to The Insurance Charities in 2013 as a restricted fund.

The Insurance Charities could direct some of its applicants to the CILA Benevolent Fund leaving more unrestricted funds available for other applicants.

CII EATT Fund

A fund established by the CII EATT, administered by The Insurance Charities, to enable those suffering from the financial hardship associated with COVID-19 to attend training courses.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds comprise of the costs of marketing and fundraising activites, the costs of investment management, and their associated support costs.

Expenditure on charitable activities include the grants payable, less any contribution from other funds, and activities to further the purposes of the Charity and their associated support costs. Grants payable are accrued when approved by the Grants Committee.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include governance costs. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 6.

Foreign Currencies

Statement of Financial Activities transactions in foreign currencies are translated into sterling at an estimated exchange rate ruling on the date of such transactions. Assets and liabilities denominated in foreign currencies are translated into sterling on the balance sheet date.

Tangible fixed assets

Fixed assets are stated at cost less depreciation.

All equipment costing more than £500 has been capitalised and depreciated on a straight-line basis over it's estimated useful life of three years. The carrying values of tangible fixed assets are reviewed for impairment when events or changes indicate the carrying value may not be recoverable. All equipment costing £500 or less is written off in the year of acquisition.

Investments - Investments

Investments are stated at market value in the balance sheet, if listed, or at directors' valuation, if unlisted. The market value is based on the closing middle market price. Net gains and losses on revaluation and disposals of investments are taken to the statement of financial activities. All movements in value are shown in note 11.

Notes on the accounts

Year ended 31 March 2023

Investments - Loans to beneficiaries

Loans to beneficiaries are stated at the amount awarded. Loans are made predominately on a secured basis, with security being a charge on the beneficiaries properties, and occasionally on an unsecured basis (promissory notes) where the beneficiary does not own property or has insufficient capital.
Provision for doubtful loans is made on an estimation based upon the likelihood of repayment and the ongoing level of contact with the beneficiary. The amount is reviewed on a regular basis.

Debtors

Other debtors are recognised at the settlement amount. Prepayments are valued at the amount relating to future periods based on a time apportionment.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid (less than 3 months) investments

Creditors and provisions

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

Financial instruments

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:
Investments - loans to beneficiaries are basic financial instruments recognised at their transaction value, investments (listed) are measured at their fair value using the closed quoted market price.
Debtors - trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 13. Prepayments are not financial instruments.
Cash at bank - is classified as a basic financial instrument and is measured at face value.
Liabilities - trade creditors, accruals and other creditors are classified as financial instruments, and are measured at amortised cost as detailed in Note 14. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, because the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

Pension Costs

The Charity participates in a multi-employer defined benefit pension scheme and a stakeholder pension scheme. The stakeholder pension scheme costs are charged on the accruals basis.

The defined benefit pension scheme is administered by trustees and is separate from the Charity. An independent qualified actuary completes a valuation triennially and, in accordance with their recommendations, contributions are paid to the scheme so as to secure the benefits set out in the rules and the periodic augmentation of current pensions. The present position in relation to this scheme is described in note 19.

Legal status of the Company

The Company was incorporated pursuant to section Part 1 section 3(3) of the Companies Act 2006 and is limited by guarantee and does not therefore have a share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

Notes on the accounts

Year ended 31 March 2023

2 Income from donations and legacies

	2023 £000	2022 £000
Insurance Charities Awareness Week	0	1
Fundraising by local and associated institutes	47	20
Insurance employers' donations	100	50
Legacies	23	5
Other donations and income	44	24
	214	100
Percentage of income from non-UK source	1%	0%

The Company benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3 Investment income

	2023 £000	2022 £000
Listed investments		
Equity	739	757
Fixed interest	162	181
Deposit and bank interest	5	0
	906	938

The income from investments was £906,000 (2022: £938,000) of which £824,000 (2022: £853,000) was unrestricted and £82,000 restricted (2022: £85,000).

