

# THE ROYAL INSTITUTION OF CHARTERED SURVEYORS' BENEVOLENT FUND LIMITED

England & Wales · Charity number 261245

## Details

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Other names	LIONHEART
Status	Registered
Legal form	Charitable company
Company number	<a href="#">00980025</a>
Registered	1970-06-10
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Phone	0121 289 3300
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Website	<a href="http://www.lionheart.org.uk">www.lionheart.org.uk</a>

## Activities

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**Objects:** The objects for which the Company is established (the “Objects”) are restricted to:2.1 the prevention or relief of poverty of the Beneficiaries; and2.2 the relief of those Beneficiaries who are in need by reason of youth, age, ill health, disability, financial hardship or other disadvantage;2.3 the protection and preservation of health, and in particular mental health, of the Beneficiaries; and 2.4 Such other charitable purposes for the benefit of the Beneficiaries as the Trustees, in their absolute discretion, may from time to time determine,in each case for the public benefit.

**Activities:** LionHeart helps RICS members and past members and their families in need. This includes financial assistance, counselling, legal advice, debt advice, employment advice and stress advice.

## Classification

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- **How:** Makes Grants To Individuals, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Other Charitable Purposes
- **Who:** Other Defined Groups

## Geography

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- Canada
- France
- Ghana
- Hong Kong
- Ireland
- Malaysia
- Netherlands
- Scotland
- South Africa
- Sri Lanka
- Switzerland
- Uganda
- United Arab Emirates
- Zimbabwe
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,799,000	£2,073,000	£26,362,000	27
2024-03-31	£1,720,000	£2,515,000	£27,188,000	29
2023-03-31	£2,110,000	£2,228,000	£25,818,000	29
2022-03-31	£1,992,000	£2,068,000	£27,381,000	28
2021-03-31	£2,961,000	£1,941,000	£26,760,000	26

## Trustees

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Name	Role	Appointed
<b>Philippa Jane Sampson-Bancroft</b>	Chair	2020-05-14
Caroline Faith Legg		2018-08-23
Clare Frances Clague		2024-09-05
David Balme		2025-07-24
Diane Awo Dumashie		2020-05-14
Neil Worrall		2022-12-08
Nina Young		2025-07-24
Philip John Payton Nell		2019-02-02
Sam Palmes		2025-07-24
Sarah Sandbrook		2024-09-05

## Linked charities

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- STAR AND GARTER CHARITY (NORTHERN IRELAND) (261245-2)

**THE ROYAL INSTITUTION OF CHARTERED SURVEYORS' BENEVOLENT FUND LIMITED**

England & Wales - Charity number 261245

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# Accounts

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Company Number: 980025

Charity Number: 261245



The Royal Institution of Chartered Surveyors' Benevolent Fund Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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## **CHAIR'S FOREWORD**

It is with great pleasure that I write my first Chair's foreword for the annual report. I am immensely proud to hold the position of Chair for such a compassionate and effective organisation.

In 2024 LionHeart celebrated 125 years of supporting surveyors and their families, an enormous achievement and an occasion that was marked by our supporters through fundraising. We are hugely grateful to everyone who participated to raise money specifically in honour of this milestone; it was a wonderful community effort.

It has been a year of significant changes, both comings and goings. We welcomed our new Chief Executive, Phil Sparke, and Director of Finance and Resources, Philip Mills, in Q1 24/25. They quickly got up to speed and have become fluent in all things surveying. It has been great to work alongside them both and see their passion for the cause.

The staff have seen much change but, in the face of that, have continued to be the people who really make it all happen. Everyone works across the organisation to ensure we continue to deliver high quality and relevant services to surveyors and their families. Their work makes such an enormous difference to the people who we support and I am grateful to each and every one. I wanted to give a particular mention to Clare Davis who joined LionHeart as a support officer back in 1996 and to whom we said thank you and au revoir in June 2024. Clare's commitment to LionHeart and surveyors was enormous and her wisdom and compassion touched so many lives through her work in the Support Services team.

As a Board, we have said goodbye to our first ever non-surveying trustee, James Williamson, who stepped down after two terms on the board. James brought his vast experience and knowledge to support LionHeart as its treasurer. We were sorry to see him leave but wish him very well in something closer to retirement.

And obviously, as this is my first Chair's foreword it means that we have bid farewell to the previous incumbent. We saw the departure of Chair of Trustees, Peter McCrea OBE FRICS, in summer 2024. In the final period of his term, I worked closely with Peter as he mentored me in readiness to take on the role after him. He was hugely generous with his time and wisdom. I saw first-hand the care and attention that Peter gave to the organisation and the time that he invested to make sure that it was in the best position to pursue its mission. In 2024 he was recognised for his Lifetime's contribution by the RICS and by the King with an OBE for his services to surveying, both richly deserved. We wish Peter and his wife Emma all the very best and hope they will stay in touch.

With thanks to the individuals named in this foreword, but also to those who have not been singled out but who work so hard, be they staff, volunteers or supporters, we are so grateful for your efforts and thank you for being part of this community.

**Philippa Sampson Bancroft FRICS**

**Chair, Board of Trustees, LionHeart**

## STRATEGIC REPORT 2024-25

The financial year began mid-way through a period of strategy development which had been initiated in September 2023. An early output from that process, approved by the Board of Trustees in June 2024, was the formulation of a new Vision and Purpose for the charity as follows:

**Vision:** Our vision is of a happier, healthier, and more resilient community of RICS surveyors.

**Purpose:** We exist, as an integral part of the surveying profession, to provide inclusive and holistic support for the RICS community and their dependants. We will offer support throughout and beyond their surveying career by being trusted, independent, knowledgeable, and consistent.

Also approved in June 2024 were the following strategic priorities:

- Increase take-up of LionHeart's services by RICS members who are less likely to access our support
- Shape our service provision to meet the needs of our beneficiaries
- Develop our partnerships
- Raise awareness and understanding of, and engagement with LionHeart amongst the profession

At a meeting of the Board of Trustees in September 2024, the following strategic enablers were also approved:

- A supported, motivated and effective staff team, focused on delivery to our beneficiaries
- Good operational practices and governance that enable organisational success
- Financial sustainability and predictability
- Appropriate, current data, and effective networks

LionHeart's values of Integrity, Compassion, Professionalism and Flexibility remained unchanged.

With the approval of the above strategic priorities and enablers, a new rolling three-year strategy was launched in September 2024, to be delivered through the Agile method in two-weekly sprints running throughout each year. This process was embedded very quickly and is now conducted as business as usual within the staff.

Key strategies pursued for the initial period until the end of FY24/25 are listed below.

**TARGET GROUPS.**

Identify new communities within the RICS family which LionHeart could usefully support and scope best practice where available from peer charities. Deliver associated support products and conduct relevant staff training.

**SERVICE PROVISION.**

Conduct wholesale review of LionHeart's grants criteria. Gather data around counselling waiting times. Renegotiate youth counselling contract. Conduct scoping work on possible Corporate Mental Health Benchmark project.

**CORPORATE PARTNERSHIPS.**

Develop a new corporate calendar. Initiate work on a revised Corporate Partnership Agreement.

**RAISE AWARENESS.**

Create a new Communications strategy. Conduct programme of engagement with LionHeart UK and Global Ambassadors in order to increase mutual understanding.

**PEOPLE.**

Conduct a staff restructure. Create and launch a new One to One process. Conduct a full review of staff job descriptions. Create and launch a pulse survey process. Benchmark staff salaries.

**OPERATIONAL PRACTICES AND GOVERNANCE.**

Conduct 100% cleanse of LionHeart database. Initiate data cleansing as a BAU task. Launch database usage optimisation project through a new Database Stakeholders Group. Transition to a new and more optimised format of corporate risk register.

**FINANCIAL SUSTAINABILITY AND PREDICTABILITY.**

Conduct a campaign to increase donations via RICS subscription payments. Trial a Just Giving/Matched Funding trial with most active corporate partners. Revitalise LionHeart Guild. Initiate creation of a new Income Generation Strategy.

**DATA AND NETWORKS.**

Benchmark data sharing arrangements between partner benevolent funds and their associated professional bodies. Scope options to re-establish data sharing with RICS and take associated legal advice.

## OPERATIONAL OVERVIEW

Following a steady increase in the take up of key services over the previous five years, FY24/25 saw a levelling off, with a slight fall in terms of total individuals supported and grants awarded, alongside moderate increases in numbers taking up counselling and legal support.

### Key highlights are as follows:

We had helpline calls from 751 people during the year (820 in FY23/24), representing a slight dip of 8% on the prior year, or roughly one fewer call per week. Over the last five years we have nonetheless seen an increase in demand of 83%, and a 104% rise since 2018.

The year saw an increase in use of the in-house counselling service in 24/25, with 185 people using the service, up from 178 in 23/24 and 165 in 22/23. A total of 1,413 hours of counselling were delivered, with excellent client feedback.

Grants of £421,079 were approved during the year. This represents a fall of 29% on the prior year, which potentially presents the all-time high of 23/24 as something of an exception. However, the number of individuals supported was not significantly different, with 200 individuals receiving grants, compared to 226 in 23/24 and 184 in 22/23.

Legal advice provided through our partnership with Law Express continued to be the most requested 3rd party service, representing 17% of all calls (up from 14% in 23/24). In 2024/25, 226 enquiries were received on a range of legal matters, up from 200 enquiries in 23/24. Once again, employment advice represented just over half of all calls to this service, including enquiries about redundancy, unfair/ constructive dismissal and flexible working, with family law queries coming next (11%).

Support was provided to 45 individuals in 29 different countries outside the UK during 2024/25. By far the most requested service for those outside the UK was financial support, with regular and one-off grants worth £169,595 authorised for 31 beneficiaries (some individuals receiving more than one grant). Other services provided globally included APC support, return to work, signposting/support and legal advice.

Through a combination of live open webinars, which included joint delivery with RICS, and sessions for corporate and education partners, we reached an audience of 2,587 people during the year. This represented a drop of around 54% on 23/24, as fewer webinars were delivered as part of a cost saving measure (33 fewer open webinars and 54 fewer for our partners). Recorded sessions, including the webinar library on the LionHeart website, reached a further 1,945 people.

## **OPERATIONAL FINANCIAL OVERVIEW**

LionHeart's regular income consists principally of investment income and donations by individual RICS members on the back of their annual RICS subscriptions. Investment income of £866k was received (compared with £907k in FY23/24) following an unexpectedly buoyant year in global markets. Donations with RICS subscriptions saw a slight uptick to £477k (from £448k in 23/24), with 16% of RICS members donating with their subs renewal, up from 14.8% in 23/24.

It is hoped that this may result from greater transparency about LionHeart's operating model, especially the fact that it does not receive any financial support from RICS, through membership subscriptions, which is still not widely appreciated. Nonetheless, despite the slight uptick, this still represents a fall of 44% from £854k in 2019/20 and therefore remains a significant source of concern.

LionHeart's fluctuating income consists principally of income received from gifts in wills and client account monies received - both by nature very difficult to budget for. Minimal income from gifts in wills was received during FY24/25 (compared to £108k in FY23/24), whereas income of £231k was received from client account monies (compared to £111k in FY23/24).

Savings of £442k were made on expenditure over the year against FY23/24, with savings made across all categories of expenditure. These arose primarily from a reduction of grants awarded and training webinars provided and from staffing costs, caused mainly by departing staff not being replaced and vacant posts not being filled.

All up, an operating deficit of £274k was a positive result against a deficit of £795k in FY23/24.

## **ENGAGEMENT WITH THE SURVEYING COMMUNITY**

As well as the reactive support we offer when people are facing a crisis or challenge, we continue to take a proactive approach to engaging with the wider surveying community.

An important element of this is our online training and development offer, which focuses primarily on wellbeing, mental health, personal and career development topics. Through a combination of live open webinars, which includes joint delivery with RICS, and sessions for corporate and education partners, we reached over 2,800 people during the year. This offers a good touch point to showcase the wider support services available, with 12% of our service users citing webinar attendance as the catalyst to make contact with our helpline.

We continue to see increased appetite for 'on-demand' content including pre-recorded webinars and podcast episodes, which reached a combined audience of almost 3,000 people, the most popular content including wellbeing and APC-related subjects.

The RICS APC process continues to be a huge driver of service use, representing around a quarter of our helpline calls, and with a strong appetite for any online content around APC wellbeing.

We continue to draw on the experiences and insights of some of our volunteer ambassador network to add value and relevance to our webinar and podcast material. Series 2 of our LionHeart Talks podcast, launched in January, all featured ambassadors as guests. Other ambassadors delivered live sessions as part of our open webinar programme, talking about their lived experience on subjects such as stress, alcoholism and recovering from heart attack. In addition, building on very popular content from last year, we planned and recorded panel discussion sessions with ambassadors to mark World Mental Health Day, Time to Talk Day and Neurodiversity Celebration Week.

Our ambassadors also contributed to other content for social media, blogs and video, and supported LionHeart at various in-person events and conferences, helping staff to maximise speaking, networking and awareness raising opportunities.

In January we launched a new corporate wellbeing calendar as one element of our refreshed approach to working with corporate partners. Each month highlights a different wellbeing theme, offering varied content to support employees and signpost to LionHeart for additional services where relevant. The reinvigorated relationships have led to fundraising and awareness raising opportunities for us as a charity and will hopefully continue to provide a valuable means of engagement for us.

We continue to work hard to reach as wide a pool of surveying professionals as possible, to make them aware of the services and support they may access through LionHeart, and maintain meaningful connections with organisations and individuals. A new Communications and PR Strategy has been written to complement the wider organisational strategy, with twin aims of increasing awareness service take-up and increasing support from surveyors through fundraising and donations.

Our social media presence remains a vital tool for us to engage with our audiences on a daily basis. We now have more than 10,000 followers on social media, a 1,200% increase since 2015. LinkedIn represents around two-thirds of this total audience, affording us a pleasingly high engagement rate with individuals and corporate partners and a powerful tool of advocacy, as many past and present service users leave words of recommendation and encourage their peers to support us.

Part of our engagement work is to deliver content that we know resonates with our professional audience, including informational resources, news, blogs and video. In 2024/25 there were almost 130,000 page views on the LionHeart website, reaching users all over the world. We also sent close to 110,000 emails to our supporters, including quarterly newsletters, supporter stewardship and fundraising campaign messages.

## **PERSONAL BENEFICIARY STORIES**

We continue to make a positive difference to the lives of surveyors and their family members all over the world. These are just a few examples:

### **GERRY'S STORY**

Gerry suffered a severe stroke which left him unable to drive and work, and ultimately cost him his chartered surveying business.

He said: "We lost our house and my wife and I had to move to adapted social housing. My wife became my full-time carer and was unable to work. Our income had plummeted and we were struggling to survive financially.

"LionHeart offered a generous and immediate grant and counselling for me and my wife. I don't think we could have carried on without this financial support which meant we could pay our bills and I was able to continue with a weekly private physiotherapy session to help with my post stroke condition.

"The emotional support we received both by phone and email was wonderful. I was moved to tears by the kindness of the LionHeart team."

### **DANIEL'S STORY**

Daniel was struggling with the pressures of work and had recently been diagnosed with ADHD when he contacted LionHeart for support, saying: "I was experiencing an episode of burnout caused by stress and anxiety."

We offered regular support calls before Daniel took up a course of CBT therapy with one of our specially trained counsellors.

He said: "Undertaking counselling and CBT with LionHeart had a radical impact on my self-confidence as well as my ability to manage my workload. My counsellor offered practical and achievable guidance that slowly helped me to regain control of my career and personal life."

### **LIBBY'S STORY**

16-year-old Libby, the daughter of a surveyor, was suffering with generalised anxiety and there had been repeated episodes of self-harming behaviour. She was becoming increasingly isolated at home and at school.

Her parents contacted LionHeart, saying they were stressed and worried, and unsure how best to support their daughter or where to turn for help.

We offered weekly youth counselling through our specialist partners and Libby engaged fully in the sessions.

Her mother said: “She is almost a different child, which I can only attribute to the counselling. We are very grateful for the provision offered as this has not only had a positive impact on Libby but the whole family.”

#### **NICOLA’S STORY**

Nicola was only in her 50s when her chartered surveyor husband died after a very short illness. She called LionHeart after finding a card with contact details among his belongings. Initially Nicola had some legal advice regarding wills and obtaining probate, and was offered regular support calls before later taking up bereavement counselling.

She said: “The initial phone call to my support officer was incredibly helpful. She was kind and supportive and offered help at a time it was most needed.

“Talking with my counsellor was invaluable as I navigated not only my husband’s loss but also the impact that had on an already fragile family situation. His understanding and well thought out challenges to my thinking have been really useful.

“My husband was a member of RICS for close to 40 years, he knew of LionHeart but would never have dreamt how much it would have helped me. I well up just thinking about the support that was available.”

#### **A GREAT PLACE TO WORK**

The wellbeing of our staff remains key to LionHeart’s operation, in maintaining a motivated team which is fulfilled in its day to day work. Feedback from staff on wellbeing, experience, and motivation is sought regularly using quarterly ‘pulse’ surveys and an annual full staff survey, with results processed and fed back to and discussed with staff.

A staff restructuring is inevitably unsettling but the result has been a more optimised structure in which information flows more logically, led by a new SLT which was established during this financial year.

A regular meeting rhythm for the SLT, managers and departments has been established, interspersing face to face and virtual meetings broadly at fortnightly intervals and this is already enabling the internal dialogue well. This does however represent less than 50% occupancy of the office space and so consideration is being given to the possibility of an alternative arrangement which might serve the need but at a reduced expense.

#### **OUR PLANS FOR 2025-26**

Following a staff restructure and implementation of the new strategy in FY24/25, the overriding strategic intent for FY25/26 is income generation in order to sustain LionHeart’s services for the future.

Building very much on strategies delivered during the first six months of the strategic plan (between Sep 24 and Mar 25), key strategies for FY25/26 are listed below.

## **TARGET GROUPS**

Deliver new Neurodiversity support resources. Define LionHeart's global offer. Engage more closely with special interest surveying groups.

## **SERVICE PROVISION**

Implement measures to reduce counselling waiting times. Generate metrics to track Support Services Team's caseload. Review end of service process. Review safeguarding processes and associated training needs. Improve mutual understanding between Support Services Team and RICS Contact Centre.

## **CORPORATE PARTNERSHIPS**

Roll out a new corporate calendar and revised Corporate Partnership Agreement. Roll out a new partnership package for SMEs.

## **RAISE AWARENESS.**

Define and expand the LionHeart Ambassador role. Generate a network of Corporate Champions. Analyse our communications channels.

## **PEOPLE**

Roll out annual appraisals. Conduct an annual staff survey. Create a training and development plan. Conduct a mental health benchmark project across the staff.

