

# THE NATIONAL BENEVOLENT CHARITY

England & Wales · Charity number 212450

## Details

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|                |                                                                                                                                                                                                                                             |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Other names    | THE NATIONAL BENEVOLENT INSTITUTION (FOUNDED BY THE LATE PETER HERVE), NATIONAL BENEVOLENT CHARITY, FOUNDED BY THE LATE PETER HERVÉ, NATIONAL BENEVOLENT INSTITUTION, NATIONAL BENEVOLENT INSTITUTION, FOUNDED BY THE LATE PETER HERVÉ, NBI |
| Status         | Registered                                                                                                                                                                                                                                  |
| Legal form     | Other                                                                                                                                                                                                                                       |
| Company number | <a href="#">RC000364</a>                                                                                                                                                                                                                    |
| Registered     | 1963-05-14                                                                                                                                                                                                                                  |
| Register       | <a href="#">View on the Charity Commission register</a>                                                                                                                                                                                     |

## Contact

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|         |                                                                                                                  |
|---------|------------------------------------------------------------------------------------------------------------------|
| Address | National Benevolent Charity<br>c/ Randall and Payne<br>Chargrove House<br>Main Road<br>Shurdington<br>Cheltenham |
|---------|------------------------------------------------------------------------------------------------------------------|

|       |             |
|-------|-------------|
| Phone | 01666505500 |
|-------|-------------|

|       |                                                                |
|-------|----------------------------------------------------------------|
| Email | <a href="mailto:office@natben.org.uk">office@natben.org.uk</a> |
|-------|----------------------------------------------------------------|

|         |                                                          |
|---------|----------------------------------------------------------|
| Website | <a href="http://www.natben.org.uk">www.natben.org.uk</a> |
|---------|----------------------------------------------------------|

## Activities

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**Objects:** THE RELIEF OF QUALIFYING PERSONS (AS DEFINED IN CLAUSE 4) WHO ARE IN NEED OF ASSISTANCE BY REASON OF OLD AGE, INFIRMITY, SICKNESS OR ECONOMIC CIRCUMSTANCES.

**Activities:** Grant Making for relief of poverty

## Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** The Prevention Or Relief Of Poverty
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

## Geography

- **Area of benefit:** NATIONAL
- Northern Ireland
- Scotland

## Finances

| Period end | Income     | Expenditure | Assets      | Employees |
|------------|------------|-------------|-------------|-----------|
| 2024-12-31 | £811,048   | £1,126,279  | £26,293,534 | 3         |
| 2023-12-31 | £867,742   | £1,108,271  | £23,998,715 | 4         |
| 2022-12-31 | £1,428,596 | £987,923    | £23,919,930 | 4         |
| 2021-12-31 | £996,751   | £604,384    | £26,266,626 | 4         |
| 2020-12-31 | £1,313,534 | £157,360    | £19,546,261 | 4         |

## Trustees

| Name                          | Role  | Appointed  |
|-------------------------------|-------|------------|
| James Stephen Golob           | Chair | 2020-09-30 |
| Dr Elizabeth Claire MAXWELL   |       | 2023-12-12 |
| GRAHAME NICHOLSON             |       | 2017-06-07 |
| Hazel Sewell                  |       | 2023-12-12 |
| John Charles Churchill        |       | 2023-12-12 |
| Margaret Playle               |       | 2025-12-09 |
| Nishil Patel                  |       | 2024-12-10 |
| Richard Bruce Davies Bromilow |       | 2020-09-30 |
| VICTORIA DANIELL              |       | 2018-12-12 |

## Linked charities

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- THE KNOWLES FOSTER HOMES (212450-1)
- THE GRICE ANNUITIES (212450-2)
- GARDINER ANNUITIES CHARITY (212450-3)
- THE DULL FUND A AND THE DULL FUND B (212450-4)
- ALLICE WILLS ANNUITIES FUND (212450-5)
- THE NURSING HOME FUND (212450-6)

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# Accounts

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**THE NATIONAL BENEVOLENT CHARITY**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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## THE NATIONAL BENEVOLENT CHARITY

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### CONTENTS

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|                                                                                       | Page    |
|---------------------------------------------------------------------------------------|---------|
| <b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b> | 1 - 2   |
| <b>Trustees' Report</b>                                                               | 3 - 9   |
| <b>Independent Auditors' Report on the Financial Statements</b>                       | 10 - 13 |
| <b>Statement of Financial Activities</b>                                              | 14      |
| <b>Balance Sheet</b>                                                                  | 15      |
| <b>Statement of Cash Flows</b>                                                        | 16      |
| <b>Notes to the Financial Statements</b>                                              | 17 - 34 |

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## THE NATIONAL BENEVOLENT CHARITY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2024

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|                                  |                                                                                                                                                                                                          |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                  | Richard Bromilow<br>John Churchill<br>Geoffrey Clements<br>Victoria Daniell<br>James Golob, Chairman<br>Claire Maxwell<br>Grahame Nicholson<br>Nishil Patel (appointed 10 December 2024)<br>Hazel Sewell |
| <b>Charity registered number</b> | 212450                                                                                                                                                                                                   |
| <b>Principal office</b>          | Chargrove House<br>Shurdington Road<br>Cheltenham<br>Gloucestershire<br>GL51 4GA                                                                                                                         |
| <b>Chief executive officer</b>   | Ali Russell                                                                                                                                                                                              |
| <b>Independent auditors</b>      | Randall & Payne LLP<br>Statutory Auditors<br>Shurdington Road<br>Cheltenham<br>Gloucestershire<br>GL51 4GA                                                                                               |
| <b>Bankers</b>                   | HSBC Bank plc<br>The Cross<br>Gloucester<br>Gloucestershire<br>GL1 2AP                                                                                                                                   |
| <b>Solicitors</b>                | Stone King LLP<br>13 Queen Square<br>13 Queen Square<br>BA1 2HJ                                                                                                                                          |

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THE NATIONAL BENEVOLENT CHARITY

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2024

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|                            |                                                                                                           |
|----------------------------|-----------------------------------------------------------------------------------------------------------|
| <b>Investment Managers</b> | Veritas Investment Partners (UK) Limited<br>Riverside House<br>Southwark Bridge Road<br>London<br>SE1 9HA |
|                            | M&G Investments<br>10 Fenchurch Avenue<br>EC3M 5AG                                                        |
|                            | Brown Advisory<br>18 Hanover Square<br>London<br>W1S 1JY                                                  |

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Strategic Overview and Impact in 2024

Against a backdrop of ongoing increases in the cost of living and an ever-growing number of people in the UK living in poverty (14.3 million cited by Joseph Rowntree Foundation) the Trustees implemented two major strategic changes aimed at increasing the charity's resources and capacity to provide grants both now and in the future.

#### Strategic Changes: Property Sale and Investment Restructure

The first key change was the sale of Peter Herve House and Lenox House. In 2023, Trustees had agreed to sell the charity's offices and associated flats. An offer was accepted in late 2023 and the property sold for £1.58 million in March 2024. A portion of the sale proceeds was reinvested, while the remainder was retained for use during 2024.

Simultaneously, the charity transitioned to new investment managers. After a thorough shortlisting process, five firms were interviewed in January. Following detailed deliberation, Brown Advisory and Meridiem were jointly appointed to manage the portfolio. New investment accounts were established, and deposits—including part of the property sale proceeds—were made. By December 2024, the combined portfolios had yielded a 10% return, increasing their value by £1.8 million.

These strategic moves ensured the charity was well positioned to expand its charitable activities in 2025.

#### Main Individual Grants Programme

Applications to the Individual Grants Programme continued to rise steadily throughout the year and for the second consecutive year, the programme was temporarily closed each month to manage demand and ensure adequate funds for applicants. By the end of 2024, the charity had distributed £246,000 in individual grants benefiting 715 people.

#### Improving Lives Fund: Organisational Grants

Applications to the Improving Lives Fund remained consistent with 2023 levels, though almost all applicants sought core cost funding (e.g. salaries and running costs). This reflected the immense pressures faced by organisations amid increasing demand, reduced funding, and escalating costs. Forty-three grants were awarded to organisations, totalling £424,713.

#### Trustee Engagement and Site Visits

In May, Trustees visited Gloucestershire Nightstop and gained insight into their emergency accommodation services for young people. In September, they visited Nelson Trust's Bristol Women's Centre, where survivors of domestic abuse receive tailored support. Both visits deepened Trustees' understanding of grantee organisations and their beneficiaries.

#### Campaigns and Collaborative Initiatives

In collaboration with partners, Crowdfunder, Lightning Reach and Cash Perks we launched a Home is Where the Harm Is campaign in June with British Airways as a key sponsor. The campaign raised £28,933, enabling 136 grants of £200 to be made to people who had experienced domestic abuse.

Additionally, the charity received a grant from the Albert Hunt Trust to match our support for the RISE programme, helping survivors of domestic abuse re-enter the workforce, pursue training, or start businesses. Launched in September 2024, the first grants were issued in early 2025.

The Barzilia Foundation also began supporting our individual grants programme with grant funding which will continue into 2025.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Financial Performance and Future Planning

The charity's investments rose from £23,998,715 in January 2024 to £26,293,534 by year-end, reflecting both new management and asset sales. Accordingly, Trustees were able to increase the 2025 total grant-making budget to £860,000, a £60,000 rise from the previous year, split between individual and organisational grants.

#### Governance and Staffing Updates

A campaign to recruit a new Chair of the Finance and Investment Committee launched in summer 2024, supported by consultants Peridot and Partners. Trustees were pleased to appoint Nishil Patel, who was co-opted onto the Board in December.

In March, Office Manager, Dawn Swirczek retired. From April, Lyn Niblett Bookkeeping Services began managing the charity's bookkeeping and payroll, with Alison Merrett as the main contact. In November 2024, following extensive interviews, Ele Weeks-Bell was recruited as the new part-time Team Administrator and joined the charity in January 2025.

#### Acknowledgements

Our thanks go to our incredible small but mighty staff team for navigating a year of growth, increased grant-making, the successful sale, and transition from our offices to working remotely and for raising the profile of the charity at networks and events both online and in person. Special thanks to Alison, at Lyn Niblett, for seamlessly stepping in to manage our finances.

We thank our Welfare Committee Trustees for their tireless efforts: reviewing over 40 organisational and 50 exceptional individual applications, participating in three grants panels, four Welfare Committee meetings, and five Board meetings. And we are grateful to our Finance & Investment Committee Trustees who oversaw the selection of new investment managers, held four committee meetings (including one with our auditor), two meetings with our new investment managers, led the Chair recruitment process, and attended five Board meetings.

Finally, trustees gratefully acknowledge the support of HM the King during his time as patron.

#### Structure, governance, and management

##### a. Constitution

Founded in 1812, The National Benevolent Charity is governed by a Royal Charter (RC000364) and its Bye Laws. The most recent amendments to modernise the Royal Charter and remove the upper age qualification and to allow for general meetings via electronic means were approved on 16th February 2022.

##### b. Method of appointment or election of Trustees

Trustees are elected at General Meetings for three-year terms, with up to two re-elections permitted. The Board comprises 4-12 qualified members.

##### c. Organisational structure and decision making

The Board met five times in 2024. It is supported by the Finance and Investment Committee and the Welfare Committee. The Welfare Committee met four times, reviewed monthly reports, and held three grant panels. The Finance and Investment Committee also met five times.

The charity employed four staff: Ali Russell (Chief Executive), Dawn Swirczek (Office Manager, retired March), Jane Weaver (Individual Grants Manager), and Vicky Oram-Ohern (Organisation Grants Manager).

##### d. Related party relationships

There have been no transactions with related parties during the year.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**e. Risk management**

The main risk is reduced investment income, which could affect grant-making. Trustees monitor this and have mitigation strategies in place.

**f. Subsidiary Charities**

The charity has no subsidiaries.

**g. Restricted funds**

The Henderson Bequest, a restricted fund, supports former nurses or care workers and is managed by M&G Investments.

**h. Land and Property**

The charity does not own property.

**Objectives and Activities**

**a. Policies and objectives**

The objects of the Charity are for the relief of qualifying people who need assistance by reason of old age, infirmity, sickness, or economic circumstances.

**b. Strategies for achieving objectives and performance**

Support was provided through individual grants and organisational grants. All grants adhere to Board-approved policy and guidelines

**Main Individual Grants Programme**

**Types of Grants**

The Charity awarded individual welfare grants to meet essential costs, including food and clothing, furniture, white goods, minor repairs, utility bills and training or work tools. In exceptional circumstances grants were also awarded for bankruptcy and debt relief orders, flooring, disability aids, minor home, or garden improvements, rent arrears or debts. Up to £1,000 per person was available. Eligibility required UK residency for 12 months and either citizenship or leave to remain.

**Application Process**

Applicants apply online explaining what the grant will be used for and why it is needed. They are also asked to provide details of their financial situation, disabilities or health issues or other exceptional circumstances and are requested to provide bank statements, medical reports, and details of a professional referrer. Most applications are assessed by the Grant Manager, applications for exceptional items are assessed by the Welfare Committee.

**Grants Made**

In 2024 the Charity received 1203 applications for individual grants and made 715 awards (2023: 729 awards). Of those which were unsuccessful 189 were ineligible, 283 were archived, because they did not respond to further requests for information. Sixteen were duplicates. The average value of the award was £379, (£337 in 2023) an increase of £38.00 which reflects the increase in the cost of essential appliances.

**2024 Grants Data**

- 219 appliance grants, 190 furniture grants, 109 for food/clothing grants, 92 flooring grants
- 367 families and 342 individuals supported
- 68% of recipients were female; 51% under 40 years old
- 28% had experienced domestic violence

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**Diversity and Inclusion**

741 applicants completed the optional DEI form. Of these:

- 47% identified as British or English
- 76% were in paid work
- 57% had a disability or health condition
- 75% had caring responsibilities (mostly for children)

**Expenditure**

Total spent: £246,000.

**Home is Where the Harm Is Grants Campaign**

Recognising the significant role domestic abuse plays in individual grant applications, the charity partnered with Lightning Reach, Crowdfunder, and Cash Perks to lead a campaign offering cash grants via cash machines to victims of domestic abuse. The campaign, Home is Where the Harm Is, launched during the Euros in June with British Airways as a key sponsor.

**2024 Grants Data**

- The campaign raised £28,933
- Supported by over 600 people,
- 143 grant applications approved
- 136 grants of £200 made.
- The majority of the applicants were women in receipt of benefits living in social housing with children.
- Two thirds lived in a house with a disabled person.

The campaign will be running for a second year in 2025.

**Improving Lives Fund - Grants to Organisations**

**Types of Grants**

Grants are made to organisations which support beneficiaries experiencing poverty or hardship. The grants are aimed at organisations operating in Bristol, Gloucestershire, or Wiltshire & Swindon.

**Application Process**

The new Bristol Fund, launched in June, is aimed at larger infrastructure organisations and applicants may apply for grants of up to £40,000 over two years. Grants of up to £20,000 over two years are available to organisations in Wiltshire and Swindon and Gloucestershire.

Applicants submit an expression of interest online. If their application fits the criteria, they will then be invited to a virtual meeting with the Organisation Grants Manager to make a fuller application which it then taken to the Grants Panel for consideration.

**Grants Awarded**

We declined 13 applications during the year, most were declined due to strength of alignment with our charitable objects, one due to already having a current grant with us, and two due to being national organisations with small impact locally and having more access to other funding, including one with very significant reserves.

**2024 Grants Data**

- 43 grants awarded ( new and year 2)
- 11 in Bristol: £157,000
- 19 in Gloucestershire: £153,213
- 13 in Wiltshire/Swindon: £114,500

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Grants addressed:

- Destitution (e.g., housing, food): 17 organisations (£180,000)
- Education/employment/training: 6 (£60,000)
- Strengthening families/communities: 13 (£110,000)
- Financial resilience: 4 (£60,000)

#### Expenditure:

Total Spent £424,713

#### Regular payments

Only one regular beneficiary remains. Others may now apply for individual grants.

#### Housing

After the sale of charity-owned housing in Tetbury in March, the two remaining charity residents were assisted with relocation and tenancy arrangements.

#### Collaborations

Charity staff are active members of the Association of Charitable Organisations and regularly attend training sessions and the CEO is a member of the CEO network. The Charity is also a member of the Association of Charitable Foundations, and staff regularly attended their specialist networks and training, and used their resources to inform good practice.

The CEO is the Chair of the Bristol Funders Network and the Organisation Grants Manager remains active in the Gloucestershire Funders Group and Swindon & Wiltshire Funders Network.

The Individual Grants Manager has also strengthened relationships with referral agencies such as Citizens Advice, Step Change, Money Advice and Refugee Council.

#### Public Benefit

Trustees confirm compliance with the Charities Act 2022 and Charity Commission guidance. The charity's work clearly provides public benefit and does not result in any private benefit or public detriment.

#### Policy Review

In 2024, the charity reviewed policies on grant-making, complaints, health & safety, and remote work to ensure legal compliance and adherence to best practices.

#### Financial review

##### a. Going Concern

Following appropriate enquiries, the Trustees have a reasonable expectation that the Charity has sufficient resources to continue operating for the near future. Accordingly, they have adopted the going concern basis in preparing the financial statements. Further information regarding this basis can be found in the Accounting Policies section.

##### b. financial risk management objectives and policies

As of the end of 2024, the Charity's total funds stood at £26,293,534, an increase from £23,998,715 at the end of 2023. Total income for the year was £811,048, down from £867,742 in the previous year, primarily due to a reduction in rental income following the sale of PHH and Lenox House in March.

Expenditure on charitable activities rose slightly to £1,003,559, up from £999,050 in 2023. Governance expenditure, reduced to £5,060 from £6,170 in the previous year.

##### c. Reserves policy

The Charity's reserves policy considers the stability of core income streams, the potential for unforeseen costs, and the need for adequate working capital to ensure uninterrupted operations. The Trustees aim to maintain free reserves equivalent to three months' operational expenditure. This ensures sufficient funds are available for management, administration, and beneficiary support.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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Currently, the target reserve is £300,000, comprised of £85,000 in the current account and £215,000 held in investments. Any surplus beyond this level at year-end may be either invested or allocated to charitable activities, depending on prevailing circumstances.

#### **d. Investments policy**

The Charity's investment objective is to achieve a long-term total return of UK CPI +4% per annum. The portfolio includes direct fixed income, fixed income funds, equities, and equity funds. While positive returns are not expected in every quarter, the long-term strategy aims for consistent growth. The Charity does not invest in companies associated with gambling or payday lending, reflecting the Trustees' view that such organisations conflict with the Charity's mission and values.

#### **Future developments**

The Trustees continuously monitor the financial, economic, and social context in which the Charity operates, adjusting policies and practices as needed. The charity is entering the final year of its 2023 -25 strategy to increase its grant making capacity through resource management. The strategy will be reviewed in 2025 and will focus on measuring and increasing the impact of its grant making on poverty. In the meantime, it will continue to deliver the existing programmes, build partnerships and collaborations with other trusts and foundations, and enhance its governance and board capacity.

#### **Auditors**

A resolution to reappoint Randall & Payne LLP as the Charity's auditors will be proposed at the upcoming Annual General Meeting.

#### **Events after the reporting period**

Since the year end, markets have been volatile, and at 31 May the portfolio stood at £24,622,909. However, the Trustees view this as a short term reduction, and are confident that the portfolio will continue to deliver our required level of income.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Trustees' responsibilities statement

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

Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the Charity's financial position and the income and expenditure for that period. In preparing these statements, the Trustees must:

- Select and apply suitable accounting policies consistently.
- Follow the methods and principles of the Charities SORP.
- Make reasonable and prudent judgments and estimates.
- State whether applicable UK Accounting Standards have been followed, with explanations for any material departures.
- Prepare the financial statements on a going concern basis unless it is inappropriate to do so.

The Trustees are also responsible for maintaining accurate accounting records, safeguarding the Charity's assets, and responding appropriately to prevent fraud and other irregularities. These records must enable compliance with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the provisions of the Trust Deed.

In addition, the Trustees are accountable for the integrity and accuracy of financial information presented on the Charity's website. The legal framework for the preparation and dissemination of financial statements in the UK may differ from that in other areas.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
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**James Golob**  
Chairman of the Board

Date: 14th July 2025

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY**

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**Opinion**

We have audited the financial statements of The National Benevolent Charity (the 'Charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

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## THE NATIONAL BENEVOLENT CHARITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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.

#### Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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, the Trustees are responsible for the preparation of the financial statements which 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.

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## THE NATIONAL BENEVOLENT CHARITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY (CONTINUED)

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#### **Auditors' responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit planning process gave consideration to the risk of material misstatement in the financial statements, using the calculated materiality level which itself factored in the nature of the Charity's operations and the interpreted levels of inherent and control risk.

In assessing the risk of fraud we reviewed management's own assessment of potential for fraud within the entity and reviewed judgements made by management to identify possible bias, in addition to any opportunity and incentive for fraud that are inherent in the nature of the Charity's operations. Our detailed testing included review of accounting estimates and judgements and validation of prime ledger entries.

We confirmed our knowledge of the legal and regulatory environment of the entity through discussions with management. We analysed all information available to us in respect of relevant laws and regulations, including the Companies Act 2006, the Charities SORP and relevant UK tax legislation and enquired with management as to any possible breaches in the aforementioned.

We agreed the accuracy of the financial statements to the supporting management information provided by the client and tested individually on a sample basis the income and expenditure in the financial statements to consider the business rationale behind the transactions and the accuracy of the financial records.

Our audit testing did not identify any issues in respect of the matters listed above, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

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**THE NATIONAL BENEVOLENT CHARITY**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY  
(CONTINUED)**

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**Ryan Moore CA (Senior Statutory Auditor)**

**Randall & Payne LLP**

Chartered Accountants & Statutory Auditors

Chargrove House

Shurdington Road

Cheltenham

Gloucestershire

GL51 4GA

Date:

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE NATIONAL BENEVOLENT CHARITY

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024

|                                                                 | Note | Endowment<br>funds<br>2024<br>£ | Restricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|-----------------------------------------------------------------|------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income and endowments from:</b>                              |      |                                 |                                  |                                    |                             |                             |
| Donations and legacies                                          | 3    | -                               | -                                | 16,895                             | 16,895                      | 18,221                      |
| Charitable activities                                           | 4    | -                               | 50,000                           | 90,439                             | 140,439                     | 76,472                      |
| Investments                                                     | 5    | -                               | 4,040                            | 297,100                            | 301,140                     | 768,049                     |
| Other income                                                    | 6    | -                               | -                                | 352,574                            | 352,574                     | 5,000                       |
| <b>Total income and endowments</b>                              |      | -                               | 54,040                           | 757,008                            | 811,048                     | 867,742                     |
| <b>Expenditure on:</b>                                          |      |                                 |                                  |                                    |                             |                             |
| Raising funds:                                                  | 7    |                                 |                                  |                                    |                             |                             |
| Other raising funds                                             |      | -                               | -                                | 99,984                             | 99,984                      | 109,221                     |
| Charitable activities                                           | 8    | -                               | -                                | 1,026,295                          | 1,026,295                   | 999,050                     |
| <b>Total expenditure</b>                                        |      | -                               | -                                | 1,126,279                          | 1,126,279                   | 1,108,271                   |
| <b>Net income/(expenditure) before net gains on investments</b> |      | -                               | 54,040                           | (369,271)                          | (315,231)                   | (240,529)                   |
| Net gains on investments                                        |      | -                               | 369                              | 2,609,682                          | 2,610,052                   | 319,315                     |
| <b>Net movement in funds</b>                                    |      | -                               | 54,409                           | 2,240,411                          | 2,294,820                   | 78,786                      |
| <b>Reconciliation of funds:</b>                                 |      |                                 |                                  |                                    |                             |                             |
| Total funds brought forward                                     |      | 1,672,692                       | 146,710                          | 22,179,313                         | 23,998,716                  | 23,919,930                  |
| Net movement in funds                                           |      | -                               | 54,409                           | 2,240,411                          | 2,294,820                   | 78,786                      |
| <b>Total funds carried forward</b>                              |      | 1,672,692                       | 201,119                          | 24,419,724                         | 26,293,535                  | 23,998,716                  |

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

The notes on pages 16 to 33 form part of these financial statements.

# THE NATIONAL BENEVOLENT CHARITY

## BALANCE SHEET AS AT 31 DECEMBER 2024

|                                                | Note | 2024<br>£         | 2023<br>£         |
|------------------------------------------------|------|-------------------|-------------------|
| <b>Fixed assets</b>                            |      |                   |                   |
| Tangible assets                                | 13   | -                 | 1,176,731         |
| Investments                                    | 14   | 26,061,748        | 22,496,406        |
|                                                |      | <u>26,061,748</u> | <u>23,673,137</u> |
| <b>Current assets</b>                          |      |                   |                   |
| Debtors                                        | 16   | 1,831             | 3,694             |
| Cash at bank and in hand                       |      | 252,475           | 344,279           |
|                                                |      | <u>254,306</u>    | <u>347,973</u>    |
| <b>Current liabilities</b>                     |      |                   |                   |
| Creditors: amounts falling due within one year | 17   | (22,520)          | (22,395)          |
|                                                |      | <u>231,786</u>    | <u>325,578</u>    |
| <b>Net current assets</b>                      |      |                   |                   |
|                                                |      | <u>26,293,534</u> | <u>23,998,715</u> |
| <b>Total assets less current liabilities</b>   |      |                   |                   |
|                                                |      | <u>26,293,534</u> | <u>23,998,715</u> |
| <b>Total net assets</b>                        |      |                   |                   |
|                                                |      | <u>26,293,534</u> | <u>23,998,715</u> |
| <b>Charity funds</b>                           |      |                   |                   |
| Endowment funds                                | 18   | 1,672,692         | 1,672,692         |
| Restricted funds                               | 18   | 201,119           | 146,710           |
| Unrestricted funds                             | 18   | 24,419,723        | 22,179,313        |
|                                                |      | <u>26,293,534</u> | <u>23,998,715</u> |
| <b>Total funds</b>                             |      |                   |                   |
|                                                |      | <u>26,293,534</u> | <u>23,998,715</u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
 .....  
**James Golob**  
 Chairman of the Board

Date: 14th July 2025

The notes on pages 16 to 33 form part of these financial statements.

THE NATIONAL BENEVOLENT CHARITY

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024

|                                                                                              | 2024<br>£        | 2023<br>£        |
|----------------------------------------------------------------------------------------------|------------------|------------------|
| <b>Cash flows from operating activities</b>                                                  |                  |                  |
| Net cash used in operating activities                                                        | (203,221)        | (1,071,947)      |
| <b>Cash flows from investing activities</b>                                                  |                  |                  |
| Dividends, interests and rents from investments                                              | 301,140          | 768,049          |
| Net proceeds from the sale of property                                                       | 1,518,642        | -                |
| Proceeds from sale of investments                                                            | 1,706,231        | 3,551,145        |
| Purchase of investments                                                                      | (3,230,473)      | (3,033,382)      |
| <b>Net cash provided by investing activities</b>                                             | <b>295,540</b>   | <b>1,285,812</b> |
| <b>Cash flows from financing activities</b>                                                  |                  |                  |
| <b>Net cash provided by financing activities</b>                                             | <b>-</b>         | <b>-</b>         |
| <b>Change in cash and cash equivalents in the year</b>                                       | <b>92,319</b>    | <b>213,865</b>   |
| Cash and cash equivalents at the beginning of the year                                       | 1,080,587        | 866,722          |
| <b>Cash and cash equivalents at the end of the year (including cash held in investments)</b> | <b>1,172,906</b> | <b>1,080,587</b> |

The notes on pages 16 to 33 form part of these financial statements

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## THE NATIONAL BENEVOLENT CHARITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1. General information

The National Benevolent Charity was founded as the National Benevolent Institution by Peter Herve in 1812 and is a Registered Charity constituted under a Royal Charter of 5th November 1859 and supplemental Royal Charters of 17th May 1948, 12th February 1997, an Order in Council of 19th July 2005 and 14th December 2011.

The change of the Charity's name to The National Benevolent Charity was approved by HM The Queen meeting in Privy Council on 14th December 2011.

The Registered Charity number is 212450. The Royal Charter number is RC000364.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The National Benevolent CharityThe National Benevolent Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Going concern

The National Benevolent Charity has net current assets of £231,786 (2023: £325,578) and total net assets (which includes the Charity's investment portfolio) of £26,293,534 (2023: £23,998,715). The Charity manages its working capital requirements carefully through bank balances and income generated from its investments. The Charity ensures that robust budgets are set and that actual spend against these budgets is analysed on a monthly basis by the Chief Executive and subsequently by the Board of Trustees' Finance Sub-Committee. The forecast figures for 2024/25 continue to show positive cash flow and maintenance of a strong balance sheet position. Having regard to these matters, the Trustees consider it appropriate to prepare the financial statements using a going concern basis. The Trustees do not consider that there are any material uncertainties that may cast significant doubt about the Charity's ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time, space occupied, or estimated usage, as appropriate.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2. Accounting policies (continued)**

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

No depreciation is provided on freehold buildings. It is the Charity's practice to maintain these assets in continual state of sound repair and to extend and make improvements thereto from time to time. Accordingly the Trustees consider that the lives of these assets are so long, and residual values so high, that the depreciation is insignificant. Any permanent diminution in the value of such buildings will be charged to the Statement of Financial Activities as appropriate.

Scheduled maintenance and repair work is recognised in the Statement of Financial Activities as the commitment arises.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at costs, net of depreciation and any provision for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives. .

Depreciation is provided on the following basis:

|                   |                                  |
|-------------------|----------------------------------|
| Freehold property | - not provided for (see note 13) |
|-------------------|----------------------------------|

**2.7 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Fair value measure is determined with reference to observable market share/ instrument prices.

**2.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2. Accounting policies (continued)**

**2.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.11 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.12 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

3. Income from donations and legacies

|                   | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations         | 11,675                             | <b>11,675</b>               | 5,493                       |
| Legacies          | 5,220                              | <b>5,220</b>                | 12,728                      |
|                   | <u>16,895</u>                      | <u><b>16,895</b></u>        | <u>18,221</u>               |
| <i>Total 2023</i> | <u>18,221</u>                      | <u><b>18,221</b></u>        |                             |

4. Income from charitable activities

|                   | Restricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|-------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Rental Income     | -                                | 17,100                             | <b>17,100</b>               | 76,472                      |
| Project income    | 50,000                           | 73,339                             | <b>123,339</b>              | -                           |
|                   | <u>50,000</u>                    | <u>90,439</u>                      | <u><b>140,439</b></u>       | <u>76,472</u>               |
| <i>Total 2023</i> | <u>-</u>                         | <u>76,472</u>                      | <u><b>76,472</b></u>        |                             |

# THE NATIONAL BENEVOLENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 5. Investment income

|                             | Restricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|-----------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Dividends and distributions | 4,040                            | 297,100                            | 301,140                     | 768,049                     |
| <i>Total 2023</i>           | -                                | 768,049                            | 768,049                     |                             |

### 6. Other incoming resources

|                      | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|----------------------|------------------------------------|-----------------------------|-----------------------------|
| Employment allowance | -                                  | -                           | 5,000                       |
| Other income         | 352,574                            | 352,574                     | -                           |
|                      | 352,574                            | 352,574                     | 5,000                       |
| <i>Total 2023</i>    | 5,000                              | 5,000                       |                             |

During the year, the Trustees disposed of Peter Herve House and Lenox House.