4 Expenditure on raising funds

	2023 £000	2022 £000
Salaries, wages and related costs	117	108
Stockbroker's fees and commission	44	51
Other costs	48	27
	209	186

The expenditure on raising funds was £209,000 (2022: £186,000) of which £205,000 was unrestricted (2022: £181,000) and £4,000 restricted (2022: £5,000).

5 Expenditure on charitable activities

	2023 £000	2022 £000
Grantmaking		
Total grants payable	1,071	438
Support costs (note 6)	415	440
Governance costs (note 6)	73	62
	1,559	940

Grants payable in support of 153 (2022: 117) 'hardship' cases.

Expenditure on charitable activities was £1,559,000 (2022: £940,000) of which £1,325,000 was unrestricted (2021: £804,000) and £234,000 restricted (2022: £136,000).

Notes on the accounts

Year ended 31 March 2023

6 Analysis of governance and support costs

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with governance costs are apportioned. Refer to the table below for the basis of apportionment and the analysis of support and governance costs.

	Basis of apportionment	Raising funds £000	Charitable activities £000	Governance £000
Salaries, wages and related costs	Allocated on time	117	247	33
General office	Allocated on time	48	133	9
Audit fees	Governance	0	0	26
Legal and professional fees	Allocated on purpose	0	35	3
Travel and subsistance for trustees	Allocated on purpose	0	0	2
		165	415	73

7 Net expenditure for the year

This is stated after charging:	2023 £000	2022 £000
Operating lease rentals	**52**	48
Depreciation	**2**	3
Auditors' remuneration:		
Audit fee (including irrecoverable VAT)	**26**	22

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2023 £000	2022 £000
Salaries and wages	**311**	300
Social security costs	**34**	22
Pension costs	**52**	49
	397	371

One employee received gross emoluments of between £90,000 and £100,000 (2022: nil), no employees received gross emoluments of between £80,000 and £90,000 (2022: one) and pension contributions were made on their behalf of £19,285 (2022: £16,423). No other employees received emoluments in excess of £60,000.

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment in the year (2022: £Nil).

Travel and subsistence expenses were reimbursed to six trustees in the year £2,343 (2022: seven trustees £1,728).

No charity trustee received payment for professional or other services supplied to the Charity (2022: £Nil).

There are no other related party transactions.

The key management personnel of the Charity comprise the trustees, the Chief Executive Officer and Accountant. The total employee benefits of the key management personnel of the Charity were £198,303 (2022: £182,720).

The average head count for employees (including part time staff, all administrative) during the financial year was seven (2022: seven). One staff member has a disability (2022: one).

Notes on the accounts

Year ended 31 March 2023

9 Corporate Taxation

The Charity is exempt from tax on income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objectives.

10 Tangible fixed assets

	Info Tech	Office Equipment	Total
Cost	**£000**	**£000**	**£000**
Opening balance 1 April 2022	30	15	45
Closing balance 31 March 2023	30	15	45
Depreciation			
Opening balance 1 April 2022	29	13	42
Charge for the year	0	1	1
Closing balance 31 March 2023	29	14	43
Net book value			
As at 31 March 2023	1	1	2
As at 31 March 2022	1	2	3

11 Investments

	2023	2022
	£000	£000
Market value at 1 April 2022	**37,719**	36,644
Acquisitions at cost	**20,242**	5,272
Disposals	**(20,166)**	(5,829)
Net movement in cash	**(609)**	437
Net gain/ (loss)	**(3,277)**	1,195
Market value at 31 March 2023	**33,909**	37,719
Historical cost at 31 March 2023	**32,079**	26,539

	Market value 2023	Historical cost 2023	Market value 2022	Historical cost 2022
	£000	**£000**	**£000**	**£000**
UK listed – Equity	4,571	3,216	16,235	10,393
Overseas – Equity	21,101	20,528	13,392	8,566
UK listed – Fixed interest	3,109	3,396	2,909	3,064
Overseas – Fixed interest	1,027	1,070	1,102	1,083
Property	1,110	953	1,282	953
Infrastructure	1,965	1,887	1,860	1,541
Cash deposits	1,026	1,029	939	939
	33,909	32,079	37,719	26,539

The investment revaluation reserve represents the difference between the market value and the historical cost as shown above.