## **OPERATIONAL PRACTICES AND GOVERNANCE.**

Create a CRM user guide. Revise the LionHeart Scheme of Governance and Delegation. Review the LionHeart Data Retention Policy.

## **FINANCIAL SUSTAINABILITY AND PREDICTABILITY.**

Implement the new Income Generation Strategy across individuals, corporates and organisations.

## **DATA AND NETWORKS.**

Resume data sharing with RICS

## **TRUSTEES' REPORT**

The Board of Trustees presents its combined annual report and financial statements for the year ended 31 March 2025, prepared in accordance with the Companies Act 2006 and the Charities Act 2011.

### **Public Benefit**

The trustees have had regard for the Charity Commission guidance on public benefit. They consider that LionHeart, a registered charitable company whose charitable purposes as defined within the Charities Act 2011 are for the relief and prevention of poverty, demonstrates its public benefit by providing financial help and other assistance to past and present RICS members and their dependants (and past members of organisations that have merged with the RICS and their dependants) and RICS staff who have experienced difficulties in their lives. RICS is the leading professional body for the property sector and membership is open to those who meet defined educational and professional practice standards. The number of people that could potentially ask for help is more than 500,000. All assistance is provided at the discretion of trustees of the charity, after careful consideration of the circumstances and the needs of the applicant.

### **OBJECTS AND PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE PUBLIC BENEFIT**

The Royal Institution of Chartered Surveyors' Benevolent Fund Limited, known as LionHeart, is registered as a charity in England with the registration number of 261245. It is also a company limited by guarantee and not having a share capital. The company is registered in England with the registration number 980025.

The principal office of the charity and its registered office is 1 Cornwall Street, Birmingham, B3 2DX. Its website is [www.lionheart.org.uk](http://www.lionheart.org.uk)

The present trustees and any past trustees who served during the period are shown on page 18 together with the names of the senior executive staff.

### **Charitable Objects**

The charitable objects of LionHeart are to provide assistance to past and present members of the Royal Institution of Chartered Surveyors, and their dependants, who experience difficulties in their lives. Assistance is typically given in cases of physical or mental ill health, unemployment, accident or disability, family separation, difficulties in retirement or returning to work and adverse economic conditions, although LionHeart will assist with any problem, where possible.

### **Delivery of Charitable Objectives**

LionHeart delivers its charitable objects through the work of two teams – the Support Services Team and the training and wellbeing team.

The Support Services Team provide responsive support for the surveyors and families who contact us due to personal challenges or crises. They aim to offer confidential advice and practical and emotional support to get people through those difficult times. The team provides the following services, but everyone who calls is treated as an individual and, as such, the response is 'made to measure':

- Regular grants to help with general living costs, in certain circumstances
- One-off grants to deal with an emergency or unexpected difficulties
- Professional counselling
- Support and advice on a range of issues including stress and wellbeing
- Work-related support
- Practical help and advice to help unemployed chartered surveyors get back into work
- Legal advice
- Debt advice and practical support

All the help offered is person-centred, with each person being supported by a bespoke set of services and solutions according to their individual circumstances. Grants are made to individuals and families, usually with a maximum time limit of 24 months.

The Training and Wellbeing Team offers a range of webinars and awareness-raising sessions on subjects of interest to RICS professionals, all designed to help increase wellbeing, personal and career development, and often in response to feedback or in line with the needs that we see.

### **GRANT MAKING POLICY**

The Board of Trustees annually reviews and updates the guidelines used by the Support Services Team to establish the parameters for financial assistance. The guidelines are reviewed to consider changes to the general cost of living, social security benefit rates and other support for those not working. The Support Services Team's decisions regarding individual grants are audited by trustees twice a year.

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

Income for the year was £1,799k (2024: £1,720k) with donations higher than the previous year, and investment income slightly lower. Expenditure was £2,073k (2024: £2,515k), with demand for beneficiary grants lower, and lower general overheads. The operating deficit of £274k (2024: £795k deficit) demonstrated progress towards a sustainable position. Investment valuation was £442k loss (2024: £2,113k surplus). The loss on revaluation of defined benefit asset reflects the increased effect of the asset ceiling.

### **FINANCIAL MANAGEMENT POLICIES**

#### **RESERVES**

Free Reserves 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. They are intended to facilitate the running costs of the charity and provide necessary cashflow from funds that are not invested.

Free reserves at the end of the year are £1,882k (2024: £2,514k). They are at the target level of free reserves and are intended to cover 12 months of budgeted expenditure.

Trustees aim to secure sufficient income from LionHeart's investment portfolio and regular donations to provide cover for expenditure and give less short-term reliance on fluctuating sources of income such as legacies.

Designated Funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. These funds are explained in the notes to the accounts. The designated funds at the end of the year total £24,480k (2024: £24,559k).

The Pension Reserve at the year-end is £nil (2024: surplus of £115k). This reserve is explained in detail in note 20.

## **GOING CONCERN**

LionHeart has net assets of £26,362k (2024: £27,188k), and this includes managed investments of £24,976k (2024: £26,168k). Investment income was £866k (2024: £907k).

LionHeart has appointed two specialist investment management companies to manage and safeguard the investments, and their track record in growing the portfolio and at the same time minimising risk has been in line with market trends.

The trustees are aware of the operating deficit indicated earlier, which they are seeking to address with the new strategy. However, given the level of reserves currently held, they do not consider this to be a risk to the charity as a going concern.

## **INVESTMENT POLICY AND PERFORMANCE**

### **Principal Investment Objective**

LionHeart's investment objective, as set out in its Investment Policy, is to grow the income and capital returns in the long term for invested funds. The assets should be managed to at least maintain the real capital value of the portfolio, whilst generating a sustainable level of investment income to support current charitable activities, having regard to the charitable nature of the funds and to the trustees' responsibility to avoid unacceptable risks.

### **REVIEW OF FUND MANAGERS**

The charity formally reviews its fund managers on a regular basis, at least five-yearly. A formal review, including a full procurement, was carried out during 2022. The next review will be no later than 2027. Investments are split across two fund managers on a 50/50 basis.

### **POOLED INVESTMENTS**

LionHeart has pooled investments, which are managed by Sarasin & Partners and CCLA. Sarasin & Partners and CCLA are professional fund managers, who operate subject to constraints specified by the Investment Committee regarding objective, benchmark, risk profile, maximum size of individual underlying security and reporting.

Sarasin investment portfolios are divided between a long-term fund, invested solely in the Sarasin Endowments Fund, and a medium-term fund, which is predominantly invested in the Sarasin Income & Reserves Fund.

The Sarasin Endowments Fund has the aim of enhancing the capital value over the longer-term whilst generating sufficient income to meet the requirements of the charity. A 'real return' of 4% per annum has been targeted as an appropriate long-term objective.

The benchmark used for the Fund is ICE Boal Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI AC World (Local Currency) (GBP) (10%), MSCI AC World (Net Total Return) (60%), SONIA + 2% (alternative assets) (10%).

The investment portfolio achieved a return over the 12 months to 31st March 2025 of 4.1% against the composite benchmark return of 4.9% (2024: 11.5% against a benchmark of 15.5%) and the ARC Steady Growth Charity Peer Group Index, which rose by 3.0%.

Sarasin Income & Reserves Fund aims to seek a consistently attractive level of income, whilst aiming to preserve the value of the capital over the short-medium term.

The benchmark used for the Fund is: ICE BofAML 1-10 Year Sterling Corporate & Collateralised (30%), ICE BofAML 1-10 Year UK Gilt Index (35%), MSCI AC World (Net Total Return) (20%), SONIA (5%), SONIA + 2% (alternative assets) (10%).

The investment portfolio achieved a return in the 12 months to 31st March 2025 of 3.8% against a composite benchmark return of 4.2% (2024: 5.4% against a benchmark of 6.5%).

The CCLA COIF Charity Ethical Investment Fund, a multi-asset long-term fund, achieved a return in the 12 months to 31 March 2025 of -1.1% against the Target Return of CPI+5% of +7.8% and a fund comparator benchmark return of +5.1%. Fund performance is shown after the deduction of all fees and expenses with income reinvested. Comparator returns are based on market indices which are not adjusted for management fees or expenses.

The Ethical Fund's Investment Objective is to provide a long-term total return comprising growth in both capital and income. It is benchmarked against a long-term total return of inflation (CPI) plus 5% per annum before costs.

The LionHeart Portfolio had a total return performance of +1.5% after fees and expenses for the period to 31 March 2025. It also aims to deliver a volatility of total return (risk) of significantly less than 100% equity market risk, and, from within total return, an income distribution (dividend) which is reliable from year to year and rises progressively over time

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **RESPONSIBILITIES OF TRUSTEES**

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

Company law requires the Board of Trustees to prepare financial statements for each financial period which give a true and fair view of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,

- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business,

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

LionHeart, in preparing these accounts, has complied with current statutory requirements and its Articles of Association, and has adopted, in full, the provisions of the Charity SORP (FRS 102). The Trustees consider that the charity is adequately funded to meet its current obligations.

#### **GOVERNING DOCUMENT**

The charity is governed by its Articles of Association, which require that the number of elected members of the Board of Trustees be no fewer than 8, nor more than 18. Trustees serve for a term of three years, following which they are eligible to stand for re-appointment unless they have already served three consecutive terms. In which case, they are not eligible for re-election until they have stood down for at least one year.

#### **TRUSTEE RECRUITMENT, TRAINING AND DEVELOPMENT**

Trustees are recruited by advertising on sites likely to attract candidates with surveying and other relevant experience. A full application process is followed, including an application form and interview, with good practice and equal opportunities guidelines observed throughout the process. References are taken up and DBS checks made.

Trustees are actively encouraged to undertake training and development, so that governance is fit for purpose. Details of external trustee training opportunities are circulated to trustees as they arise, and attendance is reported to the Board.

#### **SAFEGUARDING**

LionHeart operates a robust safeguarding procedure to provide staff and volunteers with overarching principles that guide its approach. These are reviewed regularly and were substantially enhanced in 2023. Staff who work with people requesting help are aware of their safeguarding responsibilities, and LionHeart's counsellors are regulated by the British Association for Counselling and Psychotherapy, ensuring appropriate professional and ethical standards at all times.

## **GOVERNANCE CODE**

The Charity Governance Code was introduced in July 2017, refreshed in 2020 and is currently being reviewed again in 2025. The code is not statutory regulation but “represents a standard of good governance practice to which all charities should aspire. The Charity Governance Code is one of the governance tools employed by LionHeart as a benchmark for its governance.

## **FUNDRAISING**

LionHeart income is largely from the following sources:

- Regular donations from RICS professionals,
- Gift Aid,
- Return on investments,
- Legacy donations,
- Client account donations (with the necessary assurances regarding repayment if required).

LionHeart has an internal fundraising team, and does not outsource fundraising to external organisations. LionHeart is registered with the Fundraising Regulator. The charity has no other fundraising requiring disclosure under s162A of the Charities Act 2011. There were no complaints during the year.

## **KEY MANAGEMENT REMUNERATION**

Remuneration for key management personnel is set by reference to benchmarks for charities of a similar size and nature. All changes are agreed by the Chair of the Board, supported by Trustees with relevant experience.

## **CORPORATE GOVERNANCE**

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency and effectiveness. Processes are in place to ensure that performance is monitored, and that appropriate management information is prepared and reviewed regularly by both executive management and the Board of Trustees.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- A business plan and annual budget approved by the trustees,
- Regular consideration by the trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews,
- Delegation of day-to-day management authority and segregation of duties,
- Identification and management of risks.

## **RISK MANAGEMENT**

The Trustees have continued to focus on risk management. This has involved:

- Identifying the major risks facing the charity,
- Assessing the likelihood and severity of the risks identified,
- Reviewing the existing controls that the charity has in place to mitigate the risks,
- Seeking to identify and implement any further actions required to manage risk.

The Trustees confirm that they have systems in place to mitigate the major risks facing the charity which they have identified. Major risks identified include:

- Volatility of income, from both. To mitigate this the Investment Committee monitors performance,
- Volatility of income from donations. The Board has approved an Income Generation Strategy, which seeks to diversify and strengthen donation channels.
- LionHeart's reliance on the RICS subscriptions process for a significant proportion of its income in the form of subscription donations.

## **THIRD PARTY INDEMNITY FOR DIRECTORS**

Qualifying third party indemnity provision is in place for the benefit of all trustees of the charity. This cover is up to £2m and costs £1k (2024: £1k).

## **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. The Trustees have confirmed that they have taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The report and accounts were approved and authorised by the Board of Trustees on 13 November 2025 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P. Sampson-Bancroft'.

Philippa Sampson-Bancroft FRICS  
Chair, Board of Trustees

## ADMINISTRATIVE DETAILS

Registered Name:	The Royal Institution of Chartered Surveyors' Benevolent Fund Limited
Working Name:	LionHeart
Company Number:	980025 (Company Limited by Guarantee, without a Share Capital, registered in England and Wales)
Charity Number:	261245 (registered in England and Wales)
Registered Address:	1 Cornwall Street, Birmingham, B3 2DX.
Trustees:	Philippa Sampson-Bancroft (Chair from 6 June 2024) Peter McCrea (Chair until 6 June 2024)(resigned 6 June 2024) Neil A'Bear (resigned 24 July 2025) Clare Clague (appointed 5 September 2024) Amy Dalton-Leader Diane Dumashie Simon Dunkling Caroline Legg Philip Nell Sarah Sandbrook (appointed 5 September 2024) Shashi Sharma (resigned 1 July 2024) James Williamson (resigned 13 February 2025) Neil Worrall

The Board also included Associate Board Members, who are not charity trustees or company directors, and who are non-voting. They are typically surveyors in the earlier stages of their careers, and the aim is to provide them with board experience, and give the Board a different perspective. The Associate Board Members in the year were:

Grace Conisbee (resigned 6 June 2024)  
So Sum Lee (resigned 6 June 2024)  
Adil Sajad (appointed 5 September 2024)  
Kate Wheway (appointed 5 September 2024)

Audit & Risk Committee	Shashi Sharma (Trustee, Chair resigned 1 July 2024) Amy Dalton-Leader (Trustee, Chair from August 2024) Diane Dumashie (Trustee) Philip Mills (Non-voting, joined 8 May 2024) Mark Southwell (Co-opted) Neil Worrall (Trustee)
Investment Committee	James Williamson (Trustee, Chair resigned 13 February 2024) Neil A'Bear (Trustee, resigned from Committee February 2025) Philip Mills (Non-voting, joined 8 May 2025)

	Chris Perkins (Co-opted)
	Philippa Sampson-Bancroft (Trustee, resigned from Committee 6 June 2024)
Key Management:	<p>Sarah Keeton, Interim Chief Executive Officer (until 15 April 2024)</p> <p>Philip Sparke, Chief Executive Officer (from 15 April 2024)</p> <p>Melissa Gough-Rundle, Head of Development (from 1 August 2024)</p> <p>David Homer, Acting Head of Finance &amp; Resources (until 7 May 2024)</p> <p>Philip Mills, Director of Finance &amp; Resources (from 7 May 2024)</p>
Auditors	Crowe U.K. LLP, Black Country House, Rounds Green Road, Oldbury, B69 2DG
Investment Managers	<p>Sarasin &amp; Partners, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU</p> <p>CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET</p>

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL INSTITUTION OF CHARTERED SURVEYORS BENEVOLENT FUND LIMITED**

### **Opinion**

We have audited the financial statements of The Royal Institution of Chartered Surveyors' Benevolent Fund Limited for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of charitable company's affairs as at 31 March 2025 and of its income 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 Companies Act 2006

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the

financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements

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

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 13, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to

liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting

estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Blundell LLB FCA FCIE DChA, Senior Statutory Auditor  
For and on behalf of Crowe U.K. LLP, Statutory Auditor  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date: 15 December 2025

## STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted Funds	Year ended 31 March 2025	Unrestricted Funds	Year ended 31 March 2024
		£000	£000	£000	£000
<b>Income from</b>					
Donations & Legacies	2	933	933	813	813
Investments	3	866	866	907	907
<b>Total Income</b>		<u>1,799</u>	<u>1,799</u>	<u>1,720</u>	<u>1,720</u>
<b>Expenditure on:</b>					
Raising Funds	4	70	70	42	42
Investment Management	4	68	68	81	81
Charitable Activities	5	1,935	1,935	2,392	2,392
<b>Total Expenditure</b>		<u>2,073</u>	<u>2,073</u>	<u>2,515</u>	<u>2,515</u>
<b>Net Income/(Expenditure before Investments)</b>		<u>(274)</u>	<u>(274)</u>	<u>(795)</u>	<u>(795)</u>
<b>Net Gain/(Loss) on Investments</b>		(442)	(442)	2,113	2,113
<b>Net Income/(Expenditure)</b>		<u>(716)</u>	<u>(716)</u>	<u>1,318</u>	<u>1,318</u>
<b>Other recognised gains/(losses)</b>					
Actuarial gain/(loss) on defined benefit pension		(110)	(110)	52	52
<b>Net movement in funds</b>		<u>(826)</u>	<u>(826)</u>	<u>1,370</u>	<u>1,370</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		27,188	27,188	25,818	25,818
<b>Total funds carried forward</b>		<u>26,362</u>	<u>26,362</u>	<u>27,188</u>	<u>27,188</u>

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

All income and expenditure derive from continuing activities. The notes on pages 27 to 45 form part of these accounts.

## BALANCE SHEET AT 31 MARCH 2025


### COMPANY 980025

		Year ended <b>31 March</b> 2025 £000	Year ended <b>31 March</b> 2024 £000
<b>Fixed Assets</b>			
Intangible Assets	10	5	10
Tangible Assets	11	9	18
Investments: Pooled	12	24,976	26,168
Investments: Social	13	54	54
Total Fixed Assets		<u>25,044</u>	<u>26,250</u>
<b>Current Assets</b>			
Debtors	14	167	253
Cash at bank and in hand		1,311	806
Total Current Assets		<u>1,478</u>	<u>1,059</u>
<b>Creditors</b>			
Amounts falling due within one year	15	(160)	(236)
Total Assets less Current Liabilities		<u>26,362</u>	<u>27,073</u>
Defined Benefit Pension Asset/(Liability)	20	-	115
<b>Net Assets</b>		<u>26,362</u>	<u>27,188</u>
<b>Funds</b>			
Unrestricted Designated Funds		24,480	24,559
Unrestricted Free Funds		1,882	2,514
Pension Reserve		-	115
<b>Total Funds</b>	17	<u>26,362</u>	<u>27,188</u>

These accounts are prepared in accordance with the small company provisions in Part 15 of the Companies Act 2006.

All income and expenditure derive from continuing activities. The notes on pages 27 to 45 form part of these accounts.

Approved by the Board of Trustees and authorised to be signed on 13 November 2025.