The properties sold were sold in March 2024 for £1,558,006 and a gain on disposal (after accounting for costs incurred by the Charity to dispose) has been recognised in the financial statements of £341,911. All funds received in relation to the property disposals were classified as unrestricted with the majority of the funds received having been re-invested into the Charity's investment portfolio.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Expenditure on raising funds

Costs of raising voluntary income

|                           | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|---------------------------|------------------------------------|-----------------------------|-----------------------------|
| Publicity                 | -                                  | -                           | 4,270                       |
| Portfolio Management Fees | 99,984                             | 99,984                      | 104,951                     |
|                           | 99,984                             | 99,984                      | 109,221                     |
| <i>Total 2023</i>         | 109,221                            | 109,221                     |                             |

8. Analysis of expenditure on charitable activities

Summary by fund type

|                                    | Restricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2024<br>£ | Total<br>2024<br>£ | Total<br>2023<br>£ |
|------------------------------------|----------------------------------|------------------------------------|--------------------|--------------------|
| Accommodation                      | -                                | 62,938                             | 62,938             | 144,006            |
| Beneficiaries                      | -                                | 957,807                            | 957,807            | 830,367            |
| Peter Herve Benevolent Institution | -                                | -                                  | -                  | 18,507             |
| Governance                         | -                                | 5,550                              | 5,550              | 6,170              |
|                                    | -                                | 1,026,295                          | 1,026,295          | 999,050            |
| <i>Total 2023</i>                  | 34,906                           | 964,144                            | 999,050            |                    |

## THE NATIONAL BENEVOLENT CHARITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 9. Analysis of expenditure by activities

|                                    | Activities<br>undertaken<br>directly<br>2024<br>£ | Support<br>costs<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|------------------------------------|---------------------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Accommodation                      | 29,541                                            | 33,397                        | <b>62,938</b>               | 141,586                     |
| Beneficiaries                      | 885,658                                           | 72,149                        | <b>957,807</b>              | 830,367                     |
| Peter Herve Benevolent Institution | -                                                 | -                             | -                           | 18,507                      |
| Governance                         | -                                                 | 5,550                         | <b>5,550</b>                | 8,590                       |
|                                    | <u>915,199</u>                                    | <u>111,096</u>                | <u><b>1,026,295</b></u>     | <u>999,050</u>              |
| <i>Total 2023</i>                  | <u>875,666</u>                                    | <u>123,384</u>                | <u>999,050</u>              |                             |

#### Analysis of direct costs

|                        | Accommodation<br>2024<br>£ | Beneficiaries<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|------------------------|----------------------------|----------------------------|-----------------------------|-----------------------------|
| Staff costs            | 8,981                      | 171,394                    | <b>180,375</b>              | 158,900                     |
| Grants                 | -                          | 713,276                    | <b>713,276</b>              | 635,822                     |
| Regular payments       | -                          | 988                        | <b>988</b>                  | 988                         |
| Property costs         | 18,450                     | -                          | <b>18,450</b>               | 66,034                      |
| Legal and professional | 2,110                      | -                          | <b>2,110</b>                | 5,589                       |
| General administrative | -                          | -                          | -                           | 8,333                       |
|                        | <u>29,541</u>              | <u>885,658</u>             | <u><b>915,199</b></u>       | <u>875,666</u>              |
| <i>Total 2023</i>      | <u>106,991</u>             | <u>768,675</u>             | <u>875,666</u>              |                             |

Grants paid during the year include:

Individual grants - £269,859  
 Organisation grants - £443,417  
 Regular payments - £988

Total grants and regular payments - £714,264

# THE NATIONAL BENEVOLENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 9. Analysis of expenditure by activities (continued)

#### Analysis of support costs

|                        | Accommodation | Beneficiaries | Peter Herve<br>Benevolent<br>Institution | Governance   | Total<br>funds | Total<br>funds |
|------------------------|---------------|---------------|------------------------------------------|--------------|----------------|----------------|
|                        | 2024          | 2024          | 2024                                     | 2024         | 2024           | 2023           |
|                        | £             | £             | £                                        | £            | £              | £              |
| Staff costs            | 13,691        | 29,663        | -                                        | 2,281        | 45,635         | 65,740         |
| Grants                 | -             | -             | -                                        | -            | -              | 527            |
| Property costs         | 264           | 572           | -                                        | 44           | 880            | 11,351         |
| Legal and professional | 5,566         | 12,060        | -                                        | 927          | 18,553         | 16,774         |
| General administrative | 10,930        | 23,468        | -                                        | 1,806        | 36,204         | 28,992         |
| Governance             | 2,947         | 6,386         | -                                        | 491          | 9,824          | -              |
|                        | <u>33,398</u> | <u>72,149</u> | <u>-</u>                                 | <u>5,549</u> | <u>111,096</u> | <u>123,384</u> |
| <i>Total 2023</i>      | <u>37,015</u> | <u>59,273</u> | <u>18,508</u>                            | <u>8,589</u> | <u>123,384</u> |                |

### 10. Auditors' remuneration

|                                                                                                   | 2024<br>£    | 2023<br>£    |
|---------------------------------------------------------------------------------------------------|--------------|--------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts              | 5,250        | 5,050        |
| Fees payable to the Charity's auditor in respect of:<br>All non-audit services not included above | <u>2,850</u> | <u>2,800</u> |

### 11. Staff costs

|                                                      | 2024<br>£      | 2023<br>£      |
|------------------------------------------------------|----------------|----------------|
| Wages and salaries                                   | 214,663        | 212,816        |
| Contribution to defined contribution pension schemes | 11,347         | 11,824         |
|                                                      | <u>226,010</u> | <u>224,640</u> |

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THE NATIONAL BENEVOLENT CHARITY

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**11. Staff costs (continued)**

The average number of persons employed by the Charity during the year was as follows:

|                          | 2024<br>No. | 2023<br>No. |
|--------------------------|-------------|-------------|
| Administration & Support | 4           | 4           |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                               | 2024<br>No. | 2023<br>No. |
|-------------------------------|-------------|-------------|
| In the band £80,001 - £90,000 | 1           | 1           |

The above employee has pension contributions of £7,024 (2023: £6,690).

Included within the above staff costs is an amount which relates to the key management personnel. The total amount of employee benefits (including employers pension contributions) received by key management personnel was £198,647 (2023: £179,275).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, no Trustee expenses have been incurred (2023 - £NIL).

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**13. Tangible fixed assets**

|                            | <b>Freehold<br/>property<br/>£</b> |
|----------------------------|------------------------------------|
| At 1 January 2024          | <b>2,086,106</b>                   |
| Disposals                  | <b>(2,086,106)</b>                 |
| At 31 December 2024        | <b>-</b>                           |
| At 1 January 2024          | <b>909,375</b>                     |
| On disposals               | <b>(909,375)</b>                   |
| At 31 December 2024        | <b>-</b>                           |
| <b>Net book value</b>      |                                    |
| At 31 December 2024        | <b>-</b>                           |
| <i>At 31 December 2023</i> | <b>1,176,731</b>                   |

During the year, the Trustees disposed of Peter Herve House and Lenox House. Further information regarding the disposal is included in Note 6 to the financial statements.

**14. Fixed asset investments**

|                            | <b>Investments<br/>£</b> |
|----------------------------|--------------------------|
| <b>Cost or valuation</b>   |                          |
| At 1 January 2024          | <b>22,496,406</b>        |
| Additions                  | <b>3,230,473</b>         |
| Disposals                  | <b>(1,706,231)</b>       |
| Revaluations               | <b>2,041,099</b>         |
| At 31 December 2024        | <b>26,061,748</b>        |
| <b>Net book value</b>      |                          |
| At 31 December 2024        | <b>26,061,748</b>        |
| <i>At 31 December 2023</i> | <b>22,496,406</b>        |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Fixed asset investments (continued)

|                                   | 2024<br>£         | 2023<br>£         |
|-----------------------------------|-------------------|-------------------|
| <b>Material investments</b>       |                   |                   |
| UK Equity                         | 2,146,819         | 8,248,814         |
| UK Fixed Interest                 | 3,350,422         | 2,559,178         |
| Overseas Equities                 | 18,506,281        | 9,270,628         |
| Alternatives                      | 945,523           | 1,487,767         |
| Cash held for investment purposes | 923,872           | 745,987           |
| M&G Investment                    | 188,830           | 184,033           |
|                                   | <u>26,061,747</u> | <u>22,496,407</u> |

16. Debtors

|                                | 2024<br>£    | 2023<br>£    |
|--------------------------------|--------------|--------------|
| <b>Due within one year</b>     |              |              |
| Prepayments and accrued income | 1,831        | 3,694        |
|                                | <u>1,831</u> | <u>3,694</u> |

17. Creditors: Amounts falling due within one year

|                                    | 2024<br>£     | 2023<br>£     |
|------------------------------------|---------------|---------------|
| Other taxation and social security | -             | 5,654         |
| Other creditors                    | 22,520        | 16,741        |
|                                    | <u>22,520</u> | <u>22,395</u> |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

18. Statement of funds

Statement of funds - current year

|                                 | Balance at 1<br>January<br>2024<br>£ | Income<br>£    | Expenditure<br>£   | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2024<br>£ |
|---------------------------------|--------------------------------------|----------------|--------------------|-------------------------|-------------------------------------------|
| <b>Unrestricted funds</b>       |                                      |                |                    |                         |                                           |
| <b>Designated funds</b>         |                                      |                |                    |                         |                                           |
| Designated Funds - all funds    | <u>14,202,955</u>                    | <u>-</u>       | <u>-</u>           | <u>2,609,682</u>        | <u>16,812,637</u>                         |
| <b>General funds</b>            |                                      |                |                    |                         |                                           |
| General Funds - all funds       | <u>7,976,358</u>                     | <u>757,007</u> | <u>(1,126,279)</u> | <u>-</u>                | <u>7,607,086</u>                          |
| <b>Total Unrestricted funds</b> | <u>22,179,313</u>                    | <u>757,007</u> | <u>(1,126,279)</u> | <u>2,609,682</u>        | <u>24,419,723</u>                         |
| <b>Endowment funds</b>          |                                      |                |                    |                         |                                           |
| Endowment Funds - all funds     | <u>1,672,692</u>                     | <u>-</u>       | <u>-</u>           | <u>-</u>                | <u>1,672,692</u>                          |
| <b>Restricted funds</b>         |                                      |                |                    |                         |                                           |
| Restricted Funds - all funds    | <u>146,710</u>                       | <u>4,040</u>   | <u>-</u>           | <u>369</u>              | <u>151,119</u>                            |
| RISE Project 2025               | <u>-</u>                             | <u>50,000</u>  | <u>-</u>           | <u>-</u>                | <u>50,000</u>                             |
|                                 | <u>146,710</u>                       | <u>54,040</u>  | <u>-</u>           | <u>369</u>              | <u>201,119</u>                            |
| <b>Total of funds</b>           | <u>23,998,715</u>                    | <u>811,047</u> | <u>(1,126,279)</u> | <u>2,610,051</u>        | <u>26,293,534</u>                         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

18. Statement of funds (continued)

Statement of funds - prior year

|                                 | <i>Balance at<br/>1 January<br/>2023<br/>£</i> | <i>Income<br/>£</i>   | <i>Expenditure<br/>£</i>  | <i>Gains/<br/>(Losses)<br/>£</i> | <i>Balance at<br/>31<br/>December<br/>2023<br/>£</i> |
|---------------------------------|------------------------------------------------|-----------------------|---------------------------|----------------------------------|------------------------------------------------------|
| <b>Unrestricted funds</b>       |                                                |                       |                           |                                  |                                                      |
| <b>Designated funds</b>         |                                                |                       |                           |                                  |                                                      |
| Designated Funds - all funds    | <u>13,879,211</u>                              | <u>-</u>              | <u>-</u>                  | <u>323,744</u>                   | <u>14,202,955</u>                                    |
| <b>General funds</b>            |                                                |                       |                           |                                  |                                                      |
| General Funds - all funds       | <u>8,179,564</u>                               | <u>867,741</u>        | <u>(1,070,947)</u>        | <u>-</u>                         | <u>7,976,358</u>                                     |
| <b>Total Unrestricted funds</b> | <u>22,058,775</u>                              | <u>867,741</u>        | <u>(1,070,947)</u>        | <u>323,744</u>                   | <u>22,179,313</u>                                    |
| <b>Endowment funds</b>          |                                                |                       |                           |                                  |                                                      |
| Endowment Funds - all funds     | <u>1,672,692</u>                               | <u>-</u>              | <u>-</u>                  | <u>-</u>                         | <u>1,672,692</u>                                     |
| <b>Restricted funds</b>         |                                                |                       |                           |                                  |                                                      |
| Restricted Funds - all funds    | <u>188,463</u>                                 | <u>-</u>              | <u>(37,325)</u>           | <u>(4,428)</u>                   | <u>146,710</u>                                       |
| <b>Total of funds</b>           | <u><u>23,919,930</u></u>                       | <u><u>867,741</u></u> | <u><u>(1,108,272)</u></u> | <u><u>319,316</u></u>            | <u><u>23,998,715</u></u>                             |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

19. Summary of funds

Summary of funds - current year

|                  | Balance at 1<br>January<br>2024<br>£ | Income<br>£    | Expenditure<br>£   | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2024<br>£ |
|------------------|--------------------------------------|----------------|--------------------|-------------------------|-------------------------------------------|
| Designated funds | 14,202,955                           | -              | -                  | 2,609,682               | 16,812,637                                |
| General funds    | 7,976,358                            | 757,007        | (1,126,279)        | -                       | 7,607,086                                 |
| Endowment funds  | 1,672,692                            | -              | -                  | -                       | 1,672,692                                 |
| Restricted funds | 146,710                              | 54,040         | -                  | 369                     | 201,119                                   |
|                  | <u>23,998,715</u>                    | <u>811,047</u> | <u>(1,126,279)</u> | <u>2,610,051</u>        | <u>26,293,534</u>                         |

## THE NATIONAL BENEVOLENT CHARITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 19. Summary of funds (continued)

##### Summary of funds - prior year

|                  | <i>Balance at<br/>1 January<br/>2023<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Gains/<br/>(Losses)<br/>£</i> | <i>Balance at<br/>31<br/>December<br/>2023<br/>£</i> |
|------------------|------------------------------------------------|---------------------|--------------------------|----------------------------------|------------------------------------------------------|
| Designated funds | 13,879,211                                     | -                   | -                        | 323,744                          | 14,202,955                                           |
| General funds    | 8,179,564                                      | 867,741             | (1,070,947)              | -                                | 7,976,358                                            |
| Endowment funds  | 1,672,692                                      | -                   | -                        | -                                | 1,672,692                                            |
| Restricted funds | 188,463                                        | -                   | (37,325)                 | (4,428)                          | 146,710                                              |
|                  | <u>23,919,930</u>                              | <u>867,741</u>      | <u>(1,108,272)</u>       | <u>319,316</u>                   | <u>23,998,715</u>                                    |

##### Description of funds

###### *Endowed legacies fund*

Bye-Law 31, which was abolished in 2005, required legacy income over and above the amount allowed to be expended as income to be invested in the name of the Charity. This fund represents the total amount of these endowed legacies. The fund balance is represented by costs associated with the land and the buildings at the Charity's headquarters in Tetbury. The land and buildings were disposed of in 2024, and the funds received re-invested in the Charity's investment portfolio. Accordingly, the Endowed legacy fund is now represented as part of the wider investment.

###### *Restricted funds*

The Henderson fund arose as result of the sale of Margaret Cottages and is a bequest made with specific objects regarding the provision of accomodation, grants or other financial assistance for the relief of members, or former members of the nursing profession who are in need, hardship or distress.

###### *RISE (Restricted fund)*

National Benevolent was awarded a £50,000 grant from the Albert Hunt Trust to support individuals participating in the RISE programme over the next three years.

The RISE programme, delivered by FearFree (<https://www.fearfree.org.uk/rise/>), is a three-year initiative designed to support both victims and perpetrators of domestic abuse in rebuilding their lives. It offers tailored assistance to help individuals access education, training, and employment opportunities.

As part of the programme, participants can apply for individual grants to fund specific needs such as training courses, laptops, driving lessons, and other essential resources that aid their journey toward independence and stability.

###### *Designated funds*

Designated funds are earmarked formally by the Trustees for a particular purpose and are primarily invested or expended on the charitable objects of The National Benevolent Charity. The fund balance is largely represented by the Charity's investment balance.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

|                               | Endowment<br>funds<br>2024<br>£ | Restricted<br>funds<br>2024<br>£ | Restricted<br>funds -<br>class ii<br>2024<br>£ | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ |
|-------------------------------|---------------------------------|----------------------------------|------------------------------------------------|------------------------------------|-----------------------------|
| Fixed asset investments       | 1,672,692                       | 151,119                          | -                                              | 24,237,937                         | 26,061,748                  |
| Current assets                | -                               | 50,000                           | -                                              | 204,306                            | 254,306                     |
| Creditors due within one year | -                               | -                                | -                                              | (22,520)                           | (22,520)                    |
| <b>Total</b>                  | <u>1,672,692</u>                | <u>201,119</u>                   | <u>-</u>                                       | <u>24,419,724</u>                  | <u>26,293,535</u>           |

Analysis of net assets between funds - prior period

|                               | Endowment<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|-------------------------------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets         | 732,692                         | -                                | 444,039                            | 1,176,731                   |
| Fixed asset investments       | 940,000                         | 184,033                          | 21,372,373                         | 22,496,406                  |
| Current assets                | -                               | (37,323)                         | 385,296                            | 347,973                     |
| Creditors due within one year | -                               | -                                | (22,395)                           | (22,395)                    |
| <b>Total</b>                  | <u>1,672,692</u>                | <u>146,710</u>                   | <u>22,179,313</u>                  | <u>23,998,715</u>           |

## THE NATIONAL BENEVOLENT CHARITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 21. Reconciliation of net movement in funds to net cash flow from operating activities

|                                                                      | 2024<br>£        | 2023<br>£          |
|----------------------------------------------------------------------|------------------|--------------------|
| Net income for the period (as per Statement of Financial Activities) | 2,294,820        | 78,786             |
| <b>Adjustments for:</b>                                              |                  |                    |
| Revaluation on investments                                           | (2,540,549)      | (382,398)          |
| Dividends, interests and rents from investments                      | (301,140)        | (768,049)          |
| Net gain on the sale of fixed assets                                 | 341,911          | -                  |
| Decrease/(increase) in debtors                                       | 1,862            | (8,932)            |
| Increase/(decrease) in creditors                                     | (125)            | 8,646              |
| <b>Net cash used in operating activities</b>                         | <b>(203,221)</b> | <b>(1,071,947)</b> |

#### 22. Analysis of cash and cash equivalents

|                                        | 2024<br>£        | 2023<br>£        |
|----------------------------------------|------------------|------------------|
| Cash at bank and held in investments   | 1,172,906        | 1,080,587        |
| <b>Total cash and cash equivalents</b> | <b>1,172,906</b> | <b>1,080,587</b> |

#### 23. Analysis of changes in net debt

|              | At 1<br>January<br>2024<br>£ | Cash flows<br>£ | At 31<br>December<br>2024<br>£ |
|--------------|------------------------------|-----------------|--------------------------------|
| Cash at bank | 344,279                      | (91,804)        | 252,475                        |
|              | <b>344,279</b>               | <b>(91,804)</b> | <b>252,475</b>                 |

#### 24. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 December 2024.



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# Accounts

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**THE NATIONAL BENEVOLENT CHARITY**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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## THE NATIONAL BENEVOLENT CHARITY

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### CONTENTS

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|                                                                                       | Page    |
|---------------------------------------------------------------------------------------|---------|
| <b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b> | 1       |
| <b>Trustees' Report</b>                                                               | 2 - 10  |
| <b>Independent Auditors' Report on the Financial Statements</b>                       | 11 - 14 |
| <b>Statement of Financial Activities</b>                                              | 15 - 16 |
| <b>Balance Sheet</b>                                                                  | 17      |
| <b>Statement of Cash Flows</b>                                                        | 18      |
| <b>Notes to the Financial Statements</b>                                              | 19 - 38 |

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## THE NATIONAL BENEVOLENT CHARITY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

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|                                                      |                                                                                                                                                                                                                                                                        |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                                      | Richard Bromilow<br>John Churchill (co-opted 12 December 2023)<br>Geoffrey Clements<br>Victoria Daniell<br>Revd John Hunnisett<br>James Golob, Chairman<br>Claire Maxwell (co-opted 12 December 2023)<br>Grahame Nicholson<br>Hazel Sewell (co-opted 12 December 2023) |
| <b>Charity registered number</b>                     | 212450                                                                                                                                                                                                                                                                 |
| <b>Registered Office</b>                             | Chargrove House<br>Shurdington Road<br>Cheltenham<br>Gloucestershire<br>GL51 4GA                                                                                                                                                                                       |
| <b>Correspondence Address</b>                        | TNBC<br>PO Box 108<br>Tetbury<br>GL8 0BC                                                                                                                                                                                                                               |
| <b>Patron</b>                                        | HM King Charles III                                                                                                                                                                                                                                                    |
| <b>Chief executive officer</b>                       | Ali Russell                                                                                                                                                                                                                                                            |
| <b>Independent auditors</b>                          | Randall & Payne LLP<br>Statutory Auditors<br>Shurdington Road<br>Cheltenham<br>Gloucestershire<br>GL51 4GA                                                                                                                                                             |
| <b>Bankers</b>                                       | HSBC Bank plc<br>The Cross<br>Gloucester<br>Gloucestershire<br>GL1 2AP                                                                                                                                                                                                 |
| <b>Solicitors</b>                                    | Stone King LLP<br>13 Queen Square<br>13 Queen Square<br>BA1 2HJ                                                                                                                                                                                                        |
| <b>Investment Managers<br/>(to 31 December 2023)</b> | Rathbones<br>8 Finsbury Circus<br>London<br>EC2M 7AZ                                                                                                                                                                                                                   |
| <b>Investment Managers</b>                           | M&G Investments<br>10 Fenchurch Avenue<br>EC3M 5AG                                                                                                                                                                                                                     |

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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The Trustees present their annual report together with the audited financial statements of the Charity for the 1 January 2023 to 31 December 2023.

2023 was the year when inflation really took hold and the cost-of-living crisis, precipitated by the Ukraine War and the budget of Autumn 2022 started to make a significant impact on the charity and its beneficiaries. The steep rise in the cost of food and energy and other essentials meant that organisations such as the CAB were reporting an unprecedented rise in requests for help and the Joseph Rowntree Foundation documented an unprecedented rise in number of people sinking into destitution (3.8 million in 2022-23).

These impacts were apparent to the charity in the delivery of programmes for both individual and organisational grants. The number of applications to the individual grants programme steadily increased throughout the year and for the first time the charity had to close to new applications for individuals regularly to ensure that there were enough funds to support applicants. And, in the early part of the year, as it became clear that demand was high, the trustees agreed to commit an additional £40,000 to the individual grants programme. This increased the available budget for individual grants to £260,000 and ultimately this enabled the charity to award 729 individual grants which was an increase of 115 on the previous year.

The cost-of-living crisis also affected the organisations applying for funds through the Improving Lives Fund. Although the number of grant applications received from organisations increased only slightly as compared to the previous year, almost all applications were for core costs, such as salaries and running costs, as charities grappled with a perfect storm of increased demand for their services, dwindling funding and rising costs.

In recognition of these challenges, trustees increased the average grant award in Gloucestershire, Wiltshire, and Swindon from £7,679 to £8,779.86, and although this meant that slightly fewer organisations were supported (42 as compared with 45 in 2022) the overall spend was slightly up on the previous year.

The trustees were also keen to hear from organisations about some of their challenges and in May they met with grantee partners Alabaré at their headquarters in Salisbury who gave an insight into their provision of accommodation and support for the homeless. Salisbury Women's Refuge also gave a talk about the challenges faced by women leaving abusive relationships and in particular the housing difficulties many face. And, in September Trustees visited One 25, a Bristol women's charity that reaches out to some of the city's most marginalised women to hear first-hand of the complexities of supporting traumatised women. Staff at Babbasa Youth Empowerment Project also talked about how they inspire and support under-represented young people in Bristol.

Both board visits were successful in providing trustees and staff with a more in-depth understanding of the organisations work and their beneficiaries.

The trustees also continued with the strategic changes started in 2020 to streamline the charities activities to focus on grant making. After discussion, and in recognition of the change in working practices, with staff working from home, trustees agreed to dispose of the charity offices and associated flats. The property was advertised with local estate agents in September 2023 and successfully completed in March 2024 achieving more than the asking price of £1.5 million. A proportion of the funds from the sale were reinvested and the remainder retained for use by the charity during 2024.

The Trustees also ran a successful campaign to recruit new Trustees to the board. The campaign began in summer 2023 with consultants Peridot and Partners carrying out the search and helping with shortlisting, support, and advice. The trustees were delighted with the quality of candidates which applied and were very pleased when three new Trustees were co-opted onto the board in December 2023.

In terms of finance, the charity's investments had been badly impacted by the events of 2022 which had seen the value of the investments reduce from £26,266,626 the end of 2021 to £23,919,930 at the end of 2022. In 2023 the recovery was maintained with a slight increase to £23,998,717. The Trustees therefore considered it prudent to maintain the charity's grant giving at the same level in 2024 but resolved to review the performance of the fund managers. They also committed to put aside some of the receipt from the sale towards the development of a project-focused grant for survivors of domestic violence.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Objectives and activities

##### a. Policies and objectives

The objects of the Charity are for the relief of qualifying persons who need assistance by reason of old age, infirmity, sickness, or economic circumstances.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### Strategies for achieving objectives and performance

In 2023 the Charity gave financial help in the form of individual grants, grants to organisations and the provision of subsidised housing. All grants are made following the policy and guidelines approved by the board of Trustees and the Charity's governing documents.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Objectives and activities (continued)

##### b. Individual Grants

###### Types of Grants

The Charity awarded individual welfare grants to meet essential costs, including food and clothing, furniture, white goods, minor repairs, utility bills and training or work tools. In exceptional circumstances grants were also awarded for bankruptcy and debt relief orders, flooring, disability aids, minor home or garden improvements, rent arrears or debts. Successful applicants may receive a grant worth up to £1,000.00.

###### Minimum Applicant Criteria

Applicants needed to be over 18 years old, have UK citizenship or have been granted leave to remain and have lived in the UK for twelve months.

###### Application Process

Applicants complete an application form online explaining what the grant will be used for and why it is needed. They are also asked to provide details of their financial situation, disabilities or health issues or other exceptional circumstances and are requested to provide bank statements, medical reports, and details of a professional referrer. Most applications are assessed by the Grant Manager, applications for exceptional items are assessed by the Welfare Committee.

###### Grants Made

In 2023 the Charity received 1132 applications for individual grants and made 729 awards (2022: 614 awards). The average value of the award was £337 (2022 £362.00). This included 145 grants for appliances such as a fridge, freezer, washing machine or cooker, 194 grants for household goods including beds and bedding, 140 vouchers for food and clothing and the remainder for "other items" such as bankruptcy orders, flooring, and baby equipment. Despite the increase in funds available for Individual Grants the average grant was slightly lower as applicants were asking for essentials such as food and clothing rather than white goods, which are more expensive to purchase.

###### Applicant Profile

68% percent of applicants identified as female, and 51% percent were under 40 years old. Over 25% of applicants had experienced domestic violence prior to applying and 25% had been refused credit. Applicants are invited to complete an ethnicity monitoring form, but it is not compulsory. Of the 1132 applicants 875 completed the monitoring form and of these 425 identified as British or English and a further 164 preferred not to say. Other responses included African, Indian, and Pakistani.

###### Expenditure

The charity spent £246,000 on individual grants during the year an increase of £23,593 on the previous year.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

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**Objectives and activities (continued)**

**c. Grants to Organisations**

**Types of Grants**

Grants are made to organisations which support beneficiaries experiencing poverty or hardship. The grants are aimed at organisations operating in Bristol, Gloucestershire, or Wiltshire & Swindon. The charity is mindful in its grant making of good practice and has signed up to the IVAR principles of Open and Trusted Grant Making.

**Application Process**

Applicants to the Gloucestershire Improving Lives fund can apply through the website or through Gloucestershire Funders. Applicants to Wiltshire and Swindon can only apply through the website. Grants are for a maximum of £10,000 per year and multiyear grants for two years and unrestricted grants will also be considered. In Bristol the application process is closed to unsolicited applications, but the charity continued to support selected applicants. Grant awards did not exceed £30,000 during the year. Guidance is clearly laid out on the website for all three geographical areas and a funding policy for the Improving Lives Fund is in place.

**Grants Made**

In 2023 we supported 42 organisations with grants (2022:45). Of these 33 were new grant awards, these were seven new one-year grants in Bristol, thirteen new one-year grants in Gloucestershire and 13 new one-year grants in Wiltshire & Swindon. The value of grants ranged from £1,000 to £30,000 per annum. Gloucestershire based organisations received £139,983, Bristol based organisations £81,000 and Wiltshire & Swindon based organisations £167,312. A total of £388,295 was spent on grants to organisations, this was a small increase of £13,295 on the previous year. £207,982 was awarded to organisations working with the destitute, £104,660 went to organisations working to strengthening families and £74,653 went to organisations working in education, training, employment, and financial resilience.

Beneficiaries supported by the organisations were those on low incomes, carers, people with mental or physical health issues, people with addictions, those experiencing domestic violence, women, children, and young people, those from the black and ethnic minority communities and older people.

**d. Regular payments**

The Charity phased out Regular Payments at the end of 2021. The charity now has only one regular beneficiary. All former regular beneficiaries are encouraged to apply to the Charity through the individual grants programme should they find themselves in financial difficulty.

**e. Housing**

**Peter Hervé House & Lenox House**

The Charity has two accommodation blocks in Tetbury which also house the charity office. Peter Hervé House, a purpose-built block designed for independent living, is occupied by single people, in one bedroom apartments and one two-bed apartment. Lenox House is a refurbished 16th century coach house and grade II listed building which comprises two one-bed flats. The accommodation blocks are occupied by charity and commercial tenants. There is a communal garden for the use of all tenants. Throughout the year the properties were managed by Cirencester Sales and Lettings and were approximately 80% occupied. In early 2023 Trustees agree to sell both properties to release capital and focus on grant making activities. In September the blocks were marketed and were sold in March 2024. Charity residents have been given a reassurance that should they want to look for new accommodation within a year of the sale they will be offered financial help by the charity.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Objectives and activities (continued)

##### f. Partnerships

Charity staff are active members of the Association of Charitable Organisations and regularly attend training sessions and the CEO is a member of the CEO network. The Charity is also a member of the Association of Charitable Foundations, and staff regularly attended their specialist networks and training, and used their resources to inform good practice.

The CEO took up the Chair of the Bristol Funders Network in January 2023 spearheading a new strategy for the group in late 2023 and the Organisation Grants Manager remains active in Gloucestershire Funders Group and Swindon & Wiltshire Funders Network.

The Individual Grants Manager has also strengthened relationships with referral agencies such as Citizens Advice, Step Change, Money Advice and Refugee Council.

The charity was one of several partners who developed research into the financial impact of Appliance Poverty and a report was published in June 2023.

A collaboration was explored with Fair 4 You to look at the possibility of supporting appropriate applicants with credit to purchase goods however the project faltered due to the brokering rules applied to credit providers.

##### g. Public Benefit

The Trustees are aware of Public Benefit provisions of the Charities Act 2011 and of the guidance on them published by the Charity Commission. They are satisfied that the Objects of the Charity and the activities of the Charity are within the definitions of Charitable Purposes as set down in the Act in that they are for the relief of poverty, and for the relief of those in need because of old age, infirmity sickness or economic circumstances.

The Trustees are not aware of any public detriment caused by the Charity's Objects or activities, and nor are they aware of anyone receiving any private benefit from the Charity's activities.

##### h. Policies

During the year, the Charity reviewed and approved its policies on Individual Grants, Improving Lives (Organisation Grants) Complaints Health, and Safety including Fire and Hybrid Working ensure that they comply with current legislation and good practice.

#### Financial review

##### a. Going concern

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

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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#### **b. Reserves policy**

The Charity's reserves policy is based on an assessment of the volatility and certainty of each of the organisation's main income streams; a potential need for unplanned or unexpected expenditure and the requirement to maintain sufficient working capital to ensure the continuing smooth running of the Charity. The Trustees decided that it would be appropriate at normal times to maintain a free reserves of three months' expenditure. This provides enough funds to cover management, administration, and payments to beneficiaries. Some of this may be held by the Investment Managers, outside the managed portfolio.

Currently, it aims to hold £85,000 in reserve in the current account and £215,000 in the Rathbones Reserve Account giving a total general reserve of £300,000. Monies greater than these amounts held in either account at the end of the year will be either invested or used for charitable giving depending on the circumstances at the time. The Charity has unrestricted funds invested of £22,179,315 compared to £22,058,775 the previous year.

#### **c. Material investments policy**

The Charity seeks to produce the best possible financial return within an acceptable level of risk, which is classified as a level 5 by their professional investment managers (with level 1 being the lowest risk level and level 6 being the highest).

The investment objective is to generate a total return of CPI plus 4% per annum over the long- term, net of all fees. Returns from these funds are required to provide for the Charity's grant making for the near future and it is therefore essential to invest with a longer-term perspective.

The Charity adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that, in the long term, the real value of the portfolio will be maintained in accordance with the investment objective above.

During the year the value of the portfolio increased by £78,785 to £23,998,715 but did not return to the 2021 yearend figure of £26,266,626, prior to the Autumn 2022 budget.

#### **d. Financial risk management objectives and policies**

The charities' total funds at the end of 2023 were £ 23,998,717 compared with £23,919,930 at the end of 2022. Total income, however, was £867,742, down from £1,428,5968 the previous year. This was due mainly to a reduction in legacy and dividend income . Rental income was £76,472, a slight increase from the previous year (2022:£72,051).

Total expenditure on charitable activities was £999,050 up from £875,684 in 2022 due to the increase spend on all grants. Expenditure on governance was down to £6,170 from £60,255 the previous year.

#### **e. Future Developments**

The Trustees continually review the financial, economic, and social environments in which the Charity operates to adapt or change policy and practice. Specific plans include the development of legacy fundraising, in addition to continuing to build partnerships with other trusts, foundations and charities, strengthening the governance and board and improving public awareness of our grant making programmes.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Structure, governance and management

##### a. Constitution

The National Benevolent Charity is a registered charity, number 212450, and is constituted under a Royal Charter.

The National Benevolent Charity was founded as the National Benevolent Institution by Peter Hervé in 1812 and is a Registered Charity constituted under a Royal Charter of 5th November 1859 (Number RC000364), and supplemental Royal Charters of 17th March 1948, 12th February 1997, and an Order in Council of 19th July 2005.

The change of the Charity's name to The National Benevolent Charity was approved by HM The Queen meeting in Privy Council on 14th December 2011.

Amendments to modernise the Royal Charter and remove the upper age qualification were approved on 16th February 2022.

The Charity is also governed by its Bye Laws, first adopted by the Charity 10th September 2009 and modernised and amended to remove the upper age qualification and to allow for general meetings via electronic means on 16th Feb 2022.