Notes on the accounts

Year ended 31 March 2023

12 Loans to beneficiaries

	Secured loans £000	Unsecured loans £000	Total 2023 £000	Total 2022 £000
Loans before provisions				
Balance at 1 April	2,512	258	2,770	3,078
Transfer between secured/ unsecured	16	(16)	0	0
Advances	237	58	295	174
Unutilised loan awards	(83)	(12)	(95)	(190)
Interest	1	0	1	1
Repaid	(299)	(18)	(317)	(293)
Balance at 31 March	2,384	270	2,654	2,770
Less: Provision for doubtful loans				
Balance at 1 April	65	248	313	317
Movement	(23)	4	(19)	(4)
Balance at 31 March	42	252	294	313
Loans after provisions at 31 March	2,342	18	2,360	2,457

	Interest rate	Secured loans £000	Unsecured loans £000	Total 2023 £000	Total 2022 £000
Capital	0%	2,337	270	2,607	2,725
Capital	3%	103	0	103	103
Accumulated interest	3%	(56)	0	(56)	(58)
		2,384	270	2,654	2,770

	Secured loans £000	Unsecured loans £000	Total 2023 £000	Total 2022 £000
Sterling based loans	2,226	248	2,474	2,598
Euro based loans	158	22	180	172
	2,384	270	2,654	2,770

Loans to beneficiaries are mainly secured by first mortgage charges with a few secured by second or subsequent charges and the remainder by promissory notes. They are repayable at death, or when property is not the place of residence, or on disposal.

13 Debtors

	2023 £000	2022 £000
Amounts due within one year		
Other debtors	1	0
Prepayments and accrued income	125	125
	126	125

Notes on the accounts

Year ended 31 March 2023

14 Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Beneficiary year end commitments	458	458
Taxation and Social Security	9	8
Pension Contributions	5	5
Accruals	75	57
Deferred income	12	14
	559	542

Deferred income is comprised of advance payments for the golf competition held in September and the benefit derived from the lease rental free periods.

	2023 £000	2022 £000
Deferred income	12	15
Balance as at 1 April	(3)	(3)
Amounts release to income in year	0	0
Amounts deferred in year	9	12

15 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Investment losses £000	Transfers £000	Balance 31 March 2023 £000
General fund	25,302	1,041	(1,530)	(2,926)	9,350	31,237
Investment revaluation reserve	11,180	0	0	0	(9,350)	1,830
Designated pension fund	0	0	0	0	0	0
Total	36,482	1,041	(1,530)	(2,926)	0	33,067

Analysis of movements in unrestricted funds – previous year

	Balance 1 April 2021 £000	Income £000	Expenditure £000	Investment gains £000	Transfers £000	Balance 31 March 2022 £000
General fund	24,370	956	(973)	1,094	(145)	25,302
Investment revaluation reserve	11,035	0	0	0	145	11,180
Designated pension fund	12	0	(12)	0	0	0
Total	35,417	956	(985)	1,094	0	36,482

Name of unrestricted fund	Description, nature and purpose of the fund
General fund	The 'free reserves' after allowing for all designated funds.
Investment revaluation reserve	The difference between the historical cost of investments and their revalued amount at the balance sheet date.
Designated pension fund	Funds for the Defined Benefit Pension Scheme Recovery Plan. To be drawn down on an annual basis over the period 2015 - 2023.

