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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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## 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 Mr Richard Bromilow Mr Geoffrey Clements Mrs Victoria Daniell Mr Grahame Nicholson The Rev John Hunnisett Mr Christopher Bell
<b>Charity registered number</b>	212450
<b>Principal office</b>	Peter Herve House Eccles Court Tetbury Gloucestershire 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 Statutory Auditors Shurdington Road Cheltenham Gloucestershire GL51 4GA
<b>Bankers</b>	HSBC Bank plc The Cross Gloucester Gloucestershire GL1 2AP
<b>Solicitors</b>	Stone King LLP 13 Queen Square 13 Queen Square BA1 2HJ
<b>Investment Managers</b>	Rathbones 8 Finsbury Circus London EC2M 7AZ
<b>Investment Managers</b>	M&G Investments 10 Fenchurch Avenue 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

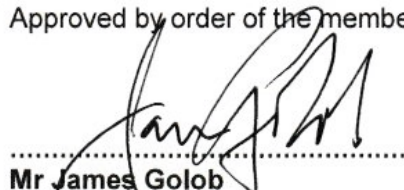
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- 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:



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**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 funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<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

	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Note					
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 £	2021 £
<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 £	2021 £
<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
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**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 funds 2022 £	Total funds 2022 £	Total funds 2021 £
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 funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
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 funds 2022 £	Total funds 2022 £	Total funds 2021 £
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 funds 2022 £	Total funds 2022 £	Total funds 2021 £
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 funds 2022 £	Total funds 2022 £	Total funds 2021 £
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 funds 2022 £	Total funds 2022 £	Total funds 2021 £
Movement in provision for regular payments	(988)	(988)	(180,767)
	<u>(180,767)</u>	<u>(180,767)</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 funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
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 undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
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 Foster Homes 2022 £	Peter Herve Benevolent Institution 2022 £
	2022 £	2022 £		
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 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</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 Foster Homes 2022 £	Peter Herve Benevolent Institution 2022 £
	2022 £	2022 £		
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 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</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

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

### 11. Staff costs

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

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

	2022 No.	2021 No.
Administration & Support	4	4

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

	2022 No.	2021 No.
In the band £70,001 - £80,000	1	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 reimbursed 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**

	<b>Freehold property £</b>
<b>Cost or valuation</b>	
At 1 January 2022	<b>2,079,375</b>
Additions	<b>6,731</b>
	<hr/>
At 31 December 2022	<b>2,086,106</b>
	<hr/>
<b>Depreciation</b>	
At 1 January 2022	<b>909,375</b>
	<hr/>
At 31 December 2022	<b>909,375</b>
	<hr/>
<b>Net book value</b>	
At 31 December 2022	<b>1,176,731</b>
	<hr/> <hr/>
<i>At 31 December 2021</i>	<i>1,170,000</i>
	<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 investments £
<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 £	2021 £
<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> £	<b>2021</b> £
<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> £	<b>2021</b> £
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> £	<b>2021</b> £
<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 provision £</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 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated 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 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	1,672,692	-	-	-	-	1,672,692
<b>Restricted 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

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
<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 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
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 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
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  
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**22. Analysis of net assets between funds**

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

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

	<b>Endowment funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
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**

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

	<b>2022</b> £	<b>2021</b> £
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> £	<b>2021</b> £
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 January 2022</b> £	<b>Cash flows</b> £	<b>At 31 December 2022</b> £
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>