Philippa Sampson-Bancroft FRICS

Chair Board of Trustees

## STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
<b>Cashflow from operating activities</b>	(1,111)	(1,658)
Cashflows from investing activities		
Return on Investments	866	907
Proceeds from sales of investments	750	(39)
	<u>1,616</u>	<u>868</u>
Change in cash and cash equivalents	<u>505</u>	<u>(790)</u>
Cash and cash equivalents at start of year	806	1,596
Cash and cash equivalents at end of year	<u><u>1,311</u></u>	<u><u>806</u></u>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting Policies

#### Charity Information

LionHeart is a registered charity (number 261245) and company limited by guarantee with no share capital, registered in England and Wales (number 980025). Its registered office and principal place of business is 1 Cornwall Street, Birmingham B3 2DX.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention, except for investments which are included at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2019 and the Companies Act 2006.

The 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 notes.

#### Going Concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of LionHeart's resources and the challenges presented by the current economic climate, the Trustees are satisfied that the charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of the approval of the accounts.

There are no significant financial uncertainties which the Trustees consider are a significant risk to the ability of the charity to trade as a going concern in the foreseeable future.

#### Funds Structure

LionHeart has one unrestricted and undesignated fund, three designated funds and no restricted funds.

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

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.

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. Expenditure is charged to the Statement of Financial Activities when incurred.

## **Income**

Donations received directly by LionHeart are accounted for on the day of receipt or when they become entitled to them. Donations collected by third parties are accounted for as cash in third parties' hands on the date of receipt by the third party. Legacies are accounted for as soon as entitlement, probability and monetary value can be established. Pecuniary gifts are recognised when received or when interim or final estate accounts indicate that sufficient funds are available to pay them, whichever is earlier. Residuary gifts are recognised when received, or when final estate accounts are received. For investments, accounting entries are based upon the quarterly returns submitted by our investment management companies.

## **Expenditure and Irrecoverable VAT**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Grants payable to beneficiaries are accounted for where either we have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or where any condition attaching to the grant is fulfilled. We have taken the exemption available for charity trusts registered in England and Wales from providing the names of grant recipients and the amounts of the grants.**

Irrecoverable VAT is charged against the category of expenditure for which it was incurred. Where possible costs are directly attributed to specific activities. Overhead and support costs which relate to more than one activity are apportioned between those activities.

## **Tangible Fixed Assets and Depreciation**

All assets costing more than £1,000 are capitalised and are valued at depreciated historic cost. Depreciation is charged on fixed assets on a straight-line basis over their estimated useful life. The useful life of LionHeart's fixed assets is 3 years for office and computer equipment.

## **Intangible Assets and Amortisation**

Intangibles are amortised over 3 years, with a full year's depreciation charged in the first year.

## **Investments**

Investments are stated at fair value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period. The fair value of the investments is the quoted bid price.

Social Investments are loans to beneficiaries. Loans are partially provided for in case of default.

## **Pensions**

LionHeart operates defined benefit and defined contribution (money purchase) schemes. Note 21 gives details of the defined benefit scheme. The calculations on the recognition of

gains and losses and the notes are produced in accordance with FRS 102 requirements. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses arising are recognised immediately in the Statement of Financial Activities. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in the Statement of Financial Activities. The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations. Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

### **Debtors**

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

### **Cash at Bank and in Hand**

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

### **Creditors and Provisions**

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

### **Financial Instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through profit and loss, are initially recognised at transaction value and subsequently measured at their settlement value.

### **Critical Accounting Estimates and Areas of Judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Trustees have determined a level of provision against the loans made to beneficiaries, this is reviewed each year.

## 2. Donations and Legacies

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Donations from RICS Members	477	448
Other Cash Donations	448	247
Donations	<u>925</u>	<u>695</u>
Legacies	(2)	108
Unrestricted Grants	10	10
Total	<u><u>933</u></u>	<u><u>813</u></u>

One legacy accrued at 31 March 2024 was received during the year at less than the accrued amount, resulting in a reversal of accrual. Other legacies accrued at 31 March 2024 were reviewed during the year, and in some cases it was considered that probability of receipt or reliability of measurement were insufficient, and so the respective accruals were reversed. This resulted in an overall negative figure for legacies in the year to 31 March 2025.

## 3. Investment Income

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Dividends from Pooled Investment Funds	829	771
Interest received	37	136
Total	<u><u>866</u></u>	<u><u>907</u></u>

#### 4. Cost of Raising Funds

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Cost of activities	4	2
Staff & other costs	<u>66</u>	<u>40</u>
	70	42
Investment Management Fees	68	81
Total	<u><u>138</u></u>	<u><u>123</u></u>

## 5. Charitable Expenditure by Activity

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
<b>Grant making to individuals</b>		
Grants approved	406	581
Staff costs	206	188
Depreciation	3	2
Other costs	50	82
<b>Total</b>	<u>665</u>	<u>853</u>
<b>Advice &amp; beneficiary support</b>		
Staff costs	362	330
Depreciation	4	3
Other costs	140	209
<b>Total</b>	<u>506</u>	<u>542</u>
<b>Engagement &amp; communications</b>		
Staff costs	350	374
Depreciation	4	4
Other costs	95	158
<b>Total</b>	<u>449</u>	<u>536</u>
<b>Workshops &amp; webinars</b>		
Staff costs	226	261
Depreciation	3	3
Other costs	86	197
<b>Total</b>	<u>315</u>	<u>461</u>
<b>Total</b>		
Grants approved	406	581
Staff costs	1,144	1,153
Depreciation	14	12
Other costs	371	646
<b>Total</b>	<u>1,935</u>	<u>2,392</u>

## 6. Support and Governance Costs

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
<b>Support costs</b>		
Staff costs	470	501
Depreciation	14	12
Consultancy	63	33
Information Technology	63	67
Other costs	129	201
Governance costs	25	40
<b>Total</b>	<u>764</u>	<u>854</u>

Support costs are allocated on the basis of headcount.

## 7. Net deficit is stated after charging the following:

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Depreciation & Amortisation	14	12
Auditors' Remuneration	16	16
Operating Lease	37	57
<b>Total</b>	<u>67</u>	<u>85</u>

## 8. Employees

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Salaries	996	1,094
Social Security costs	103	111
Pension contributions	110	122
<b>Total</b>	<u>1,209</u>	<u>1,327</u>

Included in the figures above are one redundancy payment of £1.8k

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
Average number of employees	<u>27</u>	<u>29</u>
Full-time equivalents	<u>23.5</u>	<u>25.1</u>

#### Higher paid employees

£60,000-£69,999	1	-
£70,000-£79,999	-	-
£80,000-£89,999	1	-
£90,000-£99,999	-	-
£100,000-£109,999	-	1

Key management personnel of the charity are those having authority and responsibility delegated to them by the Trustees for planning, directing, and controlling the activities of the charity. The total employee benefits of the key management personnel of the charity were £242k (2024: £271k). There were changes within the Senior Leadership Team during the year.

#### **9. Trustees' and Co-Opted Members' Remuneration and Expenses**

The Trustees and co-opted committee members received no remuneration during the year (2024 £nil). Some of the Trustees and co-opted members claim travelling and subsistence expenses and during the year a total of £4,406 (2024: £5,662) was paid to 11 trustees and co-opted members (2024: 13).

**10. Intangible Fixed Assets**

	Year ended <b>31 March</b> 2025
<b>Software</b>	£000
<b>Cost</b>	
At 31 March 2024	103
Additions	-
Disposals	-
At 31 March 2025	<u>103</u>
<b>Depreciation</b>	
At 31 March 2024	93
Disposals	-
Charge for Year	5
At 31 March 2025	<u>98</u>
<b>Net book value</b>	
At 31 March 2024	10
At 31 March 2025	5

**11. Tangible Fixed Assets**

	Year ended <b>31 March</b> 2025
<b>Office Equipment</b>	£000
<b>Cost</b>	
At 31 March 2024	83
Additions	-
Disposals	-
At 31 March 2025	<u>83</u>
<b>Depreciation</b>	
At 31 March 2024	65
Disposals	-
Charge for Year	9
At 31 March 2025	<u>74</u>
<b>Net book value</b>	
At 31 March 2024	18
At 31 March 2025	9

**12. Fixed Asset Investments**

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Market value b/f	26,168	24,055
Additions	-	-
Disposals	(750)	-
Gain/(loss) on investments	(442)	2,113
Market value c/d	<u>24,976</u>	<u>26,168</u>

### 13. Social Investments

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
<b>Loans to beneficiaries</b>	£000	£000
<b>Loans outstanding</b>		
At 31 March 2024	185	205
Repaid during the year	-	(20)
At 31 March 2025	<u>185</u>	<u>185</u>
<b>Provision for bad debts</b>		
At 31 March 2024	131	131
Change in provision	-	-
At 31 March 2025	<u>131</u>	<u>131</u>
<b>Net loans outstanding</b>	<u>54</u>	<u>54</u>

The loans are mostly secured against property, with no interest charge or fixed repayment date.

### 14. Debtors

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Taxation recoverable		52
Prepayments & accrued income	166	201
Other debtors	1	-
Total	<u>167</u>	<u>253</u>

## 15. Creditors

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Trade creditors	7	20
Grant commitments	72	128
Accruals	58	53
Taxation & social security	23	24
Other creditors	-	11
<b>Total</b>	<u>160</u>	<u>236</u>

### Grant commitments

Balance at 1 April	128	83
Additions	406	571
Paid	(462)	(526)
<b>Balance at 31 March</b>	<u>72</u>	<u>128</u>

## 16. Net Assets

All items in Net Assets relate to unrestricted funds.

## 17. Movement in Funds

	Balance at <b>1 Apr</b> 2024	Income	Expenditure	Transfers	Gains/ (losses)	Balance at <b>31 Mar</b> 2025
	£000	£000	£000	£000	£000	£000
Free reserves	2,514	1,799	(2,068)	79	(442)	1,882
Income Fund	24,531	-	-	(118)	-	24,413
Fixed Asset Fund	28	-	(14)	53	-	67
Unrestricted designated	<u>24,559</u>	-	<u>(14)</u>	<u>(65)</u>	-	<u>24,480</u>
Pension reserve	115	-	(5)	-	(110)	-
<b>Total</b>	<u>27,188</u>	<u>1,799</u>	<u>(2,087)</u>	<u>14</u>	<u>(552)</u>	<u>26,362</u>

	Balance at <b>1 Apr</b> 2023	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Gains/ (losses)</b>	Balance at <b>31 Mar</b> 2024
	£000	£000	£000	£000	£000	£000
Free reserves	2,671	1,681	(2,493)	655	-	2,514
Income Fund	22,373	-	-	45	2,113	24,531
Development Fund	700	-	-	(700)	-	-
Fixed Asset Fund	1	39	(12)	-	-	28
Unrestricted designated	23,074	39	(12)	(655)	2,113	24,559
Pension reserve	73	-	(10)	-	52	115
<b>Total</b>	<b>25,818</b>	<b>1,720</b>	<b>(2,515)</b>	<b>-</b>	<b>2,165</b>	<b>27,188</b>

The Income Fund represents the value of long-term pooled investments, which the Trustees have designated to generate income, and not to be drawn down to meet operating cashflows.

The Fixed Asset Fund represents the value of Intangible Fixed Assets, Tangible Fixed Assets and Social Investments, which are not available for expenditure. During the year, the Reserves Policy was updated to include Social Investments in this designated fund, as the amounts on loan are not readily available to be applied to the charitable purposes generally.

The Pension Reserve represents the recoverable surplus or deficit on the defined benefit pension scheme, as set out in Note 20.

The Development Fund was set up in 2019 to utilise some reserves to facilitate funding the objectives of the five-year strategy in place at that time. A new strategy has been developed, and the trustees no longer intend this to be utilised, so the funds were transferred back to free reserves.

There are no restricted funds.

Transfers in the year from the Income Fund represent the net movement in long term pooled investments. Transfers to the Fixed Asset Fund represent the change of Reserves Policy, which resulted in loan balances being designated.

## 18. Commitments under Operating Leases

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Within 1 year	37	37
2-5 years	-	37
<b>Total</b>	<b>37</b>	<b>74</b>

## 19. Capital Commitments

At 31 March 2025, the charity had no capital commitments (2024: £nil).

## 20. Pension Schemes

Three current employees are members of the Local Government Pension Scheme, which is administered by the London Pensions Fund Authority. There is also one pension member and a further three deferred members. The Local Government Pension scheme is a defined benefit (final salary) scheme. LionHeart as the employer, although not a local authority, is classified as an admitted body into the scheme. LionHeart has no influence over how the scheme operates, or its investment performance. Contribution levels are set by reference to actuarial assessments that are formally reviewed by the LPFA every three years. Pension costs are accounted for on the basis of spreading the cost of pensions over employees' working lives with LionHeart. The scheme was closed to new members on 9 December 2010. Following this date new employees are offered a contribution to stakeholder pension plans. The current pension offered is operated by Royal London.

The Financial Reporting Standard 102 (FRS 102) disclosures are provided by the London Pensions Fund Authority (LPFA) on an agreed statutory basis over which LionHeart has no control. The methodology and assumptions prescribed for the purposes of FRS 102 mean that the disclosures will be inherently volatile, varying greatly according to investment market conditions at each accounting date.

FRS 102 requires disclosure of the charity's share of the assets and liabilities of the LPFA defined benefits scheme. A qualified independent actuary, appointed by LPFA, has made a valuation on 31 March 2025, based on the following assumptions:

<b>Life expectancy from age 65</b>	<b>31 Mar 2025</b>	<b>31 Mar 2024</b>
	<b>years</b>	<b>years</b>
Retiring today		
Males	21.6	21.6
Females	23.7	23.7
Retiring in 20 years		
Males	22.9	22.9
Females	25.6	25.5

The estimated Macaulay duration of the Employer's liabilities as at 31 March 2025 using the assumptions set out above is 14 years.

<b>Financial assumptions</b>	<b>31 Mar 2025</b>	<b>31 Mar 2024</b>
	<b>p.a.</b>	<b>p.a.</b>
Discount rate	5.75%	4.90%
Pension increases	2.90%	2.95%
Salary increases	3.90%	3.95%

Based on these assumptions the LPFA actuary values the charity's share of the funds is as follows:

	31 Mar 2025 £000	31 Mar 2024 £000
Present value of the defined benefit obligation	1,274	1,415
Fair value of Fund assets (bid value)	<u>2,721</u>	<u>2,679</u>
Deficit / (surplus)	(1,447)	(1,264)
Impact of asset ceiling	<u>1,447</u>	<u>1,149</u>
Net defined benefit liability / (asset)	<u><u>-</u></u>	<u><u>(115)</u></u>

The analysis of the charity's share of the assets of the scheme is as follows:

<b>Asset breakdown</b>	31 Mar 2025 £000	31 Mar 2024 £000
Equities	1,605	1,622
Target Return Portfolio	494	462
Infrastructure	310	308
Property	248	245
Cash	64	42
Total	<u>2,721</u>	<u>2,679</u>

<b>Reconciliation of defined benefit obligation</b>	31 Mar 2025 £000	31 Mar 2024 £000
Opening defined benefit obligation	1,415	1,361
Current service cost	24	30
Interest cost	68	65
Change in financial assumptions	(173)	(10)
Change in demographic assumptions	(3)	(16)
Experience loss/(gain) on defined benefit obligation	(3)	3
Estimated benefits paid net of transfers in	(60)	(25)
Contributions by Scheme participants and other employers	6	7
Closing defined benefit obligation	<u>1,274</u>	<u>1,415</u>

<b>Reconciliation of fair value of employer assets</b>	31 Mar 2025 £000	31 Mar 2024 £000
Opening fair value of Fund assets	2,679	2,452
Interest on assets	130	118
Return on assets less interest	(47)	111
Administration expenses	(1)	(1)
Contributions by employer	14	17
Contributions by Scheme participants	6	7
Estimated benefits paid net of transfers in	(60)	(25)
Closing defined benefit obligation	<u>2,721</u>	<u>2,679</u>

The total return on fund assets for the year to 31 March 2025 was £84k (2024: £229k)

<b>Amounts recognised in Statement of Financial Activities</b>	31 Mar 2025 £000	31 Mar 2024 £000
Service cost	24	30
Net interest on defined benefit liability / (asset)	(6)	(4)
Administration expenses	1	1
	<u>19</u>	<u>27</u>

<b>Remeasurement of the net assets / (defined liability)</b>	31 Mar 2025 £000	31 Mar 2024 £000
Return on Fund assets in excess of interest	(47)	111
Change in financial assumptions	173	10
Change in demographic assumptions	3	16
Experience gain / (loss) on defined benefit obligation	3	(3)
Changes in impact of asset ceiling	(242)	(82)
Remeasurement of the net assets / (defined benefit liability)	<u>(110)</u>	<u>52</u>

<b>Reconciliation of change in impact of asset ceiling</b>	31 Mar 2025 £000	31 Mar 2024 £000
Opening impact of asset ceiling	1,149	1,018
Interest on impact of asset ceiling	56	49
Actuarial losses / (gains)	242	82
Closing impact of asset ceiling	<u>1,447</u>	<u>1,149</u>

The asset ceiling is the present value of any economic benefit available to LionHeart in the form of refunds or reduced future employer contributions. The approach taken was to restrict the surplus with an asset ceiling. The asset ceiling is calculated as the difference between the accounting surplus attributable to Lionheart and the surplus limit. The surplus limit is calculated as the future cost of accrual, calculated in line with the discount rate, minus the present value of the certified contributions payable by LionHeart.

**21. Related Party Transactions**

No related party transactions have been identified in the year.

**22. Reconciliation of Income / (Expenditure) to Net Cashflow from Operating Activities**

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
<b>Net income/(expenditure)</b>	(716)	1,318
Depreciation & amortisation	14	12
Disposals of social investments	-	20
Gain/(loss) on investments	442	(2,113)
Defined benefit pension adjustments	5	10
Returns on investments	(866)	(907)
(Increase)/decrease in debtors	86	22
Increase/(decrease) in creditors	(76)	(20)
<b>Cashflow from operating activities</b>	<u>(1,111)</u>	<u>(1,658)</u>

## 23. Financial Instruments

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
<b>Financial Assets</b>		
Measured at Fair Value	24,976	26,168
Measured at Amortised Cost	1,532	1,091
	<u>26,508</u>	<u>27,259</u>
<b>Financial Liabilities</b>		
Measured at Amortised Cost	<u>(160)</u>	<u>(236)</u>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed and unlisted securities.

Financial assets measured at amortised cost comprise social investments, cash at bank, other debtors, and accrued income.

Financial liabilities measured at amortised cost comprise grant commitments, accruals, and other creditors.