##### b. Methods of appointment or election of Trustees

The Trustees of the Charity are the Board of Trustees.

The General Meeting may make appointments to the Board as detailed in Byelaws 12 and 13. Each Trustee shall be elected for a three-year term, and such a term will expire at the end of the third Annual General Meeting following the Annual General Meeting at which they are elected. At the end of each term, a Trustee may be re-elected for up to two further terms of office of three years.

There shall be a Board of Trustees, consisting of not more than twelve and not less than four Members qualified in law to act as Trustees to direct and manage the affairs and concerns of the Charity.

##### c. Trustees

The Board of Trustees is responsible for the strategic direction and policy of the Charity. They met four times during 2023.

The work of the Board of Trustees is supported by the Finance and Investment Committee and the Welfare Committee. Both Committees are governed by Terms of Reference.

The Welfare Committee met four times in the year. They are responsible for welfare strategy and individual and organisation grant making. They receive a monthly report on the individual grants programme and make collective decisions on exceptional applications. Decisions regarding grants to organisations are made by the Welfare Committee during the Grants Panel meeting, held seven times during the year.

The Finance and Investment Committee is responsible for financial reporting and oversight of the Charity investments. They met four times in the year including one meeting with Rathbones, the Charity Investment Managers.

The Charity employs four staff. Ali Russell, Chief Executive, Dawn Swirczek, Office Manager, Jane Weaver Individual Grants and Property Manager and Vicky Oram-Ohern, Organisation Grants Manager.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Structure, governance and management (continued)

##### **d. Related party relationships**

Related parties include all the members of the Board of Trustees. There have been no transactions with related parties during the year.

##### **e. Financial risk management**

Risks are kept under review. The Trustees believe that the greatest risk to the Charity is that there is a significant fall in investment income which will affect the funds that can be distributed to beneficiaries. The Trustees are satisfied that systems are in place to mitigate this risk and its effects.

##### **f. Subsidiary Charities**

There are no subsidiary charities remaining.

##### **g. Restricted funds**

The Henderson request is a restricted fund providing accommodation or assistance to former members of the nursing or care professions. The fund is invested in a Charifund account managed by M&G Investments.

##### **h. Land and Property**

Land registrations have been completed for the Charity's property.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

#### Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### Auditors

The auditors, Randall & Payne LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
.....  
Mr James Golob

Chairman of the Board  
Date: 4 June 2024

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY**

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**Opinion**

We have audited the financial statements of The National Benevolent Charity (the 'Charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

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## THE NATIONAL BENEVOLENT CHARITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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.

#### Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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, the Trustees are responsible for the preparation of the financial statements which 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.

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## THE NATIONAL BENEVOLENT CHARITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY (CONTINUED)

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#### **Auditors' responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit planning process gave consideration to the risk of material misstatement in the financial statements, using the calculated materiality level which itself factored in the nature of the Charity's operations and the interpreted levels of inherent and control risk.

In assessing the risk of fraud we reviewed management's own assessment of potential for fraud within the entity

and reviewed judgements made by management to identify possible bias, in addition to any opportunity and incentive for fraud that are inherent in the nature of the Charity's operations. Our detailed testing included review of accounting estimates and judgements and validation of prime ledger entries.

We confirmed our knowledge of the legal and regulatory environment of the entity through discussions with management. We analysed all information available to us in respect of relevant laws and regulations, including the Companies Act 2006, the Charities SORP and relevant UK tax legislation and enquired with management as to any possible breaches in the aforementioned.

We agreed the accuracy of the financial statements to the supporting management information provided by the client and tested individually on a sample basis the income and expenditure in the financial statements to consider the business rationale behind the transactions and the accuracy of the financial records.

Our audit testing did not identify any issues in respect of the matters listed above, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

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THE NATIONAL BENEVOLENT CHARITY

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY  
(CONTINUED)

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**Ryan Moore CA (Senior Statutory Auditor)**

**Randall & Payne LLP**

Chartered Accountants & Statutory Auditors

Chargrove House

Shurdington Road

Cheltenham

Gloucestershire

GL51 4GA

Date: 12 August 2024

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE NATIONAL BENEVOLENT CHARITY

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023

|                                                                          | Note | Endowment<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|--------------------------------------------------------------------------|------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income and endowments from:</b>                                       |      |                                 |                                  |                                    |                             |                             |
| Donations and legacies                                                   | 3    | -                               | -                                | 18,221                             | 18,221                      | 255,516                     |
| Charitable activities                                                    | 4    | -                               | -                                | 76,472                             | 76,472                      | 72,051                      |
| Investments                                                              | 5    | -                               | -                                | 768,049                            | 768,049                     | 1,095,221                   |
| Other income                                                             | 6    | -                               | -                                | 5,000                              | 5,000                       | 5,808                       |
| <b>Total income and endowments</b>                                       |      | -                               | -                                | 867,742                            | 867,742                     | 1,428,596                   |
| <b>Expenditure on:</b>                                                   |      |                                 |                                  |                                    |                             |                             |
| Raising funds:                                                           | 7    |                                 |                                  |                                    |                             |                             |
| Movement in provision for regular payments                               |      | -                               | -                                | -                                  | -                           | (988)                       |
| Other raising funds                                                      |      | -                               | -                                | 109,221                            | 109,221                     | 113,227                     |
| Charitable activities                                                    | 8    | -                               | 37,325                           | 961,725                            | 999,050                     | 875,684                     |
| <b>Total expenditure</b>                                                 |      | -                               | 37,325                           | 1,070,946                          | 1,108,271                   | 987,923                     |
| <b>Net (expenditure)/income before net (losses)/gains on investments</b> |      | -                               | (37,325)                         | (203,204)                          | (240,529)                   | 440,673                     |
| Net (losses)/gains on investments                                        |      | -                               | (4,428)                          | 323,744                            | 319,315                     | (2,787,368)                 |
| <b>Net movement in funds</b>                                             |      | -                               | (41,753)                         | 120,540                            | 78,787                      | (2,346,695)                 |

THE NATIONAL BENEVOLENT CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

| Note                               | Endowment<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|------------------------------------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Reconciliation of funds:</b>    |                                 |                                  |                                    |                             |                             |
| Total funds brought forward        | 1,672,692                       | 188,463                          | 22,058,775                         | 23,919,930                  | 26,266,626                  |
| Net movement in funds              | -                               | (41,753)                         | 120,540                            | 78,787                      | (2,346,695)                 |
| <b>Total funds carried forward</b> | <b>1,672,692</b>                | <b>146,710</b>                   | <b>22,179,315</b>                  | <b>23,998,717</b>           | <b>23,919,931</b>           |

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

The notes on pages 20 to 39 form part of these financial statements.

# THE NATIONAL BENEVOLENT CHARITY

## BALANCE SHEET AS AT 31 DECEMBER 2023

|                                                | Note | 2023<br>£         | 2022<br>£         |
|------------------------------------------------|------|-------------------|-------------------|
| <b>Fixed assets</b>                            |      |                   |                   |
| Tangible assets                                | 13   | 1,176,731         | 1,176,731         |
| Investments                                    | 14   | 22,496,406        | 22,294,918        |
|                                                |      | <u>23,673,137</u> | <u>23,471,649</u> |
| <b>Current assets</b>                          |      |                   |                   |
| Debtors                                        | 16   | 3,694             | 12,626            |
| Cash at bank and in hand                       |      | 344,279           | 449,402           |
|                                                |      | <u>347,973</u>    | <u>462,028</u>    |
| Creditors: amounts falling due within one year | 17   | (22,395)          | (13,747)          |
| <b>Net current assets</b>                      |      | <u>325,578</u>    | <u>448,281</u>    |
| <b>Total assets less current liabilities</b>   |      | <u>23,998,715</u> | <u>23,919,930</u> |
| <b>Total net assets</b>                        |      | <u>23,998,715</u> | <u>23,919,930</u> |
| <b>Charity funds</b>                           |      |                   |                   |
| Endowment funds                                | 19   | 1,672,692         | 1,672,692         |
| Restricted funds                               | 19   | 146,710           | 188,463           |
| Unrestricted funds                             | 19   | 22,179,313        | 22,058,775        |
| <b>Total funds</b>                             |      | <u>23,998,715</u> | <u>23,919,930</u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
 .....  
 Mr James Golon  
 Chairman of the Board  
 Date: 4 June 2024

The notes on pages 20 to 39 form part of these financial statements.

**THE NATIONAL BENEVOLENT CHARITY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

|                                                                                              | 2023<br>£        | 2022<br>£        |
|----------------------------------------------------------------------------------------------|------------------|------------------|
| <b>Cash flows from operating activities</b>                                                  |                  |                  |
| Net cash used in operating activities                                                        | (1,071,946)      | (734,135)        |
| <b>Cash flows from investing activities</b>                                                  |                  |                  |
| Dividends, interests and rents from investments                                              | 768,049          | 1,095,221        |
| Purchase of tangible fixed assets                                                            | -                | (6,731)          |
| Proceeds from sale of investments                                                            | 3,551,145        | 3,241,479        |
| Purchase of investments                                                                      | (3,033,383)      | (3,742,962)      |
| <b>Net cash provided by investing activities</b>                                             | <b>1,285,811</b> | <b>587,007</b>   |
| <b>Cash flows from financing activities</b>                                                  |                  |                  |
| <b>Net cash provided by financing activities</b>                                             | -                | -                |
| <b>Change in cash and cash equivalents in the year</b>                                       | <b>213,865</b>   | <b>(147,128)</b> |
| Cash and cash equivalents at the beginning of the year                                       | 866,722          | 1,013,850        |
| <b>Cash and cash equivalents at the end of the year (including cash held in investments)</b> | <b>1,080,587</b> | <b>866,722</b>   |

The notes on pages 20 to 39 form part of these financial statements

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## THE NATIONAL BENEVOLENT CHARITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1. General information

The National Benevolent Charity was founded as the National Benevolent Institution by Peter Herve in 1812 and is a Registered Charity constituted under a Royal Charter of 5th November 1859 and supplemental Royal Charters of 17th May 1948, 12th February 1997, an Order in Council of 19th July 2005 and 14th December 2011.

The change of the Charity's name to The National Benevolent Charity was approved by HM The Queen meeting in Privy Council on 14th December 2011.

The Registered Charity number is 212450. The Royal Charter number is RC000364.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The National Benevolent CharityThe National Benevolent Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Going concern

The National Benevolent Charity has net current assets of £325,578 (2022: £448,282) and total net assets (which includes the Charity's investment portfolio) of £23,814,682 (2022: £23,919,930). The Charity manages its working capital requirements carefully through bank balances and income generated from its investments. The Charity ensures that robust budgets are set and that actual spend against these budgets is analysed on a monthly basis by the Chief Executive and subsequently by the Board of Trustees' Finance Sub-Committee. The forecast figures for 2023/24 continue to show positive cash flow and maintenance of a strong balance sheet position. Having regard to these matters, the Trustees consider it appropriate to prepare the financial statements using a going concern basis. The Trustees do not consider that there are any material uncertainties that may cast significant doubt about the Charity's ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time, space occupied, or estimated usage, as appropriate.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

No depreciation is provided on freehold buildings. It is the Charity's practice to maintain these assets

in continual state of sound repair and to extend and make improvements thereto from time to time. Accordingly the Trustees consider that the lives of these assets are so long, and residual values so high, that the depreciation is insignificant. Any permanent diminution in the value of such buildings will be charged to the Statement of Financial Activities as appropriate.

Scheduled maintenance and repair work is recognised in the Statement of Financial Activities as the commitment arises.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate

that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at costs, net of depreciation and any provision for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

|                   |                                  |
|-------------------|----------------------------------|
| Freehold property | - not provided for (see note 13) |
|-------------------|----------------------------------|

**2.7 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Fair value measure is determined with reference to observable market share/ instrument prices.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

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**2. Accounting policies (continued)**

**2.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.11 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.12 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

# THE NATIONAL BENEVOLENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### 3. Income from donations and legacies

|                   | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations         | 5,493                              | <b>5,493</b>                | 30,740                      |
| Legacies          | 12,728                             | <b>12,728</b>               | 224,776                     |
|                   | <u>18,221</u>                      | <u><b>18,221</b></u>        | <u>255,516</u>              |
| <i>Total 2022</i> | <u>255,516</u>                     | <u>255,516</u>              |                             |

### 4. Income from charitable activities

|                   | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Rental Income     | 76,472                             | <b>76,472</b>               | 72,051                      |
|                   | <u>72,051</u>                      | <u><b>72,051</b></u>        |                             |
| <i>Total 2022</i> | <u>72,051</u>                      | <u>72,051</u>               |                             |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

5. Investment income

|                   | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Dividends         | 768,049                            | <b>768,049</b>              | 1,095,221                   |
| <i>Total 2022</i> | <u>1,095,221</u>                   | <u>1,095,221</u>            |                             |

6. Other incoming resources

|                      | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|----------------------|------------------------------------|-----------------------------|-----------------------------|
| Employment allowance | 5,000                              | <b>5,000</b>                | 5,000                       |
| Other income         | -                                  | -                           | 808                         |
|                      | <u>5,000</u>                       | <u>5,000</u>                | <u>5,808</u>                |
| <i>Total 2022</i>    | <u>5,808</u>                       | <u>5,808</u>                |                             |

7. Expenditure on raising funds

Costs of raising voluntary income

|                           | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|---------------------------|------------------------------------|-----------------------------|-----------------------------|
| Publicity                 | 4,270                              | <b>4,270</b>                | 5,199                       |
| Portfolio Management Fees | 104,951                            | <b>104,951</b>              | 108,028                     |
|                           | <u>109,221</u>                     | <u>109,221</u>              | <u>113,227</u>              |
| <i>Total 2022</i>         | <u>113,227</u>                     | <u>113,227</u>              |                             |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Expenditure on raising funds (continued)

Fundraising trading expenses

|                                            | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|--------------------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Movement in provision for regular payments | -                                  | -                           | (988)                       |
| <i>Total 2022</i>                          | (988)                              | (988)                       |                             |

8. Analysis of expenditure on charitable activities

Summary by fund type

|                                    | Restricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|------------------------------------|----------------------------------|------------------------------------|--------------------|--------------------|
| Accommodation                      | 17,030                           | 126,976                            | 144,006            | 110,014            |
| Beneficiaries                      | 14,496                           | 815,871                            | 830,367            | 552,742            |
| Knowles Foster Homes               | -                                | -                                  | -                  | 106,956            |
| Peter Herve Benevolent Institution | 4,349                            | 14,158                             | 18,507             | 45,718             |
| Governance                         | 1,450                            | 4,720                              | 6,170              | 60,255             |
|                                    | 37,325                           | 961,725                            | 999,050            | 875,685            |
| <i>Total 2022</i>                  | -                                | 875,685                            | 875,685            |                    |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Analysis of expenditure by activities

|                                    | Activities<br>undertaken<br>directly<br>2023<br>£ | Support<br>costs<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|------------------------------------|---------------------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Accommodation                      | 106,991                                           | 37,015                        | 144,006                     | 110,014                     |
| Beneficiaries                      | 768,675                                           | 61,692                        | 830,367                     | 552,742                     |
| Knowles Foster Homes               | -                                                 | -                             | -                           | 106,956                     |
| Peter Herve Benevolent Institution | -                                                 | 18,507                        | 18,507                      | 45,717                      |
| Governance                         | -                                                 | 6,170                         | 6,170                       | 60,256                      |
|                                    | 875,666                                           | 123,384                       | 999,050                     | 875,684                     |
| <i>Total 2022</i>                  | <i>829,013</i>                                    | <i>46,672</i>                 | <i>875,685</i>              |                             |

Analysis of direct costs

|                        | Accommodation<br>2023<br>£ | Beneficiaries<br>2023<br>£ | Knowles<br>Foster<br>Homes<br>2023<br>£ | Peter Herve<br>Benevolent<br>Institution<br>2023<br>£ |
|------------------------|----------------------------|----------------------------|-----------------------------------------|-------------------------------------------------------|
| Staff costs            | 26,767                     | 132,133                    | -                                       | -                                                     |
| Grants                 | 268                        | 635,554                    | -                                       | -                                                     |
| Regular payments       | -                          | 988                        | -                                       | -                                                     |
| Property costs         | 66,034                     | -                          | -                                       | -                                                     |
| Legal and professional | 5,589                      | -                          | -                                       | -                                                     |
| General administrative | 8,333                      | -                          | -                                       | -                                                     |
|                        | 106,991                    | 768,675                    | -                                       | -                                                     |
| <i>Total 2022</i>      | <i>96,042</i>              | <i>529,455</i>             | <i>106,956</i>                          | <i>38,732</i>                                         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

|                        | Governance<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|------------------------|-------------------------|-----------------------------|-----------------------------|
| Staff costs            | -                       | 158,900                     | 187,787                     |
| Grants                 | -                       | 635,822                     | 571,198                     |
| Regular payments       | -                       | 988                         | 988                         |
| Property costs         | -                       | 66,034                      | 60,722                      |
| Legal and professional | -                       | 5,589                       | 7,035                       |
| General administrative | -                       | 8,333                       | 1,283                       |
|                        | -                       | 875,666                     | 829,013                     |
| Total 2022             | 57,828                  | 829,013                     |                             |

Analysis of support costs

|                        | Accommodation | Beneficiaries | Peter Herve<br>Benevolent<br>Institution | Governance | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|------------------------|---------------|---------------|------------------------------------------|------------|-----------------------------|-----------------------------|
|                        | 2023<br>£     | 2023<br>£     | 2023<br>£                                | 2023<br>£  |                             |                             |
| Staff costs            | 19,722        | 32,870        | 9,861                                    | 3,287      | 65,740                      | 1,479                       |
| Grants                 | 158           | 263           | 79                                       | 26         | 526                         | -                           |
| Property costs         | 3,405         | 5,675         | 1,703                                    | 568        | 11,351                      | 18,075                      |
| Legal and professional | 5,032         | 8,387         | 2,516                                    | 839        | 16,774                      | 20,548                      |
| General administrative | 8,698         | 14,497        | 4,349                                    | 1,449      | 28,993                      | 6,570                       |
|                        | 37,015        | 61,692        | 18,508                                   | 6,169      | 123,384                     | 46,672                      |
| Total 2022             | 13,972        | 23,287        | 6,986                                    | 2,426      | 46,672                      |                             |

# THE NATIONAL BENEVOLENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### 10. Auditors' remuneration

|                                                                                                   | 2023<br>£ | 2022<br>£ |
|---------------------------------------------------------------------------------------------------|-----------|-----------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts              | 5,050     | 5,037     |
| Fees payable to the Charity's auditor in respect of:<br>All non-audit services not included above | 2,800     | 2,826     |

### 11. Staff costs

|                                                      | 2023<br>£ | 2022<br>£ |
|------------------------------------------------------|-----------|-----------|
| Wages and salaries                                   | 212,816   | 179,146   |
| Contribution to defined contribution pension schemes | 11,824    | 10,120    |
|                                                      | 224,640   | 189,266   |

The average number of persons employed by the Charity during the year was as follows:

|                          | 2023<br>No. | 2022<br>No. |
|--------------------------|-------------|-------------|
| Administration & Support | 4           | 4           |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                               | 2023<br>No. | 2022<br>No. |
|-------------------------------|-------------|-------------|
| In the band £70,001 - £80,000 | -           | 1           |
| In the band £80,001 - £90,000 | 1           | -           |

The above employee has pension contributions of £6,690 (2022: £6,000).

Included within the above staff costs is an amount which relates to the key management personnel. The total amount of employee benefits (including employers pension contributions) received by key management personnel was £179,275 (2022: £149,544).

### 12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

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THE NATIONAL BENEVOLENT CHARITY

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

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**12. Trustees' remuneration and expenses (continued)**

During the year ended 31 December 2023, 1 Trustee had expenses reimbursed totalling £203 (2022: £145 to 1 Trustee).

**13. Tangible fixed assets**

|                          | Freehold<br>property<br>£ |
|--------------------------|---------------------------|
| <b>Cost or valuation</b> |                           |
| At 1 January 2023        | 2,086,106                 |
| At 31 December 2023      | 2,086,106                 |
| <b>Depreciation</b>      |                           |
| At 1 January 2023        | 909,375                   |
| At 31 December 2023      | 909,375                   |
| <b>Net book value</b>    |                           |
| At 31 December 2023      | 1,176,731                 |
| At 31 December 2022      | 1,176,731                 |

In March 2008 the Trustees engaged an independent firm of Chartered Surveyors to carry out an evaluation of freehold land and buildings. This included a valuation of each of the properties. It was found that the carrying value of the land and buildings exceeded its recoverable amount. In line with the accounting policy, a diminution in value of £909,375 was charged directly to the Statement of Financial Activities as an exceptional item in the year ended 31 December 2008.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

14. Fixed asset investments

|                           | Investments<br>£ |
|---------------------------|------------------|
| <b>Cost or valuation</b>  |                  |
| At 1 January 2023         | 22,294,918       |
| Additions                 | 3,033,383        |
| Disposals                 | (3,551,145)      |
| Revaluations              | 390,582          |
| Transfers between classes | 328,668          |
|                           |                  |
| At 31 December 2023       | 22,496,406       |
| <b>Net book value</b>     |                  |
| At 31 December 2023       | 22,496,406       |
| At 31 December 2022       | 22,294,918       |

15. Fixed asset investments (continued)

|                                   | 2023<br>£  | 2022<br>£  |
|-----------------------------------|------------|------------|
| <b>Material investments</b>       |            |            |
| UK Equity                         | 8,248,814  | 9,892,657  |
| UK Fixed Interest                 | 2,559,178  | 2,203,108  |
| Overseas Equities                 | 9,270,628  | 7,339,000  |
| Overseas Fixed Equities           | -          | 234,068    |
| Alternatives                      | 1,487,767  | 2,254,374  |
| Cash held for investment purposes | 745,987    | 417,320    |
| M&G Investment                    | 184,033    | 188,461    |
|                                   |            |            |
|                                   | 22,496,407 | 22,528,988 |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**16. Debtors**

|                                | <b>2023</b><br>£    | <b>2022</b><br>£ |
|--------------------------------|---------------------|------------------|
| <b>Due within one year</b>     |                     |                  |
| Other debtors                  | -                   | 373              |
| Prepayments and accrued income | <b>3,694</b>        | 12,253           |
|                                | <u><b>3,694</b></u> | <u>12,626</u>    |

**17. Creditors: Amounts falling due within one year**

|                                    | <b>2023</b><br>£     | <b>2022</b><br>£ |
|------------------------------------|----------------------|------------------|
| Other taxation and social security | <b>5,654</b>         | 4,475            |
| Other creditors                    | <b>16,741</b>        | 9,272            |
|                                    | <u><b>22,395</b></u> | <u>13,747</u>    |

**18. Financial instruments**

|                                                                        | <b>2023</b><br>£      | <b>2022</b><br>£ |
|------------------------------------------------------------------------|-----------------------|------------------|
| <b>Financial assets</b>                                                |                       |                  |
| Financial assets measured at fair value through income and expenditure | <b>344,279</b>        | 449,402          |
|                                                                        | <u><b>344,279</b></u> | <u>449,402</u>   |

Financial assets (excluding investments) measured at fair value through income and expenditure comprise cash at bank in hand.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Statement of funds

Statement of funds - current year

|                                 | Balance at 1<br>January<br>2023<br>£ | Income<br>£    | Expenditure<br>£   | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2023<br>£ |
|---------------------------------|--------------------------------------|----------------|--------------------|-------------------------|-------------------------------------------|
| <b>Unrestricted funds</b>       |                                      |                |                    |                         |                                           |
| <b>Designated funds</b>         |                                      |                |                    |                         |                                           |
| Designated Funds - all funds    | 13,879,211                           | -              | -                  | 323,744                 | 14,202,955                                |
| <b>General funds</b>            |                                      |                |                    |                         |                                           |
| General Funds - all funds       | 8,179,564                            | 867,741        | (1,070,947)        | -                       | 7,976,358                                 |
| <b>Total Unrestricted funds</b> | <b>22,058,775</b>                    | <b>867,741</b> | <b>(1,070,947)</b> | <b>323,744</b>          | <b>22,179,313</b>                         |
| <b>Endowment funds</b>          |                                      |                |                    |                         |                                           |
| Endowment Funds - all funds     | 1,672,692                            | -              | -                  | -                       | 1,672,692                                 |
| <b>Restricted funds</b>         |                                      |                |                    |                         |                                           |
| Restricted Funds - all funds    | 188,463                              | -              | (37,325)           | (4,428)                 | 146,710                                   |
| <b>Total of funds</b>           | <b>23,919,930</b>                    | <b>867,741</b> | <b>(1,108,272)</b> | <b>319,316</b>          | <b>23,998,715</b>                         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Statement of funds (continued)

Statement of funds - prior year

|                                 | Balance at<br>1 January<br>2022<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2022<br>£ |
|---------------------------------|--------------------------------------|-------------|------------------|--------------------------|-------------------------|-------------------------------------------|
| <b>Unrestricted funds</b>       |                                      |             |                  |                          |                         |                                           |
| <b>Designated funds</b>         |                                      |             |                  |                          |                         |                                           |
| Designated Funds - all funds    | 14,301,073                           | -           | 988              | -                        | (422,850)               | 13,879,211                                |
| <b>General funds</b>            |                                      |             |                  |                          |                         |                                           |
| General Funds - all funds       | 1,799,839                            | 1,428,596   | (988,912)        | 8,293,443                | (2,353,402)             | 8,179,564                                 |
| <b>Total Unrestricted funds</b> | 16,100,912                           | 1,428,596   | (987,924)        | 8,293,443                | (2,776,252)             | 22,058,775                                |
| <b>Endowment funds</b>          |                                      |             |                  |                          |                         |                                           |
| Endowment Funds - all funds     | 1,672,692                            | -           | -                | -                        | -                       | 1,672,692                                 |
| <b>Restricted funds</b>         |                                      |             |                  |                          |                         |                                           |
| Restricted Funds - all funds    | 8,493,022                            | -           | -                | (8,293,443)              | (11,116)                | 188,463                                   |
| <b>Total of funds</b>           | 26,266,626                           | 1,428,596   | (987,924)        | -                        | (2,787,368)             | 23,919,930                                |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

20. Summary of funds

Summary of funds - current year

|                  | Balance at 1<br>January<br>2023<br>£ | Income<br>£    | Expenditure<br>£   | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2023<br>£ |
|------------------|--------------------------------------|----------------|--------------------|-------------------------|-------------------------------------------|
| Designated funds | 13,879,211                           | -              | -                  | 323,744                 | 14,202,955                                |
| General funds    | 8,179,564                            | 867,741        | (1,070,947)        | -                       | 7,976,358                                 |
| Endowment funds  | 1,672,692                            | -              | -                  | -                       | 1,672,692                                 |
| Restricted funds | 188,463                              | -              | (37,325)           | (4,428)                 | 146,710                                   |
|                  | <u>23,919,930</u>                    | <u>867,741</u> | <u>(1,108,272)</u> | <u>319,316</u>          | <u>23,998,715</u>                         |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**20. Summary of funds (continued)**

**Summary of funds - prior year**

|                  | <i>Balance at<br/>1 January<br/>2022<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Transfers<br/>in/out<br/>£</i> | <i>Gains/<br/>(Losses)<br/>£</i> | <i>Balance at<br/>31<br/>December<br/>2022<br/>£</i> |
|------------------|------------------------------------------------|---------------------|--------------------------|-----------------------------------|----------------------------------|------------------------------------------------------|
| Designated funds | 14,301,073                                     | -                   | 988                      | -                                 | (422,850)                        | 13,879,211                                           |
| General funds    | 1,799,839                                      | 1,428,596           | (988,912)                | 8,293,443                         | (2,353,402)                      | 8,179,564                                            |
| Endowment funds  | 1,672,692                                      | -                   | -                        | -                                 | -                                | 1,672,692                                            |
| Restricted funds | 8,493,022                                      | -                   | -                        | (8,293,443)                       | (11,116)                         | 188,463                                              |
|                  | <u>26,266,626</u>                              | <u>1,428,596</u>    | <u>(987,924)</u>         | <u>-</u>                          | <u>(2,787,368)</u>               | <u>23,919,930</u>                                    |

**Description of funds**

*Endowed legacies fund*

Bye-Law 31, which was abolished in 2005, required legacy income over and above the amount allowed to be expended as income to be invested in the name of the Charity. This fund represents the total amount of these endowed legacies. The fund balance is represented by costs associated with the land and the buildings at the Charity's headquarters in Tetbury.

*Restricted funds*

The Henderson fund arose as result of the sale of Margaret Cottages and is a bequest made with specific objects regarding the provision of accomodation, grants or other financial assistance for the relief of members, or former members of the nursing profession who are in need, hardship or distress.

*Designated funds*

Designated funds are earmarked formally by the Trustees for a particular purpose and are primarily invested or expended on the charitable objects of The National Benevolent Charity. The fund balance is largely represented by the Charity's investment balance.

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

|                               | <b>Endowment<br/>funds<br/>2023<br/>£</b> | <b>Restricted<br/>funds<br/>2023<br/>£</b> | <b>Unrestricted<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|-------------------------------|-------------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Tangible fixed assets         | 732,692                                   | -                                          | 444,039                                      | <b>1,176,731</b>                      |
| Fixed asset investments       | 940,000                                   | 184,033                                    | 21,372,373                                   | <b>22,496,406</b>                     |
| Current assets                | -                                         | (37,323)                                   | 385,296                                      | <b>347,973</b>                        |
| Creditors due within one year | -                                         | -                                          | (22,393)                                     | <b>(22,395)</b>                       |
| <b>Total</b>                  | <b>1,672,692</b>                          | <b>146,710</b>                             | <b>22,179,313</b>                            | <b>23,998,715</b>                     |

**Analysis of net assets between funds - prior year**

|                               | <b>Endowment<br/>funds<br/>2022<br/>£</b> | <b>Restricted<br/>funds<br/>2022<br/>£</b> | <b>Unrestricted<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> |
|-------------------------------|-------------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Tangible fixed assets         | 732,692                                   | -                                          | 444,039                                      | 1,176,731                             |
| Fixed asset investments       | 940,000                                   | 188,463                                    | 21,166,455                                   | 22,294,918                            |
| Current assets                | -                                         | -                                          | 462,028                                      | 462,028                               |
| Creditors due within one year | -                                         | -                                          | (13,747)                                     | (13,747)                              |
| <b>Total</b>                  | <b>1,672,692</b>                          | <b>188,463</b>                             | <b>22,058,775</b>                            | <b>23,919,930</b>                     |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**22. Reconciliation of net movement in funds to net cash flow from operating activities**

|                                                                                | 2023<br>£          | 2022<br>£        |
|--------------------------------------------------------------------------------|--------------------|------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | 78,787             | (2,346,695)      |
| <b>Adjustments for:</b>                                                        |                    |                  |
| Gains/(losses) on investments                                                  | (382,398)          | 2,740,264        |
| Dividends, interests and rents from investments                                | (768,049)          | (1,095,221)      |
| Increase in debtors                                                            | (8,932)            | (8,800)          |
| Increase/(decrease) in creditors                                               | 8,646              | (22,695)         |
| Movement in provisions for regular payments                                    | -                  | (988)            |
| <b>Net cash used in operating activities</b>                                   | <b>(1,071,946)</b> | <b>(734,135)</b> |

**23. Analysis of cash and cash equivalents**

|                                        | 2023<br>£        | 2022<br>£      |
|----------------------------------------|------------------|----------------|
| Cash at bank and held in investments   | 1,080,587        | 866,722        |
| <b>Total cash and cash equivalents</b> | <b>1,080,587</b> | <b>866,722</b> |

**24. Analysis of changes in net debt**

|              | At 1<br>January<br>2023<br>£ | Cash flows<br>£  | At 31<br>December<br>2023<br>£ |
|--------------|------------------------------|------------------|--------------------------------|
| Cash at bank | 449,402                      | (105,123)        | 344,279                        |
|              | <b>449,402</b>               | <b>(105,123)</b> | <b>344,279</b>                 |

**25. Related party transactions**

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

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**26. Post balance sheet events**

During the year, the Trustees began the process of disposing of Peter Herve House and Lenox House. The properties were publicly marketed through Perry Bishop Estate Agents for £1,500,000 in September 2023. Offers were in excess of the sale price were received in October 2023 and the properties sold in March 2024 for £1,554,514. As a result of the sale all staff moved to remote working and the registered office was moved to the auditors Randall and Payne.

In December 2023 Trustees agreed to benchmark and review the performance of the charity's investment fund managers Rathbones. The review was carried out in January and February 2024 and the funds split equally and transferred to Veritas Investment Managers and Brown Advisory Fund Managers in March 2024.

The charity received news in May 2024 that HM King Charles III has stepped down from being the patron. Trustees have decided not to appoint a new patron.