Notes on the accounts

Year ended 31 March 2023

Analysis of movements in restricted funds

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Investment losses £000	Balance 31 March 2023 £000
CILA Benevolent Fund	1,197	32	(8)	(122)	1,099
Paul Golmick Fund	2,268	54	(230)	(229)	1,863
Total restricted funds	3,465	86	(238)	(351)	2,962

Analysis of movements in unrestricted funds – previous year

	Balance 1 April 2021 £000	Income £000	Expenditure £000	Investment gains £000	Balance 31 March 2022 £000
CILA Benevolent Fund	1,138	33	(8)	34	1,197
Paul Golmick Fund	2,278	56	(133)	67	2,268
Total restricted funds	3,416	89	(141)	101	3,465

Name of unrestricted fund	Description, nature and purpose of the fund
CILA Benevolent Fund	To support members of CILA
Paul Golmick Fund	To support children and young persons who are under 24 years of age and at least one of whose parents has been engaged in the insurance industry.

The funds have been created when the schemes assets have been transferred to the insurance charities. Awards made with the purposes are fully allocated against the restricted funds. A contribution towards administration is charged based on the awards granted.
Portfolio income and charges are allocated based on the percentage on transfer date compared to the value of the combined portfolio and cash holdings. At the financial year end the investment gain for the period has been allocated based on the same percentage as the income and charges.

16 Analysis of net assets between funds

	General £000	Revaluation £000	Restricted £000	2023 £000	2022 £000
Tangible fixed assets	1	0	0	1	3
Investments	31,477	1,830	2,962	36,269	40,176
Current assets	318	0	0	318	310
Current liabilities	(559)	0	0	(559)	(542)
Long term liabilities	0	0	0	0	0
Total net assets	31,237	1,830	2,962	36,029	39,947

Notes on the accounts

Year ended 31 March 2023

Analysis of net assets between funds - previous year

	General	Revaluation	Restricted	2022	2021
	£000	£000	£000	£000	£000
Tangible fixed assets	3	0	0	3	5
Investments	25,531	11,180	3,465	40,176	39,405
Current assets	310	0	0	310	321
Current liabilities	(542)	0	0	(542)	(890)
Long term liabilities	0	0	0	0	(8)
Total net assets	25,302	11,180	3,465	39,947	38,833

17 Reconciliation of net movement in funds to net cash flow from operating activities

	2023	2022
	£000	£000
Net movement in funds	(3,918)	1,114
Add back depreciation charge	1	3
Gains on investments	3,277	(1,195)
Dividend and interest income shown in investing activities	(906)	(938)
Interest charged on loans	(1)	(1)
(Increase)/ Decrease in debtors	(1)	54
Decrease in loans to beneficiaries	97	304
Increase/ (Decrease) in creditors	17	(356)
	(1,434)	(1,015)

18 Total future minimum operating lease commitments

	2023	2022
	£000	£000
Operating leases which expire:		
Under 1 year	55	55
2 - 5 years	116	171

The lease relates to 2 St Andrews Hill premises.

Notes on the accounts

Year ended 31 March 2023

19 Pension scheme

Defined benefit scheme

The Charity participates in the Chartered Insurance Institute Pension Scheme 1993, a multi-employer defined benefit scheme in the UK. The assets of the scheme are held in a separate trustee-administered fund. It is not possible to identify each institution's share of the underlying assets and liabilities of the Scheme and hence contributions to the Scheme are accounted for as if it were a defined contribution scheme. The scheme was closed to future service accrual on 30 June 2006.