The charity's income, expense, gains, and losses in respect of financial instruments are summarised below:

	Year ended <b>31 March</b> 2025	Year ended <b>31 March</b> 2024
	£000	£000
Investment income from financial assets measured at fair value through income and expenditure	866	907
Net gains / (losses) on financial assets measured at fair value through income and expenditure	(442)	2,113

**24. Reconciliation of Net Debt**

	<b>1 April</b> 2024	Cashflows	<b>31 March</b> 2025
	£000	£000	£000
Cash	806	505	1,311
Finance Lease Obligations	-	-	-
<b>Net Debt</b>	<u>806</u>	<u>505</u>	<u>1,311</u>

END

**THE ROYAL INSTITUTION OF CHARTERED SURVEYORS' BENEVOLENT FUND LIMITED**

England & Wales - Charity number 261245

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# Accounts

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The Royal Institution of Chartered Surveyors Benevolent Fund Limited  
(A Charitable Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR FROM 1 APRIL 2023 TO 31 MARCH 2024**

Company Number: 980025

Charity Number: 261245

# The Royal Institution of Chartered Surveyors Benevolent Fund Limited

## ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR FROM 1 APRIL 2023 TO 31 MARCH 2024

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## CHAIR'S FOREWORD

2023-24 was on many levels a year of change at LionHeart, and yet in other ways it was very much business as usual.

We said goodbye to our long-serving CEO Davina Goodchild, after 12 years at the helm. Being appointed as an 'agent of change' in 2011, Davina led the charity through a thorough transformation of governance, service delivery, and culture, and left with our very best wishes.

Our Interim CEO, the highly experienced Sarah Keeton, hit the ground running in the Autumn, demonstrating leadership, insight, and competence in challenging times. Sarah did all that we asked of her, and more, keeping the show on the road until our new CEO, Phil Sparke, joined us in the Spring. After the departure of our Head of Finance for family reasons, David Homer has once again stepped up, and I am very grateful to him for putting in much of the heavy lifting in preparing this document.

On the board, we lost 27 years' aggregate service when James Grierson, Dayle Bayliss and Andrew Carrick all 'rolled off' having each completed their maximum nine-year term. I can't overstate the input, wisdom and sheer hours of graft that each of them brought to the board table. James and Dayle had both served as vice-chair, while Andrew undertook many hours of work behind the scenes as the trustee overseeing grants. We said goodbye to each of them at an emotional away day in June 2023, but I should again now record the board's thanks to three outstanding trustees.

As will be evident from the Trustees Report, the charity has seen significant financial headwinds. The combination of income reducing and grants increasing has only been offset by a strong performance on the balance sheet, resulting in an overall increase in assets. The board of trustees has been alive to the pressures facing the charity, and taken action accordingly. This is my final chair's foreword after six years chairing the board and nearly eight as a trustee. To my colleagues past and present, our staff, ambassadors, donors and supporters, can I simply say thank you for all of your efforts over the last twelve months, as we continue to be there to support the surveying family around the world.

Peter McCrea OBE FRICS FCIArb FRSA  
Chair, Board of Trustees, LionHeart

## STRATEGIC REPORT 2023-2024

2023/24 marked the final year of a five-year strategy which aimed to increase awareness of and engagement with LionHeart on the part of members of the Royal Institution of Chartered Surveyors (RICS) around the globe. It also saw a significant uptake in the demand on LionHeart's services, both in the UK and globally.

There have been no changes to LionHeart's vision, mission and values which remain as follows:

Our vision is to ensure that everyone in the RICS community has access to confidential, practical support.

Our mission is to deliver advice that matters and support that counts; personal, flexible support for all RICS professionals and the people they love to help them overcome life's unexpected challenges.

Our values are:

- Integrity
- Compassion
- Professionalism
- Flexibility

### Operational Overview

2023/24 saw an increase in demand on each of the charity's key services. In spite of that, feedback received indicated that the quality of service provision remained at a very high level.

Key highlights are as follows:

A total of 820 people were supported during the year, which represents a 10% increase on the prior year, and continues a trend in which demand for our services has risen by over 100% in the last five years. In end of service feedback over 80% of respondents rated the service received from LionHeart as 10/10.

A total of 1544 hours of counselling was delivered during the year, which represents an 8.5% increase on the prior year. 93% of those receiving counselling reported meaningful positive change in wellbeing (a 54% figure is considered "very good" based on a standard national scale).

A total of £581K in grants was awarded during the year, which represents a 29% increase on the prior year, and the largest grants figure in the charity's history.

A total of 200 individuals received legal support through LionHeart during the year, which represents an increase of 17.5% on the prior year.

Over 5,600 individuals attended a LionHeart professional or wellbeing webinar, with a further 2200 watching recorded LionHeart material online.

### Operational Financial Overview

The increase in the provision of services compared to the prior year is a definite positive for the charity, in delivering the mission for which it exists. However the resulting additional cost has an inevitable material impact, coming at a time when income right across the spectrum has dropped.

Donations by individual RICS members on the back of their annual RICS subscription has previously been a consistent source of income for LionHeart, but fell by 24% in 2023/24 (from £591k to £448k) as compared to the prior year, which represents a fall of 48% from the 2019/20 figure of £854k.

Income from other sources (excluding legacies, donations on the back of RICS subscriptions and investment income) has shown a similar decline, falling by 44% (from £443k to £247k) in 2023/24 as compared with the prior year, which represents a fall of over 50% from the 2019/20 figure of £505k.

With demand on the charity higher than ever, but reduced income across the key sources, this led to an operating deficit which required the charity to realise both long, and medium-term reserves. As these investments provide a vital element in the charity's funding model, this sets a sustainability challenge which will need to be addressed in the short term in order to move the dial back to a sustainable funding model.

### **Engagement with the surveying community**

We continued to reach RICS professionals, candidates and trainees at all stages of their surveying careers through our online training, with a varied range of wellbeing, personal and career development webinar topics. The staff team worked with our trainers to review and refresh content for seven of our titles, and added a further five topics. Some of these were developed in direct response to feedback from the professionals and partners with whom we work, including sessions on avoiding burnout, managing difficult conversations and supporting disability in the workplace. We also held a popular live online panel discussion and Q&A involving some of our male ambassadors as part of Men's Health Month in November.

Through a combination of live open webinars, which includes joint delivery with RICS, and sessions for corporate and education partners, we reached an audience of over 5,600 people. Recorded sessions, including the webinar library on the LionHeart website, reached a further 2,200 people, with some 30% of these viewers from outside the UK. Also in response to the increasing appetite for 'on-demand' content, we developed and launched the first LionHeart podcast series in September 2023. The initial series of six episodes, all centred on wellbeing subjects, and a Time to Talk Day 'special' in February has been accessed 351 times.

Our support for APC (Assessment of Professional Competence) candidates continued to go from strength to strength. APC practice presentations remain popular and many of these cases are straightforward, one-off sessions. Increasingly however, the Support Services team is supporting APC candidates experiencing anxiety, stress, or not eating or sleeping due to work pressures, and provides ongoing support and contact where required. An astonishing one in four calls during 2023/24 were in support of APC candidates.

Such interaction provides a valuable opportunity for LionHeart to engage with young professionals early on in their career. Many of them publicly thank us on social media after passing their APC, and also engage in fundraising and awareness raising activities, providing a rich source of advocacy and endorsement for LionHeart.

Our volunteer ambassador network continued to grow during the year with an increasing number of opportunities for ambassadors to represent LionHeart at face to face events and conferences. Our ambassadors have also contributed to online awareness-raising content including blogs, video and social media, helping us increase our reach, and championing the charity among their networks.

Social media remains a vital place for us to connect and engage with our supporters, fundraisers and service users. Our total audience grew by a further 15% during the year, representing a 11.7% rise in followers since 2020. Although LinkedIn remains our biggest platform (62% of total audience) our growing Instagram presence is helping reach a younger audience, with some 40% aged 18 to 34. We have also seen a rise in Facebook followers aged 65 plus.

Engagement of this nature also enables meaningful connections and conversations with individuals and firms. We increasingly see spontaneous positive posts, recommendations and comments from people who have used our services which really helps to consolidate our position as part of their professional sphere and a needed resource for surveyors.

A content marketing strategy, aligned to our services and the subjects in which we know our community is interested, continues to drive engagement and awareness. Over 2023/24 we had 54,000 website page views, with approximately 68% of our audience coming from the UK. As well as producing shareable content for RICS and our

corporate and education partners, throughout the year we sent over 115,000 email communications to our opted-in supporters, including quarterly newsletters and other occasional seasonal and fundraising messages.

Maximising good connections with RICS global staff and global networking ambassadors, we continued to widen awareness of LionHeart's services outside the UK. In the previous financial year, we were able to provide support to a significant proportion of the RICS members who had been living and working in Ukraine when war broke out. During 2023/24, we gave further financial support to a small number of members, either in Ukraine or as refugees from Ukraine.

Grant assistance remains the most needed service for RICS professionals outside the UK, although an increasing number are also accessing APC support as awareness of LionHeart's service grows.

### **Personal Beneficiary Stories**

These are just three stories of the people who have been supported by LionHeart during 2023/24, accessing a range of services.

#### **James's story**

James, a surveyor in his 50s, contacted LionHeart after a serious suicide attempt. The support officer he spoke to immediately put safeguarding measures in place, and supported him with regular calls over a period of several months during his medical treatment and recovery.

He said: "I called LionHeart after a serious suicide attempt. My support officer continued to support me and was instrumental in establishing mental health support and also legal advice in regards to my employer and employment status."

James was able to access legal advice through LionHeart and later agreed a phased return to work, with support in place. This meant he was able to keep his job.

He added: "LionHeart's staff went above and beyond to help me. The support I received was second to none and I can honestly say saved my life. I am now back at work and in the knowledge I have LionHeart by my side."

#### **Edward's story**

Chartered surveyor Edward was struggling with stress at work, while balancing the needs of his disabled wife who needed increasing support at home. It was his wife who initially suggested he contact LionHeart to get some support around stress management.

He said: "My wife suggested I needed help dealing with the exceptional amount of stress I was under; a combination of a very stressful work environment and my wife battling a disability at home. My counsellor was incredibly good and armed me with the tools to understand the sources of my stress and how to manage them effectively. She was very good at steering me to identify ways in which I was causing myself even more unnecessary stress. Some of the strategies I have put in place with her help will assist me for the rest of my life."

#### **Sita's story**

Sita contacted LionHeart after being made redundant from her surveying job. With other things going on in her life, it had been a bruising experience which left her professional confidence at an all-time low and unsure about how she should move forward.

She said: "I was really apprehensive about the future. I felt my support officer really understood what I had experienced and was totally empathetic but practical at the same time - a tricky double act to pull off!"

Sita was offered some coaching sessions to help improve her confidence, as well as support with her CV and interview skills.

### **A Great Place to Work**

The wellbeing of our staff remains key to LionHeart's operation, in maintaining a motivated team which is fulfilled in its day to day work. Feedback from staff on wellbeing, experience, and motivation is sought regularly using an anonymous all staff survey, and a Workplace Wellbeing Group has been established to ensure that staff-related issues have appropriate visibility.

A blended working model is now well established, alternating between working remotely and from the new Birmingham office, to ensure appropriate face to face interaction for collaboration and innovation.

A rolling review of HR policies continues, in liaison with our HR partner Safe HR, to ensure that policies remain in line with current legislation and best practice.

#### **OUR PLANS FOR 2024-25**

In the autumn of 2023 the charity initiated work with the consultancy Fairisle to develop a new strategy to take effect from September 2024. This process will involve engagement with key stakeholders and former beneficiaries, workshops with trustees and staff, and a rolling review by a strategy development team consisting of consultants, trustees and senior staff. Central to this process is a reflection on the theory of change LionHeart seeks to bring about on the part of the communities it serves.

The strategy development work will run through the summer of 2024, with the intention of presenting a proposed three year strategy for approval by the board of trustees in September 2024, supported by appropriate KPIs and a business plan.

With 2024 marking LionHeart's 125<sup>th</sup> anniversary, the event will be marked at various stages and in various locations during the year. That opportunity will be used to celebrate the service the charity has been able to make over such a long period, but also to promote a better understanding of its impact and the strategy which will be adopted for the next three years.

**P R W Sparke MA**  
**Chief Executive**

## TRUSTEES' REPORT

The Board of Trustees presents its combined annual report for the year from 1 April 2023 - 31 March 2024, prepared in accordance with the Companies Act 2006 and the Charities Act 2011, together with audited financial statements for the year.

### Public Benefit

The trustees have read and understood the Charity Commission guidance on public benefit. They consider that LionHeart, a registered charitable company whose charitable purposes as defined within the Charities Act 2011 are for the relief and prevention of poverty, demonstrates its public benefit by providing financial help and other assistance to past and present RICS members and their dependants (and past members of organisations that have merged with the RICS and their dependants) and RICS staff who have experienced difficulties in their lives. RICS is the leading professional body for the property sector and membership is open to those who meet defined educational and professional practice standards. The number of people that could potentially ask for help is more than 500,000. All assistance is provided at the discretion of trustees of the charity, after careful consideration of the circumstances and the needs of the applicant.

## OBJECTS AND PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE PUBLIC BENEFIT

### Reference and Administrative Details

The Royal Institution of Chartered Surveyors Benevolent Fund Limited, known as LionHeart, is registered as a charity in England with the registration number of 261245. It is also a company limited by guarantee and not having a share capital. The company is registered in England with the registration number 980025.

The principal office of the charity and its registered office is 1 Cornwall Street, Birmingham B3 2DX. Its website is [www.lionheart.org.uk](http://www.lionheart.org.uk)

The present trustees and any past trustees who served during the period are shown on page 15 together with the names of the senior executive staff on page 16. The professional advisors to the charity are set out on page 16.

### Charitable Objective

The declared object of LionHeart is to provide assistance to past and present members of the Royal Institution of Chartered Surveyors and their dependants who experience difficulties in their lives. Assistance is typically given in cases of physical or mental ill health, unemployment, accident or disability, family separation, difficulties in retirement or returning to work and adverse economic conditions, although LionHeart will assist with any problem, where possible.

### Delivery of Charitable Objective

LionHeart delivers its charitable objective through the work of two teams – the Training and Wellbeing Team and the Support Services Team.

The Training and Wellbeing Team offers a suite of workshops, webinars, and awareness-raising sessions on subjects of interest to RICS professionals, all designed to help increase wellbeing, health, and happiness. Workshops are developed in response to RICS professionals' needs which are assessed via our regular surveys and feedback from the people we help.

The Support Services Team provides advice that matters and support that counts. The team members' expert advice helps prevent life's challenges from becoming life's crises, and LionHeart's confidential, practical support helps people overcome those challenges. The team provides the following services, but everyone who calls is treated as an individual and, as such, the response is 'made to measure':

- Regular grants to help with general living costs, in certain circumstances
- One-off grants to deal with an emergency or unexpected difficulties
- Professional counselling
- Support and advice on a range of issues including stress and wellbeing
- Coaching
- Practical help and advice to help unemployed chartered surveyors get back into work
- Legal advice
- Debt advice and practical support

All the help offered is person-centred, with each person being supported by a bespoke set of services and solutions according to their individual circumstances. Grants are made to individuals and families, usually with a maximum time limit of 24 months.

### **Grant Making Policy**

The Board of Trustees annually reviews and updates the guidelines used by the Support Services Team to establish the parameters for financial assistance. The guidelines are reviewed to consider changes to the general cost of living, social security benefit rates and other support for those not working. The Support Services Team's decisions regarding individual grants are audited by trustees twice a year.

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

Income for the year was £1,720k. Our overall expenditure was £2,515k as a result of increased activity and development of our services in accordance with the five-year strategy. Overall income was down on budget for the year due mainly to a reduction in income from donations with subscriptions, legacy and client account income. This was partially offset by increases in income from dividends and interest. Due to the cost-of-living crisis and a change in household costs calculations, the grant expenditures increased by 29% compared to the previous year. Acknowledging the resulting operating deficit of £795k, it is the trustees' intent to address this through the three-year strategy which will be launched in September 2024.

Alongside this operational position, LionHeart's financial assets increased over the year, due to a marked increase of £2,113k in investment valuations. Investments are made with a long-term view, and short-term fluctuations are expected.

Overall, the financial position of LionHeart remains strong, with free reserves at a level required by our reserves policy, and investments maintaining levels required to ensure our long-term growth and sustainability.

### **FINANCIAL MANAGEMENT POLICIES**

#### **Reserves**

##### **1. Free Reserves**

These 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. They are intended to facilitate the running costs of the charity and provide necessary cashflow from funds that are not invested.

The free reserves at the end of the year are £2,514k. They are at the target level of free reserves and are intended to cover 12 months of budgeted expenditure.

Trustees aim to secure sufficient income from LionHeart's investment portfolio and regular donations to provide cover for expenditure and give less short-term reliance on fluctuating sources of income such as legacies.

## 2. Designated Funds

These comprise unrestricted funds that have been set aside by the trustees for particular purposes. These funds are explained in the notes to the accounts.

The designated funds at the end of the year total £24,559k (2022-2023 £23,074k). These funds are made up as follows:

	<b>FY23/24</b>
	<b>£000's</b>
Income Fund	24,531
Fixed Assets Fund	<u>28</u>
<b>Total</b>	<b><u>24,559</u></b>

## 3. Restricted Fund

These arise where donors express a restriction on the purposes to which a gift may be applied. The restricted fund at the end of the year is £nil (2022-2023 £nil).

## 4. Pension Reserve

The pension reserve at the year-end is a surplus of £115k (2022-2023 surplus of £73k).

In general, participating in a defined benefit pension scheme means that the employer is exposed to a number of risks:

- Investment risk. The fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.
- Interest rate risk. The fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the fund holds assets such as equities the value of the assets and liabilities may not move in the same way.
- Inflation risk. All the benefits under the fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. If the members live longer than assumed a deficit will emerge in the fund. There are also other demographic risks.

## Going Concern

LionHeart has net assets of 2023-2024 £27,188k (2022-2023 £25,818k), and this includes managed investments of £26,168k (2022-2023 £24,055k). Investment income in 2023-2024 was £907k (2022-2023 £947k). Donations from RICS members totalled £448k (2022-2023 £591k).

LionHeart has appointed two specialist investment management companies to manage and safeguard the investments, and their track record in growing the portfolio and at the same time minimising risk has been in line with market trends.

The trustees are aware of the operating deficit indicated earlier which they are seeking to address via a new strategy. However given the level of reserves currently held, they do not consider this to be a risk to the charity as a going concern.

## INVESTMENT POLICY AND PERFORMANCE

### Principal Investment Objective

LionHeart’s investment objective, as set out in its Investment Policy Statement, is to grow the income and capital returns in the long term for invested funds. The assets should be managed to at least maintain the real capital value of the portfolio, whilst generating a sustainable level of investment income to support current charitable activities, having regard to the charitable nature of the funds and to the trustees’ responsibility to avoid unacceptable risks.