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# Accounts

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**THE NATIONAL BENEVOLENT CHARITY**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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## THE NATIONAL BENEVOLENT CHARITY

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### CONTENTS

---

|                                                                                       | Page    |
|---------------------------------------------------------------------------------------|---------|
| <b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b> | 1       |
| <b>Trustees' Report</b>                                                               | 2 - 10  |
| <b>Independent Auditors' Report on the Financial Statements</b>                       | 11 - 14 |
| <b>Statement of Financial Activities</b>                                              | 15 - 16 |
| <b>Balance Sheet</b>                                                                  | 17      |
| <b>Statement of Cash Flows</b>                                                        | 18      |
| <b>Notes to the Financial Statements</b>                                              | 19 - 37 |

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## THE NATIONAL BENEVOLENT CHARITY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

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|                                  |                                                                                                                                                                       |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                  | Mr James Golob, Chair<br>Mr Richard Bromilow<br>Mr Geoffrey Clements<br>Mrs Victoria Daniell<br>Mr Grahame Nicholson<br>The Rev John Hunnisett<br>Mr Christopher Bell |
| <b>Charity registered number</b> | 212450                                                                                                                                                                |
| <b>Principal office</b>          | Peter Herve House<br>Eccles Court<br>Tetbury<br>Gloucestershire<br>GL8 8EH                                                                                            |
| <b>Patron</b>                    | His Royal Highness The Prince of Wales                                                                                                                                |
| <b>Chief executive officer</b>   | Ali Russell                                                                                                                                                           |
| <b>Independent auditors</b>      | Randall & Payne LLP<br>Statutory Auditors<br>Shurdington Road<br>Cheltenham<br>Gloucestershire<br>GL51 4GA                                                            |
| <b>Bankers</b>                   | HSBC Bank plc<br>The Cross<br>Gloucester<br>Gloucestershire<br>GL1 2AP                                                                                                |
| <b>Solicitors</b>                | Stone King LLP<br>13 Queen Square<br>13 Queen Square<br>BA1 2HJ                                                                                                       |
| <b>Investment Managers</b>       | Rathbones<br>8 Finsbury Circus<br>London<br>EC2M 7AZ                                                                                                                  |
| <b>Investment Managers</b>       | M&G Investments<br>10 Fenchurch Avenue<br>EC3M 5AG                                                                                                                    |

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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The Trustees present their annual report together with the audited financial statements of the The National Benevolent Charity for the year 1 January 2022 to 31 December 2022.

2022 was a turbulent year in the UK. As the restrictions imposed by the Covid 19 pandemic were being lifted, Russia invaded Ukraine, this led to a steep rise in inflation and an increased costs in energy, food and other essentials which saw enormous numbers of people slide into poverty. Watching this tragedy unfold prompted the Trustees to make a further £75,000 available for organisation grants and to increase the multi-year grants by the rate of inflation to help organisations continue their vital work in supporting the most vulnerable. The budget and scope of individual grants was also broadened to include priority debts, such as council tax, rent arrears and utilities.

These changes meant that during the year the charity supported 37% more applicants with individual grants and more than doubled the number of organisations receiving a grant, increasing the total grant expenditure by 92% on the previous year.

In addition to responding to the cost-of-living crisis, Trustees also continued with the strategic changes started in 2021 and, following the successful Cy Pres application to the Charity Commission to merge The Knowles Foster Homes (TKFH) and the Peter Hervé Benevolent Fund (PHBF), TKFH was removed from the Charity Commission Register of Charities and the assets were merged with the National Benevolent Charity on 1st August 2022.

In September, a new strategy for 2023 - 2025 was launched which focusses on six core aims:

1. To deliver financial support to people experiencing poverty through a programme of individual and organisational grants with the aim of helping them become financially resilient.
2. To deliver better impact for those experiencing poverty by collaborating with other organisations and co-producing with experts including those with lived experience, continually evaluating learning and improving.
3. To support organisations campaigning for change in policy and practice and public opinion by amplifying the voice of those with lived experience
4. To strengthen Governance and oversight by working within the charity Governance code
5. To deliver greater impact by maximizing existing assets and securing new income
6. To ensure that the principles of diversity, equity and inclusion are at the core of everything.

During the year Trustees also visited grantee partners including Springbank Community Group, Oasis Family Space and Hesters Way Partnership in Cheltenham and held meetings in charity partners' offices including Young Gloucestershire and Barnwood Trust.

Trustees also updated several policies and joined other Gloucestershire Charities and the broader ACO membership in looking at Equality, Diversity, and Inclusion to begin to develop a policy and action plan to reflect the charity's commitment to this aim.

Financially, the charity's investments were impacted by the Ukraine war, Cost of Living increase and the Governments October 2022 budget. As a result, the Charity's total funds at the end of 2022 were £23,919,930 compared with £26,266,626 in the previous year. Despite this, as the cost-of-living crisis continues, Trustees have pledged to maintain the charity's grant giving at the same levels for 2023.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Objectives and activities

##### a. Policies and objectives

The objects of the Charity are for the relief of qualifying persons who need assistance by reason of old age, infirmity, sickness, or economic circumstances.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### b. Individual Grants

The Charity awarded individual welfare grants to meet crisis costs, including food and clothing, furniture, domestic appliances, minor repairs, utility bills and training or work tools. In exceptional circumstances grants were also awarded for bankruptcy and debt relief orders, flooring, disability aids, minor home or garden improvements, rent arrears or debts. Applicants were over 18 years old, had UK citizenship or had been granted leave to remain and had lived in the UK for twelve months.

Individual grants applicants complete an application form explaining what the grant will be used for and why it is needed. They are also asked to provide details of their financial situation, disabilities or health issues or other exceptional circumstances and are requested to provide bank statements, medical reports, and details of a professional referrer.

Individual grants are promoted on the website and applicants are encouraged to apply online. Successful applicants may receive a maximum of up to £1,000.00.

In 2021 the Charity received 1157 applications for individual grants and made 614 awards (2021: 447 awards). The average value of the award was £362.00 (2021 £357.00). This included 162 grants for appliances such as a fridge, freezer, washing machine or cooker, 163 grants for household goods including beds and bedding 160 vouchers for food and clothing and the remainder for "other items" such as bankruptcy orders, flooring, and baby equipment. Fifty eight percent of applicants were under 40 years old, and seventy two percent were female. The total value of individual grants was £222,407, an increase of £62,671 on the previous year.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**Objectives and activities (continued)**

**c. Grants to Organisations**

Grants are made to organisations which support beneficiaries experiencing poverty or hardship. The grants are limited to organisations operating in Bristol, Gloucestershire, or Wiltshire & Swindon. Applicants can apply through the Charity's website or through Gloucestershire Funders. Grants in Gloucestershire and Wiltshire are for a maximum of £10,000 per year but the Charity will also consider multiyear grants and core funding. Grants in Bristol are decided on a case-by-case basis but have not exceeded £30,000 per year. Guidance is clearly laid out on the website for all three programmes and a funding policy is in place.

In total forty-seven grants (2021: 23) were made ranging from £1,000 to £30,000 per annum. Gloucestershire organisations received £156,000, Bristol organisations £65,000 and Wiltshire & Swindon organisations £154,000. A total of £375,000. This was an increase of £223,000 on the previous year.

£160,000 was awarded to organisations to strengthen their community and £92,000 went to projects supporting the homeless or those at risk of homelessness. The remaining funds went to projects supporting access to benefits, employment/training, fuel, and food.

The type of beneficiary supported were those on low incomes, carers, people with mental or physical health issues, people with addictions, those experiencing domestic violence, women, children, and young people, those from the black and ethnic minority communities and older people.

**d. Regular payments**

The Charity phased out Regular Payments at the end of 2021. The charity now has only one regular beneficiary. All former regular beneficiaries are encouraged to apply to the Charity through the individual grants programme should they find themselves in financial difficulty.

**e. Housing**

Peter Hervé House & Lenox House

The Charity has two accommodation blocks in Tetbury. Peter Hervé House, a purpose-built block designed for independent living, is occupied by single people, over fifty years old in a one bedroomed apartment's and one two-bed apartment. Lenox House is a refurbished 16th century coach house and grade II listed building which comprises two one-bed flats let on a commercial basis. There is a communal garden for the use of all tenants. During the year, the charity engaged Cirencester Sales and Lettings to manage the properties. Occupancy rates have fluctuated as long-term tenants passed away or moved on and the flats were refurbished and re-let.

**f. Partnerships**

Charity staff are active members of the Association of Charitable Organisations and regularly attend training sessions and the CEO is a member of the CEO network. The Charity is also a member of the Association of Charitable Foundations, has regularly attended their specialist networks and training, and used their resources to inform good practice.

The Charity is also an active member of the Bristol Funders Network, Gloucestershire Funders Group and Swindon & Wiltshire Funders Network and has strengthened relationships with referral agencies such as Citizens Advice, Step Change, Money Advice and Refugee Council.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Objectives and activities (continued)

##### g. Public Benefit

The Trustees are aware of Public Benefit provisions of the Charities Act 2011 and of the guidance on them published by the Charity Commission. They are satisfied that the Objects of the Charity and the activities of the Charity are within the definitions of Charitable Purposes as set down in the Act in that they are for the relief of poverty, and for the relief of those in need because of old age, infirmity sickness or economic circumstances. The Trustees are not aware of any public detriment caused by the Charity's Objects or activities, and nor are they aware of anyone receiving any private benefit from the Charity's activities.

##### h. Policies

During the year, the Charity reviewed and approved its policies on Individual Grants, Data Protection, Health, and Safety including Fire, Hybrid Working and Safeguarding to ensure that they comply with current legislation and good practice.

#### Financial review

##### a. Going concern

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

##### b. Reserves policy

The Charity's reserves policy is based on an assessment of the volatility and certainty of each of the organisation's main income streams; a potential need for unplanned or unexpected expenditure and the requirement to maintain sufficient working capital to ensure the continuing smooth running of the Charity. The Trustees decided that it would be appropriate at normal times to maintain a free reserves of three months' expenditure. This provides enough funds to cover management, administration, and payments to beneficiaries. Some of this may be held by the Investment Managers, outside the managed portfolio.

Currently, it aims to hold £85,000 in reserve in the current account and £215,000 in the Rathbones Reserve Account giving a total general reserve of £300,000. Monies greater than these amounts held in either account at the end of the year will be either invested or used for charitable giving depending on the circumstances at the time. The Charity has unrestricted funds invested of £22,058,775 compared to £16,087,169 the previous year.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**c. Material investments policy**

The Charity seeks to produce the best possible financial return within an acceptable level of risk, which is classified as a level 5 by their professional investment managers (with level 1 being the lowest risk level and level 6 being the highest).

The investment objective is to generate a total return of CPI plus 4% per annum over the long-term, net of all fees. Returns from these funds are required to provide for the Charity's benevolence for the near future and it is therefore essential to invest with a longer-term perspective.

The Charity adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that, in the long term, the real value of the portfolio will be maintained in accordance with the investment objective above.

Net losses on investments were £2,787,368 compared to a net gain of £2,404,030 in the previous year. This was mainly due to the impact of the October 2022 budget.

**d. Financial risk management objectives and policies**

The charities' total funds at the end of 2022 were £23,919,930 compared with £26,266,626 at the end of 2021. This was mainly due to a slump in the value of investments following the October budget. The losses incurred were £2,787,368. Total income, however, was up to £1,428,596, from £996,751 the previous year. This was due to donations and legacy income of £255,516, an increase from £50,840 the previous year and dividend income of £1,095,221 an increase from £705,835 on the previous year. Rental income was down from £100,315 to £72,051 due to the sale of The Tapestries in early 2021.

Total expenditure on charitable activities was £875,684 up from £678,566 in 2021 due to the increase spend on organisation grants. Expenditure on governance was also up to £60,254 from £27,840 the previous year due to the management and oversight of the grant making programmes and professional fees relating to updating the Royal Charter, the Bye Laws and Cy Pres application.

**e. Future Developments**

The Trustees continually review the financial, economic, and social environments in which the Charity operates to adapt or change policy and practice. Specific plans include the development of legacy fundraising, in addition to continuing to build partnerships with other trusts, foundations and charities, strengthening the governance and board, improving public awareness of our grant making programmes and reviewing our property requirements.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Structure, governance and management

##### a. Constitution

The National Benevolent Charity is a registered charity, number 212450, and is constituted under a Trust deed.

The National Benevolent Charity was founded as the National Benevolent Institution by Peter Hervé in 1812 and is a Registered Charity constituted under a Royal Charter of 5th November 1859 (Number RC000364), and supplemental Royal Charters of 17th March 1948, 12th February 1997, and an Order in Council of 19th July 2005.

The change of the Charity's name to The National Benevolent Charity was approved by HM The Queen meeting in Privy Council on 14th December 2011.

Amendments to modernise the Royal Charter and remove the upper age qualification were approved on 16th February 2022.

The Charity is also governed by its Bye Laws, first adopted by the Charity 10th September 2009 and modernised and amended to remove the upper age qualification and to allow for general meetings via electronic means on 16th Feb 2022.

##### b. Methods of appointment or election of Trustees

The Trustees of the Charity are the Board of Trustees.

The General Meeting may make appointments to the Board as detailed in Byelaws 12 and 13. Each Trustee shall be elected for a three-year term, and such a term will expire at the end of the third Annual General Meeting following the Annual General Meeting at which they are elected. At the end of each term, a Trustee may be re-elected for up to two further terms of office of three years.

There shall be a Board of Trustees, consisting of not more than twelve and not less than four Members qualified in law to act as Trustees to direct and manage the affairs and concerns of the Charity.

##### c. Trustees

The Board of Trustees is responsible for the strategic direction and policy of the Charity. They met four times during 2022.

The work of the Board of Trustees is supported by the Finance and Investment Committee and the Welfare Committee. Both Committees are governed by Terms of Reference.

The Welfare Committee met four times in the year. They are responsible for welfare strategy and individual and organisation grant making. They receive a monthly report on the individual grants programme and make collective decisions on exceptional applications. Decisions regarding grants to organisations are made by the Welfare Committee during the Grants Panel meeting, held seven times during the year.

The Finance and Investment Committee is responsible for financial reporting and oversight of the Charity investments. They met four times in the year including one meeting with Rathbones, the Charity Investment Managers.

The Charity employs four staff. Ali Russell, Chief Executive, Dawn Swirczek, Office Manager, Jane Weaver Individual Grants and Property Manager and Vicky Oram-Ohern, Organisation Grants Manager.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**Structure, governance and management (continued)**

**d. Related party relationships**

Related parties include all the members of the Board of Trustees. There have been no transactions with related parties during the year.

**e. Financial risk management**

Risks are kept under review. The Trustees believe that the two greatest risks to the Charity are: 1) That there is a significant fall in investment income which will affect the funds that can be distributed to beneficiaries and 2) That there is a breach of trust, Charity law, or other legislation such as employment, housing, or data protection. The Trustees are satisfied that systems are in place to mitigate these risks or their effects.

**f. Subsidiary Charities**

The Cy Pres application made in 2021 and subsequently approved in April 2022 merged The Knowles Foster Homes and its investments with the National Benevolent Charity and removed it from the Charity Commission Register of Charities.

**g. Restricted funds**

The Henderson request is a restricted fund providing accommodation or assistance to former members of the nursing or care professions. The fund is invested in a Charifund account managed by M&G Investments.

**h. Land and Property**

Land registrations have been completed for the Charity's property.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

#### Disclosure of information to auditors

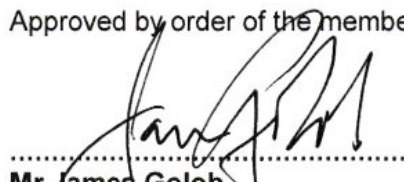
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### Auditors

The auditors, Randall & Payne LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....  
**Mr James Golob**  
Chairman of the Board

Date: 17 October 2023

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY**

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**Opinion**

We have audited the financial statements of The National Benevolent Charity (the 'Charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

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## THE NATIONAL BENEVOLENT CHARITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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.

#### Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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, the Trustees are responsible for the preparation of the financial statements which 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.

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## THE NATIONAL BENEVOLENT CHARITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY (CONTINUED)

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#### **Auditors' responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit planning process gave consideration to the risk of material misstatement in the financial statements, using the calculated materiality level which itself factored in the nature of the Charity's operations and the interpreted levels of inherent and control risk.

In assessing the risk of fraud we reviewed management's own assessment of potential for fraud within the entity and reviewed judgements made by management to identify possible bias, in addition to any opportunity and incentive for fraud that are inherent in the nature of the Charity's operations. Our detailed testing included review of accounting estimates and judgements and validation of prime ledger entries.

We confirmed our knowledge of the legal and regulatory environment of the entity through discussions with management. We analysed all information available to us in respect of relevant laws and regulations, including the Companies Act 2006, the Charities SORP and relevant UK tax legislation and enquired with management as to any possible breaches in the aforementioned.

We agreed the accuracy of the financial statements to the supporting management information provided by the client and tested individually on a sample basis the income and expenditure in the financial statements to consider the business rationale behind the transactions and the accuracy of the financial records.

Our audit testing did not identify any issues in respect of the matters listed above, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

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THE NATIONAL BENEVOLENT CHARITY

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY  
(CONTINUED)

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**Ryan Moore CA (Senior Statutory Auditor)**

**Randall & Payne LLP**

Chartered Accountants & Statutory Auditors

Chargrove House

Shurdington Road

Cheltenham

Gloucestershire

GL51 4GA

Date: 17 October 2023

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE NATIONAL BENEVOLENT CHARITY

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022

|                                                            | Note | Endowment<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|------------------------------------------------------------|------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income and endowments from:</b>                         |      |                                 |                                  |                                    |                             |                             |
| Donations and legacies                                     | 3    | -                               | -                                | 255,516                            | 255,516                     | 50,840                      |
| Charitable activities                                      | 4    | -                               | -                                | 72,051                             | 72,051                      | 100,315                     |
| Investments                                                | 5    | -                               | -                                | 1,095,221                          | 1,095,221                   | 705,835                     |
| Other income                                               | 6    | -                               | -                                | 5,808                              | 5,808                       | 139,761                     |
| <b>Total income and endowments</b>                         |      | -                               | -                                | 1,428,596                          | 1,428,596                   | 996,751                     |
| <b>Expenditure on:</b>                                     |      |                                 |                                  |                                    |                             |                             |
| Raising funds:                                             | 7    |                                 |                                  |                                    |                             |                             |
| Movement in provision for regular payments                 |      | -                               | -                                | (988)                              | (988)                       | (180,767)                   |
| Other raising funds                                        |      | -                               | -                                | 113,227                            | 113,227                     | 106,586                     |
| Charitable activities                                      | 8    | -                               | -                                | 875,685                            | 875,684                     | 678,566                     |
| <b>Total expenditure</b>                                   |      | -                               | -                                | 987,924                            | 987,924                     | 604,385                     |
| <b>Net income before net (losses)/gains on investments</b> |      | -                               | -                                | 440,672                            | 440,672                     | 392,366                     |
| Net (losses)/gains on investments                          |      | -                               | (11,116)                         | (2,776,251)                        | (2,787,368)                 | 2,380,480                   |
| <b>Net (expenditure)/income</b>                            |      | -                               | (11,116)                         | (2,335,579)                        | (2,346,695)                 | 2,772,846                   |
| Transfers between funds                                    | 20   | -                               | (8,293,443)                      | 8,293,443                          | -                           | -                           |
| <b>Net movement in funds before other recognised gains</b> |      | -                               | (8,304,559)                      | 5,957,864                          | (2,346,695)                 | 2,772,846                   |
| <b>Other recognised gains:</b>                             |      |                                 |                                  |                                    |                             |                             |
| Gain / (loss) on the sale of fixed assets                  |      | -                               | -                                | -                                  | -                           | 3,947,519                   |
| <b>Net movement in funds</b>                               |      | -                               | (8,304,559)                      | 5,957,864                          | (2,346,695)                 | 6,720,365                   |
| <b>Reconciliation of funds:</b>                            |      |                                 |                                  |                                    |                             |                             |
| Total funds brought forward                                |      | 1,672,692                       | 8,493,022                        | 16,100,912                         | 26,266,626                  | 19,546,261                  |

THE NATIONAL BENEVOLENT CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022

| Note                               | Endowment<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|------------------------------------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Net movement in funds              | -                               | (8,304,559)                      | 5,957,864                          | (2,346,695)                 | 6,720,365                   |
| <b>Total funds carried forward</b> | <b>1,672,692</b>                | <b>188,463</b>                   | <b>22,058,776</b>                  | <b>23,919,931</b>           | <b>26,266,626</b>           |

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

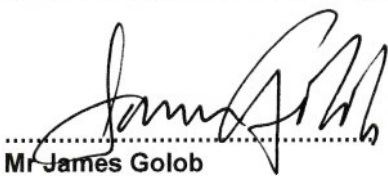
The notes on pages 19 to 37 form part of these financial statements.

THE NATIONAL BENEVOLENT CHARITY

BALANCE SHEET  
AS AT 31 DECEMBER 2022

|                                                | Note | 2022<br>£                | 2021<br>£                |
|------------------------------------------------|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                            |      |                          |                          |
| Tangible assets                                | 13   | 1,176,731                | 1,170,000                |
| Investments                                    | 14   | 22,294,918               | 24,568,664               |
|                                                |      | <u>23,471,649</u>        | <u>25,738,664</u>        |
| <b>Current assets</b>                          |      |                          |                          |
| Debtors                                        | 16   | 12,626                   | 3,826                    |
| Cash at bank and in hand                       |      | 449,402                  | 561,566                  |
|                                                |      | <u>462,028</u>           | <u>565,392</u>           |
| Creditors: amounts falling due within one year | 17   | (13,747)                 | (36,442)                 |
| <b>Net current assets</b>                      |      | <u>448,281</u>           | <u>528,950</u>           |
| <b>Total assets less current liabilities</b>   |      | <u>23,919,930</u>        | <u>26,267,614</u>        |
| Provisions for liabilities                     |      | -                        | (988)                    |
| <b>Total net assets</b>                        |      | <u><u>23,919,930</u></u> | <u><u>26,266,626</u></u> |
| <b>Charity funds</b>                           |      |                          |                          |
| Endowment funds                                | 20   | 1,672,692                | 1,672,692                |
| Restricted funds                               | 20   | 188,463                  | 8,493,022                |
| Unrestricted funds                             | 20   | 22,058,775               | 16,100,912               |
| <b>Total funds</b>                             |      | <u><u>23,919,930</u></u> | <u><u>26,266,626</u></u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
 Mr James Golob  
 Chairman of the Board

Date: 17 October 2023

The notes on pages 19 to 37 form part of these financial statements.

THE NATIONAL BENEVOLENT CHARITY

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022

|                                                           | 2022<br>£        | 2021<br>£        |
|-----------------------------------------------------------|------------------|------------------|
| <b>Cash flows from operating activities</b>               |                  |                  |
| Net cash used in operating activities                     | (734,135)        | (440,143)        |
| <b>Cash flows from investing activities</b>               |                  |                  |
| Dividends, interests and rents from investments           | 1,095,221        | 744,835          |
| Net proceeds from the sale of heritage asset (Tapestries) | -                | 4,307,040        |
| Purchase of tangible fixed assets                         | (6,731)          | -                |
| Proceeds from sale of investments                         | 3,241,479        | 2,774,092        |
| Purchase of investments                                   | (3,742,962)      | (7,284,255)      |
| <b>Net cash provided by investing activities</b>          | <b>587,007</b>   | <b>541,712</b>   |
| <b>Cash flows from financing activities</b>               |                  |                  |
| <b>Net cash provided by financing activities</b>          | <b>-</b>         | <b>-</b>         |
| <b>Change in cash and cash equivalents in the year</b>    | <b>(147,128)</b> | <b>101,569</b>   |
| Cash and cash equivalents at the beginning of the year    | 1,013,850        | 912,281          |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>866,722</b>   | <b>1,013,850</b> |

The notes on pages 19 to 37 form part of these financial statements

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## THE NATIONAL BENEVOLENT CHARITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. General information

The National Benevolent Charity was founded as the National Benevolent Institution by Peter Herve in 1812 and is a Registered Charity constituted under a Royal Charter of 5th November 1859 and supplemental Royal Charters of 17th May 1948, 12th February 1997, an Order in Council of 19th July 2005 and 14th December 2011.

The change of the Charity's name to The National Benevolent Charity was approved by HM The Queen meeting in Privy Council on 14th December 2011.

The Registered Charity number is 212450. The Royal Charter number is RC000364.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The National Benevolent CharityThe National Benevolent Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Going concern

The National Benevolent Charity has net current assets of £448,282 (2021: £528,950) and total net assets (which includes the Charity's investment portfolio) of £23,919,930 (2021: £26,266,626). The Charity manages its working capital requirements carefully through bank balances and income generated from its investments. The Charity ensures that robust budgets are set and that actual spend against these budgets is analysed on a monthly basis by the Chief Executive and subsequently by the Board of Trustees' Finance Sub-Committee. The forecast figures for 2022/23 continue to show positive cash flow and maintenance of a strong balance sheet position. Having regard to these matters, the Trustees consider it appropriate to prepare the financial statements using a going concern basis. The Trustees do not consider that there are any material uncertainties that may cast significant doubt about the Charity's ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time, space occupied, or estimated usage, as appropriate.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**2. Accounting policies (continued)**

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

No depreciation is provided on freehold buildings. It is the Charity's practice to maintain these assets in continual state of sound repair and to extend and make improvements thereto from time to time. Accordingly the Trustees consider that the lives of these assets are so long, and residual values so high, that the depreciation is insignificant. Any permanent diminution in the value of such buildings will be charged to the Statement of Financial Activities as appropriate.

Scheduled maintenance and repair work is recognised in the Statement of Financial Activities as the commitment arises.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at costs, net of depreciation and any provision for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

|                   |                |
|-------------------|----------------|
| Freehold property | - not provided |
|-------------------|----------------|

**2.7 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Fair value measure is determined with reference to observable market share/ instrument prices.

**2.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**2. Accounting policies (continued)**

**2.10 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.11 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.12 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Income from donations and legacies

|                   | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations         | 30,740                             | <b>30,740</b>               | 11,840                      |
| Legacies          | 224,776                            | <b>224,776</b>              | 39,000                      |
|                   | <u>255,516</u>                     | <u><b>255,516</b></u>       | <u>50,840</u>               |
| <i>Total 2021</i> | <u>50,840</u>                      | <u>50,840</u>               |                             |

4. Income from charitable activities

|                      | Restricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|----------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Rental Income        | -                                | 72,051                             | <b>72,051</b>               | 77,027                      |
| Knowles Foster Homes | -                                | -                                  | -                           | 23,288                      |
|                      | <u>-</u>                         | <u>72,051</u>                      | <u><b>72,051</b></u>        | <u>100,315</u>              |
| <i>Total 2021</i>    | <u>23,288</u>                    | <u>77,027</u>                      | <u>100,315</u>              |                             |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Investment income

|                   | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Dividends         | 1,095,221                          | 1,095,221                   | 643,976                     |
| Interest          | -                                  | -                           | 61,859                      |
|                   | <u>1,095,221</u>                   | <u>1,095,221</u>            | <u>705,835</u>              |
| <i>Total 2021</i> | <u>705,835</u>                     | <u>705,835</u>              |                             |

6. Other incoming resources

|                      | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|----------------------|------------------------------------|-----------------------------|-----------------------------|
| Employment allowance | 5,000                              | 5,000                       | 4,000                       |
| Other income         | 808                                | 808                         | 135,761                     |
|                      | <u>5,808</u>                       | <u>5,808</u>                | <u>139,761</u>              |
| <i>Total 2021</i>    | <u>139,761</u>                     | <u>139,761</u>              |                             |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Expenditure on raising funds

Costs of raising voluntary income

|                           | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|---------------------------|------------------------------------|-----------------------------|-----------------------------|
| Publicity                 | 5,199                              | 5,199                       | 6,905                       |
| Portfolio Management Fees | 108,028                            | 108,028                     | 99,681                      |
|                           | <u>113,227</u>                     | <u>113,227</u>              | <u>106,586</u>              |
| <i>Total 2021</i>         | <u>106,586</u>                     | <u>106,586</u>              |                             |

Fundraising trading expenses

|                                            | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|--------------------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Movement in provision for regular payments | (988)                              | (988)                       | (180,767)                   |
|                                            | <u>(988)</u>                       | <u>(988)</u>                |                             |
| <i>Total 2021</i>                          | <u>(180,767)</u>                   | <u>(180,767)</u>            |                             |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Analysis of expenditure on charitable activities

Summary by fund type

|                                    | Endowment<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ | Total<br>2021<br>£ |
|------------------------------------|---------------------------------|----------------------------------|------------------------------------|--------------------|--------------------|
| Accommodation                      | -                               | -                                | 110,014                            | 110,014            | 77,607             |
| Beneficiaries                      | -                               | -                                | 552,742                            | 552,742            | 347,580            |
| Knowles Foster Homes               | -                               | -                                | 106,956                            | 106,956            | 151,231            |
| Peter Herve Benevolent Institution | -                               | -                                | 45,718                             | 45,718             | 74,307             |
| Governance                         | -                               | -                                | 60,255                             | 60,255             | 27,841             |
|                                    | -                               | -                                | -                                  | -                  | -                  |
|                                    | -                               | -                                | 875,685                            | 875,684            | 678,566            |
| <i>Total 2021</i>                  | -                               | 215,541                          | 463,024                            | 678,566            |                    |

9. Analysis of expenditure by activities

|                                    | Activities<br>undertaken<br>directly<br>2022<br>£ | Support<br>costs<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|------------------------------------|---------------------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Accommodation                      | 96,042                                            | 13,972                        | 110,014                     | 77,607                      |
| Beneficiaries                      | 529,455                                           | 23,287                        | 552,742                     | 347,581                     |
| Knowles Foster Homes               | 106,956                                           | -                             | 106,956                     | 151,231                     |
| Peter Herve Benevolent Institution | 38,731                                            | 6,986                         | 45,717                      | 74,307                      |
| Governance                         | 57,829                                            | 2,427                         | 60,256                      | 27,840                      |
|                                    | 829,013                                           | 46,672                        | 875,684                     | 678,566                     |
| <i>Total 2021</i>                  | 628,397                                           | 50,169                        | 678,566                     |                             |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

|                        | Accommodation | Beneficiaries                    | Knowles<br>Foster<br>Homes<br>2022<br>£ | Peter Herve<br>Benevolent<br>Institution<br>2022<br>£ |
|------------------------|---------------|----------------------------------|-----------------------------------------|-------------------------------------------------------|
|                        | 2022<br>£     | 2022<br>£                        |                                         |                                                       |
| Staff costs            | 29,776        | 94,290                           | -                                       | 8,315                                                 |
| Grants                 | -             | 433,825                          | 106,956                                 | 30,417                                                |
| Regular payments       | -             | 988                              | -                                       | -                                                     |
| Property costs         | 60,248        | 288                              | -                                       | -                                                     |
| Legal and professional | 4,944         | -                                | -                                       | -                                                     |
| General administrative | 1,074         | 64                               | -                                       | -                                                     |
|                        | <u>96,042</u> | <u>529,455</u>                   | <u>106,956</u>                          | <u>38,732</u>                                         |
| <i>Total 2021</i>      | <u>73,820</u> | <u>321,814</u>                   | <u>140,924</u>                          | <u>66,577</u>                                         |
|                        |               | <b>Governance<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b>   | <b>Total<br/>funds<br/>2021<br/>£</b>                 |
| Staff costs            |               | 55,406                           | 187,787                                 | 185,921                                               |
| Grants                 |               | -                                | 571,198                                 | 343,424                                               |
| Regular payments       |               | -                                | 988                                     | 63,427                                                |
| Property costs         |               | 186                              | 60,722                                  | 30,652                                                |
| Legal and professional |               | 2,091                            | 7,035                                   | -                                                     |
| General administrative |               | 145                              | 1,283                                   | 4,973                                                 |
|                        |               | <u>57,828</u>                    | <u>829,013</u>                          | <u>628,397</u>                                        |
| <i>Total 2021</i>      |               | <u>25,263</u>                    | <u>628,397</u>                          |                                                       |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs

|                        | Accommodation | Beneficiaries                    | Knowles<br>Foster<br>Homes<br>2022<br>£ | Peter Herve<br>Benevolent<br>Institution<br>2022<br>£ |
|------------------------|---------------|----------------------------------|-----------------------------------------|-------------------------------------------------------|
|                        | 2022<br>£     | 2022<br>£                        |                                         |                                                       |
| Staff costs            | 444           | 740                              | -                                       | 222                                                   |
| Property costs         | 5,422         | 9,037                            | -                                       | 2,711                                                 |
| Legal and professional | 6,135         | 10,225                           | -                                       | 3,068                                                 |
| General administrative | 1,971         | 3,285                            | -                                       | 985                                                   |
|                        | <u>13,972</u> | <u>23,287</u>                    | <u>-</u>                                | <u>6,986</u>                                          |
| <i>Total 2021</i>      | <u>3,787</u>  | <u>25,767</u>                    | <u>10,307</u>                           | <u>7,730</u>                                          |
|                        |               |                                  |                                         |                                                       |
|                        |               | <b>Governance<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b>   | <b>Total<br/>funds<br/>2021<br/>£</b>                 |
| Staff costs            | 74            | 74                               | 1,480                                   | -                                                     |
| Property costs         | 904           | 904                              | 18,074                                  | 1,104                                                 |
| Legal and professional | 1,119         | 1,119                            | 20,547                                  | -                                                     |
| General administrative | 329           | 329                              | 6,570                                   | 49,065                                                |
|                        |               | <u>2,426</u>                     | <u>46,671</u>                           | <u>50,169</u>                                         |
| <i>Total 2021</i>      |               | <u>2,577</u>                     | <u>50,169</u>                           |                                                       |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. Auditors' remuneration**

|                                                                                                   | <b>2022</b>  | <b>2021</b> |
|---------------------------------------------------------------------------------------------------|--------------|-------------|
|                                                                                                   | <b>£</b>     | <b>£</b>    |
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts              | <b>5,037</b> | 5,925       |
| Fees payable to the Charity's auditor in respect of:<br>All non-audit services not included above | <b>2,826</b> | 3,325       |

**11. Staff costs**

|                                                      | <b>2022</b>    | <b>2021</b> |
|------------------------------------------------------|----------------|-------------|
|                                                      | <b>£</b>       | <b>£</b>    |
| Wages and salaries                                   | <b>179,146</b> | 176,185     |
| Contribution to defined contribution pension schemes | <b>10,120</b>  | 9,736       |
|                                                      | <b>189,266</b> | 185,921     |

The average number of persons employed by the Charity during the year was as follows:

|                          | <b>2022</b> | <b>2021</b> |
|--------------------------|-------------|-------------|
|                          | <b>No.</b>  | <b>No.</b>  |
| Administration & Support | <b>4</b>    | 4           |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                               | <b>2022</b> | <b>2021</b> |
|-------------------------------|-------------|-------------|
|                               | <b>No.</b>  | <b>No.</b>  |
| In the band £70,001 - £80,000 | <b>1</b>    | 1           |

The above employee has pension contributions of £6,000 (2021: £5,755).