This information has been taken from a report on the FRS 102 results for the Chartered Insurance Institute Pension Scheme 1993 as at 31 December 2022, dated 19 January 2023, which was produced for the Chartered Insurance Institute and is based on assumptions and accounting policies chosen by The Chartered Insurance Institute. It has been provided under the terms of the Project Agreement between Mercer and The Chartered Insurance Institute dated 13 January 2021. The main assumptions were:

	At year end 31.12.2022	At year end 31.12.2021	At year end 31.12.2020	At year end 31.12.2019
Rate of increase in salaries	n/a	n/a	n/a	n/a
Rate of increase to pensions in payment:				
Pension earned before 6/4/97	0.00%	0.00%	0.00%	0.00%
Pension earned after 6/4/97 - combined	n/a	n/a	2.75%	2.80%
Pension earned after 6/4/97 - deferred	2.90%	2.80%	n/a	n/a
Pension earned after 6/4/97 - pensioner	2.90%	3.35%	n/a	n/a
Discount rate	5.00%	1.80%	1.40%	2.05%
Inflation assumption - combined	n/a	n/a	2.85%	2.90%
Inflation assumption - deferred pre retirement	3.10%	3.65%	n/a	n/a
Inflation assumption - deferred post retirement	3.10%	2.95%	n/a	n/a
Inflation assumption - pensioner	3.10%	3.50%	n/a	n/a

At 31 December 2022, the market value of the assets of the Scheme was £28,156,000 and the value of past service liabilities was £27,997,000 leaving a surplus of assets of £159,000. The assets therefore were sufficient to cover 100% of the benefits that had accrued to members. However, this surplus is not shown on the balance sheet under FRS 102.

The Charity is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore as required by Section 28 of FRS 102 accounts for the scheme as if it were a defined contribution scheme.

Stakeholder pension scheme

Employees whose pension provisions are not fully provided for in the above scheme can join the defined contributions scheme with Legal and General Assurance Association. The scheme provides benefits directly determined by the value of the contributions paid in respect of each member.

Employer's contributions during the year amounted to £54,231 (2022: £52,592).

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Schedule 1 – Insurance Employers' Donations

Year ended 31 March

	2023 £	2022 £	2021 £	2020 £	2019 £
Aviva	100,000	50,000	-	-	50,000
Chubb	-	-	2,000	-	-
Griffiths & Armour	-	-	-	1,000	1,000
Other donations under £ 500 threshold	120	120	120	120	120
Total	100,120	50,120	2,120	1,120	51,120

Schedule 2 – Legacies

Year ended 31 March

	2023 £	2022 £	2021 £	2020 £	2019 £
Stock	22,433	-	-	-	-
Edgerton	500	-	-	-	-
Gough	-	5,000	-	-	-
P McGovern	-	-	-	20,833	-
J Worth	-	-	-	10,000	-
I How	-	-	-	5,000	-
Coleman	239	-			17,078
Searby	-	-	-	-	10,010
Other legacies under £500 threshold	-	-	-	-	-
Total	23,172	5,000	0	35,833	27,088

The Insurance Charities

Schedule 3 – Amounts included within Other donations and income

Year ended 31 March

	2023 £	2022 £	2021 £	2020 £	2019 £
Adrian Flux - Dress Down Days	-	-	-	716	-
Allianz (Ireland)	-	-	-	-	3,334
Applied Client - liquidation	15,687	-	-	-	-
ARAG (Ireland)	2,355	2,797	-	-	-
BIA Awards (Blue Monday Events)	4,540	-	-	-	-
BIBA incl Young Brokers	328	2,671	30	419	62
Chartered Insurance Institute's Fire Mark Sale	-	-	25,000	-	-
Chartered Institute of Loss Adjusters - Annual Dinner	6,113	3,895	-	5,840	4,804
City of London COVID Grant	-	-	10,000	-	-
Colin Cooper	-	-	5,000	-	-
CRS	-	2,846	-	-	-
Eaton Gate - Xmas Party	-	-	500	-	-
John Farrer	-	-	-	-	2,000
Flint Group	-	-	-	1,190	-
Holman Fenwick Willan	-	580	-	-	-
Insurance Lawn Tennis Association	-	3,975	-	-	-
Insurance Karting event	1,700	1,800	-	-	-
ISS Restoration	-	-	487	-	-
Life Insurance Association	-	-	-	-	833
MGAA Conference	-	750	-	-	-
PIB	-	4,000	-	-	-
RSA Pensioners	100	115	30	370	300
Rileys book royalties - Glynn/ Rogers	9,186	-	-	-	-
Sedgwick	-	-	-	-	77,524
Eric Wills	-	-	300	-	300
	40,009	23,429	41,347	8,535	89,157
Other donations under £500 threshold	3,703	1,041	1,415	2,885	6,005
Total	43,712	24,470	42,762	11,420	95,162