### Investment Policy Statement

The charity’s investment policy was reviewed in May 2022 having previously been reviewed in 2019.

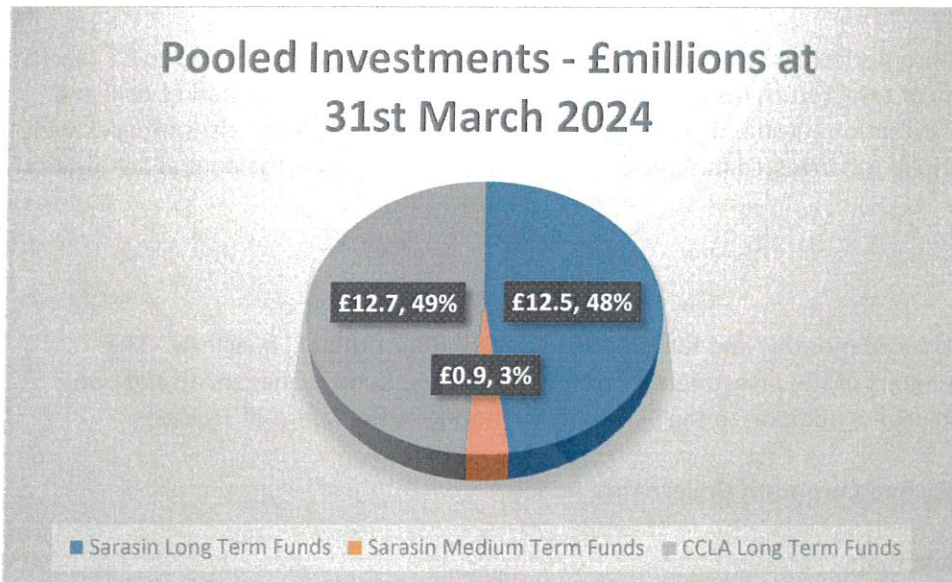
### Review of Fund Managers

The charity formally reviews its fund managers on a regular basis, at least five-yearly. A formal review, including a full procurement, was carried out during 2022. The next review will be no later than 2027. Investments are split across two fund managers on a 50/50 basis.

## POOLED INVESTMENTS

LionHeart has a number of pooled investments, which are managed by Sarasin & Partners and CCLA. Sarasin & Partners LLP and CCLA are professional fund managers and operate subject to constraints specified by the Investment Committee regarding objective, benchmark, risk profile, maximum size of individual underlying security and reporting.

Sarasin investment portfolios are divided between a long-term fund, invested solely in the Sarasin Endowments Fund, and a medium-term fund, which is predominantly invested in the Sarasin Income & Reserves Fund.



### Long-term Portfolio – Sarasin Endowments Fund

The aim of the portfolio is to enhance the capital value over the longer-term whilst generating sufficient income to meet the requirements of the trust. A ‘real return’ of 4% per annum has been targeted as an appropriate long-term objective.

The benchmark used for the Fund went through a further strategic evolution on the 1<sup>st</sup> June 2023 and is now: ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI AC World (Local Currency) (GBP) (10%), MSCI AC World (Net Total Return) (60%), SONIA + 2% (alternative assets) (10%).

The investment portfolio achieved a return over the 12 months to 31<sup>st</sup> March 2024 of 11.5% against the composite benchmark return of 15.5% (31/03/2023 -2.8% against a benchmark of -2.4%) and the ARC Steady Growth Charity Peer Group Index, which rose by 9.4%.

### **Medium-term Portfolio – Sarasin Income & Reserves Fund**

The aim of the portfolio is to seek a consistently attractive level of income, whilst aiming to preserve the value of the capital over the short-medium term.

The benchmark used for the Fund went through a further strategic evolution on the 1<sup>st</sup> June 2023 and is now: ICE BofAML 1-10 Year Sterling Corporate & Collateralised (30%), ICE BofAML 1-10 Year UK Gilt Index (35%), MSCI AC World (Net Total Return) (20%), SONIA (5%), SONIA + 2% (alternative assets) (10%).

The investment portfolio achieved a return in the 12 months to 31<sup>st</sup> March 2024 of 5.4% against a composite benchmark return of 6.5% (31/03/2023 -8.4% against a benchmark of -8.4%) and the ARC Cautious Charity Peer Group Index, which rose by 3.6%.

### **CCLA COIF Charity Ethical Investment Fund**

The multi-asset long-term fund achieved a return in the 12 months to 31 March 2024 of 13.11% against the Target Return of CPI+5% of 7.18% and a fund comparator benchmark return of 16.73%. Fund performance is shown after the deduction of all fees and expenses with income reinvested. Comparator returns are based on market indices which are not adjusted for management fees or expenses.

The Ethical Fund's Investment Objective is to provide a long-term total return comprising growth in both capital and income. It is benchmarked against a long-term total return of inflation (CPI) plus 5% per annum before costs.

The LionHeart Portfolio had a total return performance of 12.9% after fees and expenses for the period to 31 March 2024. It also aims to deliver a volatility of total return (risk) of significantly less than 100% equity market risk, and, from within total return, an income distribution (dividend) which is reliable from year to year and rises progressively over time. The fund in which the portfolio has invested has declared an intention to increase the annual distribution by 2% for calendar 2024.

### **Reporting**

Income reports and valuations are produced monthly and full reports with economic outlook, quarterly. The quarterly reports are circulated to members of the Investment Committee. The two fund managers attend two Investment Committee meetings each year in addition to the September meeting of the Board of Trustees.

### **Socially Responsible Investment Policy and Corporate Governance Policy**

LionHeart's Investment Policy stipulates that:

- there will be no holdings in companies with exposure to the production of tobacco or tobacco-related manufacturing.
- the fund will also avoid investment in companies that earn a material portion of their revenue from alcohol manufacture, armaments, gambling, pornography, and predatory lending.
- all externally managed funds are screened on initial purchase and reviewed regularly to ensure that they also adhere to these rules.
- the fund managers publish a regular sustainability audit of investments and are active in voting on company resolutions. Where necessary, the firms will engage in direct dialogue with investee companies, policy makers and governing bodies to drive positive change.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Statement of Trustees' Responsibilities, Corporate Governance and Risk Management**

#### **Board of Trustees**

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

Company law requires the Board of Trustees to prepare financial statements for each financial period which give a true and fair view of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Board of Trustees is required to:

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

The Board of Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

LionHeart, in preparing these accounts, has complied with current statutory requirements and its Memorandum and Articles of Association, and has adopted, in full, the provisions of SORP 2015 for Charities. The trustees consider that the charity is adequately funded to meet its current obligations.

The charity is governed by its Articles of Association, which require that the number of elected members of the Board of Trustees be not fewer than 8 or more than 18. The President of RICS is Patron of LionHeart during their year of office. All trustees serve for a term of three years upon which they are eligible for re-appointment unless they have already served three consecutive terms in which case, they are not eligible for re-election until they have stood down for at least one year.

#### **Trustee Recruitment, Training and Development**

Trustees are recruited via adverts placed online targeting both the property industry and the charity sector. LionHeart also advertises online through its own website and social media as well as other free channels. A full application process is followed, including an application form and interview, with good practice and equal opportunities guidelines observed throughout the process.

Trustees are actively encouraged to undertake training and development so that governance is fit for purpose. Details of external trustee training opportunities are circulated to trustees as they arise, and attendance is reported to the

Board. Training is sourced from the Association of Charitable Organisations Trustee Seminar Programme, the Charity Finance Group, National Council of Voluntary Organisations, and other opportunities provided by commercial and third sector providers from time to time.

### **Safeguarding**

LionHeart operates a robust safeguarding procedure to provide staff and volunteers with overarching principles that guide its approach. These are reviewed regularly and were substantially enhanced in 2023. Staff who work with people requesting help are aware of their safeguarding responsibilities, and LionHeart's counsellors are regulated by the British Association for Counselling and Psychotherapy, ensuring appropriate professional and ethical standards at all times.

### **Governance Code**

The Charity Governance Code was introduced in July 2017 and refreshed in 2020. The code is not statutory regulation but "represents a standard of good governance practice to which all charities should aspire." The code requests that charities either apply the standards of the code or explain how they are going to apply them in the future.

LionHeart completed a number of development activities during the previous financial year arising from the assessment of performance against the updated Code. This included an EDI review. A further assessment against the code will be carried out in another 2 – 3 years to provide assurance around progress, or when the code is updated.

### **Fundraising**

LionHeart income is largely from the following sources:

- Regular donations from RICS professionals,
- Gift aid,
- Return on investments,
- Legacy donations,
- Client account donations (with the necessary assurances regarding repayment if required).

LionHeart has three part-time fundraising team members. We do not outsource fundraising to external organisations and are registered with the Fundraising Regulator. The charity has no other fundraising requiring disclosure under S162A of the Charities Act 2011.

### **General Data Protection Regulation (GDPR)**

New data protection processes and policies were introduced in 2018 for the organisation to be compliant with GDPR. We have a data sharing agreement with the RICS that has been updated in line with the new code and our privacy statements have been updated and are available online. All staff are trained on their responsibilities in respect of data.

### **OUR STAFF**

LionHeart is a vibrant and progressive charity that values its workforce and recognises the need for skilled and committed staff who work well as a team and with trustees to deliver quality services to RICS members, past and present, and their dependants. This is achieved through creating an environment in which staff feel supported by managers and employers, and where they receive regular information about the organisation through meetings and briefings. They are actively encouraged to give their suggestions and views on performance and strategy to develop the organisation and its performance.

Trustees are committed to the continuing professional development of staff at all levels within the organisation. Monitoring the training needs and the performance of each staff member is a continuous process, supported by supervision from line managers. Training programmes are provided to meet any on-going needs, with the aim of

developing employees for both their current and their future roles. LionHeart is an accredited Investors in People employer and has the IIP Gold Award.

## **KEY MANAGEMENT PERSONNEL REMUNERATION**

Remuneration for key management personnel is set on advice from a third party, by reference to benchmarks for charities of a similar size and nature. All salaries were reviewed in the last quarter of the previous financial year.

### **Patron**

The President of the Royal Institution of Chartered Surveyors is LionHeart's Patron. On 31 March 2024, the office holder was Tina Paillet FRICS.

### **Honorary Officers for 2023/24**

Chair	Peter McCrea
Vice Chair	Philippa Sampson-Bancroft, from June 2023
Honorary Treasurer	James Williamson

### **Other Members**

The following have served as members of the Board (and Directors) during the year and at the date the accounts were signed:

Neil A'Bear  
Dayle Bayliss, resigned June 2023  
Andrew Carrick, resigned June 2023  
Diane Dumashie  
Simon Dunkling  
James Grierson, Vice Chair until June 2023  
Amy Dalton-Leader  
Caroline Legg  
Peter McCrea  
Philip Nell  
Philippa Sampson-Bancroft  
Shashi Sharma  
James Williamson  
Neil Worrall

### **Audit and Risk Committee**

The Audit and Risk Committee has the purpose of overseeing the preparation and agreement of the annual accounts and audit of LionHeart's finances. Specifically, the committee will:

- Oversee the audit of the accounts and make recommendations for approval by the Board of Trustees
- Oversee the risk management process.

#### **Committee Membership:**

Shashi Sharma	Trustee, Chair from June 2023
James Grierson	Trustee, Chair resigned June 2023
Mark Southwell	Co-opted
Lorna Wright	Co-opted, resigned November 2023
Neil Worrall	Trustee
Amy Dalton-Leader	Trustee, from June 2023
Diane Dumashie	Trustee, from June 2023
Doris Yuen	LionHeart, (non-voting member), left March 2024

## Investment Committee

The Investment Committee has the following role and purpose:

- To appoint appropriate professional investment manager(s),
- To agree with the investment manager(s) the broad long-term investment strategy for LionHeart's capital endowment,
- To monitor the investment performance of the investment manager(s) against suitable benchmarks and peer groups,
- To assess the ethical, social and governance (ESG) policies of the investment manager(s) and investments to ensure they do not bring LionHeart into disrepute,
- To oversee the charity's policies for cash and short-term deposit management,
- To recommend to the Board of Trustees a change of investment managers, when required,
- To oversee and manage the selection process for new investment managers.

### Committee Membership:

James Williamson	Trustee, Chair
Philip Nell	Trustee, Vice Chair, resigned February 2024
Neil A'Bear	Trustee, Vice Chair from February 2024
James Grierson	Trustee, resigned June 2023
Philippa Sampson-Bancroft	Trustee
Chris Perkins	Co-opted
Doris Yuen	LionHeart, (non-voting member), left March 2024

## SENIOR LEADERSHIP TEAM

The trustees delegate day to day management of the charity to the Senior Leadership Team, who attend trustee and committee meetings as appropriate and report on the activities of the charity to Trustees regularly.

<b>Interim Chief Executive Officer</b>	Sarah Keeton, joined November 2023
<b>Chief Executive Designate</b>	Phil Sparke, joined March 2024
<b>Chief Executive</b>	Davina Goodchild, left December 2023
<b>Acting Head of Finance &amp; Corporate Services</b>	David Homer from March 2024
<b>Head of Finance &amp; Corporate Services</b>	Doris Yuen, left March 2024
<b>Head of Operations</b>	Juliet Smithson, left October 2023

## PROFESSIONAL ADVISERS

<b>Auditors</b>	Crowe U.K. LLP, Black Country House, Rounds Green Road, Oldbury, West Midlands, B69 2DG
<b>Solicitors</b>	Wilsons, Alexandra House, St Johns Street, Salisbury, SP1 2SB
<b>Investment Managers</b>	Sarasin & Partners, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET
<b>Bankers</b>	Unity Trust Bank PLC, Nine Brindley place, Birmingham, B1 2HB

## Corporate Governance

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency and effectiveness. Processes are in place to ensure that performance is monitored, and that appropriate management information is prepared and reviewed regularly by both executive management and the Board of Trustees.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- A business plan and annual budget approved by the trustees,
- Regular consideration by the trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews,
- Delegation of day-to-day management authority and segregation of duties,
- Identification and management of risks.

### **Risk Management**

The trustees have continued to focus on risk management. This has involved:

- Identifying the major risks facing the charity,
- Assessing the likelihood and severity of the risks identified,
- Reviewing the existing controls that the charity has in place to mitigate the risks,
- Seeking to identify and implement any further actions required to manage risk.

The trustees confirm that they have systems in place to mitigate the major risks facing the charity which they have identified. Major risks identified include:

Volatility of income, from both investments and donations. To mitigate this the Investment Committee monitors performance, with donations by multiple methods encouraged. Sufficient reserves are held in case income falls significantly.

LionHeart's reliance on the RICS for a significant proportion of its income in the form of subscription donations.

### **Third Party Indemnity for Directors**

Qualifying third party indemnity provision is in place for the benefit of all trustees of the charitable company. This cover is up to £2m and costs £1k (2022-2023 £1k).

### **Statement as to Disclosure of Information to Auditors**

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees has confirmed that they have taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### **Auditors**

LionHeart's auditors for financial year ending 31 March 2024 are Crowe U.K. LLP. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The report and accounts were approved and authorised by the Board of Trustees on 5 September 2024 and signed on its behalf by:



Philippa Sampson-Bancroft FRICS  
Chair, Board of Trustees, LionHeart

**Opinion**

We have audited the financial statements of LionHeart (The Royal Institution of Chartered Surveyors Benevolent Fund Limited) for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of charitable company's affairs as at 31 March 2024 and of its income 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 Companies Act 2006

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements

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

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 13, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations, General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Employment legislation and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kerry Brown, Senior Statutory Auditor

For and on behalf of **Crowe U.K. LLP, Statutory Auditor**

Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

**Date:** 07 October 2024

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR FROM 1 APRIL 2023 TO 31 MARCH 2024

		Unrestricted Funds	Year Ended 31 March 2024 Total £000	Unrestricted Funds £000	Year Ended 31 March 2023 Total £000
	Notes	£000	£000	£000	£000
<b>Income From:</b>					
Donations and Legacies	2	813	813	1,163	1,163
Investments	3	907	907	947	947
<b>Total Income</b>		<b>1,720</b>	<b>1,720</b>	<b>2,110</b>	<b>2,110</b>
<b>Expenditure on:</b>					
Raising Funds	4	42	42	58	58
Investment Management Fees	4	81	81	84	84
Charitable Activities	5	2,392	2,392	2,086	2,086
<b>Total Expenditure</b>		<b>2,515</b>	<b>2,515</b>	<b>2,228</b>	<b>2,228</b>
Realised Net Gains on Investments		0	0	18	18
Unrealised Net Gains / (Loss) on Investments		2,113	2,113	(1,406)	(1,406)
<b>Net Income/(Expenditure)</b>		<b>1,318</b>	<b>1,318</b>	<b>(1,506)</b>	<b>(1,506)</b>
<b>Transfers Between Funds</b>		0	0	0	0
<b>Other Recognised Gains / (Losses):</b>					
Actuarial Gains / (Losses) on Defined Benefit Pension Scheme	20	52	52	(57)	(57)
<b>Net Movement in Funds</b>		<b>1,370</b>	<b>1,370</b>	<b>(1,563)</b>	<b>(1,563)</b>
<b>Reconciliation of Funds</b>					
Total Funds Brought Forward		25,818	25,818	27,381	27,381
<b>Total Funds Carried Forward</b>		<b>27,188</b>	<b>27,188</b>	<b>25,818</b>	<b>25,818</b>

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

All income and expenditure derive from continuing activities. The notes on pages 24 to 39 form part of these financial statements.

**BALANCE SHEET AS AT 31 MARCH 2024**

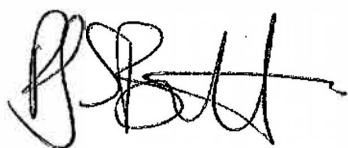
COMPANY REGISTRATION No. 980025

REGISTERED CHARITY No. 261245

	NOTES	31 March 2024		31 March 2023	
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Intangible Assets	10		10		0
Tangible Assets	11		18		1
Investments: Pooled	12		26,168		24,055
Investments: Social	13		54		74
<b>Total Fixed Assets</b>			<b>26,250</b>		<b>24,130</b>
<b>Current Assets</b>					
Debtors	14	253		275	
Cash at Bank and in Hand		806		1,596	
<b>Total Current Assets</b>		<b>1,059</b>		<b>1,871</b>	
<b>Creditors</b>					
Amounts falling due within one year	15	(236)		(256)	
<b>Net Current Assets</b>			<b>823</b>		<b>1,615</b>
<b>Total assets less current liabilities</b>			<b>27,073</b>		<b>25,745</b>
<b>Creditors</b>					
Amounts falling due after one year			0		0
<b>Defined Pension Scheme Liability</b>	20		115		73
<b>Total Net Assets</b>			<b>27,188</b>		<b>25,818</b>
<b>Funds</b>					
Restricted Funds			0		0
Unrestricted Designated Funds			24,559		23,074
Unrestricted Free Funds			2,514		2,671
Pension Reserve			115		73
<b>Total Charity Funds</b>	17		<b>27,188</b>		<b>25,818</b>

The accounts are prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 102 and with the special provisions of Part 15 of the Companies Act relating to small companies.