Included within the above staff costs is an amount which relates to the key management personnel. The total amount of employee benefits (including employers pension contributions) received by key management personnel was £149,544 (2021: £144,525).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, 1 Trustee had expenses remiburesed totalling £145 (£432 to 2 Trustees).

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Tangible fixed assets

|                          | Freehold<br>property<br>£ |
|--------------------------|---------------------------|
| <b>Cost or valuation</b> |                           |
| At 1 January 2022        | 2,079,375                 |
| Additions                | 6,731                     |
|                          | <hr/>                     |
| At 31 December 2022      | 2,086,106                 |
|                          | <hr/>                     |
| <b>Depreciation</b>      |                           |
| At 1 January 2022        | 909,375                   |
|                          | <hr/>                     |
| At 31 December 2022      | 909,375                   |
|                          | <hr/>                     |
| <b>Net book value</b>    |                           |
| At 31 December 2022      | 1,176,731                 |
|                          | <hr/> <hr/>               |
| At 31 December 2021      | 1,170,000                 |
|                          | <hr/> <hr/>               |

In March 2008 the Trustees engaged an independent firm of Chartered Surveyors to carry out an evaluation of freehold land and buildings. This included a valuation of each of the properties. It was found that the carrying value of the land and buildings exceeded its recoverable amount. In line with the accounting policy, a diminution in value of £909,375 was charged directly to the Statement of Financial Activities as an exceptional item in the year ended 31 December 2008.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

14. Fixed asset investments

|                           | Listed<br>investments<br>£ |
|---------------------------|----------------------------|
| <b>Cost or valuation</b>  |                            |
| At 1 January 2022         | 24,568,664                 |
| Additions                 | 3,742,962                  |
| Disposals                 | (3,241,480)                |
| Revaluations              | (2,903,729)                |
| Transfers between classes | 128,500                    |
|                           |                            |
| At 31 December 2022       | 22,294,918                 |
| <b>Net book value</b>     |                            |
| At 31 December 2022       | 22,294,918                 |
| At 31 December 2021       | 24,568,664                 |

15. Fixed asset investment (continued)

|                                   | 2022<br>£  | 2021<br>£  |
|-----------------------------------|------------|------------|
| <b>Material investments</b>       |            |            |
| UK Equity                         | 9,892,657  | 12,493,346 |
| UK Fixed Interest                 | 2,203,108  | 1,471,983  |
| Overseas Equities                 | 7,339,000  | 7,756,186  |
| Overseas Fixed Equities           | 234,068    | 253,489    |
| Alternatives                      | 2,254,374  | 1,988,903  |
| Cash held for investment purposes | 417,320    | 452,284    |
| M&G Investment                    | 188,461    | 152,473    |
|                                   |            |            |
|                                   | 22,528,988 | 24,568,664 |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**16. Debtors**

|                                    | <b>2022</b><br>£     | <b>2021</b><br>£ |
|------------------------------------|----------------------|------------------|
| <b>Due within one year</b>         |                      |                  |
| Amounts owed by group undertakings | -                    | -                |
| Other debtors                      | <b>373</b>           | 373              |
| Prepayments and accrued income     | <b>12,253</b>        | 3,453            |
|                                    | <u><b>12,626</b></u> | <u>3,826</u>     |

**17. Creditors: Amounts falling due within one year**

|                                    | <b>2022</b><br>£     | <b>2021</b><br>£ |
|------------------------------------|----------------------|------------------|
| Amounts owed to group undertakings | -                    | -                |
| Other taxation and social security | <b>4,475</b>         | 4,362            |
| Other creditors                    | <b>9,272</b>         | 32,080           |
|                                    | <u><b>13,747</b></u> | <u>36,442</u>    |

**18. Financial instruments**

|                                                                        | <b>2022</b><br>£ | <b>2021</b><br>£ |
|------------------------------------------------------------------------|------------------|------------------|
| <b>Financial assets</b>                                                |                  |                  |
| Financial assets measured at fair value through income and expenditure | <b>449,402</b>   | 561,566          |

Financial assets measured at fair value through income and expenditure comprise cash at bank in hand.

**19. Provisions**

|                   | <b>Other<br/>provision<br/>£</b> |
|-------------------|----------------------------------|
| At 1 January 2022 | <b>988</b>                       |
| Amounts used      | <b>(988)</b>                     |
|                   | <u>-</u>                         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Statement of funds

Statement of funds - current year

|                                         | Balance at 1<br>January<br>2022<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2022<br>£ |
|-----------------------------------------|--------------------------------------|-------------|------------------|--------------------------|-------------------------|-------------------------------------------|
| <b>Unrestricted<br/>funds</b>           |                                      |             |                  |                          |                         |                                           |
| <b>Designated<br/>funds</b>             |                                      |             |                  |                          |                         |                                           |
| Designated<br>Funds                     | 14,301,073                           | -           | 988              | -                        | (422,850)               | 13,879,211                                |
| <b>General funds</b>                    |                                      |             |                  |                          |                         |                                           |
| General Funds                           | 1,799,839                            | 1,428,596   | (988,912)        | 8,293,443                | (2,353,402)             | 8,179,564                                 |
| <b>Total<br/>Unrestricted<br/>funds</b> | 16,100,912                           | 1,428,596   | (987,924)        | 8,293,443                | (2,776,252)             | 22,058,775                                |
| <b>Endowment<br/>funds</b>              |                                      |             |                  |                          |                         |                                           |
| Endowment<br>Funds                      | 1,672,692                            | -           | -                | -                        | -                       | 1,672,692                                 |
| <b>Restricted<br/>funds</b>             |                                      |             |                  |                          |                         |                                           |
| Restricted Fund                         | 8,493,022                            | -           | -                | (8,293,443)              | (11,116)                | 188,463                                   |
| <b>Total of funds</b>                   | 26,266,626                           | 1,428,596   | (987,924)        | -                        | (2,787,368)             | 23,919,930                                |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Statement of funds (continued)

Statement of funds - prior year

|                                 | <i>Balance at<br/>1 January<br/>2021<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Gains/<br/>(Losses)<br/>£</i> | <i>Balance at<br/>31<br/>December<br/>2021<br/>£</i> |
|---------------------------------|------------------------------------------------|---------------------|--------------------------|----------------------------------|------------------------------------------------------|
| <b>Unrestricted funds</b>       |                                                |                     |                          |                                  |                                                      |
| <b>Designated funds</b>         |                                                |                     |                          |                                  |                                                      |
| Designated Funds                | 14,016,506                                     | -                   | 180,767                  | 103,800                          | 14,301,073                                           |
| <b>General funds</b>            |                                                |                     |                          |                                  |                                                      |
| General Funds                   | 1,395,987                                      | 973,462             | (569,610)                | -                                | 1,799,839                                            |
| <b>Total Unrestricted funds</b> | 15,412,493                                     | 973,462             | (388,843)                | 103,800                          | 16,100,912                                           |
| <b>Endowment funds</b>          |                                                |                     |                          |                                  |                                                      |
| Endowment Funds                 | 1,672,692                                      | -                   | -                        | -                                | 1,672,692                                            |
| <b>Restricted funds</b>         |                                                |                     |                          |                                  |                                                      |
| Restricted Funds                | 2,461,076                                      | 23,288              | (215,541)                | 6,224,199                        | 8,493,022                                            |
| <b>Total of funds</b>           | 19,546,261                                     | 996,750             | (604,384)                | 6,327,999                        | 26,266,626                                           |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

21. Summary of fund

Summary of funds - current year

|                  | Balance at 1<br>January<br>2022<br>£ | Income<br>£      | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2022<br>£ |
|------------------|--------------------------------------|------------------|------------------|--------------------------|-------------------------|-------------------------------------------|
| Designated funds | 14,301,073                           | -                | 988              | -                        | (422,850)               | 13,879,211                                |
| General funds    | 1,799,839                            | 1,428,596        | (988,912)        | 8,293,443                | (2,353,402)             | 8,179,564                                 |
| Endowment funds  | 1,672,692                            | -                | -                | -                        | -                       | 1,672,692                                 |
| Restricted funds | 8,493,022                            | -                | -                | (8,293,443)              | (11,116)                | 188,463                                   |
|                  | <u>26,266,626</u>                    | <u>1,428,596</u> | <u>(987,924)</u> | <u>-</u>                 | <u>(2,787,368)</u>      | <u>23,919,930</u>                         |

Summary of funds - prior year

|                  | Balance at<br>1 January<br>2021<br>£ | Income<br>£    | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2021<br>£ |
|------------------|--------------------------------------|----------------|------------------|-------------------------|-------------------------------------------|
| Designated funds | 14,016,506                           | -              | 180,767          | 103,800                 | 14,301,073                                |
| General funds    | 1,395,987                            | 973,462        | (569,610)        | -                       | 1,799,839                                 |
| Endowment funds  | 1,672,692                            | -              | -                | -                       | 1,672,692                                 |
| Restricted funds | 2,461,076                            | 23,288         | (215,541)        | 6,224,199               | 8,493,022                                 |
|                  | <u>19,546,261</u>                    | <u>996,750</u> | <u>(604,384)</u> | <u>6,327,999</u>        | <u>26,266,626</u>                         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

|                               | Endowment<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|-------------------------------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets         | 732,692                         | -                                | 444,039                            | 1,176,731                   |
| Fixed asset investments       | 940,000                         | 188,463                          | 21,166,455                         | 22,294,918                  |
| Current assets                | -                               | -                                | 462,028                            | 462,028                     |
| Creditors due within one year | -                               | -                                | (13,746)                           | (13,747)                    |
| <b>Total</b>                  | <b>1,672,692</b>                | <b>188,463</b>                   | <b>22,058,775</b>                  | <b>23,919,930</b>           |

Analysis of net assets between funds - prior year

|                                        | Endowment<br>funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|----------------------------------------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets                  | 732,692                         | 349,398                          | 87,910                             | 1,170,000                   |
| Fixed asset investments                | 940,000                         | 7,910,374                        | 15,718,290                         | 24,568,664                  |
| Current assets                         | -                               | 294,947                          | 270,445                            | 565,392                     |
| Creditors due within one year          | -                               | (60,710)                         | 24,268                             | (36,442)                    |
| Provisions for liabilities and charges | -                               | (988)                            | -                                  | (988)                       |
| <b>Total</b>                           | <b>1,672,692</b>                | <b>8,493,021</b>                 | <b>16,100,913</b>                  | <b>26,266,626</b>           |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**23. Reconciliation of net movement in funds to net cash flow from operating activities**

|                                                                                | <b>2022</b><br>£   | <b>2021</b><br>£ |
|--------------------------------------------------------------------------------|--------------------|------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | <b>(2,346,695)</b> | 2,772,846        |
| <b>Adjustments for:</b>                                                        |                    |                  |
| Gains/(losses) on investments                                                  | <b>2,740,264</b>   | (2,276,680)      |
| Dividends, interests and rents from investments                                | <b>(1,095,221)</b> | (744,835)        |
| Decrease/(increase) in debtors                                                 | <b>(8,800)</b>     | 3,745            |
| Decrease in creditors                                                          | <b>(22,695)</b>    | (14,452)         |
| Movement in provisions for regular payments                                    | <b>(988)</b>       | (180,767)        |
| <b>Net cash used in operating activities</b>                                   | <b>(734,135)</b>   | (440,143)        |

**24. Analysis of cash and cash equivalents**

|                                        | <b>2022</b><br>£ | <b>2021</b><br>£ |
|----------------------------------------|------------------|------------------|
| Cash in hand                           | <b>866,722</b>   | 1,013,850        |
| <b>Total cash and cash equivalents</b> | <b>866,722</b>   | 1,013,850        |

**25. Analysis of changes in net debt**

|                          | <b>At 1<br/>January<br/>2022</b><br>£ | <b>Cash flows</b><br>£ | <b>At 31<br/>December<br/>2022</b><br>£ |
|--------------------------|---------------------------------------|------------------------|-----------------------------------------|
| Cash at bank and in hand | <b>561,566</b>                        | <b>(112,164)</b>       | <b>449,402</b>                          |
|                          | <b>561,566</b>                        | <b>(112,164)</b>       | <b>449,402</b>                          |



**THE NATIONAL BENEVOLENT CHARITY**

England & Wales - Charity number 212450

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# Accounts

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**THE NATIONAL BENEVOLENT CHARITY**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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## THE NATIONAL BENEVOLENT CHARITY

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### CONTENTS

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|                                                                                       | Page    |
|---------------------------------------------------------------------------------------|---------|
| <b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b> | 1 - 3   |
| <b>Trustees' Report</b>                                                               | 3 - 11  |
| <b>Independent Auditors' Report on the Financial Statements</b>                       | 12 - 15 |
| <b>Consolidated Statement of Financial Activities</b>                                 | 16 - 17 |
| <b>Consolidated Balance Sheet</b>                                                     | 18 - 19 |
| <b>Charity Balance Sheet</b>                                                          | 20 - 21 |
| <b>Consolidated Statement of Cash Flows</b>                                           | 22      |
| <b>Notes to the Financial Statements</b>                                              | 23 - 49 |

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## THE NATIONAL BENEVOLENT CHARITY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **Trustees**

Air Cdre David Adams (resigned 30 June 2021)  
Mr Christopher Bell, (Chairman of the Committee of Management)  
Mr Richard Bromilow  
Mrs Joanna Chambers (resigned 30 June 2021)  
Mr Geoffrey Clements  
Mr Andrew Crawford (resigned 30 June 2021)  
Mrs Victoria Daniell  
Mr David McEuen (resigned 30 June 2021)  
Mr James Golob  
The Revd John Hunnisett  
Mr Grahame Nicholson

#### **Charity registered number**

212450

#### **Principal office**

Peter Hervé House  
Eccles Court  
Tetbury  
Gloucestershire  
GL8 8EH

#### **Patron**

His Royal Highness The Prince of Wales

#### **Chief Executive**

Ali Russell

#### **Independent auditors**

Randall & Payne LLP  
Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

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THE NATIONAL BENEVOLENT CHARITY

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**Bankers**

HSBC Bank plc  
The Cross  
Gloucester  
Gloucestershire  
GL1 2AP

**Solicitors**

Stone King LLP  
13 Queen Square  
Bath  
BA1 2HJ

**Investment Managers**

Rathbones  
8 Finsbury Circus  
London  
EC2M 7AZ

M&G Investments  
10 Fenchurch Avenue  
London  
EC3M 5AG

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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The Trustees present their annual report together with the audited financial statements of The National Benevolent Charity for the 1 January 2021 to 31 December 2021.

#### Overview of the year ending 31 December 2021

The Charity's mission is to provide financial support to people experiencing poverty to help them in a time of crisis. It achieves this by providing grants to individuals experiencing hardship and by supporting organisations whose aim is to alleviate poverty.

The last decade has seen a steady rise in poverty. The Joseph Rowntree Foundation's latest data shows a big increase in destitution with more than a million households (containing 2.4 million people, including 550,000 children) experiencing destitution in 2019, a rise of 35% since 2017.

The Trustees are conscious that the grants the Charity provides are never more needed and during 2021 they made several strategic changes in support of the mission and to lay the foundations for future growth in grant making.

The first of these changes was to finalise the sale of The Tapestries property, the sole asset of linked Charity, The Knowles Foster Homes.

The Trustees had decided to sell The Tapestries in 2020, due to the rising costs of maintaining the property and a desire to focus on grant making. The property was marketed with a national estate agent from September 2020 and following a closed bidding process was sold in February 2021 to Rural Portfolio Limited, part of the William Pears Group for £4,450,000 which, after costs, netted the Charity £3,947,519. The funds were invested in a restricted account.

After selling The Tapestries, The Trustees decided to simplify the investments and minimise the administration costs and therefore made a Cy Pres application to the Charity Commission for permission to merge the investment accounts of The Knowles Foster Homes and the Bristol funds (formerly the Peter Hervé Benevolent Fund) with the National Benevolent Charity funds and to remove The Knowles Foster Homes from Charity Commission Register of Charities. However, during the application process, it was found that Royal Charter and Bye Laws needed to be updated. These were subsequently approved by the Privy Council on 16th February 2022. The Cy Pres application was resumed and on 20th of April 2022, Trustees were notified by the Charity Commission that the application had been approved.

In March, Trustees agreed to cease the programme of giving regular payments to the remaining regular beneficiaries. This was intended to make more equitable use of Charity funds by releasing them for the individual grants programme and reducing the Charity's long-term liability. It was also felt to be more in line with the policy of supporting people at a time of financial crisis. Regular beneficiaries were given due notice and the final payments made in December 2021.

In July, the Charity launched its new logo and website, and a new Improving Lives grants programme aimed at organisations alleviating poverty in Swindon and Wiltshire, subsequently £50,000 of grants were awarded.

In October, Trustees visited Caring in Bristol and Fare Share Southwest to hear first-hand about their work throughout the pandemic.

In June the Charity bade a fond farewell to four retiring Trustees David McEuen, former Chairman, and the longest serving trustee, giving 49 years of service, overseeing the move of the Charity from London to Tetbury and the Charity's investments, Jo Chambers, a trustee for 17 years and valued member of the Investment Committee, David Adams, Chairman of the Welfare Committee, and a trustee for 16 years and finally Andrew Crawford, trustee, and welfare committee member for 16 years.

Christopher Bell, Chairman who had been a Trustee for 15 years and Chairman for 6 years, steering the Charity through the sale of The Priory and The Tapestries also ended his term of office at the end of the year and

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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handed over the Chairmanship to James Golob. Trustees extended their thanks and gratitude to Christopher and all retiring Trustees for their commitment to the Charity.

The staff team also welcomed Vicky Oram-Ohern in January as Organisation Grants Manager, to help set the tone, direction and policy of the Charity's grant making to organisations and Jane Weaver took on the management of the Individual Grants programme in addition to managing the property in Tetbury.

The Charity's balance sheet at the end of the year was a healthy £26,562,807 compared with £19,459,799 the previous year, due to the sale of the Tapestries, investment gains and reduced liabilities with the end of the regular beneficiary's programme.

These changes will enable the Charity to grow its grant making activity through 2022 and beyond.

#### **Structure, governance and management**

##### **a. Constitution**

The National Benevolent Charity was founded as the National Benevolent Institution by Peter Hervé in 1812 and is a Registered Charity constituted under a Royal Charter of 5th November 1859, and supplemental Royal Charters of 17th March 1948, 12th February 1997, and an Order in Council of 19th July 2005.

The change of the Charity's name to The National Benevolent Charity was approved by HM The Queen meeting in Privy Council on 14th December 2011.

Amendments to modernise the Royal Charter and remove the upper age qualification were approved on 16th February 2022.

The Charity is also governed by its Bye Laws, first adopted by the Charity 10th September 2009 and modernised and amended to remove the upper age qualification and to allow for general meetings via electronic means on 16th Feb 2022.

The National Benevolent Charity is a registered charity, number 212450, and is constituted under a Royal Charter, number RC000364.

##### **b. Methods of appointment or election of Trustees**

The Trustees of the Charity are the Board of Trustees.

The General Meeting may make appointments to the Board as detailed in Byelaws 12 and 13. Each Trustee shall be elected for a three-year term, and such term will expire at the end of the third Annual General Meeting following the Annual General Meeting at which they are elected. At the end of each term, a Trustee may be re-elected for up to two further terms of office of three years.

There shall be a Board of Trustees, consisting of not more than twelve and not less than four Members qualified in law to act as Trustees to direct and manage the affairs and concerns of the Charity.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Structure, governance and management (continued)

##### c. Organisational structure and decision-making policies

The Board of Trustees is responsible for the strategic direction and policy of the Charity. They met eight times during 2021.

The work of the Board of Trustees is supported by the Finance and Investment Committee and the Welfare Committee. Both committees are governed by Terms of Reference.

The Welfare Committee met four times in the year. They are responsible for welfare strategy and individual and organisation grant making. They receive a monthly report on the individual grants programme and make collective decisions on exceptional applications. Decisions regarding grants to organisations are made during the regular grants panel.

The Finance and Investment Committee is responsible for financial reporting and oversight of the Charity investments. They met five times in the year including one meeting with the Charity Investment Managers.

The Charity employs four staff. Ali Russell, Chief Executive, Dawn Swirczek, Office Manager, Jane Weaver Individual Grants and Property Manager and Vicky Oram-Ohern, Organisation Grants Manager.

##### d. Related party relationships

Related parties include all the members of the Board of Trustees. There have been no transactions with related parties during the year.

##### e. Risk management

Risks are kept under review and were re-assessed during the year. The Trustees believe that the two greatest risks to the Charity are: 1) That there is a significant fall in investment income which will affect the funds that can be distributed to beneficiaries and 2) That there is a breach of trust, Charity law, or other legislation such as employment, housing, or data protection. The Trustees are satisfied that systems are in place to mitigate these risks or their effects.

##### f. Subsidiary charities

The Knowles Foster Homes is a linked Charity and is governed by its own Charity objects, but The Trustees are the same as those of the National Benevolent Charity. The Cy Pres application made in 2021 and subsequently approved in April 2022 was intended to merge The Knowles Foster Homes and its investments with the National Benevolent Charity and remove it from the Charity Commission Register of Charities.

##### g. Restricted funds

The Henderson bequest is a restricted fund providing accommodation or assistance to former members of the nursing or care professions. The fund is invested in a Charifund account managed by M&G Investments.

The Peter Hervé Benevolent Fund merged with the Charity in December 2018 and the funds invested in a separate account. The Charity no longer appears in the Charity commission register. Trustees have decided to designate the funds for use in Bristol but constitutionally they may be used anywhere in the UK.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Structure, governance and management (continued)

##### **h. Land and property**

Land registrations have been completed for the Charity's properties.

##### **Objectives and activities**

###### **a. Policies and objectives**

The objects of the Charity are for the relief of qualifying persons who need assistance by reason of old age, infirmity, sickness, or economic circumstances.

###### **b. Strategies for achieving objectives**

In 2021 the Charity gave financial help in the form of individual grants, regular payments, grants to organisations and the provision of subsidised housing. All grants are made following the policy and guidelines approved by the board of trustees and the Charity's governing documents.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Objectives and activities (continued)

##### c. Activities undertaken to achieve objectives

###### Individual Grants

The Charity awarded individual welfare grants to meet crisis costs, including food and clothing, furniture, domestic appliances, minor repairs, utility bills and training or work tools. In exceptional circumstances grants were also awarded for bankruptcy and debt relief orders, flooring, disability aids, minor home or garden improvements and rent arrears or debts. Applicants were over 18 years old, had UK citizenship or had been granted leave to remain and had lived in the UK for twelve months.

Individual grants applicants complete an application form explaining what the grant will be used for and why it is needed. They are also asked to provide details of their financial situation, disabilities or health issues or other exceptional circumstances and are requested to provide bank statements, medical reports, and details of a professional referrer.

Individual grants are promoted on the website and applicants are encouraged to apply online. Successful applicants may receive up to maximum of £750.

In 2021 the Charity received 905 applications for individual grants and made 447 awards (2020: 528 awards). The average value of the award was £357.00 (2020 £309.00). This included 142 appliances such as a fridge, freezer, washing machine or cooker, 108 grants for household goods including beds and bedding 106 vouchers for food and clothing and the remainder for "other items" such as bankruptcy orders, flooring, and baby equipment.

The total value of individual grants was £159,736, a decrease of £45,388 on the previous year. This was in part due to Charity grantmaking staff being occupied with the sale of the Tapestries at the beginning of the year which reduced the time available to process grants.

###### Regular payments

Since its inception the Charity has made regular payments to beneficiaries. However, as the need for individual grants has grown, the Charity has been phasing them out and in early 2021 Trustees decided that payments should end completely by the end of the year. The Charity, therefore, wrote to all sixty-eight beneficiaries to inform them that their payments would cease and encouraged them to contact the Charity if the withdrawal of the regular payment was going to cause them hardship and to ask that their case be reviewed. As a result, eight regular beneficiaries' cases were reviewed. Of these, it was agreed that only one merited being retained as regular beneficiary. The remainder ceased in December 21. However, a further three had significant loans and credit cards paid off and all beneficiaries were encouraged to apply to the Charity through the individual grants programme should they find themselves in financial difficulty.

By December 2021 there were sixty-five beneficiaries (Dec 2020: 80) in receipt of regular payments and the total expenditure for the year was £63,427, a decrease of £19,643, on the previous year.

###### Grants to Organisations

Grants are made to organisations which support beneficiaries experiencing poverty or hardship. The grants are limited to organisations operating in Bristol, Gloucestershire, or Wiltshire & Swindon. Applicants can apply through the Charity's website or through Gloucestershire Funders. The grants are for a maximum of £10,000 per year but the Charity will also consider multiyear grants and core funding. Guidance is clearly laid out on the website for all three programmes and a funding policy is in place.

In total twenty-three grants were made ranging from £425 to £30,000 per annum. Gloucestershire Organisations received £66,000, Bristol £45,000 and Wiltshire & Swindon £50,000. A total of £152,000. This was an increase of £30,066 on the previous year.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Objectives and activities (continued)

##### Housing

Peter Hervé House & Lenox House.

The Charity has two accommodation blocks in Tetbury. Peter Hervé House, a purpose-built block designed for independent living, is occupied by single people, over fifty in one bedroomed apartment. Lenox House a refurbished 16th century coach house and grade II listed building comprises two one bed flats let on an investment basis. There is a communal garden for the use of all tenants. Occupancy rates in the year were high in Lenox with tenants remaining in situ. Peter Hervé House had one flat unoccupied for the last quarter.

##### Partnerships

Charity staff are active members of the Association of Charitable Organisations and regularly attend training sessions and the CEO is a member of the CEO network. The Charity also joined the Association of Charitable Foundations, has regularly attended their specialist networks and training, and use their resources to inform good practice.

The Charity is also active members of the Bristol Funders Network, Gloucestershire Funders Group and Swindon & Wiltshire Funders Network and has strengthened relationships with referral agencies such Citizens Advice, Step Change, Money Advice and Refugee Council.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Objectives and activities (continued)

#### Achievements and performance

##### a. Public benefit

The Trustees are aware of Public Benefit provisions of the Charities Act 2011 and of the guidance on them published by the Charity Commission. They are satisfied that the Objects of the Charity and the activities of the Charity are within the definitions of Charitable Purposes as set down in the Act in that they are for the relief of poverty, and for the relief of those in need because of old age, infirmity sickness or economic circumstances.

The Trustees are not aware of any public detriment caused by the Charity's Objects or activities, and nor are they aware of anyone receiving any private benefit from the Charity's activities.

##### b. Policies

During the year, the Charity reviewed and revised its policies on health and safety and data protection to ensure that they comply with current legislation and good practice.

#### Financial review

##### a. Going concern

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

##### b. Financial risk management objectives and policies

The charities balance sheet at the end of 2021 was £26,266,626 compared with £19,546,261 at the end of 2020. However, total income was £996,751 down from £1,313,534 the previous year. This was due to a reduction of £125,629 in donation and legacy income compared to the previous year and a reduction in rental income from the Tapestries. Income from Peter Hervé House and Lenox House increased from £72,851 to £77,027 due to Lenox House being let on an investment basis from early 2021.

Total expenditure on charitable activities was £678,565 down from £806,455 in 2020 largely because of the spend on the Emergency Coronavirus Grant programme in the previous year. Expenditure on governance was £27,840 up from £12,963 the previous year due to higher professional fees relating to The Knowles Foster Homes and updating the Objects and the Cy Pres application.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**c. Reserves policy**

The Charity's reserves policy is based on an assessment of the volatility and certainty of each of the organisation's main income streams; a potential need for unplanned or unexpected expenditure and the requirement to maintain sufficient working capital to ensure the continuing smooth running of the Charity. The Trustees decided that it would be appropriate in normal times to maintain a free reserves of three months' expenditure. This provides enough funds to cover management, administration, and payments to beneficiaries. Some of this may be held by the Investment Managers, outside the managed portfolio.

Currently, it aims to hold £85,000 in reserve in the current account and £215,000 in the Rathbones Reserve Account giving a total general reserve of £300,000. Monies greater than these amounts held in either account at the end of the year will be either invested or used for charitable giving depending on the circumstances at the time. The Charity has unrestricted funds invested of £16,100,912 compared to £15,412,493 the previous year.

**d. Investments policy**

The Charity seeks to produce the best possible financial return within an acceptable level of risk, which is classified as a level 5 by their professional investment managers (with level 1 being the lowest risk level and 6 being the highest).

The investment objective is to generate a total return of CPI plus 4% per annum over the long- term, net of all fees. Returns from these funds are required to provide for the Charity's benevolence for the foreseeable future and it is therefore essential to invest with a longer-term perspective.

The Charity adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that, in the long term, the real value of the portfolio will be maintained in accordance with the investment objective above.

Net gains on investments were £2,380,480 compared to a net loss of £40,817 in the previous year.

**e. Future Developments**

The Trustees continually review the financial, economic, and social environments in which the Charity operates to adapt or change policy and practice. Specific strategic plans include the development of legacy fundraising: the merging of investments and the launch of a national awareness and fundraising campaign in addition to continuing to build partnerships with other trusts and foundations, strengthening our governance and board, and improving public awareness of our grant making programmes.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 14 June 2022 methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 provisions of the Royal Charter. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Disclosure of information to auditors

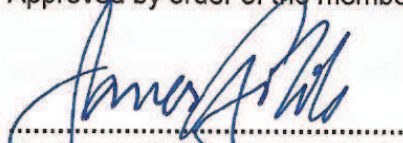
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

#### Auditors

A resolution proposing that Randall & Payne LLP be re-appointed as auditors of the charity will be put to the forthcoming Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr James Golob  
Chairman of the Board

Date: 14 June 2022

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY**

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**Opinion**

We have audited the financial statements of The National Benevolent Charity (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources, including its 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

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## THE NATIONAL BENEVOLENT CHARITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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.

#### Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity 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, the Trustees are responsible for the preparation of the financial statements which 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 Group's and the parent 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY  
(CONTINUED)

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**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity. These include but are not limited to compliance with the Companies Act 2006, Charities SORP, UK GAAP and tax legislation;
- we agreed the financial statement disclosures to supporting documentation;
- we made enquiries of management and Trustees; and
- we reviewed board minutes throughout the year.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

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THE NATIONAL BENEVOLENT CHARITY

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY  
(CONTINUED)

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**Ryan Moore CA (senior statutory auditor)**

**Randall & Payne LLP**

Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

Date: 14 June 2022

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE NATIONAL BENEVOLENT CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021

|                                                                          | Note | Endowment<br>funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ | Total<br>funds<br>2020<br>£ |
|--------------------------------------------------------------------------|------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income and endowments from:</b>                                       |      |                                 |                                  |                                    |                             |                             |
| Donations and legacies                                                   | 3    | -                               | -                                | 50,840                             | 50,840                      | 176,469                     |
| Charitable activities                                                    | 4    | -                               | 23,288                           | 77,027                             | 100,315                     | 264,476                     |
| Investments                                                              | 5    | -                               | -                                | 705,835                            | 705,835                     | 868,589                     |
| Other income                                                             | 6    | -                               | -                                | 139,761                            | 139,761                     | 4,000                       |
| <b>Total income and endowments</b>                                       |      | -                               | 23,288                           | 973,463                            | 996,751                     | 1,313,534                   |
| <b>Expenditure on:</b>                                                   |      |                                 |                                  |                                    |                             |                             |
| Raising funds:                                                           | 7    |                                 |                                  |                                    |                             |                             |
| Movement in provision for regular payments                               |      | -                               | -                                | (180,767)                          | (180,767)                   | (732,470)                   |
| Voluntary income                                                         |      | -                               | -                                | 106,586                            | 106,586                     | 83,375                      |
| Charitable activities                                                    | 8    | -                               | 215,541                          | 463,024                            | 678,565                     | 806,455                     |
| <b>Total expenditure</b>                                                 |      | -                               | 215,541                          | 388,843                            | 604,384                     | 157,360                     |
| <b>Net (expenditure)/income before net gains/(losses) on investments</b> |      |                                 |                                  |                                    |                             |                             |
|                                                                          |      | -                               | (192,253)                        | 584,620                            | 392,367                     | 1,156,174                   |
| Net gains/(losses) on investments                                        |      | -                               | 2,276,680                        | 103,800                            | 2,380,480                   | (40,817)                    |
| <b>Net movement in funds before other recognised gains</b>               |      | -                               | 2,084,427                        | 688,420                            | 2,772,847                   | 1,115,357                   |
| <b>Other recognised gains:</b>                                           |      |                                 |                                  |                                    |                             |                             |
| Gain/(Loss) on the sale of Fixed assets                                  | 14   | -                               | 3,947,519                        | -                                  | 3,947,519                   | -                           |
| <b>Net movement in funds</b>                                             |      | -                               | 6,031,946                        | 688,420                            | 6,720,366                   | 1,115,357                   |

THE NATIONAL BENEVOLENT CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

|                                    | Endowment<br>funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------------------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Note                               |                                 |                                  |                                    |                             |                             |
| <b>Reconciliation of funds:</b>    |                                 |                                  |                                    |                             |                             |
| Total funds brought forward        | 1,672,692                       | 2,461,076                        | 15,412,493                         | 19,546,261                  | 18,430,904                  |
| Net movement in funds              | -                               | 6,031,946                        | 688,420                            | 6,720,366                   | 1,115,357                   |
| <b>Total funds carried forward</b> | <b>1,672,692</b>                | <b>8,493,022</b>                 | <b>16,100,913</b>                  | <b>26,266,627</b>           | <b>19,546,261</b>           |

THE NATIONAL BENEVOLENT CHARITY

CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2021

|                                                | Note | 2021<br>£                | 2020<br>£                |
|------------------------------------------------|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                            |      |                          |                          |
| Tangible assets                                | 13   | 1,170,000                | 1,170,000                |
| Heritage asset                                 | 14   | -                        | 359,513                  |
| Investments                                    | 15   | 24,568,664               | 17,698,924               |
|                                                |      | <u>25,738,664</u>        | <u>19,228,437</u>        |
| <b>Current assets</b>                          |      |                          |                          |
| Debtors                                        | 16   | 3,826                    | 7,571                    |
| Cash at bank and in hand                       |      | 561,566                  | 542,903                  |
|                                                |      | <u>565,392</u>           | <u>550,474</u>           |
| Creditors: amounts falling due within one year | 17   | (36,442)                 | (50,895)                 |
| <b>Net current assets</b>                      |      | <u>528,950</u>           | <u>499,579</u>           |
| <b>Total assets less current liabilities</b>   |      | <u>26,267,614</u>        | <u>19,728,016</u>        |
| Provisions for liabilities                     |      | (988)                    | (181,755)                |
| <b>Net assets excluding pension asset</b>      |      | <u>26,266,626</u>        | <u>19,546,261</u>        |
| <b>Total net assets</b>                        |      | <u><u>26,266,626</u></u> | <u><u>19,546,261</u></u> |
| <b>Charity funds</b>                           |      |                          |                          |
| Endowment funds                                | 20   | 1,672,692                | 1,672,692                |
| Restricted funds                               | 20   | 8,493,022                | 2,461,076                |
| Unrestricted funds                             | 20   | 16,100,912               | 15,412,493               |
| <b>Total funds</b>                             |      | <u><u>26,266,626</u></u> | <u><u>19,546,261</u></u> |

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THE NATIONAL BENEVOLENT CHARITY

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CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2021

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The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
.....  
**Mr James Golob**  
Chairman of the Board  
Date: 14 June 2022

The notes on pages 23 to 49 form part of these financial statements.

THE NATIONAL BENEVOLENT CHARITY

CHARITY BALANCE SHEET  
AS AT 31 DECEMBER 2021

|                                                | Note | 2021<br>£                | 2020<br>£                |
|------------------------------------------------|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                            |      |                          |                          |
| Tangible assets                                | 13   | 1,170,000                | 1,170,000                |
| Investments                                    | 15   | 24,568,664               | 17,698,924               |
|                                                |      | <u>25,738,664</u>        | <u>18,868,924</u>        |
| <b>Current assets</b>                          |      |                          |                          |
| Debtors                                        | 16   | 282,448                  | 262,346                  |
| Cash at bank and in hand                       |      | 561,566                  | 542,903                  |
|                                                |      | <u>844,014</u>           | <u>805,249</u>           |
| Creditors: amounts falling due within one year | 17   | (28,690)                 | (32,619)                 |
| <b>Net current assets</b>                      |      | <u>815,324</u>           | <u>772,630</u>           |
| <b>Total assets less current liabilities</b>   |      | <u>26,553,988</u>        | <u>19,641,554</u>        |
| Provisions for liabilities                     |      | (988)                    | (181,755)                |
| <b>Net assets excluding pension asset</b>      |      | <u>26,553,000</u>        | <u>19,459,799</u>        |
| <b>Total net assets</b>                        |      | <u><u>26,553,000</u></u> | <u><u>19,459,799</u></u> |
| <b>Charity funds</b>                           |      |                          |                          |
| Endowment funds                                | 20   | 1,672,692                | 1,672,692                |
| Restricted funds                               | 20   | 6,988,536                | 2,374,614                |
| Unrestricted funds                             | 20   | 17,891,772               | 15,412,493               |
| <b>Total funds</b>                             |      | <u><u>26,553,000</u></u> | <u><u>19,459,799</u></u> |

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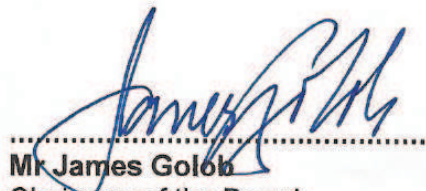
THE NATIONAL BENEVOLENT CHARITY

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CHARITY BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2021

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The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....  
**Mr James Golob**  
Chairman of the Board

Date: 14 June 2022

The notes on pages 23 to 49 form part of these financial statements.

THE NATIONAL BENEVOLENT CHARITY

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021

|                                                           | 2021<br>£        | 2020<br>£        |
|-----------------------------------------------------------|------------------|------------------|
| <b>Cash flows from operating activities</b>               |                  |                  |
| Net cash (used)/generated in operating activities         | (440,143)        | (833,835)        |
| <b>Cash flows from investing activities</b>               |                  |                  |
| Dividends, interests and rents from investments           | 744,835          | 1,018,589        |
| Net proceeds from the sale of heritage asset (Tapestries) | 4,307,040        | -                |
| Proceeds from sale of investments                         | 2,774,092        | 3,052,278        |
| Purchase of investments                                   | (7,284,255)      | (3,402,804)      |
| <b>Net cash provided by investing activities</b>          | <b>541,712</b>   | <b>668,063</b>   |
| <b>Cash flows from financing activities</b>               |                  |                  |
| <b>Net cash provided by financing activities</b>          | <b>-</b>         | <b>-</b>         |
| <b>Change in cash and cash equivalents in the year</b>    | <b>101,569</b>   | <b>(165,772)</b> |
| Cash and cash equivalents at the beginning of the year    | 912,281          | 1,078,053        |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>1,013,850</b> | <b>912,281</b>   |

The notes on pages 23 to 49 form part of these financial statements

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## THE NATIONAL BENEVOLENT CHARITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. General information

The National Benevolent Charity was founded as the National Benevolent Institution by Peter Herve in 1812 and is a Registered Charity constituted under a Royal Charter of 5th November 1859 and supplemental Royal Charters of 17th May 1948, 12th February 1997, an Order in Council of 19th July 2005 and 14th December 2011.

The change of the Charity's name to The National Benevolent Charity was approved by HM The Queen meeting in Privy Council on 14th December 2011.

The Registered Charity number is 212450. The Royal Charter number is RC000364.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The National Benevolent Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

These financial statements consolidate the results of the Charity and the Charity for which they have been given uniting direction or allotted trusteeship (linked Charity), namely Knowles Foster Homes.

##### 2.2 Going concern

The National Benevolent Charity has net current assets of £528,950 (2020: £499,579) and total net assets (which includes the Charity's investment portfolio) of £26,266,626 (2020: £19,546,261). The Charity manages its working capital requirements carefully through bank balances and income generated from its investments. The Charity ensures that robust budgets are set and that actual spend against these budgets is analysed on a monthly basis by the Chief Executive and subsequently by the Board of Trustees' Finance Sub-Committee. The forecast figures for 2021/22 continue to show positive cash flow and maintenance of a strong balance sheet position. Having regard to these matters, the Trustees consider it appropriate to prepare the financial statements using a going concern basis. The Trustees do not consider that there are any material uncertainties that may cast significant doubt about the Charity's ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time, space occupied, or estimated usage, as appropriate.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the Bank.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

No depreciation is provided on freehold buildings. It is the Charity's practice to maintain these assets in continual state of sound repair and to extend and make improvements thereto from time to time. Accordingly the Trustees consider that the lives of these assets are so long, and residual values so high, that the depreciation is insignificant. Any permanent diminution in the value of such buildings will be charged to the Statement of Financial Activities as appropriate.

Scheduled maintenance and repair work is recognised in the Statement of Financial Activities as the commitment arises.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at costs, net of depreciation and any provision for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

|                   |                |
|-------------------|----------------|
| Freehold property | - not provided |
|-------------------|----------------|

**2.7 Heritage assets**

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Gains and losses on disposal are determined by comparing the net sales proceeds with the carrying amount of the asset and are recognised in the Consolidated Statement of Financial Activities in the period they arise. Further details regarding the disposal of the heritage asset in the period can be found in Note 14 to the financial statements.

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Fair value measure is determined with reference to observable market share/ instrument prices.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.11 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.13 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

**2.14 Pensions**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

**2.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

## THE NATIONAL BENEVOLENT CHARITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 2. Accounting policies (continued)

### 2.16 Beneficiaries

Regular payments are paid subject to a continuing assessment of financial circumstances and payments can be suspended by the committee of management at any time. Whilst the Charity retains the right to cease payments to beneficiaries at any time, the Trustees also recognise that the individual's circumstances do not change significantly from one year to the next. Accordingly once they have met the financial criteria for an award it is likely that the beneficiary will continue to qualify for a number of years of the fixed period agreed. The Trustees therefore believe it prudent to recognise a provision for future payments to beneficiaries, although there is no legal obligation to continue with the payments.

A provision for fixed term commitment, which is granted for a limited period of time is recognised in full in the year it is approved. The provision for the future liability reflects the balance remaining at the end of financial year.

A provision for a without time limit commitment is recognised in full in the year it is approved. An estimate of the future commitment is calculated based upon individual's life expectancy published in the office of national statistics 2017-2019 life expectancy tables. The provision for these future liabilities is reviewed at each year end and updated to take account any changes to circumstances and life expectancy data. Further details regarding the current provision are included in Note 19 to the financial statements.

## 3. Income from donations and legacies

|                                         | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|-----------------------------------------|----------------------------------------------|---------------------------------------|
| Donations and subscriptions- Governance | 11,840                                       | <b>11,840</b>                         |
| Legacies- Governance                    | 39,000                                       | <b>39,000</b>                         |
|                                         | <u>50,840</u>                                | <u><b>50,840</b></u>                  |
|                                         |                                              |                                       |
|                                         | <i>Unrestricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
| Donations and subscriptions- Governance | 26,469                                       | 26,469                                |
| Legacies- Governance                    | 150,000                                      | 150,000                               |
|                                         | <u>176,469</u>                               | <u>176,469</u>                        |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**4. Income from charitable activities**

|                                      | <b>Restricted<br/>funds<br/>2021<br/>£</b> | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|--------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Accommodation                        | -                                          | 77,027                                       | <b>77,027</b>                         |
| Rental Income - Knowles Foster Homes | 23,288                                     | -                                            | <b>23,288</b>                         |
|                                      | <u>23,288</u>                              | <u>77,027</u>                                | <u><b>100,315</b></u>                 |
|                                      | <u><u>23,288</u></u>                       | <u><u>77,027</u></u>                         | <u><u><b>100,315</b></u></u>          |
|                                      | <i>Restricted<br/>funds<br/>2020<br/>£</i> | <i>Unrestricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
| Accommodation                        | -                                          | 72,851                                       | 72,851                                |
| Rental Income - Knowles Foster Homes | 191,625                                    | -                                            | 191,625                               |
|                                      | <u>191,625</u>                             | <u>72,851</u>                                | <u>264,476</u>                        |
|                                      | <u><u>191,625</u></u>                      | <u><u>72,851</u></u>                         | <u><u>264,476</u></u>                 |

**5. Investment income**

|                       | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|-----------------------|----------------------------------------------|---------------------------------------|
| Dividends- Governance | 643,976                                      | <b>643,976</b>                        |
| Interest- Governance  | 61,859                                       | <b>61,859</b>                         |
|                       | <u>705,835</u>                               | <u><b>705,835</b></u>                 |
|                       | <u><u>705,835</u></u>                        | <u><u><b>705,835</b></u></u>          |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Investment income (continued)

|                       | <i>Restricted<br/>funds<br/>2020<br/>£</i> | <i>Unrestricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
|-----------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Dividends- Governance | 49,756                                     | 742,085                                      | 791,841                               |
| Interest- Governance  | -                                          | 76,748                                       | 76,748                                |
|                       | <u>49,756</u>                              | <u>818,833</u>                               | <u>868,589</u>                        |

6. Other incoming resources

|                      | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|----------------------|----------------------------------------------|---------------------------------------|
| Employment allowance | 4,000                                        | <b>4,000</b>                          |
| Other income         | 135,761                                      | <b>135,761</b>                        |
|                      | <u>139,761</u>                               | <u><b>139,761</b></u>                 |

|                      | <i>Unrestricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
|----------------------|----------------------------------------------|---------------------------------------|
| Employment allowance | 4,000                                        | 4,000                                 |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Expenditure on raising funds

Costs of raising voluntary income

|                           | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|---------------------------|------------------------------------|-----------------------------|
| Publicity                 | 6,905                              | 6,905                       |
| Portfolio Management Fees | 99,681                             | 99,681                      |
|                           | <u>106,586</u>                     | <u>106,586</u>              |

|                           | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|---------------------------|------------------------------------|-----------------------------|
| Publicity                 | 1,721                              | 1,721                       |
| Portfolio Management Fees | 75,561                             | 75,561                      |
| Staff Costs               | 6,093                              | 6,093                       |
|                           | <u>83,375</u>                      | <u>83,375</u>               |

Fundraising trading expenses

|                                            | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|--------------------------------------------|------------------------------------|-----------------------------|
| Movement in provision for regular payments | <u>(180,767)</u>                   | <u>(180,767)</u>            |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Expenditure on raising funds (continued)

Fundraising trading expenses (continued)

|                                            | <i>Unrestricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Movement in provision for regular payments | (732,470)                                    | (732,470)                             |

8. Analysis of expenditure on charitable activities

Summary by fund type

|                                    | <b>Restricted<br/>funds<br/>2021<br/>£</b> | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Accommodation                      | -                                          | 77,607                                       | <b>77,607</b>                         |
| Beneficiaries                      | -                                          | 347,580                                      | <b>347,580</b>                        |
| Knowles Foster Homes               | 144,406                                    | 6,825                                        | <b>151,231</b>                        |
| Peter Herve Benevolent Institution | 69,376                                     | 4,931                                        | <b>74,307</b>                         |
| Governance                         | 1,759                                      | 26,081                                       | <b>27,840</b>                         |
|                                    | <b>215,541</b>                             | <b>463,024</b>                               | <b>678,565</b>                        |

|                                    | <i>Restricted<br/>funds<br/>2020<br/>£</i> | <i>Unrestricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
|------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Accommodation                      | -                                          | 134,373                                      | 134,373                               |
| Beneficiaries                      | -                                          | 402,532                                      | 402,532                               |
| Knowles Foster Homes               | 155,861                                    | -                                            | 155,861                               |
| Peter Herve Benevolent Institution | 100,726                                    | -                                            | 100,726                               |
| Governance                         | 8,593                                      | 4,370                                        | 12,963                                |
|                                    | <b>265,180</b>                             | <b>541,275</b>                               | <b>806,455</b>                        |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Analysis of expenditure by activities

|                                    | Activities<br>undertaken<br>directly<br>2021<br>£ | Support<br>costs<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|------------------------------------|---------------------------------------------------|-------------------------------|-----------------------------|
| Accommodation                      | 73,820                                            | 3,787                         | 77,607                      |
| Beneficiaries                      | 321,814                                           | 25,767                        | 347,581                     |
| Knowles Foster Homes               | 140,924                                           | 10,307                        | 151,231                     |
| Peter Herve Benevolent Institution | 66,577                                            | 7,730                         | 74,307                      |
| Governance                         | 25,262                                            | 2,577                         | 27,839                      |
|                                    | <u>628,397</u>                                    | <u>50,168</u>                 | <u>678,565</u>              |

|                                    | Activities<br>undertaken<br>directly<br>2020<br>£ | Support<br>costs<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------------------|---------------------------------------------------|-------------------------------|-----------------------------|
| Accommodation                      | 99,474                                            | 34,899                        | 134,373                     |
| Beneficiaries                      | 384,338                                           | 18,194                        | 402,532                     |
| Knowles Foster Homes               | 147,723                                           | 8,137                         | 155,860                     |
| Peter Herve Benevolent Institution | 95,254                                            | 5,472                         | 100,726                     |
| Governance                         | 12,964                                            | -                             | 12,964                      |
|                                    | <u>739,753</u>                                    | <u>66,702</u>                 | <u>806,455</u>              |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

|                        | Accommodation<br>2021<br>£ | Beneficiaries<br>2021<br>£ | Knowles Foster Homes<br>2021<br>£ | Peter Herve Benevolent In<br>2021<br>£ |
|------------------------|----------------------------|----------------------------|-----------------------------------|----------------------------------------|
| Wages and salaries     | 54,433                     | 85,296                     | 7,019                             | 16,921                                 |
| Grants                 | 160                        | 175,214                    | 120,052                           | 47,368                                 |
| Regular payments       | -                          | 61,139                     | -                                 | 2,288                                  |
| Property Costs         | 16,981                     | -                          | 13,672                            | -                                      |
| General administrative | 2,246                      | 165                        | 181                               | -                                      |
|                        | <u>73,820</u>              | <u>321,814</u>             | <u>140,924</u>                    | <u>66,577</u>                          |

|                        | Governance<br>2021<br>£ | Total funds<br>2021<br>£ |
|------------------------|-------------------------|--------------------------|
| Wages and salaries     | 22,253                  | 185,922                  |
| Grants                 | 630                     | 343,424                  |
| Regular payments       | -                       | 63,427                   |
| Property Costs         | -                       | 30,653                   |
| General administrative | 2,380                   | 4,972                    |
|                        | <u>25,263</u>           | <u>628,398</u>           |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

|                        | Accommodation<br>2020<br>£ | Beneficiaries<br>2020<br>£ | Knowles<br>Foster<br>Homes<br>2020<br>£ | Peter Herve<br>Benevolent<br>In<br>2020<br>£ |
|------------------------|----------------------------|----------------------------|-----------------------------------------|----------------------------------------------|
| Wages and salaries     | 21,172                     | 60,496                     | 38,173                                  | 16,216                                       |
| Grants                 | 615                        | 243,722                    | 1,033                                   | 75,408                                       |
| Regular payments       | -                          | 79,482                     | -                                       | 3,588                                        |
| Property Costs         | 76,889                     | -                          | 103,931                                 | -                                            |
| Legal and Professional | -                          | -                          | 3,300                                   | -                                            |
| General administrative | 797                        | 638                        | 1,286                                   | 42                                           |
|                        | <u>99,473</u>              | <u>384,338</u>             | <u>147,723</u>                          | <u>95,254</u>                                |

|                        |               | Governance<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------|---------------|-------------------------|-----------------------------|
| Wages and salaries     | -             | -                       | 136,057                     |
| Grants                 | 4,370         | -                       | 325,148                     |
| Regular payments       | -             | -                       | 83,070                      |
| Property Costs         | -             | -                       | 180,820                     |
| Legal and Professional | 8,594         | -                       | 11,894                      |
| General administrative | -             | -                       | 2,763                       |
|                        | <u>12,964</u> | <u>-</u>                | <u>739,752</u>              |

Analysis of support costs

|                        | Accommodation<br>2021<br>£ | Beneficiaries<br>2021<br>£ | Knowles<br>Foster<br>Homes<br>2021<br>£ | Peter Herve<br>Benevolent<br>In<br>2021<br>£ |
|------------------------|----------------------------|----------------------------|-----------------------------------------|----------------------------------------------|
| Property Costs         | 110                        | 552                        | 221                                     | 166                                          |
| General administrative | 3,677                      | 25,215                     | 10,086                                  | 7,564                                        |
|                        | <u>3,787</u>               | <u>25,767</u>              | <u>10,307</u>                           | <u>7,730</u>                                 |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

|                        | Governance<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|------------------------|-------------------------|-----------------------------|
| Property Costs         | 55                      | 1,104                       |
| General administrative | 2,522                   | 49,064                      |
|                        | <u>2,577</u>            | <u>50,168</u>               |

|                        | Accommodation<br>Beneficiaries<br>2020<br>£ | Beneficiaries<br>2020<br>£ | Knowles<br>Foster<br>Homes<br>2020<br>£ | Peter Herve<br>Benevolent<br>In<br>2020<br>£ |
|------------------------|---------------------------------------------|----------------------------|-----------------------------------------|----------------------------------------------|
| Wages and salaries     | 1,304                                       | 3,679                      | 2,332                                   | 1,117                                        |
| Property Costs         | 238                                         | 1,189                      | 475                                     | 357                                          |
| General administrative | 2,665                                       | 13,326                     | 5,330                                   | 3,998                                        |
| Governance costs       | 30,692                                      | -                          | -                                       | -                                            |
|                        | <u>34,899</u>                               | <u>18,194</u>              | <u>8,137</u>                            | <u>5,472</u>                                 |

|                        | Governance<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------|-------------------------|-----------------------------|
| Staff costs            | -                       | 8,432                       |
| Property Costs         | -                       | 2,259                       |
| General administrative | -                       | 25,319                      |
| Governance costs       | -                       | 30,692                      |
|                        | <u>-</u>                | <u>66,702</u>               |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. Auditors' remuneration**

|                                                                                      | <b>2021</b>  | <i>2020</i>  |
|--------------------------------------------------------------------------------------|--------------|--------------|
|                                                                                      | <b>£</b>     | <b>£</b>     |
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | <b>5,925</b> | <i>7,200</i> |
| Fees payable to the Charity's auditor in respect of:                                 |              |              |
| All non-audit services not included above                                            | <b>3,325</b> | <i>4,200</i> |

**11. Staff costs**

|                                                      | <b>Group<br/>2021</b> | <i>Group<br/>2020</i> | <b>Charity<br/>2021</b> | <i>Charity<br/>2020</i> |
|------------------------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
|                                                      | <b>£</b>              | <b>£</b>              | <b>£</b>                | <b>£</b>                |
| Wages and salaries                                   | <b>185,553</b>        | <i>173,141</i>        | <b>185,128</b>          | <i>132,636</i>          |
| Contribution to defined contribution pension schemes | <b>368</b>            | <i>-</i>              | <b>368</b>              | <i>-</i>                |
|                                                      | <b>185,921</b>        | <i>173,141</i>        | <b>185,496</b>          | <i>132,636</i>          |

The average number of persons employed by the Charity during the year was as follows:

|                          | <b>Group<br/>2021</b> | <i>Group<br/>2020</i> |
|--------------------------|-----------------------|-----------------------|
|                          | <b>No.</b>            | <b>No.</b>            |
| Administration & Support | <b>4</b>              | <i>4</i>              |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                               | <b>Group<br/>2021</b> | <i>Group<br/>2020</i> |
|-------------------------------|-----------------------|-----------------------|
|                               | <b>No.</b>            | <b>No.</b>            |
| In the band £70,001 - £80,000 | <b>1</b>              | <i>1</i>              |

The above employee has pension contributions of £5,755 (2020: £5,685).

Included within the above staff costs is an amount which relates to the key management personnel. The total amount of employee benefits (including employers pension contributions) received by key management personnel was £144.525 (2020: £139,411).

**12. Trustees' remuneration and expenses**

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, expenses totalling £432 were reimbursed or paid directly to 2 Trustees (2020 - £141 to 2 Trustees).

13. Tangible fixed assets

Group

|                          | Freehold<br>property<br>£ |
|--------------------------|---------------------------|
| <b>Cost or valuation</b> |                           |
| At 1 January 2021        | 2,079,375                 |
| At 31 December 2021      | 2,079,375                 |
| <b>Depreciation</b>      |                           |
| At 1 January 2021        | 909,375                   |
| At 31 December 2021      | 909,375                   |
| <b>Net book value</b>    |                           |
| At 31 December 2021      | 1,170,000                 |
| At 31 December 2020      | 1,170,000                 |

Charity

|                          | Freehold<br>property<br>£ |
|--------------------------|---------------------------|
| <b>Cost or valuation</b> |                           |
| At 1 January 2021        | 2,079,375                 |
| At 31 December 2021      | 2,079,375                 |
| <b>Depreciation</b>      |                           |
| At 1 January 2021        | 909,375                   |
| At 31 December 2021      | 909,375                   |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. Tangible fixed assets (continued)**

**Charity (continued)**

|                            | <b>Freehold<br/>property<br/>£</b> |
|----------------------------|------------------------------------|
| <b>Net book value</b>      |                                    |
| At 31 December 2021        | <b>1,170,000</b>                   |
| <i>At 31 December 2020</i> | <i>1,170,000</i>                   |

In March 2008 the Trustees engaged an independent firm of Chartered Surveyors to carry out an evaluation of freehold land and buildings. This included a valuation of each of the properties. It was found that the carrying value of the land and buildings exceeded its recoverable amount. In line with the accounting policy, a diminution in value of £909,375 was charged directly to the Statement of Financial Activities as an exceptional item in the year ended 31 December 2008.

**14. Heritage asset**

**Group and Charity**

**Assets recognised at cost**

|                                             | <b>Heritage<br/>asset<br/>2021<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
|---------------------------------------------|------------------------------------------|-----------------------------|
| Cost at 1 January 2020 and 31 December 2020 | 359,513                                  | <b>359,513</b>              |
| Disposals                                   | (359,513)                                | <b>(359,513)</b>            |
| <b>At 31 December 2019</b>                  | <b>-</b>                                 | <b>-</b>                    |

During the year the Heritage asset also known as the Tapestries was disposed of. The net sale proceeds after considering attributable sale costs amounts to £4,303,733. The book value of the asset on the date of sale was £359,513. Accordingly, a gain on sale of £3,947,519 has been recognised in the Statement of Financial Activities. The income from the sale has been treated by the Trustees as restricted and has been invested into the Charity's investment fund.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Fixed asset investments

| Group                     | Listed<br>investments<br>£ |
|---------------------------|----------------------------|
| <b>Cost or valuation</b>  |                            |
| At 1 January 2021         | 17,698,924                 |
| Additions                 | 7,284,255                  |
| Disposals                 | (2,774,092)                |
| Revaluations              | 2,276,680                  |
| Transfers between classes | 82,897                     |
| At 31 December 2021       | <u>24,568,664</u>          |
| <b>Net book value</b>     |                            |
| At 31 December 2021       | <u>24,568,664</u>          |
| At 31 December 2020       | <u>17,698,924</u>          |

In addition to the above analysis, the gain on investments included in the Statement of Financial Activities includes unrealised gain on valuation of £2,300,230 (2020: £247,088 gain).

| Charity                   | Listed<br>investments<br>£ |
|---------------------------|----------------------------|
| <b>Cost or valuation</b>  |                            |
| At 1 January 2021         | 17,698,924                 |
| Additions                 | 7,284,255                  |
| Disposals                 | (2,774,092)                |
| Revaluations              | 2,276,680                  |
| Transfers between classes | 82,897                     |
| At 31 December 2021       | <u>24,568,664</u>          |
| <b>Net book value</b>     |                            |
| At 31 December 2021       | <u>24,568,664</u>          |
| At 31 December 2020       | <u>17,698,924</u>          |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

**Material investments**

|                                   | 2021<br>£         | 2020<br>£         |
|-----------------------------------|-------------------|-------------------|
| UK Equity                         | 12,493,346        | 8,406,714         |
| UK Fixed Interest                 | 1,471,983         | 1,678,675         |
| Overseas Equities                 | 7,756,186         | 5,336,294         |
| Overseas Fixed Equities           | 253,489           | 480,252           |
| Alternatives                      | 1,988,903         | 1,251,583         |
| Cash held for investment purposes | 452,284           | 369,378           |
| M&G Investment                    | 152,473           | 176,028           |
|                                   | <b>24,568,664</b> | <b>17,698,924</b> |

**Investments at cost**

|          | 2021<br>£         | 2020<br>£         |
|----------|-------------------|-------------------|
| Shares   | 16,681,871        | 12,825,562        |
| Property | -                 | -                 |
| Cash     | 452,284           | 369,378           |
|          | <b>17,134,155</b> | <b>13,194,940</b> |

**16. Debtors**

|                                    | Group<br>2021<br>£ | Group<br>2020<br>£ | Charity<br>2021<br>£ | Charity<br>2020<br>£ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Due within one year</b>         |                    |                    |                      |                      |
| Amounts owed by group undertakings | -                  | -                  | 278,239              | 254,392              |
| Other debtors- Rents               | 373                | 797                | 756                  | 1,180                |
| Prepayments and accrued income     | 3,453              | 6,774              | 3,453                | 6,774                |
|                                    | <b>3,826</b>       | <b>7,571</b>       | <b>282,448</b>       | <b>262,346</b>       |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Creditors: Amounts falling due within one year

|                                    | <b>Group<br/>2021<br/>£</b> | <i>Group<br/>2020<br/>£</i> | <b>Charity<br/>2021<br/>£</b> | <i>Charity<br/>2020<br/>£</i> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Other taxation and social security | <b>4,362</b>                | 3,973                       | <b>4,362</b>                  | 3,973                         |
| Other creditors                    | <b>32,080</b>               | 46,922                      | <b>24,328</b>                 | 28,646                        |
|                                    | <b>36,442</b>               | 50,895                      | <b>28,690</b>                 | 32,619                        |

18. Financial instruments

|                                                                        | <b>Group<br/>2021<br/>£</b> | <i>Group<br/>2020<br/>£</i> | <b>Charity<br/>2021<br/>£</b> | <i>Charity<br/>2020<br/>£</i> |
|------------------------------------------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>Financial assets</b>                                                |                             |                             |                               |                               |
| Financial assets measured at fair value through income and expenditure | <b>561,566</b>              | 542,903                     | <b>561,566</b>                | 542,903                       |

Financial assets measured at fair value through income and expenditure comprise of cash at bank.

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THE NATIONAL BENEVOLENT CHARITY

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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19. Provisions

Group

|                   | Lifetime<br>Cost<br>Provision<br>£ |
|-------------------|------------------------------------|
| At 1 January 2021 | 181,755                            |
| Amounts used      | (180,767)                          |
|                   | <hr/> 988 <hr/>                    |

Included within note 19 is a provision for regular payments to elderly individuals over their remaining lifetime. In the prior year, the Trustees confirmed that there was no contractual obligation to continue these payments and began communicating with the individuals that the final payment was to be made in December 2021 and not continued thereafter.

As at 31 December 2021, there remains 1 individual who the Charity have agreed to provide payments to until 31 December 2022. The value of these future payments is provided for above. The Trustees have confirmed that a further review of the regular payments will be conducted in December 2022, however, given there is no contractual obligation for the Charity to meet these payments, no provision has been made in the financial statements beyond the above individual.