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FIVE YEAR FINANCIAL SUMMARY

Year ended 31 March

	2023 £000	2022 £000	2021 £000	2020 £000	2019 £000
STATEMENT OF FINANCIAL ACTIVITIES					
Fundraising by local and associated institutes	47	20	13	68	103
Donations from insurance employers	100	50	2	1	51
Legacies and other income	67	30	54	58	132
Investment income and interest income	907	939	999	1,273	1,217
Membership income	6	6			
Other incoming resources	0	0	41	0	0
Total Income	1,127	1,045	1,109	1,400	1,503
Charitable activities					
Grants	1,071	438	586	1,443	1,286
Other grant making activities	415	440	443	481	480
Costs of generating voluntary income	209	186	180	223	198
Governance costs	73	62	56	59	59
Total Expenditure	1,768	1,126	1,265	2,206	2,023
Net Income / (Expenditure) before gains/ (losses) on investments	(641)	(81)	(156)	(806)	(520)
Gains/(Losses) on investments	(3,277)	1,195	6,251	(4,454)	1,821
Net Income/ (Expenditure) and net movement in funds	(3,918)	1,114	6,095	(5,260)	1,301

The Insurance Charities

BALANCE SHEET
as at 31 March

	2023 £000	2022 £000	2021 £000	2020 £000	2019 £000
Fixed Assets					
Tangible Assets	2	3	5	9	16
Investments	33,909	37,719	36,644	30,837	35,833
Loans to beneficiaries	2,360	2,457	2,761	2,715	2,727
	36,271	40,179	39,410	33,561	38,576
Current Assets					
Debtors	126	125	179	106	123
Cash at bank and in hand	191	185	142	168	193
	317	310	321	274	316
Creditors:					
Amounts due within one year	(559)	(542)	(890)	(1,085)	(878)
Amounts due over one year	0	0	(8)	(12)	(16)
	(559)	(542)	(898)	(1,097)	(894)
Net assets	36,029	39,947	38,833	32,738	37,998
The funds of the Charity:					
Restricted income funds	2,962	3,465	3,416	2,980	3,887
Unrestricted income funds	31,237	25,302	24,370	24,925	24,250
Investment revaluation reserve	1,830	11,180	11,035	4,818	9,842
Designated income funds	0	0	12	15	19
Total charity funds	36,029	39,947	38,833	32,738	37,998

Support we have provided in 2022/23

the insurance charities
for the things you can't insure against

£1.3 million

£1.3 million was authorised to help current and former insurance employees and their families across the UK and Ireland

We made 649 awards totalling £1.3 million

£

Largest award
£50k
Property adaptations

Smallest award
£50
Child activities

Some of the ways we have been able to help

- £438k — Day-to-day hardship
- £56k — Educational grants
- £32k — Specialist legal advice
- £160k — Property adaptations
- £430k — Improving financial capability
- £73k — Specialist assessments & therapies

www.theinsurancecharities.org.uk

Support we have provided in 2022/23

the insurance charities
for the things you can't insure against

€1.6 million

€1.6 million was authorised to help current and former insurance employees and their families across the UK and Ireland

In Ireland we made 34 awards totalling €123k

£

Largest award
€30k
Disability aids

Smallest award
€441
Medical costs

Some of the ways we have been able to help

- €17k — Day-to-day hardship
- €30k — Disability aids
- €39k — Specialist legal advice
- €15k — Replacement vehicle

www.theinsurancecharities.ie

the insurance charities

for the things you can't insure against