Signed on behalf of the Board of Trustees and authorised for issue on 5 September 2024.



Philippa Sampson-Bancroft FRICS

Chair, Board of Trustees, LionHeart

The notes on pages 24 to 39 form part of these financial statements.

**STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Year Ended 31 March 2024	Year Ended 31 March 2023
		£000	£000
<b>Cash Flows from Operating Activities:</b>			
<i>Net Cash Provided by / (used in) Operating Activities</i>	22	(1,658)	(820)
<b>Cash Flows from Investing Activities:</b>			
Returns from Investments		907	947
Purchase of Property, Plant, Equipment & Intangibles		(39)	0
Proceeds from Sale of Investments		0	97
Purchase of Investments		0	(500)
<i>Net Cash Provided by / (used in) Investing Activities</i>		<u>868</u>	<u>544</u>
<b>Change in Cash and Cash Equivalents in the year</b>		(790)	(276)
Cash and Cash Equivalents at 1 April 2023		1,596	1,872
<b>Cash and Cash Equivalents at 31 March 2024</b>		<u><u>806</u></u>	<u><u>1,596</u></u>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting Policies

#### Charity Information

LionHeart is a registered charity (number 261245) and company limited by guarantee with no share capital, registered in England and Wales (number 980025). Its registered office and principal place of business is 1 Cornwall Street, Birmingham B3 2DX.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention, except for investments which are included at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Companies Act 2006.

The 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 notes.

#### Going Concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of LionHeart's resources and the challenges presented by the current economic climate, the Trustees are satisfied that the charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of the approval of the accounts.

There are no significant financial uncertainties which the Trustees consider are a significant risk to the ability of the charity to trade as a going concern in the foreseeable future.

#### Funds Structure

LionHeart has one unrestricted and undesignated fund, three designated funds and no restricted funds.

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

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.

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. Expenditure is charged to the Statement of Financial Activities when incurred.

#### Income

Donations received directly by LionHeart are accounted for on the day of receipt or when they become entitled to them. Donations collected by third parties are accounted for as cash in third parties' hands on the date of receipt by the third party. Legacies are accounted for as soon as entitlement, probability and monetary value can be established. For investments, accounting entries are based upon the quarterly returns submitted by our investment management companies.

#### Expenditure and Irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable to beneficiaries are accounted for where either we have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or where any condition attaching to the grant is fulfilled. We have taken the exemption available for charity trusts registered in England and Wales from providing the names of grant recipients and the amounts of the grants.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred. Where possible costs are directly attributed to specific activities. Overhead and support costs which relate to more than one activity are apportioned between those activities.

#### **Tangible Fixed Assets and Depreciation**

All assets costing more than £1,000 are capitalised and are valued at depreciated historic cost. Depreciation is charged on fixed assets on a straight-line basis over their estimated useful life. The useful life of LionHeart's fixed assets is 3 years for office and computer equipment.

#### **Intangible Assets and Amortisation**

Intangibles are amortised over 3 years, with a full year's depreciation charged in the first year.

#### **Investments**

Investments are stated at fair value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period. The fair value of the investments is the quoted bid price.

Social Investments are loans to beneficiaries. Loans are partially provided for in case of default.

#### **Pensions**

LionHeart operates defined benefit and defined contribution (money purchase) schemes. Note 21 gives details of the defined benefit scheme. The calculations on the recognition of gains and losses and the notes are produced in accordance with FRS 102 requirements. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses arising are recognised immediately in the Statement of Financial Activities. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in the Statement of Financial Activities. The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations. Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

#### **Debtors**

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

#### **Cash at Bank and in Hand**

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

#### **Creditors and Provisions**

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

### Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through profit and loss, are initially recognised at transaction value and subsequently measured at their settlement value.

### Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Trustees have determined a level of provision against the loans made to beneficiaries, this is reviewed each year.

## 2. Donations and Legacies

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Donations from RICS members	448	591
Other cash donations	247	443
<b>Donations</b>	<b>695</b>	<b>1,034</b>
Legacies	108	119
Unrestricted grants	10	10
<b>Total</b>	<b>813</b>	<b>1,163</b>

## 3. Investment Income

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Dividends from pooled investment funds	771	796
Investment income	136	151
<b>Total</b>	<b>907</b>	<b>947</b>

The above figures have been amended to show investment return as income instead of as a change in market value.

**4. Cost of Raising Funds**

	<b>Year ended 31 March 2024 £000</b>	<b>Year ended 31 March 2023 £000</b>
Costs of activities	2	6
Staff costs	40	52
<b>Total</b>	<b>42</b>	<b>58</b>
Investment Management Fees	81	84
<b>Total</b>	<b>123</b>	<b>142</b>

**5. Charitable Expenditure by Activity**

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
<b>Grant Making to Individuals</b>		
Grants approved	581	449
Staff costs	127	135
Depreciation	2	0
Other costs	0	0
Support & Governance	143	118
<b>Total</b>	<b>853</b>	<b>702</b>
<b>Advice and Beneficiary Support</b>		
Staff costs	223	230
Depreciation	3	1
Other costs	64	54
Support & Governance	252	214
<b>Total</b>	<b>542</b>	<b>499</b>
<b>Engagement and Communications</b>		
Staff costs	263	218
Depreciation	4	0
Other costs	11	26
Support & Governance	258	212
<b>Total</b>	<b>536</b>	<b>456</b>
<b>Workshops and Webinars</b>		
Staff costs	174	164
Depreciation	3	1
Other costs	83	35
Support & Governance	201	229
<b>Total</b>	<b>461</b>	<b>429</b>
<b>Total</b>		
Grants approved	581	449
Staff costs	787	747
Depreciation	12	2
Other costs	158	115
Support & Governance	854	773
<b>Total</b>	<b>2,392</b>	<b>2,086</b>

All expenditure is from unrestricted funds. Support & Governance costs are also shown in note 6.

**6. Analysis of Support and Governance Costs**

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
<b>Grant Making to Individuals</b>		
Staff costs	61	50
Consultancy	5	11
Information and technology costs	11	15
Other costs	36	22
Governance	30	20
<b>Total</b>	<u>143</u>	<u>118</u>
<b>Advice and Beneficiary Support</b>		
Staff costs	107	91
Consultancy	10	19
Information and technology costs	20	28
Other costs	64	39
Governance	51	37
<b>Total</b>	<u>252</u>	<u>214</u>
<b>Engagement and Communications</b>		
Staff costs	111	89
Consultancy	10	19
Information and technology costs	20	28
Other costs	64	39
Governance	53	37
<b>Total</b>	<u>258</u>	<u>212</u>
<b>Workshops and Webinars</b>		
Staff costs	87	97
Consultancy	8	21
Information and technology costs	16	30
Other costs	49	41
Governance	41	40
<b>Total</b>	<u>201</u>	<u>229</u>
<b>Total</b>		
Staff costs	366	327
Consultancy	33	70
Information and Technology Costs	67	101
Other costs	213	141
Governance	175	134
<b>Total</b>	<u>854</u>	<u>773</u>

All allocations are based on staff numbers.

**7. Net income is stated after charging the following:**

	Year Ended 31 March 2024 £000's	Year Ended 31 March 2023 £000's
Depreciation	12	2
Auditor's remuneration	16	16
Operating lease expenses incurred in the year	57	17
<b>Total</b>	<b>85</b>	<b>34</b>

**8. Employees**

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Staff costs comprise:		
Salaries	1,094	999
Social security costs	111	100
Other pension contributions	122	125
<b>Total</b>	<b>1,327</b>	<b>1,224</b>

All expenditure is from unrestricted funds.

The average number of employees during the year was 29 (2022-2023 29). Full time equivalents were 25.1 (2022-2023 25.2).

One employee earned emoluments in excess of £60,000 in the year (2022-2023 1) this was in the band £100,001 to £110,000 (2022-2023 £80,001 to £90,000). Pension contributions of £7k were made for this employee (2022-2023 £9k).

Key management personnel of the charity are those having authority and responsibility delegated to them by the Trustees for planning, directing, and controlling the activities of the charity. The total employee benefits of the key management personnel of the charity were £271k (2022-2023 £206k). There were changes within the Senior Leadership Team during the year.

**9. Trustees' and Co-Opted Members' Remuneration and Expenses**

The Trustees and co-opted committee members received no remuneration during the year (2022-2023 nil). Some of the Trustees and co-opted members claim travelling and subsistence expenses and during the year a total of £5,662 was paid to 13 Trustees and co-opted committee members (2022-2023 £4,618 to 12).

**10. Intangible Fixed Assets**

	Year ended 31 March 2024 £000
	Software Development
<b>Cost</b>	
At 1 April 2023	88
Additions	15
Disposals	0
At 31 March 2024	<u>103</u>
<b>Depreciation</b>	
At 1 April 2023	88
Disposals	0
Charge for year	5
At 31 March 2024	<u>93</u>
<b>Net book value</b>	
At 31 March 2024	<u>10</u>
At 31 March 2023	<u>0</u>

**11. Tangible Fixed Assets**

	Year ended 31 March 2024 £000
	Office Equipment
<b>Cost</b>	
At 1 April 2023	63
Additions	24
Disposals	(4)
At 31 March 2024	<u>83</u>
<b>Depreciation</b>	
At 1 April 2023	62
Disposals	(4)
Charge for year	7
At 31 March 2024	<u>65</u>
<b>Net book value</b>	
At 31 March 2024	<u>18</u>
At 31 March 2023	<u>1</u>

## 12. Fixed Asset Investments

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Market value brought forward	24,055	25,041
Add additions to investments at cost	0	500
Less disposals at carrying value	0	-80
Add net gain (loss) on revaluation	2,113	-1,406
Market value as at 31 March	<u>26,168</u>	<u>24,055</u>

### Fixed Asset Investments by Type

	Year Ended 31 March 2024 £000's	Year Ended 31 March 2023 £000's
Pooled Investment Funds	26,168	24,055
<b>Total</b>	<u>26,168</u>	<u>24,055</u>

During the previous financial year, a second Investment Manager was appointed in CCLA, and 50% of the Sarasin Endowment Fund was transferred to a CCLA COIF Ethical Investment Fund.

## 13. Social Investments

	Year Ended 31 March 2024 £000's	Year Ended 31 March 2023 £000's
<b>Interest Free Loans with no Fixed Repayment Date</b>		
<b>Paid to Beneficiaries</b>		
Loans Outstanding at 1st April	205	210
Loans Repaid During the Year	-20	-5
Loans Outstanding at 31st March	185	205
<b>Provision for Bad Debts on Loans</b>		
Provision at 1st April	-131	-131
Provision Released in the Year	0	0
Provision at 31st March	-131	-131
<b>Net Loans Outstanding at 31st March</b>	<u>54</u>	<u>74</u>

**14. Debtors**

	Year Ended 31 March 2024 £000's	Year Ended 31 March 2023 £000's
Taxation Recoverable	52	56
Prepayments and Accrued Income	201	176
Other Debtors	0	43
<b>Total</b>	<b>253</b>	<b>275</b>

**15. Creditors**

	31 March 2024 £000	31 March 2023 £000
Trade creditors	20	73
Grant commitments	128	83
Accruals	53	65
Taxation and social security	24	26
Other creditors	11	9
<b>Total</b>	<b>236</b>	<b>256</b>

Grant Commitments	31 March 2024 £000	31 March 2023 £000
Balance 1 April 2023	83	54
Additions	571	439
Paid	(526)	(410)
<b>Balance 31 March 2024</b>	<b>128</b>	<b>83</b>

**16. Net Assets**

	31 March 2024 Unrestricted £000's	31 March 2024 Total £000's	31 March 2023 Unrestricted £000's	31 March 2023 Total £000's
Fixed Assets	28	28	1	1
Investments	26,222	26,222	24,129	24,129
Net Current Assets	823	823	1,615	1,615
Provisions	115	115	73	73
<b>Total</b>	<b>27,188</b>	<b>27,188</b>	<b>25,818</b>	<b>25,818</b>

**17. Movement in Funds in the Year**

	<b>Balance at 1 April 2023 £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers £000</b>	<b>Gains / (losses) £000</b>	<b>Balance at 31 March 2024 £000</b>
Free reserves	2,671	1,681	(2,493)	655	0	2,514
Income fund	22,373	0	0	45	2,113	24,531
Development fund	700	0	0	(700)	0	0
Pension reserve	73	0	(10)	0	52	115
Fixed asset fund	1	39	(12)	0	0	28
Restricted fund	0	0	0	0	0	0
<b>Total</b>	<b>25,818</b>	<b>1,720</b>	<b>(2,515)</b>	<b>0</b>	<b>2,165</b>	<b>27,188</b>

	<b>Balance at 1 April 2022 £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers £000</b>	<b>Gains / (losses) £000</b>	<b>Balance at 31 March 2023 £000</b>
Free reserves	2,884	2,110	(2,211)	(112)	0	2,671
Income fund	23,349	0	0	412	(1,388)	22,373
Development fund	1,000	0	0	(300)	0	700
Pension reserve	145	0	(15)	0	(57)	73
Fixed asset fund	3	0	(2)	0	0	1
Restricted fund	0	0	0	0	0	0
<b>Total</b>	<b>27,381</b>	<b>2,110</b>	<b>(2,228)</b>	<b>0</b>	<b>(1,445)</b>	<b>25,818</b>

**Designated Funds**

The Income Fund has been designated by the Trustees to provide future income for the charity to continue its activities indefinitely. This is predominantly made up of investment holdings.

The Development Fund was set up in 2019 to utilise some reserves to facilitate funding the objectives of the five-year strategy. Monies were transferred from the Income Fund for this.

The Pension Reserve has been designated by the Trustees to set aside funds against any deficit on the defined benefit pension scheme. The balance at close on the 31<sup>st</sup> of March 2024 reflects the surplus on the scheme.

The Tangible Fixed Asset Fund has been designated by the Trustees to set aside funds for the future depreciation on fixed assets.

**Restricted Fund**

There are currently no restricted funds.

**Transfers Between Funds**

Funds have been transferred to (from) free reserves to match the necessary levels of designated funds.

## 18. Commitments Under Operating Leases

At 31 March 2024, the charity had one operating lease with a commitment of £37k within one year (2023 £37k) and £37k greater than one year, but less than five years (2023 £74k).

## 19. Capital Commitments

At 31 March 2024, the charity had no capital commitments (2023 £nil).

## 20. Staff Pension Schemes

Three current employees are members of the Local Government Pension Scheme which is administered by the London Pensions Fund Authority. There is also one pension member and a further three deferred members. The Local Government Pension scheme is a defined benefit (final salary) scheme. LionHeart as the employer, although not a local authority, is classified as an admitted body into the scheme. LionHeart has no influence over how the scheme operates or its investment performance. Contribution levels are set by reference to actuarial assessments that are formally reviewed by the LPFA every three years. Pension costs are accounted for on the basis of spreading the cost of pensions over employees' working lives with LionHeart. The scheme was closed to new members on 9 December 2010. Following this date new employees are offered a contribution to stakeholder pension plans. The current pension offered is operated by Royal London.

The Financial Reporting Standard 102 (FRS 102) disclosures are provided by the London Pensions Fund Authority (LPFA) on an agreed statutory basis over which LionHeart has no control. The methodology and assumptions prescribed for the purposes of FRS 102 mean that the disclosures will be inherently volatile, varying greatly according to investment market conditions at each accounting date.

FRS 102 requires disclosure of the charity's share of the assets and liabilities of the LPFA defined benefits scheme. A qualified independent actuary, appointed by LPFA, has made a valuation on 31 March 2024 based on the following assumptions:

Assumed life expectations from age 65 are:

		<b>31 March 2024</b>	<b>31 March 2023</b>
Life expectancy from age 65 (years)			
Retiring today			
	Males	21.6	21.9
	Females	23.7	23.9
Retiring in 20 years			
	Males	22.9	23.1
	Females	25.5	25.8

The estimated Macauley duration of the employer as of the 31<sup>st</sup> of March 2024 is 15 years. The financial assumptions used to calculate the results are as follows:

	<b>31 March 2024</b>	<b>31 March 2023</b>
Financial assumptions	% pa	% pa
Discount rate	4.90%	4.80%
Pension increases	2.95%	2.90%
Salary increases	3.95%	3.90%

Based on these assumptions the LPFA actuary values the charity's share of the funds is as follows:

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
Present value of the defined benefit obligation	1,415	1,361
Fair value of fund assets (bid value)	2,679	2,452
Deficit / (Surplus)	<b>(1,264)</b>	<b>(1,091)</b>
Impact of asset ceiling	<b>1,149</b>	<b>1,018</b>
Net defined benefit liability / (asset)	<b>(115)</b>	<b>(73)</b>

The analysis of the assets of the scheme is as follows:

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
Equities	1,622	1,442
Target return funds	462	456
Infrastructure	308	310
Property	245	241
Cash	42	3
<b>Total</b>	<b>2,679</b>	<b>2,452</b>

Reconciliation of defined benefit obligation:

Opening defined benefit obligation	1,361	2,259
Current service cost	30	45
Interest cost	65	59
Contributions by members	7	7
Estimated benefits paid, net of transfers in	(25)	(23)
Change in financial assumptions	(10)	(704)
Experience gain / (loss) on defined benefit obligation	3	(330)
Past service costs including curtailments	0	0
Change in demographic assumptions	(16)	48
<b>Closing defined benefit obligation</b>	<b>1,415</b>	<b>1,361</b>

Reconciliation of fair value of employer assets:

Opening fair value of employer assets	2,452	2,404
Interest on assets	118	63
Contributions by members	7	7
Contributions by employer, including unfunded	17	27
Return on assets less interest	111	(31)
Administration expenses	(1)	(1)
Estimated benefits paid plus unfunded transfers in	(25)	(23)
Other actuarial gains	0	6
<b>Closing fair value of employer's assets</b>	<b>2,679</b>	<b>2,452</b>

The total return on fund assets for the year to 31 March 2024 was £229k (2022-2023 £32k).