Charity

|                   | Lifetime<br>Cost<br>Provision<br>£ |
|-------------------|------------------------------------|
| At 1 January 2021 | 181,755                            |
| Amounts used      | (180,767)                          |
|                   | <hr/> 988 <hr/>                    |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Statement of funds

Statement of funds - current year

|                                 | Balance at 1<br>January<br>2021<br>£ | Income<br>£    | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2021<br>£ |
|---------------------------------|--------------------------------------|----------------|------------------|-------------------------|-------------------------------------------|
| <b>Unrestricted funds</b>       |                                      |                |                  |                         |                                           |
| <b>Designated funds</b>         |                                      |                |                  |                         |                                           |
| Designated Funds - all funds    | 14,016,506                           | -              | 180,767          | 103,800                 | 14,301,073                                |
| <b>General funds</b>            |                                      |                |                  |                         |                                           |
| General Funds - all funds       | 1,395,987                            | 973,462        | (569,610)        | -                       | 1,799,839                                 |
| <b>Total Unrestricted funds</b> | <b>15,412,493</b>                    | <b>973,462</b> | <b>(388,843)</b> | <b>103,800</b>          | <b>16,100,912</b>                         |
| <b>Endowment funds</b>          |                                      |                |                  |                         |                                           |
| Endowment Funds - all funds     | 1,672,692                            | -              | -                | -                       | 1,672,692                                 |
| <b>Restricted funds</b>         |                                      |                |                  |                         |                                           |
| Restricted Funds - all funds    | 2,461,076                            | 23,288         | (215,541)        | 6,224,199               | 8,493,022                                 |
| <b>Total of funds</b>           | <b>19,546,261</b>                    | <b>996,750</b> | <b>(604,384)</b> | <b>6,327,999</b>        | <b>26,266,626</b>                         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Statement of funds (continued)

Statement of funds - prior year

|                                    | Balance at<br>1 January<br>2020<br>£ | Income<br>£      | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2020<br>£ |
|------------------------------------|--------------------------------------|------------------|------------------|-------------------------|-------------------------------------------|
| <b>Unrestricted funds</b>          |                                      |                  |                  |                         |                                           |
| <b>Designated funds</b>            |                                      |                  |                  |                         |                                           |
| Capital fund                       | 13,154,979                           | -                | 732,470          | 129,058                 | 14,016,507                                |
| <b>General funds</b>               |                                      |                  |                  |                         |                                           |
| Income fund                        | 948,483                              | 1,072,153        | (624,650)        | -                       | 1,395,986                                 |
| <b>Total Unrestricted funds</b>    | <b>14,103,462</b>                    | <b>1,072,153</b> | <b>107,820</b>   | <b>129,058</b>          | <b>15,412,493</b>                         |
| <b>Endowment funds</b>             |                                      |                  |                  |                         |                                           |
| Endowment Funds - all funds        | 1,672,692                            | -                | -                | -                       | 1,672,692                                 |
| <b>Restricted funds</b>            |                                      |                  |                  |                         |                                           |
| Knowles Foster Homes               | 50,697                               | 191,625          | (155,862)        | -                       | 86,460                                    |
| Henderson Fund                     | 212,978                              | 8,593            | (8,593)          | (36,949)                | 176,029                                   |
| Peter Herve Benevolent Institution | 2,391,074                            | 41,163           | (100,725)        | (132,925)               | 2,198,587                                 |
|                                    | <u>2,654,749</u>                     | <u>241,381</u>   | <u>(265,180)</u> | <u>(169,874)</u>        | <u>2,461,076</u>                          |
| <b>Total of funds</b>              | <b>18,430,903</b>                    | <b>1,313,534</b> | <b>(157,360)</b> | <b>(40,816)</b>         | <b>19,546,261</b>                         |

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**20. Statement of funds (continued)**

**Permanent endowment funds**

*Endowed Legacies fund:*

Bye-Law 31, which was abolished in 2005, required legacy income over and above the amount allowed to be expended as income to be invested in the name of the Charity. This fund represents the total amount of these endowed legacies. The fund balance is represented by costs associated with the land and buildings at the Charity's headquarters in Tetbury.

**Restricted funds**

*Knowles Foster Homes fund:*

The Knowles Foster Homes, a linked charity fund was originally set up in 1934 to provide homes and maintenance for poor gentlewomen at The Tapestries, Old Windsor. The Objects were amended in the 2009 Scheme to be the provision of housing or maintenance for people having insufficient income to live in reasonable comfort without financial support.

*The Henderson fund:*

The Henderson fund arose as a result of the sale of Margaret Cottages. The Henderson bequest is a restricted fund. In the prior year the Charity Commission gave approval for the objects of the bequest to be amended to the following,

'To provide accommodation or to provide grants or other financial assistance for the relief of members or former members of the nursing profession who are in need, hardship or distress, or, insofar as the Charity is not able to provide relief to such people, to members or former members of professions allied to medicine or the care sector.'

'For the purposes of these objects, "care sector" shall include those people who work or have worked in care homes for older people and for younger adults, domiciliary care providers, day centres and supported living providers, including both private (independent) and public.'

**Designated funds**

*Capital fund:*

The Capital fund is represented by assets that are used to generate income for the general purposes of the Charity.

**Transfers**

No transfers have been made during the year and there does not appear to be any necessary at the year-end also.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

21. Summary of funds

Summary of funds - current year

|                  | Balance at 1<br>January<br>2021<br>£ | Income<br>£    | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2021<br>£ |
|------------------|--------------------------------------|----------------|------------------|-------------------------|-------------------------------------------|
| Designated funds | 14,016,506                           | -              | 180,767          | 103,800                 | 14,301,073                                |
| General funds    | 1,395,987                            | 973,462        | (569,610)        | -                       | 1,799,839                                 |
| Endowment funds  | 1,672,692                            | -              | -                | -                       | 1,672,692                                 |
| Restricted funds | 2,461,076                            | 23,288         | (215,541)        | 6,224,199               | 8,493,022                                 |
|                  | <u>19,546,261</u>                    | <u>996,750</u> | <u>(604,384)</u> | <u>6,327,999</u>        | <u>26,266,626</u>                         |

Summary of funds - prior year

|                  | Balance at<br>1 January<br>2020<br>£ | Income<br>£      | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2020<br>£ |
|------------------|--------------------------------------|------------------|------------------|-------------------------|-------------------------------------------|
| Designated funds | 13,154,979                           | -                | 732,470          | 129,058                 | 14,016,507                                |
| General funds    | 948,483                              | 1,072,153        | (624,650)        | -                       | 1,395,986                                 |
| Endowment funds  | 1,672,692                            | -                | -                | -                       | 1,672,692                                 |
| Restricted funds | 2,654,749                            | 241,381          | (265,180)        | (169,874)               | 2,461,076                                 |
|                  | <u>18,430,903</u>                    | <u>1,313,534</u> | <u>(157,360)</u> | <u>(40,816)</u>         | <u>19,546,261</u>                         |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**22. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

|                                        | <b>Endowment<br/>funds<br/>2021<br/>£</b> | <b>Restricted<br/>funds<br/>2021<br/>£</b> | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|----------------------------------------|-------------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Tangible fixed assets                  | 732,692                                   | 349,398                                    | 87,910                                       | <b>1,170,000</b>                      |
| Fixed asset investments                | 940,000                                   | 7,910,374                                  | 15,718,290                                   | <b>24,568,664</b>                     |
| Current assets                         | -                                         | 294,947                                    | 270,445                                      | <b>565,392</b>                        |
| Creditors due within one year          | -                                         | (60,709)                                   | 24,268                                       | <b>(36,441)</b>                       |
| Provisions for liabilities and charges | -                                         | (988)                                      | -                                            | <b>(988)</b>                          |
| Inter charity loan                     | -                                         | -                                          | (1)                                          | <b>1</b>                              |
| <b>Total</b>                           | <b>1,672,692</b>                          | <b>8,493,022</b>                           | <b>16,100,912</b>                            | <b>26,266,626</b>                     |

**Analysis of net assets between funds - prior year**

|                                       | <i>Endowment<br/>funds<br/>2020<br/>£</i> | <i>Restricted<br/>funds<br/>2020<br/>£</i> | <i>Unrestricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
|---------------------------------------|-------------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Tangible fixed assets                 | 732,692                                   | 349,398                                    | 87,910                                       | 1,170,000                             |
| Fixed asset investments               | 940,000                                   | 2,317,321                                  | 14,441,603                                   | 17,698,924                            |
| Heritage assets                       | -                                         | -                                          | 359,513                                      | 359,513                               |
| Current assets                        | -                                         | 6,774                                      | 543,700                                      | 550,474                               |
| Creditors due within one year         | -                                         | (18,276)                                   | (32,618)                                     | (50,894)                              |
| Provision for liabilities and charges | -                                         | -                                          | (181,755)                                    | (181,755)                             |
| Inter charity loan                    | -                                         | (194,141)                                  | 194,140                                      | (1)                                   |
| <b>Total</b>                          | <b>1,672,692</b>                          | <b>2,461,076</b>                           | <b>15,412,493</b>                            | <b>19,546,261</b>                     |

**Inter Charity Loan**

The inter Charity loan between The National Benevolent Charity and the Knowles Foster Homes is an interest free loan with no set repayment terms.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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

|                                                                    | Group<br>2021<br>£ | Group<br>2020<br>£ |
|--------------------------------------------------------------------|--------------------|--------------------|
| Net income for the year (as per Statement of Financial Activities) | 2,772,847          | 1,115,357          |
| <b>Adjustments for:</b>                                            |                    |                    |
| Gains on investments                                               | (2,276,680)        | (210,139)          |
| Dividends, interests and rents from investments                    | (744,835)          | (1,018,589)        |
| Decrease/(increase) in debtors                                     | 3,745              | (3,692)            |
| Increase/(decrease) in creditors                                   | (14,453)           | 15,698             |
| Movement in provisions                                             | (180,767)          | (732,470)          |
| <b>Net cash used in operating activities</b>                       | <b>(440,143)</b>   | <b>(833,835)</b>   |

24. Analysis of cash and cash equivalents

|                                        | Group<br>2021<br>£ | Group<br>2020<br>£ |
|----------------------------------------|--------------------|--------------------|
| Cash in hand                           | 1,013,850          | 912,281            |
| <b>Total cash and cash equivalents</b> | <b>1,013,850</b>   | <b>912,281</b>     |

25. Analysis of changes in net debt

|                          | At 1<br>January<br>2021<br>£ | Cash flows<br>£ | At 31<br>December<br>2021<br>£ |
|--------------------------|------------------------------|-----------------|--------------------------------|
| Cash at bank and in hand | 542,903                      | 18,663          | 561,566                        |
|                          | <b>542,903</b>               | <b>18,663</b>   | <b>561,566</b>                 |

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## THE NATIONAL BENEVOLENT CHARITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **26. Post balance sheet events**

Having disposed of the Tapestries during the year, the Trustees wanted to simplify the investments and minimise administration and therefore made a Cy Pres application to the Charity Commission for permission to merge the investment accounts of The Knowles Foster Homes and the Bristol funds (formerly the Peter Hervé Benevolent Fund) with the National Benevolent Charity funds. However, during the application process, it was found that Royal Charter and Bye Laws needed to be updated. These were subsequently approved by the Privy Council on 16th February 2022. The Cy Pres application was restarted and on 20th April 2022 the Board was notified by the Charity Commission that the application had been approved.

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# Accounts

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**THE NATIONAL BENEVOLENT CHARITY**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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## THE NATIONAL BENEVOLENT CHARITY

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### CONTENTS

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|                                                                                       | Page    |
|---------------------------------------------------------------------------------------|---------|
| <b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b> | 1 - 2   |
| <b>Trustees' Report</b>                                                               | 3 - 9   |
| <b>Independent Auditors' Report on the Financial Statements</b>                       | 10 - 13 |
| <b>Consolidated Statement of Financial Activities</b>                                 | 14      |
| <b>Consolidated Balance Sheet</b>                                                     | 15 - 16 |
| <b>Charity Balance Sheet</b>                                                          | 17 - 18 |
| <b>Consolidated Statement of Cash Flows</b>                                           | 19      |
| <b>Notes to the Financial Statements</b>                                              | 20 - 46 |

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## THE NATIONAL BENEVOLENT CHARITY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Trustees

Air Cdre David Adams, (Chairman of the Welfare Committee)  
Mr Christopher Bell, (Chairman)  
Mr Richard Bromilow (appointed 30 September 2020)  
Mrs Joanna Chambers  
Mr Geoffrey Clements, (Chairman of the Finance and Investment Committee)  
Mr Andrew Crawford  
Mrs Victoria Daniell  
Mr David McEuen, (Chairman of the Investment Committee)  
Mr James Golob (appointed 30 September 2020)  
The Revd John Hunnisett  
Mr Grahame Nicholson

#### Charity registered number

212450

#### Registered office

Peter Hervé House  
Eccles Court  
Tetbury  
Gloucestershire  
GL8 8EH

#### Patron

His Royal Highness The Prince of Wales

#### Chief Executive

Ali Russell

#### President

Vacant

#### Independent auditors

Randall & Payne LLP  
Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

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THE NATIONAL BENEVOLENT CHARITY

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**Bankers**

HSBC Bank plc  
The Cross  
Gloucester  
Gloucestershire  
GL1 2AP

**Solicitors**

Stone King LLP  
13 Queen Square  
Bath  
BA1 2HJ

**Investment Managers**

Rathbones  
1 Curzon Street  
London  
EC2M 7AZ

M&G Investments  
Laurence Pountney Hill  
London  
EC4R 0HH

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees present their annual report together with the audited financial statements of the The National Benevolent Charity for the year 1 January 2020 to 31 December 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) 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).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

#### **Structure, governance and management**

##### **a. Constitution**

The National Benevolent Charity is registered as a charitable company limited by guarantee and was set up by a Royal Charter.

##### **b. Methods of appointment or election of Trustees**

The Trustees of the Charity are the Members of the Committee of Management. The Byelaws of the Charity were amended, with effect from 10th September 2009, to provide for one third of Trustees to retire each year in order of length of service and, with effect from that date but disregarding previous service, for no Trustee to serve for more than twelve consecutive years without a break in service.

Under the Royal Charter, the Trustees must be elected from amongst the members of the Charity, and they must total no less than six and no more than twenty. The Committee of Management has the power to co-opt additional members during the year and must do so if the number falls to below six.

##### **c. Organisational structure and decision-making policies**

The Committee of Management, which met four times during 2020, is responsible for the strategic direction and policy of the charity.

The work of the Committee of Management is supported by the Finance and Investment Committee and the Welfare Committee. Both committees are governed by Terms of Reference. During the year the Welfare Committee met monthly via email to discuss Welfare Applications that could not be dealt with by delegated authority. They also met three further times to discuss welfare strategy. The Finance and Investment Committee met four times in the year. Due to the pandemic all meetings were held via Zoom from the end of March onwards.

Strategic development and day to day management is the responsibility of the Chief Executive. The charity employed three further staff during the year, two managing the office administration, property, and welfare applications. A further staff member was employed as Resident Warden at the Tapestries in Old Windsor until October 2020.

##### **d. Related party relationships**

Related parties include all the members of the Committee of Management. There have been no transactions with related parties during the year.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Structure, governance and management (continued)

##### e. Subsidiary charities

The Knowles Foster Homes, which owns the Tapestries accommodation block, is a linked charity.

##### f. Restricted funds

The Henderson bequest is a restricted fund providing accommodation or assistance to former members of the nursing or care professions. The fund is invested in a Charifund account managed by M&G Investments. The Peter Herve Benevolent Fund merged with the charity in December 2018 and no longer appears in the charity commission register. However, during the year funds were restricted to use in Bristol.

##### g. Land and property

Land registrations have been completed for the Charity's properties.

#### Plans for future periods

The trustees continually review the financial, economic, and social environments in which the Charity operates to adapt or change policy and practice. Specific strategic plans include: Building partnerships with other trusts and foundations, strengthening our governance and board, improving public awareness of our grant making programmes and streamlining our investment accounts portfolio.

#### Objectives and activities

##### a. Policies and objectives

The objects of the Charity are the relief of qualifying persons who need assistance by reason of old age, infirmity, sickness, or economic circumstances. The government's programme of structural welfare reform and the resulting benefit cuts have had a significant negative impact and are being closely monitored by the Charity. Changes in policy have been made to reflect changing patterns of poverty and the changing needs of beneficiaries. The Charity's scope is UK-wide, and beneficiaries live in all parts of the country.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### b. Strategies for achieving objectives

The Charity gives financial help in the form of single grants, regular payments, grants to organisations and subsidised housing.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**Objectives and activities (continued)**

**c. Activities undertaken to achieve objectives**

Single Grants

Throughout the year the charity awarded single welfare grants to meet sudden or occasional costs, such as food and clothing, furniture, domestic appliances, minor repairs, fuel, and training. In exceptional circumstances grants were also awarded for bankruptcy and debt relief orders, private medical treatment, flooring, disability aids or adaptations, garden improvements and rent arrears. Applicants for single grants complete an application form explaining what the grant will be used for and why it is needed. They are also asked to provide details of their financial situation, disabilities or health issues or other exceptional circumstances. They are also requested to provide bank statements, medical reports, and details of a professional referrer.

To qualify, applicants needed to demonstrate that they were living in poverty, through no fault of their own, and that it was not possible for them to escape from that poverty because of sickness, disability, age, or some other substantial reason. They also needed to have UK citizenship or have been granted leave to remain and be over 18 years old.

Full criteria and the application process is supplied on the website

Between March and June, in response to the pandemic the charity established an Emergency Coronavirus Fund and awarded a single cash payment to those who had lost their job or income as a direct result of the pandemic and the UK lockdown. To apply applicants needed only to supply bank statements.

Regular payments

These are made quarterly in advance. Since 2003 the charity has been phasing out regular payments in favour of single payments. There were no new regular beneficiaries during the period.

Grants to Organisations

Grants are made to organisations which support beneficiaries experiencing poverty or hardship to access essentials such as food, clothing, and housing.

Housing

The Charity has accommodation blocks in Tetbury and Old Windsor (The Tapestries). The accommodation is for independent living and is mostly occupied by single people, on low incomes over 50 in one or two bedroomed apartments. Some tenants are in receipt of means tested state benefits, including housing benefit.

On the Tetbury site, there are nine apartments in Peter Hervé House, a purpose-built block, and a further two in Lenox House, a refurbished 16th century coach house and grade II listed building. On the Old Windsor site, the Tapestries is in three Victorian buildings converted into 28 apartments (one occupied by the on-site Warden) and two houses. All the accommodation is safe and peaceful, and the gardens are maintained for the enjoyment of tenants and guests.

Vacancies were filled following local advertising and nominations from other charities, societies, and housing associations. All prospective tenants completed a standard application form and were interviewed prior to a flat being let.

The Charity is a member of the Registered Landlords Association and the Almshouse Association.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**Objectives and activities (continued)**

In March 2020, the trustees took the decision that, due to the ongoing costs incurred in maintaining the Tapestries and the trustees desire to focus on its grant giving activities, that the Tapestries would be sold. This was paused due to the pandemic and first lockdown but in August 2020 the charity announced to tenants that the Tapestries was to be sold. Savills was engaged to find a buyer who would ideally be sympathetic to existing tenants and retain them in situ. An offer was accepted from Rural Portfolio Limited, part of the William Pears Group who committed to retain the tenants with their existing tenancy agreements and the sale completed in February 2021.

**d. Grant-making policies**

Grants are made to individual beneficiaries and organisations following approval by the Welfare Committee or with delegated authority in accordance with the terms agreed by the board of trustees and the Charity's governing documents.

**Achievements and performance**

**a. Review of activities**

Single Grants

The charity received 1,238 applications for single payments and made 528 awards (2019: 376 awards). The average value of the award was £309.00 (2019 335). This included 48 beds or bedding, 146 vouchers for food and clothing, 106 "other items" such as bankruptcy orders, flooring, baby equipment and laptop and 206 fridges, cookers and washing machines.

The charity also received 547 applications to the Emergency Coronavirus Fund, 200 grant awards were made with the average award being £200.

The total amount of individual grants awarded was £205,124 an increase of £79,151 on the previous year.

Regular Payments

At the end of the 2020 there were 80 beneficiaries (2019: 100) in receipt of regular payments of which 68 were single people and the remainder couples. The amount of a regular payment for a single beneficiary in receipt of the state retirement pension was £19.00 per week, and for a couple it was £25.00 per week. For beneficiaries not in receipt of the state retirement pension the rate was up to £25.00 per week for a single person and up to £31.00 for a couple. The total amount of our regular grants was £83,070. This is a decrease of £13,026 on the previous year due to natural attrition.

Grants to Organisations

In March 2020, the board agreed to extend its organisation grant giving into Gloucestershire and Wiltshire in addition to the existing programme in Bristol. During the year 10 grants were awarded to smaller, local grassroots organisations in Gloucestershire and two grants were made in Wiltshire. In Bristol we continued to support our existing funded organisations to a greater extent and support two other organisations. In total 17 grants were made ranging from £100 to £45,000. Thirteen of these grants were made to help organisations provide food during the pandemic. Grants totalled £121,934. This was an increase of £86,933 on the previous year.

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Achievements and performance (continued)**

##### Housing

Occupancy rates were high until the last quarter of the year when there were two voids at Lennox House at the same time and the charity took the opportunity to refurbish the building. There were also voids at the Tapestries as some tenants chose to leave when it was put up for sale and the flats were not relet in the interim.

#### **b. Factors relevant to achieve objectives**

##### Information and Publicity

The Charity advertised the single grant programme on the turn2us website which directs applicants to the charity's website and an online application form.

##### Partnerships

The Charity is a member of the Association of Charitable Organisations, the umbrella body for benevolence charities. The charity is also a member of the Bristol Funders Network, Gloucestershire Funders Group and National Council for Voluntary Organisations. The charity also has relationships with other charities in the sector such as Turn2Us, the Smallwood Trust and other benevolence charities and takes referrals from advice and welfare organisations including Citizens Advice, Age UK and StepChange. There were also over 400 agencies which referred applicants to the charity during 2020.

#### **c. Public benefit**

The Trustees are aware of Public Benefit provisions of the Charities Act 2011 and of the guidance on them published by the Charity Commission. They are satisfied that the Objects of the Charity and the activities of the Charity are within the definitions of Charitable Purposes as set down in the Act in that they are for the relief of poverty, and for the relief of those in need because of old age, infirmity sickness or economic circumstances.

The Trustees are not aware of any public detriment caused by the Charity's Objects or activities, and nor are they aware of anyone receiving any private benefit from the Charity's activities.

#### **d. Policies**

During the year, the Charity reviewed and revised its policies on health and safety and data protection to ensure that they comply with current legislation and good practice.

#### **Financial review**

##### **a. Going concern**

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

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **b. Reserves policy**

It is the aim of the Charity to maintain unrestricted funds, which are free reserves of the Charity, at a level which equates to six months' expenditure, approximately £250,000. This provides enough funds to cover management, administration, and payments to beneficiaries. The current level of unrestricted general funds, excluding the inter-charity loan, is £194,141.

#### **c. Material investments policy**

The instructions given to the investment manager are to obtain a reasonable long-term overall return on the funds invested at moderate risk, and, at the same time, to aim for income targets set by the Finance and Investment Committee. Reports on performance are prepared quarterly and are reviewed by the Finance and Investment Committee. The investment managers attend at least one meeting of the Investment Committee each year. Due to the pandemic 2020 was a year of considerable volatility in stock markets and over the year the FTSE All Share Index fell 9.8%. The main fund rose in value by 6.0% and the PHBI fund value was unchanged (figures calculated on a total return basis).

#### **d. Principal risks and uncertainties**

Risks are kept under review and were re-assessed during the year. The Trustees believe that the four greatest risks to the Charity are:

- 1) The turbulence in the financial markets and the impact this might have on the Charity's investment income
- 2) Cyber security
- 3) Fraud by welfare applicants
- 4) The loss of key staff members.

The Trustees are satisfied that systems are in place to mitigate these risks or their effects.

#### **e. Financial performance during the year**

Total income was £1,313,534 up from £1,041,137 the previous year. This was due to an increase in investment income of £319,769 compared to the previous year. Donations and Legacy income was £176,469 compared with £203,615 in the previous year. Income from rents from accommodation was £264,476 down from £282,491 in the previous year.

Expenditure on charitable activities was £806,455 (2019: £738,946). Expenditure on governance was £30,692 (2019: 68,743)

Net income with investment gains was £1,115,357 (2019: £2,151,951). Total funds carried forward £19,546,261 (2019: £18,430,904)

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## THE NATIONAL BENEVOLENT CHARITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

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

#### Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

#### Auditors

A resolution proposing that Randall & Payne LLP be re-appointed as auditors of the charity will be put to the forthcoming Annual General Meeting.

Approved by order of the members of the board of Trustees on  
06/07/2021 and signed on their behalf by:



**Mr Christopher Bell, Chairman of the Committee of Management**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY

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**Opinion**

We have audited the financial statements of The National Benevolent Charity (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources, including its 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

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## THE NATIONAL BENEVOLENT CHARITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY (CONTINUED)

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#### 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 Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity 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, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY  
(CONTINUED)

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**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the company. These include but are not limited to compliance with the Companies Act 2006, UK GAAP and tax legislation;
- we agreed the financial statement disclosures to supporting documentation;
- we made enquiries of management; and
- we reviewed board minutes throughout the year.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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

**Use of our report**

This report is made solely to the charitable company'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 charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

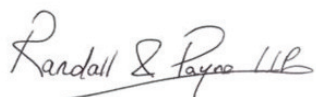
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THE NATIONAL BENEVOLENT CHARITY

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL BENEVOLENT CHARITY  
(CONTINUED)

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**Randall & Payne LLP**

Chargrove House

Shurdington Road

Cheltenham

Gloucestershire

GL51 4GA

Date: 07/07/2021

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE NATIONAL BENEVOLENT CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020

|                                                                          | Note | Endowment<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|--------------------------------------------------------------------------|------|---------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income and endowments from:</b>                                       |      |                                 |                                  |                                    |                             |                             |
| Donations and legacies                                                   | 3    | -                               | -                                | 176,469                            | 176,469                     | 203,615                     |
| Charitable activities                                                    | 4    | -                               | 191,625                          | 72,851                             | 264,476                     | 282,491                     |
| Investments                                                              | 5    | -                               | 49,756                           | 818,833                            | 868,589                     | 548,820                     |
| Other income                                                             | 6    | -                               | -                                | 4,000                              | 4,000                       | 6,211                       |
| <b>Total income and endowments</b>                                       |      | -                               | 241,381                          | 1,072,153                          | 1,313,534                   | 1,041,137                   |
| <b>Expenditure on:</b>                                                   |      |                                 |                                  |                                    |                             |                             |
| Raising funds:                                                           | 7    |                                 |                                  |                                    |                             |                             |
| Movement in provision for regular payments                               |      | -                               | -                                | (732,470)                          | (732,470)                   | 43,185                      |
| Voluntary income                                                         |      | -                               | -                                | 83,375                             | 83,375                      | 90,835                      |
| Charitable activities                                                    | 8    | -                               | 265,180                          | 541,275                            | 806,455                     | 738,946                     |
| <b>Total expenditure</b>                                                 |      | -                               | 265,180                          | (107,820)                          | 157,360                     | 872,966                     |
| <b>Net (expenditure)/income before net (losses)/gains on investments</b> |      | -                               | (23,799)                         | 1,179,973                          | 1,156,174                   | 168,171                     |
| Net (losses)/gains on investments                                        |      | -                               | (169,874)                        | 129,057                            | (40,817)                    | 1,983,780                   |
| <b>Net movement in funds</b>                                             |      | -                               | (193,673)                        | 1,309,030                          | 1,115,357                   | 2,151,951                   |
| <b>Reconciliation of funds:</b>                                          |      |                                 |                                  |                                    |                             |                             |
| Total funds brought forward                                              |      | 1,672,692                       | 2,654,749                        | 14,103,463                         | 18,430,904                  | 16,278,953                  |
| Net movement in funds                                                    |      | -                               | (193,673)                        | 1,309,030                          | 1,115,357                   | 2,151,951                   |
| <b>Total funds carried forward</b>                                       |      | 1,672,692                       | 2,461,076                        | 15,412,493                         | 19,546,261                  | 18,430,904                  |

THE NATIONAL BENEVOLENT CHARITY

CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2020

|                                                | Note | 2020<br>£                | 2019<br>£                |
|------------------------------------------------|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                            |      |                          |                          |
| Tangible assets                                | 13   | 1,170,000                | 1,170,000                |
| Heritage assets                                | 14   | 359,513                  | 359,513                  |
| Investments                                    | 15   | 17,698,924               | 17,100,514               |
|                                                |      | <u>19,228,437</u>        | <u>18,630,027</u>        |
| <b>Current assets</b>                          |      |                          |                          |
| Debtors                                        | 16   | 7,571                    | 3,879                    |
| Cash at bank and in hand                       |      | 542,903                  | 746,420                  |
|                                                |      | <u>550,474</u>           | <u>750,299</u>           |
| Creditors: amounts falling due within one year | 17   | (50,895)                 | (35,197)                 |
| <b>Net current assets</b>                      |      | <u>499,579</u>           | <u>715,102</u>           |
| <b>Total assets less current liabilities</b>   |      | <u>19,728,016</u>        | <u>19,345,129</u>        |
| Provisions for liabilities                     |      | (181,755)                | (914,225)                |
| <b>Net assets excluding pension asset</b>      |      | <u>19,546,261</u>        | <u>18,430,904</u>        |
| <b>Total net assets</b>                        |      | <u><u>19,546,261</u></u> | <u><u>18,430,904</u></u> |
| <b>Charity funds</b>                           |      |                          |                          |
| Endowment funds                                | 20   | 1,672,692                | 1,672,692                |
| Restricted funds                               | 20   | 2,461,076                | 2,654,749                |
| Unrestricted funds                             | 20   | 15,412,493               | 14,103,463               |
| <b>Total funds</b>                             |      | <u><u>19,546,261</u></u> | <u><u>18,430,904</u></u> |

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**THE NATIONAL BENEVOLENT CHARITY**

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**CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2020**

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The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on  
06/07/2021 and signed on their behalf by:



**Mr Christopher Bell, Chairman of the Committee of  
Management**

The notes on pages 20 to 46 form part of these financial statements.

THE NATIONAL BENEVOLENT CHARITY

CHARITY BALANCE SHEET  
AS AT 31 DECEMBER 2020

|                                                | Note | 2020<br>£                | 2019<br>£                |
|------------------------------------------------|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                            |      |                          |                          |
| Tangible assets                                | 13   | 1,170,000                | 1,170,000                |
| Investments                                    | 15   | 17,698,924               | 17,100,514               |
|                                                |      | <u>18,868,924</u>        | <u>18,270,514</u>        |
| <b>Current assets</b>                          |      |                          |                          |
| Debtors                                        | 16   | 7,954                    | 5,019                    |
| Cash at bank and in hand                       |      | 542,903                  | 746,420                  |
|                                                |      | <u>550,857</u>           | <u>751,439</u>           |
| Creditors: amounts falling due within one year | 17   | 221,774                  | 272,479                  |
| <b>Net current assets</b>                      |      | <u>772,631</u>           | <u>1,023,918</u>         |
| <b>Total assets less current liabilities</b>   |      | <u>19,641,555</u>        | <u>19,294,432</u>        |
| Provisions for liabilities                     |      | (181,755)                | (914,225)                |
| <b>Net assets excluding pension asset</b>      |      | <u>19,459,800</u>        | <u>18,380,207</u>        |
| <b>Total net assets</b>                        |      | <u><u>19,459,800</u></u> | <u><u>18,380,207</u></u> |
| <b>Charity funds</b>                           |      |                          |                          |
| Endowment funds                                | 20   | 1,672,692                | 1,672,692                |
| Restricted funds                               | 20   | 2,374,614                | 2,604,052                |
| Unrestricted funds                             | 20   | 15,412,494               | 14,103,463               |
| <b>Total funds</b>                             |      | <u><u>19,459,800</u></u> | <u><u>18,380,207</u></u> |

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**THE NATIONAL BENEVOLENT CHARITY**

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**CHARITY BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2020**

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The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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06/07/2021 and signed on their behalf by:



**Mr Christopher Bell, Chairman of the Committee of  
Management**

The notes on pages 20 to 46 form part of these financial statements.

THE NATIONAL BENEVOLENT CHARITY

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020

|                                                         | 2020<br>£        | 2019<br>£        |
|---------------------------------------------------------|------------------|------------------|
| <b>Cash flows from operating activities</b>             |                  |                  |
| Net cash used in operating activities                   | (833,835)        | (334,602)        |
| <b>Cash flows from investing activities</b>             |                  |                  |
| Dividends, interests and rents from investments         | 1,018,589        | 548,820          |
| Proceeds from sale of investments                       | 3,052,278        | 1,748,070        |
| Purchase of investments                                 | (3,402,804)      | (1,988,106)      |
| <b>Net cash provided by investing activities</b>        | <b>668,063</b>   | <b>308,784</b>   |
| <b>Cash flows from financing activities</b>             |                  |                  |
| <b>Net cash provided by financing activities</b>        | <b>-</b>         | <b>-</b>         |
| <b>Change in cash and cash equivalents in the year</b>  | <b>(165,772)</b> | <b>(25,818)</b>  |
| Cash and cash equivalents at the beginning of the year  | 1,078,053        | 1,103,871        |
| <b>Cash and cash equivalents at the end of the year</b> | <b>912,281</b>   | <b>1,078,053</b> |

The notes on pages 20 to 46 form part of these financial statements

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## THE NATIONAL BENEVOLENT CHARITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

The National Benevolent Charity was founded as the National Benevolent Institution by Peter Herve in 1812 and is a Registered Charity constituted under a Royal Charter of 5th November 1859 and supplemental Royal Charters of 17th May 1948, 12th February 1997 and an Order in Council of 19th July 2005. The bye-laws were last amended on 10th September 2009.

The change of the Charity's name to The National Benevolent Charity was approved by HM The Queen meeting in Privy Council on 14th December 2011.

The Registered Charity number is 212450. The Royal Charter number is RC000364.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The National Benevolent Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

These financial statements consolidate the results of the Charity and the Charity for which they have been given uniting direction or allotted trusteeship (linked Charity), namely Knowles Foster Homes.

##### 2.2 Going concern

The accounts have been prepared using a basis of going concern. There are no material uncertainties that may cast significant doubt about the Charity's ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time, space occupied, or estimated usage, as appropriate.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**2. Accounting policies (continued)**

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the Bank..

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

No depreciation is provided on freehold buildings. It is the Charity's practice to maintain these assets in continual state of sound repair and to extend and make improvements thereto from time to time. Accordingly the Trustees consider that the lives of these assets are so long, and residual values so high, that the depreciation is insignificant. Any permanent diminution in the value of such buildings will be charged to the Statement of Financial Activities as appropriate.