Amounts recognised in the Statement of Financial Activities in respect of defined benefit schemes are as follows:

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Service cost	30	45
Net interest on the defined liability	(4)	(4)
Administration expenses	1	1
<b>Total loss / (profit)</b>	<b>27</b>	<b>42</b>

**Remeasurements in other comprehensive income:**

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
Remeasurement of the net assets / (defined liability)		
Return on Fund assets in excess of interest	111	(31)
Other actuarial gains / (losses) on assets	0	6
Change in financial assumptions	10	704
Change in demographic assumptions	16	(48)
Experience gain / (loss) on defined benefit obligation	(3)	330
Changes in effect of asset ceiling	(82)	(1,018)
<b>Remeasurement of the net assets / (defined liability)</b>	<b>52</b>	<b>(57)</b>

**Reconciliation of asset ceiling:**

	Year ended 31 March 2024 £000	Year ended 31 March 2023 £000
<b>Opening impact of asset ceiling</b>	1,018	-
Interest on asset ceiling	49	-
Actuarial losses / (gains)	82	1,018
<b>Closing impact of asset ceiling</b>	<b>1,149</b>	<b>1,018</b>

The asset ceiling is the present value of any economic benefit available to LionHeart in the form of refunds or reduced future employer contributions. The approach taken was to restrict the surplus with an asset ceiling. The asset ceiling is calculated as the difference between the accounting surplus attributable to Lionheart and the surplus limit. The surplus limit is calculated as the future cost of accrual, calculated in line with the discount rate, minus the present value of the certified contributions payable by LionHeart.

**Projected pension expense for the period to 31 March 2025**

Analysis of projected amount to be charged to the statement of financial activities for the year to 31 March 2025:

	1 April 2024 to 31 March 2025 £000
Service cost	29
Net interest cost	(6)
Administration expenses	1
<b>Total charge</b>	<b>24</b>
Estimated employer's contributions	<u>17</u>

Estimated employer's contributions at 15% from 1 April 2023 (previous rate 25.7%).

**21. Related Party Transactions**

No related party transactions have been identified in the year.

**22. Reconciliation of Income / (Expenditure) to Net Cashflow from Operating Activities**

	Year Ended 31 March 2024 £000	Year Ended 31 March 2023 £000
<b>Net income / (expenditure) for the year</b>	<b>1,318</b>	<b>(1,506)</b>
Depreciation and amortisation	12	2
Disposal of social investment	20	6
(Gains) / losses on investments	(2,113)	1,388
Change of provision - bad debts	0	0
Defined benefit pension scheme adjustment	10	15
Returns on Investments	(907)	(947)
(Increase) / decrease in debtors	22	124
Increase / (decrease) in creditors	(20)	98
<b>Net cash provided by / (used by) operating activities</b>	<b><u>(1,658)</u></b>	<b><u>(820)</u></b>

## 23. Financial Instruments

	31 March 2024 £000	31 March 2023 £000
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	26,168	24,055
Financial assets that are debt instruments measured at amortised cost	1,091	1,909
	<u>27,259</u>	<u>25,964</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(236)</u>	<u>(256)</u>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed and unlisted securities.

Financial assets measured at amortised cost comprise social investments, cash at bank, other debtors, and accrued income.

Financial liabilities measured at amortised cost comprise grant commitments, accruals, and other creditors.

The charity's income, expense, gains, and losses in respect of financial instruments are summarised below:

	31 March 2024 £000	31 March 2023 £000
Total investment income for financial assets measured at fair value through income and expenditure	907	947
Net gains / (losses) on financial assets measured at fair value through income and expenditure	2,113	(1,388)
	<u>          </u>	<u>          </u>

## 24. Reconciliation of Net Debt

	1 April 2023 £000's	Cashflows £000's	31 March 2024 £000's
Cash	1,596	(790)	806
Finance Lease Obligations	0	0	0
<b>Total</b>	<b>1,596</b>	<b>(790)</b>	<b>806</b>



**THE ROYAL INSTITUTION OF CHARTERED SURVEYORS' BENEVOLENT FUND LIMITED**

England & Wales - Charity number 261245

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# Accounts

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**LionHeart**  
Supporting RICS professionals and their families

The Royal Institution of Chartered Surveyors Benevolent Fund Limited  
(A Charitable Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR FROM 1 APRIL 2022 TO 31 MARCH 2023**

Company Number: 980025

Charity Number: 261245

**The Royal Institution of Chartered Surveyors Benevolent Fund Limited**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR FROM 1 APRIL 2022 TO 31 MARCH 2023**

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## CHAIR'S FOREWORD

During 2022-2023, LionHeart continued to provide support to the RICS family as the world emerged from the Covid-19 pandemic. Other significant international challenges remained, and we were delighted to continue to extend our global reach, including helping surveyors in Ukraine and in the earthquake-affected Turkey. Through our increasing number of global ambassadors, we will continue to expand our service overseas.

Closer to home, we said goodbye to our base for the last few years at the ground floor of 55 Colmore Row, and we look forward to opening our new Birmingham office later this year, allowing the LionHeart team to once again have a permanent base from which to operate.

The Board saw one departure, and some significant appointments. Katie Leppard, like me from the 'class of 2017', stood down after two terms as a Trustee, during which she did much of the heavy lifting, often behind the scenes and unthanked until now, and was a wise and cool head around the table.

In anticipation of several board members 'rolling off' the board later in 2023, we also made three appointments: Neil A'Bear (who had already contributed to the Investment Committee), Simon Dunkling, and Neil Worrall. Between them, they bring a variety of experience and knowledge.

I was delighted that the Board agreed to create the role of Associate Board Members – a personal ambition of mine – to both gain insight from the nearly or newly qualified end of the profession, and to provide Board-level experience to those at the start of their careers. From a competitive field, we were pleased to appoint Grace Conisbee and So Sum Lee, who have already hit the ground running and made valuable contributions.

On the Senior Leadership Team, the Board were very happy to see the appointment of Doris Yuen as Head of Finance and Corporate Services, bringing extensive international experience to the Charity. I would also like to thank David Homer, our Finance Manager, for keeping a steady hand on our finance function until Doris's appointment.

As Davina outlines below, we continued to build upon and expand our range of services, most notably our APC candidate support, which has met with astounding success.

None of this is of course possible without a large number of staff, volunteers and supporters, all of whom have played their part in ensuring that LionHeart is there for the surveying family, at any stage of their career, and whatever life throws at them. To all of you, I simply offer my very grateful thanks.

Peter McCrea FRICS FCI Arb FRSA  
Chair, Board of Trustees, LionHeart

## **STRATEGIC REPORT 2022-2023**

This was the fourth year of a five-year strategy which aims to dramatically increase awareness of and engagement in LionHeart with Royal Institution of Chartered Surveyors (RICS) members around the globe.

There have been no changes to our vision, mission and values which remain as follows:

Our vision is to ensure that everyone in the RICS community has access to confidential, practical support.

Our mission is to deliver advice that matters and support that counts; personal, flexible support for all RICS professionals and the people they love to help them overcome life's unexpected challenges.

Our values are:

- Integrity
- Compassion
- Professionalism
- Flexibility

Our five strategic priorities are:

- Building Awareness – so that all RICS professionals know of LionHeart, understand its role, and have pride in association with it,
- Developing Engagement – so that the RICS world is interested and engaged in LionHeart's story, services and activities and takes opportunities to get involved,
- Global Development – to provide a truly global offer with services and products meeting the needs of each RICS world region,
- Service Development and Delivery – to deliver a validated range of services meeting an increased demand with demonstrable impact on the wellbeing of RICS professionals,
- Organisational Development – to be an organisation that punches above its weight and achieves incredible results through delivery of its strategy.

### **Operational Management**

We have continued with our development of a full set of work plans that operationalise the Strategic Plan and link delivery to KPIs. Every member of the LionHeart staff team contributes to at least one of the work plans. All managers have been empowered to manage their own budget aligned to the work plans. Everyone has regular supervision that focuses on the delivery of work plans. In this way we ensure that our focus is upon the delivery of the Strategic Plan.

The values of the organisation: Flexibility, Compassion, Professionalism, and Integrity are central to our operations and are discussed at meetings and within individual supervision sessions.

### **Digital Transformation**

We have made significant progress in a review of the use of data and digital technology across the organisation and as a result will be developing pilot initiatives within the final year of our current strategy as a launchpad for more strategic change during the next strategy.

## **A Great Place to Work**

We ensure that we consider the wellbeing of the staff team. We ask for feedback on staff wellbeing, experience, and motivation regularly using an anonymous all staff survey. The full staff team is now working from home with visits to the office now limited to specific meetings or events. We continue to invest in staff development with the organisational learning plan and the launch of our Management Development Programme which will continue for another full year.

We have had two external reviews of our workplace within the year. An Investors in People review resulted in the organisation retaining our IIP Gold Status for another three years. We engaged EDI Specialists EMBED to carry out a review of our policies and practice with regards to Equality, Diversity, and Inclusion. A large amount of good practice was identified indicating that we have good foundations on which to build. We will be rolling out the recommendations across the organisation over the next 1 – 2 years via several EDI task groups looking at policies, people and our communications and appearance.

## **Engagement**

Our warm inclusive and reassuring tone has enabled us to further build our online audience with a 19% growth in website visits including visitors from almost every country in the world. Many visitors arrive at our website by following links from social media or from content we have supplied to our corporate and education partners and from our own supporter newsletters.

Our social media following has seen another impressive increase, up 25% in the last year - and 65% in the last two years – prompted by a varied output of inspiring stories and blogs and thought-provoking articles. Of particular importance has been the significant growth of our LinkedIn following – which provides our most globally diverse audience. Our following has been boosted by both spontaneous posts from grateful recipients thanking the LionHeart team for their support with APC presentation preparations and also social media activity surrounding innovative virtual fundraising events this year.

As a predominantly professional platform, LinkedIn has become not only a vital place for us to communicate the LionHeart story but also a space where we have genuine engagement and conversations with individuals and firms. It is helping us consolidate our presence within the profession as an organisation people both want to be involved with and turn to for support.

We have continued to invest in our online training offer, delivering new live webinars and increasing the range and number of webinars available to download and view on demand. In addition, the post-Covid-19 return to face-to-face events led to an increase in the opportunities to contribute to live conferences and events and we shared both wellbeing content and promotional messages at a broad range of events during the year.

Our support for APC (Assessment of Professional Competence) candidates continued to prove popular and became the most requested service on our helpline. We also began taking our APC support global, working alongside the RICS to maximise reach. We saw significant growth in the number of education partners we work with, delivering webinars designed specifically for students and apprentices as well as highlighting the other services we are able to provide. We hope that this really positive experience of LionHeart so early in their careers will mean they continue to use our services and advocate for LionHeart for the rest of their careers.

During the year we continued to grow our ambassador network both in the UK and globally and we also increased the number of organisations we work with to raise awareness of our services and share our learning opportunities. Some of our ambassadors spoke on our behalf at events around the UK and many of them actively advocate for us on social media, sharing and engaging with our content and often contributing to blogs, news, and video posts.

We also recruited two associate board members, giving younger professionals the opportunity to gain board experience and further increasing the diversity of our board.

As the war in Ukraine continued to develop over the year, we were able to provide financial and other support to a significant proportion of the RICS members in Ukraine. We were also able to help members in Turkey after the devastating earthquake there. Both events made use of our good connections with the RICS and enabled us to highlight the global nature of our support and were warmly received by the global surveying community.

### **Developing Services**

As the cost-of-living crisis developed, we delivered a new webinar on managing finances and began discussions with a new partner to deliver a service focused on financial education to be launched early in the 2023-24 financial year. We also developed and delivered new webinars and other content on menopause, neurodiversity, and imposter syndrome, all subjects the surveyors and firms we work with had indicated they were interested in.

We also launched a pilot webchat project, designed not to detract from our telephone service but to offer an alternative way of contacting us for people who, for whatever reason, aren't able to speak on the phone – perhaps due to the risk of being overheard or because they find using the phone difficult.

Our counselling services continue to be in high demand. This year we have also developed informative content with our youth counselling partners to promote this service to families. We have also set in place plans to develop the service to include couples counselling.

Highlights from this year include:

- 13,702 individual acts of support, a 48% increase on the previous year,
- Our combined webinar and on demand audience was up 27% to 7,632,
- Our social media audience increased by 25%,
- Our APC support service grew by 37%,
- Our legal advice service saw an increase of 42%,
- We welcomed a further 12 organisations to corporate partnership and 9 institutions to education partnership this year,
- We recruited a further 23 ambassadors, taking our total to 82 volunteers who are available to share their lived experience and to promote LionHeart within the profession. 22 of these are global ambassadors and are drawn from 11 different countries.

### **Emily's story**

Emily first contacted LionHeart after the very sudden death of her father. She'd taken two weeks off work but, on her return, found herself really struggling to cope with her grief. Emily's regular calls with her LionHeart support officer became a real lifeline especially when, a couple of months later, she was made redundant from her surveying job.

She said: "I was in a very upsetting and dark place when I reached out to LionHeart and cannot fault the service. Over time, the support changed from dealing with the immediate grief to help with other things, such as support with work-related issues and stress. It was such a reassuring constant throughout a period that was so upsetting and uncertain."

We gave Emily help with her CV and interview skills. She stayed in touch as she settled into a new job and gradually moved forward from such a traumatic year. She added: "LionHeart's support helped to make things so much more manageable than they would have been. I honestly don't know how I would have coped without you."

**Brian's story**

Brian lost his job in the aftermath of Covid and was struggling to find a new position in the property industry. In his 40s, it had been a long time since he had been a job hunter; he was worried about money and struggling with his sense of self-worth. LionHeart gave Brian a monthly grant to help. He also received counselling and help with his search for a new job.

He said: "LionHeart helped me avoid losing my home and helped me become financially self-sufficient again. They helped with my self-confidence and my CV as I looked for work. The support was just invaluable at a time it was needed most."

**Vijay's story**

Vijay approached LionHeart for support with a legal issue to do with his job. He said:

"I had received news about some potentially unsettling changes to my employment situation and called for advice and support. I had legal advice via Law Express and the LionHeart support officer also explained what support was available should the worst-case scenario happen. Having experienced various challenging periods over the past 25 years, I've learnt the importance of support, particularly working, and living alone.

The support from LionHeart makes a huge difference whether it is just talking through things and putting problems into perspective, finding solutions, or practical support like legal advice. Knowing that there are other support mechanisms available too, like career advice and financial help, should circumstances require is a great help and comfort."

**Kath's story**

Kath, aged in her 70s, needed somewhere to turn when her disabled adult daughter was diagnosed with an aggressive form of cancer. Already a carer for her daughter, Kath was feeling increasingly isolated after supporting her through major surgery and chemotherapy.

LionHeart provided counselling for Kath and ongoing telephone support calls. She said: "Just being able to talk to someone who understands, and getting some help with sleeping issues, really helped give me some time out. This LionHeart service is vital in times of need."

**Ramesh's Story**

Ramesh, who is based in India suffered an injury to his shoulder which was so severe he was unable to continue working and as a result had to leave his employment. Ramesh is married with two small children and caring responsibilities for his widowed mother. He was the family's sole wage earner. As a result of his situation, the lack of work and the financial pressures, his relationship with his wife was suffering.

Ramesh called LionHeart to see if we could help. Through LionHeart Ramesh and his wife have both received counselling in Telegu which is their spoken language. LionHeart provided a grant to bridge the gap until Ramesh could return to work and when his shoulder has healed and he is physically ready to go back to work he will be helped with his CV and job search.

**OUR PLANS FOR 2023-24**

Our ambitious strategy is all about increasing the numbers of RICS members and their families that utilise our services, whether those be our workshops and webinars or our helpline and support services, including grants and counselling.

During this, our final year of the existing strategy we will continue to identify opportunities for innovation in awareness raising and delivery, utilising IT solutions to improve effectiveness and efficiency.



During this year we will be delivering on the recommendations made in the review of the organisation's approach to Equality, Diversity, and Inclusion carried out during 2022. We will also create an action plan to reduce our environmental impact. Finally, we will launch an 18-month full strategic review of the organisation and its place in the 21<sup>st</sup> Century the result of which will be a new strategy taking us into the future.

**Davina Goodchild CMgr FCMI**  
**Chief Executive**

## **TRUSTEES' REPORT**

The Board of Trustees present their combined annual report for the year from 1 April 2022 - 31 March 2023 prepared in accordance with the Companies Act 2006 and the Charities Act 2011, together with audited financial statements for the year.

### **Public Benefit**

The Trustees have read and understood the Charity Commission guidance on public benefit. They consider that LionHeart, a registered charitable company whose charitable purposes as defined within the Charities Act 2011 are for the relief and prevention of poverty, demonstrates its public benefit by providing financial help and other assistance to past and present RICS members and their dependants (and past members of organisations that have merged with the RICS and their dependants) and RICS staff who have experienced difficulties in their lives. RICS is the leading professional body for the property sector and membership is open to those who meet defined educational and professional practice standards. The number of people that could potentially ask for help is more than 500,000. All assistance is provided at the discretion of Trustees of the charity, after careful consideration of the circumstances and the needs of the applicant.

## **OBJECTS AND PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE PUBLIC BENEFIT**

### **Reference and Administrative Details**

The Royal Institution of Chartered Surveyors Benevolent Fund Limited, known as LionHeart, is registered as a charity in England with the registration number of 261245. It is also a company limited by guarantee and not having a share capital. The company is registered in England with the registration number 980025.

The principal office of the charity and its registered office was 55 Colmore Row, Birmingham B3 2AA. Since the financial period being reported on the registered office and principal place of business has changed to 1 Cornwall Street, Birmingham B3 2DX. Its website is [www.lionheart.org.uk](http://www.lionheart.org.uk)

The present Trustees and any past Trustees who served during the period are shown on page 15 together with the names of the senior executive staff on page 16. The professional advisors to the charity are set out on page 17.

### **Charitable Objective**

The declared object of LionHeart is to provide assistance to past and present members of the Royal Institution of Chartered Surveyors and their dependants who experience difficulties in their lives. Assistance is typically given in cases of physical or mental ill health, unemployment, accident or disability, family separation, difficulties in retirement or returning to work and adverse economic conditions although LionHeart will assist with any problem, where possible.

### **Delivery of Charitable Objective**

LionHeart delivers its charitable objective through the work of two teams – the Partnership and Engagement Team and the Support Services Team.

The Partnership and Engagement Team offer a suite of workshops, webinars, and awareness-raising sessions on subjects of interest to RICS professionals, all designed to help increase wellbeing, health, and happiness. Workshops are developed in response to RICS professionals' needs which are assessed via our regular surveys and feedback from the people we help.

The Support Services Team provide advice that matters and support that counts. Their expert advice helps prevent life's challenges from becoming life's crises, and our confidential, practical support helps people overcome those

challenges. We provide the following services but everyone who calls is treated as an individual and, as such, our response is 'made to measure':

- Regular grants to help with general living costs, in certain circumstances
- One-off grants to deal with an emergency or unexpected difficulties
- Professional counselling
- Support and advice on a range of issues including stress and wellbeing
- Coaching
- Practical help and advice to help unemployed chartered surveyors get back into work
- Legal advice
- Debt advice and practical support
- All the help offered is person centred with each person being supported by a bespoke set of services and solutions according to their individual circumstances. Grants are made to individuals and families, usually with a maximum time limit of 24 months.