Scheduled maintenance and repair work is recognised in the Statement of Financial Activities as the commitment arises.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at costs, net of depreciation and any provision for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

|                   |                |
|-------------------|----------------|
| Freehold property | - not provided |
|-------------------|----------------|

**2.7 Heritage assets**

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**2. Accounting policies (continued)**

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.11 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.12 Financial instruments**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.13 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

**2.14 Pensions**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

**2.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

# THE NATIONAL BENEVOLENT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 2. Accounting policies (continued)

#### 2.16 Beneficiaries

Regular payments are paid subject to a continuing assessment of financial circumstances and payments can be suspended by the committee of management at any time. Whilst the Charity retains the right to cease payments to beneficiaries at any time, the Trustees also recognise that the individual's circumstances do not change significantly from one year to the next. Accordingly once they have met the financial criteria for an award it is likely that the beneficiary will continue to qualify for a number of years of the fixed period agreed. The Trustees therefore believe it prudent to recognise a provision for future payments to beneficiaries, although there is no legal obligation to continue with the payments.

A provision for fixed term commitment, which is granted for a limited period of time is recognised in full in the year it is approved. The provision for the future liability reflects the balance remaining at the end of financial year.

A provision for a without time limit commitment is recognised in full in the year it is approved. An estimate of the future commitment is calculated based upon individual's life expectancy published in the office of national statistics 2017-2019 life expectancy tables. The provision for these future liabilities is reviewed at each year end and updated to take account any changes to circumstances and life expectancy data.

### 3. Income from donations and legacies

|                                         | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|-----------------------------------------|----------------------------------------------|---------------------------------------|
| Donations and subscriptions- Governance | 26,469                                       | <b>26,469</b>                         |
| Legacies- Governance                    | 150,000                                      | <b>150,000</b>                        |
|                                         | <u>176,469</u>                               | <u><b>176,469</b></u>                 |
|                                         |                                              |                                       |
|                                         | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
| Donations and subscriptions- Governance | 3,615                                        | 3,615                                 |
| Legacies- Governance                    | 200,000                                      | 200,000                               |
|                                         | <u>203,615</u>                               | <u>203,615</u>                        |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**4. Income from charitable activities**

|                                      | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Accommodation                        | -                                          | 72,851                                       | <b>72,851</b>                         |
| Rental Income - Knowles Foster Homes | 191,625                                    | -                                            | <b>191,625</b>                        |
|                                      | <u>191,625</u>                             | <u>72,851</u>                                | <u><b>264,476</b></u>                 |

|                                      | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|--------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Accommodation                        | -                                          | 67,504                                       | 67,504                                |
| Rental Income - Knowles Foster Homes | 214,987                                    | -                                            | 214,987                               |
|                                      | <u>214,987</u>                             | <u>67,504</u>                                | <u>282,491</u>                        |

**5. Investment income**

|                       | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|-----------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Dividends- Governance | 49,756                                     | 742,085                                      | <b>791,841</b>                        |
| Interest- Governance  | -                                          | 76,748                                       | <b>76,748</b>                         |
|                       | <u>49,756</u>                              | <u>818,833</u>                               | <u><b>868,589</b></u>                 |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Investment income (continued)

|                       | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-----------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Dividends- Governance | 27,442                                     | 518,581                                      | 546,023                               |
| Interest- Governance  | -                                          | 2,797                                        | 2,797                                 |
|                       | <u>27,442</u>                              | <u>521,378</u>                               | <u>548,820</u>                        |

6. Other incoming resources

|              | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--------------|----------------------------------------------|---------------------------------------|
| Other income | <u>4,000</u>                                 | <u>4,000</u>                          |

|              | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|--------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Other income | <u>700</u>                                 | <u>5,511</u>                                 | <u>6,211</u>                          |

7. Expenditure on raising funds

Costs of raising voluntary income

|                           | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|---------------------------|----------------------------------------------|---------------------------------------|
| Publicity                 | 1,721                                        | 1,721                                 |
| Portfolio Management Fees | 75,561                                       | 75,561                                |
| Staff costs               | 6,093                                        | 6,093                                 |
|                           | <u>83,375</u>                                | <u>83,375</u>                         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Expenditure on raising funds (continued)

|                           | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|---------------------------|----------------------------------------------|---------------------------------------|
| Publicity                 | 6,391                                        | 6,391                                 |
| Portfolio Management Fees | 76,705                                       | 76,705                                |
| Staff Costs               | 7,739                                        | 7,739                                 |
|                           | <u>90,835</u>                                | <u>90,835</u>                         |

Fundraising trading expenses

|                                            | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Movement in provision for regular payments | <u>(732,470)</u>                             | <u>(732,470)</u>                      |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Expenditure on raising funds (continued)

Fundraising trading expenses (continued)

|                                            | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Movement in provision for regular payments | 43,185                                       | 43,185                                |

8. Analysis of expenditure on charitable activities

Summary by fund type

|                                    | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Accommodation                      | -                                          | 134,373                                      | <b>134,373</b>                        |
| Beneficiaries                      | -                                          | 402,532                                      | <b>402,532</b>                        |
| Knowles Foster Homes               | 155,861                                    | -                                            | <b>155,861</b>                        |
| Peter Herve Benevolent Institution | 100,725                                    | -                                            | <b>100,725</b>                        |
| Governance                         | 8,594                                      | 4,370                                        | <b>12,964</b>                         |
|                                    | <b>265,180</b>                             | <b>541,275</b>                               | <b>806,455</b>                        |

|                                    | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Accommodation                      | -                                          | 180,301                                      | 180,301                               |
| Beneficiaries                      | -                                          | 302,644                                      | 302,644                               |
| Knowles Foster Homes               | 166,836                                    | -                                            | 166,836                               |
| Peter Herve Benevolent Institution | 89,165                                     | -                                            | 89,165                                |
|                                    | <b>256,001</b>                             | <b>482,945</b>                               | <b>738,946</b>                        |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure by activities

|                                    | Activities<br>undertaken<br>directly<br>2020<br>£ | Support<br>costs<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------------------|---------------------------------------------------|-------------------------------|-----------------------------|
| Accommodation                      | 99,474                                            | 34,899                        | 134,373                     |
| Beneficiaries                      | 384,338                                           | 18,194                        | 402,532                     |
| Knowles Foster Homes               | 147,723                                           | 8,137                         | 155,860                     |
| Peter Herve Benevolent Institution | 95,254                                            | 5,472                         | 100,726                     |
| Governance                         | 12,964                                            | -                             | 12,964                      |
|                                    | <u>739,753</u>                                    | <u>66,702</u>                 | <u>806,455</u>              |

|                                    | Activities<br>undertaken<br>directly<br>2019<br>£ | Support<br>costs<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|------------------------------------|---------------------------------------------------|-------------------------------|-----------------------------|
| Accommodation                      | 107,010                                           | 73,292                        | 180,302                     |
| Beneficiaries                      | 287,441                                           | 15,203                        | 302,644                     |
| Knowles Foster Homes               | 160,340                                           | 6,496                         | 166,836                     |
| Peter Herve Benevolent Institution | 85,106                                            | 4,059                         | 89,165                      |
|                                    | <u>639,897</u>                                    | <u>99,050</u>                 | <u>738,946</u>              |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

|                        | Accommodation<br>2020<br>£ | Beneficiaries<br>2020<br>£ | Knowles Foster Homes<br>2020<br>£ | Peter Herve Benevolent In<br>2020<br>£ |
|------------------------|----------------------------|----------------------------|-----------------------------------|----------------------------------------|
| Wages and salaries     | 21,172                     | 60,496                     | 38,173                            | 16,216                                 |
| Grants                 | 615                        | 243,722                    | 1,033                             | 75,408                                 |
| Regular payments       | -                          | 79,482                     | -                                 | 3,588                                  |
| Property Costs         | 76,889                     | -                          | 103,931                           | -                                      |
| Legal and Professional | -                          | -                          | 3,300                             | -                                      |
| General administrative | 797                        | 638                        | 1,286                             | 42                                     |
|                        | <u>99,473</u>              | <u>384,338</u>             | <u>147,723</u>                    | <u>95,254</u>                          |

|                        | Governance<br>2020<br>£ | Total funds<br>2020<br>£ |
|------------------------|-------------------------|--------------------------|
| Wages and salaries     | -                       | 136,057                  |
| Grants                 | 4,370                   | 325,148                  |
| Regular payments       | -                       | 83,070                   |
| Property Costs         | -                       | 180,820                  |
| Legal and Professional | 8,594                   | 11,894                   |
| General administrative | -                       | 2,763                    |
|                        | <u>12,964</u>           | <u>739,752</u>           |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

|                        | <i>Accommodation</i><br>2019<br>£ | <i>Beneficiaries</i><br>2019<br>£ | <i>Knowles Foster Homes</i><br>2019<br>£ | <i>Peter Herve Benevolent In</i><br>2019<br>£ |
|------------------------|-----------------------------------|-----------------------------------|------------------------------------------|-----------------------------------------------|
| Wages and salaries     | 36,796                            | 66,463                            | 36,024                                   | 11,625                                        |
| Grants                 | 710                               | 128,118                           | 2,866                                    | 69,323                                        |
| Regular payments       | -                                 | 92,508                            | -                                        | 3,588                                         |
| Property Costs         | 67,753                            | -                                 | 119,309                                  | -                                             |
| Legal and Professional | -                                 | -                                 | 1,008                                    | -                                             |
| General administrative | 1,751                             | 352                               | 1,133                                    | 570                                           |
|                        | <u>107,010</u>                    | <u>287,441</u>                    | <u>160,340</u>                           | <u>85,106</u>                                 |
|                        |                                   |                                   | <i>Governance</i><br>2019<br>£           | <i>Total funds</i><br>2019<br>£               |
| Wages and salaries     |                                   |                                   | -                                        | 150,908                                       |
| Grants                 |                                   |                                   | -                                        | 201,017                                       |
| Regular payments       |                                   |                                   | -                                        | 96,096                                        |
| Property Costs         |                                   |                                   | -                                        | 187,062                                       |
| Legal and Professional |                                   |                                   | -                                        | 1,008                                         |
| General administrative |                                   |                                   | -                                        | 3,806                                         |
|                        |                                   |                                   | <u>-</u>                                 | <u>639,897</u>                                |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

|                        | Accommodation<br>2020<br>£ | Beneficiaries<br>2020<br>£ | Knowles<br>Foster<br>Homes<br>2020<br>£ | Peter Herve<br>Benevolent<br>In<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------|----------------------------|----------------------------|-----------------------------------------|----------------------------------------------|-----------------------------|
| Staff costs            | 1,304                      | 3,679                      | 2,332                                   | 1,117                                        | <b>8,432</b>                |
| Property Costs         | 238                        | 1,189                      | 475                                     | 357                                          | <b>2,259</b>                |
| General administrative | 2,665                      | 13,326                     | 5,330                                   | 3,998                                        | <b>25,319</b>               |
| Governance costs       | 30,692                     | -                          | -                                       | -                                            | <b>30,692</b>               |
|                        | <u>34,899</u>              | <u>18,194</u>              | <u>8,137</u>                            | <u>5,472</u>                                 | <u><b>66,702</b></u>        |

|                        | Accommodation<br>2019<br>£ | Beneficiaries<br>2019<br>£ | Knowles<br>Foster<br>Homes<br>2019<br>£ | Peter Herve<br>Benevolent<br>In<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|------------------------|----------------------------|----------------------------|-----------------------------------------|----------------------------------------------|-----------------------------|
| Wages and salaries     | 2,392                      | 4,416                      | 2,181                                   | 823                                          | 9,812                       |
| Property Costs         | 431                        | 2,151                      | 860                                     | 645                                          | 4,087                       |
| General administrative | 1,726                      | 8,636                      | 3,455                                   | 2,591                                        | 16,408                      |
| Governance costs       | 68,743                     | -                          | -                                       | -                                            | 68,743                      |
|                        | <u>73,292</u>              | <u>15,203</u>              | <u>6,496</u>                            | <u>4,059</u>                                 | <u>99,050</u>               |

**10. Auditors' remuneration**

|                                                                                                   | 2020<br>£    | 2019<br>£ |
|---------------------------------------------------------------------------------------------------|--------------|-----------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts              | <b>7,200</b> | 7,200     |
| Fees payable to the Charity's auditor in respect of:<br>All non-audit services not included above | <b>4,200</b> | 4,200     |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**11. Staff costs**

|                    | <b>Group<br/>2020<br/>£</b> | <i>Group<br/>2019<br/>£</i> | <b>Charity<br/>2020<br/>£</b> | <i>Charity<br/>2019<br/>£</i> |
|--------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Wages and salaries | <b>173,141</b>              | <i>197,651</i>              | <b>132,636</b>                | <i>159,446</i>                |
|                    | <b>173,141</b>              | <i>197,651</i>              | <b>132,636</b>                | <i>159,446</i>                |

The average number of persons employed by the Charity during the year was as follows:

|                          | <b>Group<br/>2020<br/>No.</b> | <i>Group<br/>2019<br/>No.</i> |
|--------------------------|-------------------------------|-------------------------------|
| Administration & Support | <b>4</b>                      | <i>4</i>                      |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                               | <b>Group<br/>2020<br/>No.</b> | <i>Group<br/>2019<br/>No.</i> |
|-------------------------------|-------------------------------|-------------------------------|
| In the band £70,001 - £80,000 | <b>1</b>                      | <i>-</i>                      |
| In the band £80,001 - £90,000 | <b>-</b>                      | <i>1</i>                      |

The above employee has pension contributions of £5,685 (2019: £5,705).

Included within the above staff costs is an amount which relates to the key management personnel. The total amount of employee benefits (including employers pension contributions) received by key management personnel was £139,411 (2019: £167,605).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, expenses totalling £141 were reimbursed or paid directly to 2 Trustees (2019 - £1,064 to 6 Trustees).

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

13. Tangible fixed assets

Group

Freehold  
property  
£

**Cost or valuation**

At 1 January 2020

2,079,375

At 31 December 2020

2,079,375

**Depreciation**

At 1 January 2020

909,375

At 31 December 2020

909,375

**Net book value**

At 31 December 2020

1,170,000

At 31 December 2019

1,170,000

Charity

Freehold  
property  
£

**Cost or valuation**

At 1 January 2020

2,079,375

At 31 December 2020

2,079,375

**Depreciation**

At 1 January 2020

909,375

At 31 December 2020

909,375

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**13. Tangible fixed assets (continued)**

**Charity (continued)**

|                            | <b>Freehold<br/>property<br/>£</b> |
|----------------------------|------------------------------------|
| <b>Net book value</b>      |                                    |
| At 31 December 2020        | <b>1,170,000</b>                   |
| <i>At 31 December 2019</i> | <i>1,170,000</i>                   |

In March 2008 the Trustees engaged an independent firm of Chartered Surveyors to carry out an evaluation of freehold land and buildings. This included a valuation of each of the properties. It was found that the carrying value of the land and buildings exceeded its recoverable amount. In line with the accounting policy, a diminution in value of £909,375 was charged directly to the Statement of Financial Activities as an exceptional item in the year ended 31 December 2008.

**14. Heritage assets**

**Group**

**Assets recognised at cost**

|                                             | <b>Heritage<br/>asset 1<br/>2020<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
|---------------------------------------------|--------------------------------------------|-----------------------------|
| Cost at 1 January 2020 and 31 December 2020 | 359,513                                    | <b>359,513</b>              |
| <b>At 31 December 2019</b>                  | <b>359,513</b>                             | <b>359,513</b>              |

Included in Freehold Property is a heritage asset for The Tapestries which is held at cost less accumulated impairment. This has been reviewed for any signs of impairment, and it was concluded that an impairment charge was not necessary.

Post year-end The Tapestries were sold, however there was no contractual obligation for the sale at the year-end and therefore the heritage asset has been recorded at cost. The gain made on the sale, as detailed in note 25, will be recognised in future years.

**Charity**

**Assets recognised at cost**

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Fixed asset investments

| Group                      | Listed<br>investments<br>£ |
|----------------------------|----------------------------|
| <b>Cost or valuation</b>   |                            |
| At 1 January 2020          | 17,100,514                 |
| Additions                  | 3,402,804                  |
| Disposals                  | (3,052,278)                |
| Revaluations               | 210,139                    |
| Transfers between classes  | 37,745                     |
| <b>At 31 December 2020</b> | <b>17,698,924</b>          |
| <b>Net book value</b>      |                            |
| <b>At 31 December 2020</b> | <b>17,698,924</b>          |
| <i>At 31 December 2019</i> | <i>17,100,514</i>          |

In addition to the above analysis, the gain on investments included in the Statement of Financial Activities includes unrealised gain on valuation of £247,088 (2019: £1,913,859 gain).

| Charity                    | Listed<br>investments<br>£ |
|----------------------------|----------------------------|
| <b>Cost or valuation</b>   |                            |
| At 1 January 2020          | 17,100,514                 |
| Additions                  | 3,402,804                  |
| Disposals                  | (3,052,278)                |
| Revaluations               | 210,139                    |
| Transfers between classes  | 37,745                     |
| <b>At 31 December 2020</b> | <b>17,698,924</b>          |
| <b>Net book value</b>      |                            |
| <b>At 31 December 2020</b> | <b>17,698,924</b>          |
| <i>At 31 December 2019</i> | <i>17,100,514</i>          |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

**Material investments**

|                                   | 2020<br>£         | 2019<br>£         |
|-----------------------------------|-------------------|-------------------|
| UK Equity                         | 8,406,714         | 8,268,145         |
| UK Fixed Interest                 | 1,678,675         | 1,985,249         |
| Overseas Equities                 | 5,336,294         | 4,762,369         |
| Overseas Fixed Equities           | 480,252           | 422,080           |
| Alternatives                      | 1,251,583         | 1,118,060         |
| Cash held for investment purposes | 369,378           | 331,633           |
| M&G Investment                    | 176,028           | 212,978           |
|                                   | <u>17,698,924</u> | <u>17,100,514</u> |

**Investments at cost**

|          | 2020<br>£         | 2019<br>£         |
|----------|-------------------|-------------------|
| Shares   | 12,825,562        | 11,581,629        |
| Property | -                 | -                 |
| Cash     | 369,378           | 331,633           |
|          | <u>13,194,940</u> | <u>11,913,262</u> |

**16. Debtors**

|                                | Group<br>2020<br>£ | Group<br>2019<br>£ | Charity<br>2020<br>£ | Charity<br>2019<br>£ |
|--------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Due within one year</b>     |                    |                    |                      |                      |
| Other debtors- Rents           | 797                | (2,318)            | 1,180                | (1,178)              |
| Prepayments and accrued income | 6,774              | 6,197              | 6,774                | 6,197                |
|                                | <u>7,571</u>       | <u>3,879</u>       | <u>7,954</u>         | <u>5,019</u>         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Creditors: Amounts falling due within one year

|                                    | <b>Group<br/>2020<br/>£</b> | <i>Group<br/>2019<br/>£</i> | <b>Charity<br/>2020<br/>£</b> | <i>Charity<br/>2019<br/>£</i> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Amounts owed to group undertakings | -                           | -                           | <b>(254,392)</b>              | (297,405)                     |
| Other taxation and social security | <b>3,973</b>                | 3,936                       | <b>3,973</b>                  | 3,936                         |
| Other creditors                    | <b>46,922</b>               | 31,261                      | <b>28,645</b>                 | 20,990                        |
|                                    | <b>50,895</b>               | 35,197                      | <b>(221,774)</b>              | (272,479)                     |

Deferred income, included within other creditors, at the year end is in relation to rental received in advance of the following month's fee.

18. Financial instruments

|                                                                        | <b>Group<br/>2020<br/>£</b> | <i>Group<br/>2019<br/>£</i> | <b>Charity<br/>2020<br/>£</b> | <i>Charity<br/>2019<br/>£</i> |
|------------------------------------------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>Financial assets</b>                                                |                             |                             |                               |                               |
| Financial assets measured at fair value through income and expenditure | <b>542,903</b>              | 746,420                     | <b>542,903</b>                | 746,420                       |

Financial assets measured at fair value through income and expenditure comprise of cash at bank.

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THE NATIONAL BENEVOLENT CHARITY

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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19. Provisions

Group

|                   | Lifetime<br>Cost<br>Provision<br>£ |
|-------------------|------------------------------------|
| At 1 January 2020 | 914,225                            |
| Amounts reversed  | (732,470)                          |
|                   | <hr/>                              |
|                   | 181,755                            |
|                   | <hr/>                              |

During the year no (2019: one) new beneficiaries approved for regular payments. The payments made to the beneficiaries in the prior year were completed during the year and therefore at the year-end there were no new commitments going forward.

Whilst the Charity retains the right to cease payments to beneficiaries at any time, the Trustees also recognise that individuals' circumstances generally do not change significantly from one year to the next.

Accordingly once they have met the financial criteria for an award it is likely that the beneficiary will continue to qualify for a number of years or the fixed period agreed. The Trustees therefore believe it prudent to recognise a provision for future payments to beneficiaries, although there is no legal obligation to continue with the payments. The National Statistics Tables have been used to estimate the life expectancy of the beneficiaries.

Subsequent to the year-end the Trustees confirmed that there is no contractual obligation to continue these payments and have therefore communicated with the individuals that the final payment will be made in December 2021 and not continued thereafter (see note 26 for further details).

Charity

|                   | Lifetime<br>Cost<br>Provision<br>£ |
|-------------------|------------------------------------|
| At 1 January 2020 | 914,225                            |
| Amounts reversed  | (732,470)                          |
|                   | <hr/>                              |
|                   | 181,755                            |
|                   | <hr/>                              |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

20. Statement of funds

Statement of funds - current year

|                                    | Balance at 1<br>January<br>2020<br>£ | Income<br>£      | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2020<br>£ |
|------------------------------------|--------------------------------------|------------------|------------------|-------------------------|-------------------------------------------|
| <b>Unrestricted funds</b>          |                                      |                  |                  |                         |                                           |
| <b>Designated funds</b>            |                                      |                  |                  |                         |                                           |
| Capital fund                       | 13,154,979                           | -                | 732,470          | 129,057                 | 14,016,506                                |
| <b>General funds</b>               |                                      |                  |                  |                         |                                           |
| Income fund                        | 948,484                              | 1,072,153        | (624,650)        | -                       | 1,395,987                                 |
| <b>Total Unrestricted funds</b>    | <b>14,103,463</b>                    | <b>1,072,153</b> | <b>107,820</b>   | <b>129,057</b>          | <b>15,412,493</b>                         |
| <b>Endowment funds</b>             |                                      |                  |                  |                         |                                           |
| Endowment Funds - all funds        | 1,672,692                            | -                | -                | -                       | 1,672,692                                 |
| <b>Restricted funds</b>            |                                      |                  |                  |                         |                                           |
| Knowles Foster Homes               | 50,697                               | 191,625          | (155,862)        | -                       | 86,460                                    |
| Henderson Fund                     | 212,978                              | 8,593            | (8,593)          | (36,949)                | 176,029                                   |
| Peter Herve Benevolent Institution | 2,391,074                            | 41,163           | (100,725)        | (132,925)               | 2,198,587                                 |
|                                    | <b>2,654,749</b>                     | <b>241,381</b>   | <b>(265,180)</b> | <b>(169,874)</b>        | <b>2,461,076</b>                          |
| <b>Total of funds</b>              | <b>18,430,904</b>                    | <b>1,313,534</b> | <b>(157,360)</b> | <b>(40,817)</b>         | <b>19,546,261</b>                         |

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

20. Statement of funds (continued)

Statement of funds - prior year

|                                    | Balance at<br>1 January<br>2019<br>£ | Income<br>£ | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2019<br>£ |
|------------------------------------|--------------------------------------|-------------|------------------|-------------------------|-------------------------------------------|
| <b>Unrestricted funds</b>          |                                      |             |                  |                         |                                           |
| <b>Designated funds</b>            |                                      |             |                  |                         |                                           |
| Capital fund                       | 11,497,937                           | -           | (43,186)         | 1,700,227               | 13,154,978                                |
| <b>General funds</b>               |                                      |             |                  |                         |                                           |
| Income fund                        | 713,613                              | 798,008     | (563,136)        | -                       | 948,485                                   |
| <b>Total Unrestricted funds</b>    | 12,211,550                           | 798,008     | (606,322)        | 1,700,227               | 14,103,463                                |
| <b>Endowment funds</b>             |                                      |             |                  |                         |                                           |
| Endowment Funds - all funds        | 1,672,692                            | -           | -                | -                       | 1,672,692                                 |
| <b>Restricted funds</b>            |                                      |             |                  |                         |                                           |
| Knowles Foster Homes               | 1,845                                | 215,687     | (166,835)        | -                       | 50,697                                    |
| Henderson Fund                     | 182,627                              | 10,644      | (10,644)         | -                       | 212,978                                   |
| Peter Herve Benevolent Institution | 2,210,239                            | 16,798      | (89,165)         | -                       | 2,391,074                                 |
|                                    | 2,394,711                            | 243,129     | (266,644)        | -                       | 2,654,749                                 |
| <b>Total of funds</b>              | 16,278,953                           | 1,041,137   | (872,966)        | 1,700,227               | 18,430,904                                |

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**20. Statement of funds (continued)**

**Permanent endowment funds**

*Endowed Legacies fund:*

Bye-Law 31, which was abolished in 2005, required legacy income over and above the amount allowed to be expended as income to be invested in the name of the Charity. This fund represents the total amount of these endowed legacies. The fund balance is represented by costs associated with the land and buildings at the Charity's headquarters in Tetbury.

**Restricted funds**

*Knowles Foster Homes fund:*

The Knowles Foster Homes, a linked charity fund was originally set up in 1934 to provide homes and maintenance for poor gentlewomen at The Tapestries, Old Windsor. The Objects were amended in the 2009 Scheme to be the provision of housing or maintenance for people having insufficient income to live in reasonable comfort without financial support.

*The Henderson fund:*

The Henderson fund arose as a result of the sale of Margaret Cottages. The Henderson bequest is a restricted fund. In the prior year the Charity Commission gave approval for the objects of the bequest to be amended to the following,

'To provide accommodation or to provide grants or other financial assistance for the relief of members or former members of the nursing profession who are in need, hardship or distress, or, insofar as the Charity is not able to provide relief to such people, to members or former members of professions allied to medicine or the care sector.'

'For the purposes of these objects, "care sector" shall include those people who work or have worked in care homes for older people and for younger adults, domiciliary care providers, day centres and supported living providers, including both private (independent) and public.'

**Designated funds**

*Capital fund:*

The Capital fund is represented by assets that are used to generate income for the general purposes of the Charity.

**Transfers**

No transfers have been made during the year and there does not appear to be any necessary at the year-end also.

**21. Summary of funds**

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

21. Summary of funds (continued)

Summary of funds - current year

|                  | Balance at 1<br>January<br>2020<br>£ | Income<br>£      | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2020<br>£ |
|------------------|--------------------------------------|------------------|------------------|-------------------------|-------------------------------------------|
| Designated funds | 13,154,979                           | -                | 732,470          | 129,057                 | 14,016,506                                |
| General funds    | 948,484                              | 1,072,153        | (624,650)        | -                       | 1,395,987                                 |
| Endowment funds  | 1,672,692                            | -                | -                | -                       | 1,672,692                                 |
| Restricted funds | 2,654,749                            | 241,381          | (265,180)        | (169,874)               | 2,461,076                                 |
|                  | <u>18,430,904</u>                    | <u>1,313,534</u> | <u>(157,360)</u> | <u>(40,817)</u>         | <u>19,546,261</u>                         |

Summary of funds - prior year

|                  | Balance at<br>1 January<br>2019<br>£ | Income<br>£      | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2019<br>£ |
|------------------|--------------------------------------|------------------|------------------|-------------------------|-------------------------------------------|
| Designated funds | 11,497,937                           | -                | (43,186)         | 1,700,227               | 13,154,978                                |
| General funds    | 713,613                              | 798,008          | (563,136)        | -                       | 948,485                                   |
| Endowment funds  | 1,672,692                            | -                | -                | -                       | 1,672,692                                 |
| Restricted funds | 2,394,711                            | 243,129          | (266,644)        | -                       | 2,654,749                                 |
|                  | <u>16,278,953</u>                    | <u>1,041,137</u> | <u>(872,966)</u> | <u>1,700,227</u>        | <u>18,430,904</u>                         |

**THE NATIONAL BENEVOLENT CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**22. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

|                                        | <b>Endowment<br/>funds<br/>2020<br/>£</b> | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|----------------------------------------|-------------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Tangible fixed assets                  | 732,692                                   | 349,398                                    | 87,910                                       | <b>1,170,000</b>                      |
| Fixed asset investments                | 940,000                                   | 2,317,321                                  | 14,441,603                                   | <b>17,698,924</b>                     |
| Heritage assets                        | -                                         | -                                          | 359,513                                      | <b>359,513</b>                        |
| Current assets                         | -                                         | 6,774                                      | 543,700                                      | <b>550,474</b>                        |
| Creditors due within one year          | -                                         | (18,276)                                   | (32,618)                                     | <b>(50,894)</b>                       |
| Provisions for liabilities and charges | -                                         | -                                          | (181,755)                                    | <b>(181,755)</b>                      |
| Inter charity loan                     | -                                         | (194,141)                                  | 194,140                                      | <b>1</b>                              |
| <b>Total</b>                           | <b>1,672,692</b>                          | <b>2,461,076</b>                           | <b>15,412,493</b>                            | <b>19,546,261</b>                     |

**Analysis of net assets between funds - prior period**

|                                       | <b>Endowment<br/>funds<br/>2019<br/>£</b> | <b>Restricted<br/>funds<br/>2019<br/>£</b> | <b>Unrestricted<br/>funds<br/>2019<br/>£</b> | <b>Total<br/>funds<br/>2019<br/>£</b> |
|---------------------------------------|-------------------------------------------|--------------------------------------------|----------------------------------------------|---------------------------------------|
| Tangible fixed assets                 | 732,692                                   | 349,398                                    | 87,910                                       | <b>1,170,000</b>                      |
| Fixed asset investments               | 940,000                                   | 2,631,521                                  | 13,528,993                                   | <b>17,100,514</b>                     |
| Heritage assets                       | -                                         | -                                          | 359,513                                      | <b>359,513</b>                        |
| Current assets                        | (2,318)                                   | 6,198                                      | 746,419                                      | <b>750,299</b>                        |
| Creditors due within one year         | 2,318                                     | (10,271)                                   | (27,244)                                     | <b>(35,197)</b>                       |
| Inter charity loan                    | -                                         | (322,097)                                  | 322,097                                      | <b>-</b>                              |
| Provision for liabilities and charges | -                                         | -                                          | (914,225)                                    | <b>(914,225)</b>                      |
| <b>Total</b>                          | <b>1,672,692</b>                          | <b>2,654,749</b>                           | <b>14,103,463</b>                            | <b>18,430,904</b>                     |

**Inter Charity Loan**

The inter Charity loan between The National Benevolent Charity and the Knowles Foster Homes is an interest free loan with no set repayment terms.

THE NATIONAL BENEVOLENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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

|                                                                      | Group<br>2020<br>£ | Group<br>2019<br>£ |
|----------------------------------------------------------------------|--------------------|--------------------|
| Net income for the period (as per Statement of Financial Activities) | 1,115,357          | 2,151,951          |
| <b>Adjustments for:</b>                                              |                    |                    |
| Losses on investments                                                | (210,139)          | (1,983,780)        |
| Dividends, interests and rents from investments                      | (1,018,589)        | (548,820)          |
| Decrease/(increase) in debtors                                       | (3,692)            | 62                 |
| Increase in creditors                                                | 15,698             | 2,800              |
| Movement in provisions                                               | (732,470)          | 43,185             |
| <b>Net cash used in operating activities</b>                         | <b>(833,835)</b>   | <b>(334,602)</b>   |

24. Analysis of cash and cash equivalents

|                                        | Group<br>2020<br>£ | Group<br>2019<br>£ |
|----------------------------------------|--------------------|--------------------|
| Cash in hand                           | 912,281            | 1,078,053          |
| <b>Total cash and cash equivalents</b> | <b>912,281</b>     | <b>1,078,053</b>   |

25. Analysis of changes in net debt

|                          | At 1<br>January<br>2020<br>£ | Cash flows<br>£  | At 31<br>December<br>2020<br>£ |
|--------------------------|------------------------------|------------------|--------------------------------|
| Cash at bank and in hand | 746,420                      | (203,517)        | 542,903                        |
|                          | <b>746,420</b>               | <b>(203,517)</b> | <b>542,903</b>                 |

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**26. Post balance sheet events**

The Tapestries were held as a heritage asset as at 31 December 2020 at a value of £359,513, with no contractual obligation for sale. However, post year-end they were sold for £4,450,000. Within the accounts (note 14), The Tapestries are held at cost less accumulated impairment in line with FRS102. The gain on sale of the asset will be recognised within 2021 in line with the contractual obligation. This constitutes a non-adjusting post balance sheet event.

Included within note 19 is a provision for regular payments to elderly individuals over their remaining lifetime. Subsequent to the year-end the Trustees confirmed that there is no contractual obligation to continue these payments and have therefore communicated with the individuals that the final payment will be made in December 2021 and not continued thereafter. There are 10 people who have contacted the charity to explain that the withdrawal of the regular payment will cause them severe hardship. The charity is considering how to support them in the future. As a result, the provision has been reduced to allow for the continued support of the 10 people, as well as the final year of payments for the other people within the scheme.