### **Grant Making Policy**

The Board of Trustees annually review and update the guidelines used by the Support Services Team to establish whether we can help an individual financially. The guidelines are reviewed to consider changes to the general cost of living, social security benefit rates and other support for those not working. Support Services Team decisions regarding individual grants are audited by Trustees twice a year.

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

Income for the year was £2,110k. Our overall expenditure was £2,228k and there was increased activity and development of our services in accordance with the five-year strategy. Overall income was on budget for the year despite a shortfall in income from donations with subscriptions, which was partially offset by an increase in Client Account Income. We are always grateful to RICS members and their families who choose to remember us in this way. Due to the cost-of-living crisis and a change in household costs calculations, the grant expenditures increased by 43% compared to the previous year. This increase was offset by lesser spending on workshops and events comparing with the budget.

The net funds of Lionheart decreased over the year. There was a marked dip of £1,406k in investment valuations due to market conditions. Our investments are made with a long-term view, and short-term fluctuations are expected.

Overall, the financial position of Lionheart remains strong, with free reserves at a level required by our reserves policy, and investments maintaining levels required to ensure our long-term growth and sustainability.

### **FINANCIAL MANAGEMENT POLICIES**

#### **Reserves**

##### **1. Free Reserves**

These 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. They are intended to facilitate running costs of the charity and provide necessary cashflow from funds that are not invested.

The free reserves at the end of the year are £2,671k, a decrease on the previous year, (2021-2022 £2,884k). They are at the target level of free reserves and are intended to cover a year's expenditure.

Trustees aim to secure an income fund which provides cover for expenditure to give less short-term reliance on fluctuating sources of income such as legacies and donations.

## 2. Designated Funds

These comprise unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are explained in the notes to the accounts.

The designated funds at the end of the year total £23,074k (2021-2022 £24,352k). These funds are made up as follows:

	FY22/23
	£000
Income Fund	22,373
Development Fund	700
Fixed Asset Fund	<u>1</u>
Total	<u>23,074</u>

The Development Fund was set up in 2019 to utilise some reserves to facilitate funding the objectives of the five-year strategy. Monies are transferred to ensure that the balance remains appropriate for delivery of the strategy in line with agreed plans. The fund stood at £1,000K on 31 March 2022.

## 3. Restricted Fund

These arise where donors express a restriction on the purposes to which a gift may be applied. The restricted fund at the end of the year is £nil (2021-2022 £nil).

## 4. Pension Reserve

The pension reserve at the year-end is a surplus of £73k (2021-2022 surplus of £145k).

In general, participating in a defined benefit pension scheme means that the employer is exposed to a number of risks:

- Investment risk. The fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.
- Interest rate risk. The fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the fund holds assets such as equities the value of the assets and liabilities may not move in the same way
- Inflation risk. All the benefits under the fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. If the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

## **Going Concern**

LionHeart has net assets of 2022-2023 £25,818k (2021-2022 £27,381k), and this includes managed investments of £24,055k (2021-2022 £25,041k). Investment income in 2022-2023 was £947k (2021-2022 £866k). Donations from RICS members totalled £591k (2021-2022 £683k).

We use two specialist investment management companies to manage and safeguard the investments, and their track record in growing the portfolio and at the same time minimising risk has been in line with market trends.

We consistently receive significant income from RICS members. We regularly review all sources of income, to improve the service and expand the client base. These measures together with our asset base provides appropriate confidence of LionHeart's going concern capability.

## **INVESTMENT POLICY AND PERFORMANCE**

### **Principal Investment Objective**

The investment objective is to grow the income and capital returns in the long term for invested funds. The assets should be managed to at least maintain the real capital value of the portfolio, whilst generating a sustainable level of investment income to support current charitable activities, having regard to the charitable nature of the funds and to the Trustees' responsibility to avoid unacceptable risks.

### **Investment Policy Statement**

The charity's investment policy was reviewed in May 2022 having previously been reviewed in 2019.

### **Review of Fund Managers**

The charity formally reviews its fund managers on a regular basis, at least five-yearly. There was a formal review carried out last year. Performance was found to be satisfactory, however it was decided to tender services. A second fund manager, CCLA, were appointed shortly after the start of the year with investments split across the two Fund Managers on a 50/50 basis at the date of transfer.

## **POOLED INVESTMENTS**

LionHeart has a number of pooled investments, which are managed by Sarasin & Partners and CCLA. Sarasin & Partners LLP and CCLA are professional fund managers and operate subject to constraints specified by the Investment Committee regarding objective, benchmark, risk profile, maximum size of individual underlying security and reporting.

Sarasin investment portfolios are divided between a long-term fund, invested solely in the Sarasin Endowments Fund, and a medium-term fund, which is predominantly invested in the Sarasin Income & Reserves Fund.

### **Long-term Portfolio – Sarasin Endowments Fund**

The benchmark used for the fund from 1 July 2021 is: MSCI UK IMI (Net Return) GBP (20%), ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI AC World ex UK (Local Currency) (GBP) (10%), MSCI AC World ex UK (Net Total Return) (40%), SONIA + 2% (alternative assets) (10%).

The investment portfolio achieved a return in the 12 months to 31 March 2023 of -2.8% against the composite benchmark return of -2.4% (31/03/2022 +5.3% against a benchmark of +9.1%, 31/12/2022 -9.4%).



The aim of the Portfolio is to enhance the Portfolio's Capital Value over the longer-term whilst generating sufficient income to meet the requirements of the trust. A 'real return' of 4% per annum has been targeted as an appropriate goal.

#### **Medium-term Portfolio – Sarasin Income & Reserves Fund**

The benchmark used for the fund from 1 July 2021 is: MSCI UK IMI (Net Return) GBP (10%), ICE BofAML Sterling Corporate (30%), ICE BofAML UK Gilts All Stocks (35%), MSCI AC World ex UK (Net Total Return) (10%), SONIA (5%), SONIA + 2% (alternative assets) (10%).

The investment portfolio achieved a return in the 12 months to 31 March 2023 of -8.4% against a composite benchmark return of -8.4% (31/03/2022 -1.2% against a benchmark of -0.6%).

The aim of the Portfolio is to seek a consistently attractive level of income couple with the potential for long-term capital appreciation, whilst aiming to preserve the value of the capital over the shorter term.

#### **CCLA COIF Charity Ethical Investment Fund**

A transfer of 50% of funds was made from the long-term Portfolio Sarasin Endowments Fund in the first quarter of the year.

The multi-asset long-term fund achieved a return in the 12 months to 31 March 2023 of -2.0% against a fund comparator benchmark return of -3.97%. Fund performance is shown after the deduction of all fees and expenses with income reinvested. Comparator returns are based on market indices which are not adjusted for management fees or expenses.

The Ethical Fund's Investment Objective is to provide a long-term total return comprising growth in both capital and income. It is benchmarked against a long-term total return of inflation (CPI) plus 5% per annum before costs.

The Lionheart Portfolio had a total return performance of 1.8% after fees and expenses for the period to 31 March 2023 (CPI 10.5%). It also aims to deliver a volatility of total return (risk) of significantly less than 100% equity market risk, and, from within total return, an income distribution (dividend) which is reliable from year to year and rises progressively over time.

#### **Reporting**

Income reports and valuations are produced monthly and full reports with economic outlook, quarterly. The quarterly reports are circulated to members of the Investment Committee. The two fund managers attend two Investment Committee meetings each year in addition to the September Board of Trustees meeting.

#### **Socially Responsible Investment Policy and Corporate Governance Policy**

- There will be no holdings in companies with exposure to the production of tobacco or tobacco-related manufacturing.
- The fund will also avoid investment in companies that earn a material portion of their revenue from alcohol manufacture, armaments, gambling, pornography, and predatory lending.
- All externally managed funds are screened on initial purchase and reviewed regularly to ensure that they also adhere to these rules.

- The funds publish a regular sustainability audit of investments and are active in voting on company resolutions. Where necessary, the firms will engage in direct dialogue with investee companies, policy makers and governing bodies to drive positive change.

### **Unquoted Investments**

At the start of the year Lionheart had a holding of 42,460 ordinary shares in the Gravesend and District Property Company gifted to the charity as part of a legacy. The Trustees took the decision to sell the shares. All 42,460 shares were sold during the year. As such Lionheart had no unquoted investments at the end of the year.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Statement of Trustees' Responsibilities, Corporate Governance and Risk Management**

#### **Board of Trustees**

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

Company law requires the Board of Trustees to prepare financial statements for each financial period which give a true and fair view of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Board of Trustees are required to:

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

The Board of Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

LionHeart, in preparing these accounts, has complied with current statutory requirements and its Memorandum and Articles of Association, and has adopted, in full, the provisions of SORP 2015 for Charities. The Trustees consider that the charity is adequately funded to meet its current obligations.

The charity is governed by its Articles of Association, these require that the number of elected members of the Board of Trustees be not less than 8 or more than 18. The President of RICS is Patron of LionHeart during their year of office. All Trustees serve for a term of three years upon which they are eligible for re-appointment unless they have already served three consecutive terms in which case, they are not eligible for re-election until they have stood down for at least one year.

## **Trustee Recruitment, Training and Development**

Trustees are recruited via adverts placed on the web targeting both the property industry and the charity sector. We also advertise online through our own website and social media as well as other free channels. We have a full application process including an application form and interview and we follow good practice and equal opportunities guidelines throughout the process.

We actively encourage Trustees to undertake training and development so that our governance is fit for purpose. Details of external Trustee training opportunities are circulated to Trustees as they arise, and attendance is reported to the Board. Training is sourced from the Association of Charity Officer's Trustee Seminar Programme, the Charity Finance Group, National Council of Voluntary Organisations, and other opportunities provided by commercial and third sector providers from time to time.

## **Safeguarding**

LionHeart operates a robust safeguarding procedure to provide staff and volunteers with overarching principles that guide our approach. These are reviewed regularly and have been substantially enhanced recently. All our staff that work with people requesting help are aware of their safeguarding responsibilities, and our counsellors are regulated by the British Association for Counselling and Psychotherapy ensuring appropriate professional and ethical standards at all times.

## **Governance Code**

The Charity Governance Code was introduced in July 2017 and refreshed in 2020. The code is not statutory regulation but "represents a standard of good governance practice to which all charities should aspire." The code requests that charities either apply the standards of the code or explain how they are going to apply them in the future.

We recently completed a number of development activities because of our assessment against the updated Code. The final piece of work was the EDI review and the resultant recommendations. We will carry out a further assessment against the code in another 2 – 3 years or when the code is updated.

## **Fundraising**

LionHeart income is largely from the following sources:

- Regular donations from RICS professionals,
- Gift aid,
- Return on investments,
- Legacy donations,
- Clients account donations (with the necessary assurances regarding repayment if required).

LionHeart has two part-time fundraising team members We do not outsource fundraising to external organisations and are registered with the Fundraising Regulator. The charity has no other fundraising requiring disclosure under S162A of the Charities Act 2011.

## **General Data Protection Regulation (GDPR)**

New data protection processes and policies were introduced in 2018 for the organisation to be compliant with GDPR. We have a data sharing agreement with the RICS that has been updated in line with the new code and our privacy statements have been updated and are available online. All staff are trained on the responsibilities in respect of data.

## OUR STAFF

LionHeart is a vibrant and progressive charity that values its workforce and recognises the need for skilled and committed staff who work well as a team and with Trustees to deliver quality services to RICS members, past and present, and their dependants. This is achieved through creating an environment where staff feel supported by managers and employers, and where they receive regular information about the organisation through meetings and briefings. They are actively encouraged to give their suggestions and views on performance and strategy to develop the organisation and its performance.

Trustees are committed to the continuing professional development of staff at all levels within the organisation. The training needs and the performance of each staff member is a continuous process, supported by supervision from line managers. Training programmes are provided to meet any on-going needs, with the aim of developing employees for both their current and their future roles. LionHeart is an accredited Investors in People employer and has the IIP Gold Award.

## KEY MANAGEMENT PERSONNEL REMUNERATION

Remuneration for key management personnel is set on advice from a third party, by reference to benchmarks for charities of a similar size and nature. All salaries were reviewed in the last quarter of the financial year.

### Patron

The President of the Royal Institution of Chartered Surveyors is LionHeart's Patron. On 31 March 2023, the office holder was Ann Gray.

### Honorary Officers for 2022/23

Chair	Peter McCrea
Vice Chair	James Grierson
Honorary Treasurer	James Williamson

### Other Members

The following have served as members of the Board (and Directors) during the year and at the date the accounts were signed:

Neil A'Bear, joined December 2022  
Dayle Bayliss  
Andrew Carrick  
Diane Dumashie  
Simon Dunkling, joined December 2022  
James Grierson  
Amy Dalton-Leader  
Caroline Legg  
Katie Leppard, resigned December 2022  
Peter McCrea  
Philip Nell  
Philippa Sampson-Bancroft  
Shashi Sharma  
James Williamson  
Neil Worrall, joined December 2022

## Audit and Risk Committee

The Audit and Risk Committee has the purpose of overseeing the preparation and agreement of the annual accounts and audit of LionHeart's finances. Specifically, the committee will:

- Oversee the audit of the accounts and make recommendations for approval by the Board of Trustees
- Oversee the risk management process.

### Committee Membership:

James Grierson	Trustee, Chair
Katie Leppard	Trustee, resigned December 2022
Shashi Sharma	Trustee
Mark Southwell	Co-opted
Lorna Wright	Co-opted
Neil Worrall	Trustee, joined December 2022
Doris Yuen	LionHeart, joined September 2022 (non-voting member)

## Investment Committee

The Investment Committee has the following role and purpose:

- To appoint appropriate professional investment manager(s),
- To agree with the investment manager(s) the broad long-term investment strategy for LionHeart's capital endowment,
- To monitor the investment performance of the investment manager(s) against suitable benchmarks and peer groups,
- To assess the ethical, social and governance (ESG) policies of the investment manager(s) and investments to ensure they do not bring LionHeart into disrepute,
- To oversee the charity's policies for cash and short-term deposit management,
- To recommend to the Board of Trustees a change of investment managers, when required,
- To oversee and manage the selection process for new investment managers.

### Committee Membership:

James Williamson	Trustee, Chair
Philip Nell	Trustee, Vice Chair
James Grierson	Trustee
Philippa Sampson-Bancroft	Trustee
Chris Perkins	Co-opted
Neil A'Bear	Co-opted, Trustee from December 2022
Doris Yuen	LionHeart, joined September 2022 (non-voting member)

## SENIOR LEADERSHIP TEAM

The Trustees delegate day to day management of the charity to the Senior Leadership Team, who attend Trustee and Committee meetings as appropriate and report on the activities of the charity to Trustees regularly.

<b>Chief Executive</b>	Davina Goodchild
<b>Head of Finance &amp; Corporate Services</b>	Doris Yuen, joined September 2022
<b>Head of Operations</b>	Juliet Smithson

## PROFESSIONAL ADVISERS

<b>Auditors</b>	Crowe U.K. LLP, Black Country House, Rounds Green Road, Oldbury, West Midlands, B69 2DG
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<b>Solicitors</b>	Wilson's, Alexandra House, St Johns Street, Salisbury SP1 2SB
<b>Investment Managers</b>	Sarasin & Partners, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET.
<b>Bankers</b>	Unity Trust Bank PLC, Nine Brindleyplace, Birmingham, B1 2HB

### **Corporate Governance**

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency and effectiveness. Processes are in place to ensure that performance is monitored, and that appropriate management information is prepared and reviewed regularly by both Executive Management and the Board of Trustees.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- A business plan and annual budget approved by the Trustees,
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews,
- Delegation of day-to-day management authority and segregation of duties,
- Identification and management of risks.

### **Risk Management**

The Trustees have continued to focus on Risk Management. This has involved:

- Identifying the major risks facing the charity,
- Assessing the likelihood and severity of the risks identified,
- Reviewing the existing controls that the charity has in place to mitigate the risks,
- Seeking to identify and implement any further actions required to manage risk.

The Trustees confirm that they have systems in place to mitigate the major risks facing the charity which they have identified. Recent reviews have included consideration of how all aspects of Covid-19 may affect the charity. Major risks identified include:

Volatility of income, from both investments and donations. To mitigate this the Investment Committee monitors performance, and we encourage donations by multiple methods. Sufficient reserves are held in case income falls significantly.

Our reliance on the RICS for a significant proportion of our income in the form of subscription donations.

### **Third Party Indemnity for Directors**

Qualifying third party indemnity provision is in place for the benefit of all Trustees of the charitable company. This cover is up to £2m and cost £1k (2021-2022 £1k).

**Statement as to Disclosure of Information to Auditors**

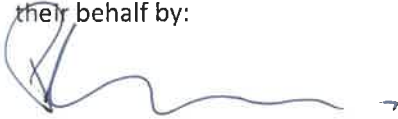
The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

**Auditors**

LionHeart's auditors for financial year ending 31 March 2023 are Crowe U.K. LLP. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The report and accounts were approved and authorised by the Board of Trustees on 7 September 2023 and signed on their behalf by:



Peter McCrea FRICS FCI Arb FRSA  
Chair, Board of Trustees, LionHeart

**Independent Auditors' Report to the members of LionHeart (The Royal Institution of Chartered Surveyors Benevolent Fund Limited)****Opinion**

We have audited the financial statements of LionHeart (The Royal Institution of Chartered Surveyors Benevolent Fund Limited) for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of charitable company's affairs as at 31 March 2023 and of its income 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 Companies Act 2006

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements

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

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 13, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations, General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Employment legislation and Taxation legislation.

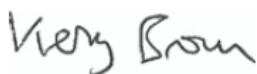
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kerry Brown, Senior Statutory Auditor

For and on behalf of **Crowe U.K. LLP, Statutory Auditor**  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

**Date:** 22 September 2023

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR FROM 1 APRIL 2022 TO 31 MARCH 2023

	Notes	Unrestricted Funds £000	Year Ended 31 March 2023 Total £000	Unrestricted Funds £000	Year Ended 31 March 2022 Total £000
<b>Income From:</b>					
Donations and Legacies	2	1,163	1,163	1,120	1,120
Other Trading Activities	3	0	0	6	6
Investments	4	947	947	866	866
<b>Total Income</b>		<b>2,110</b>	<b>2,110</b>	<b>1,992</b>	<b>1,992</b>
<b>Expenditure on:</b>					
Raising Funds	5	58	58	53	53
Investment Management Fees	5	84	84	110	110
Charitable Activities	6	2,086	2,086	1,905	1,905
<b>Total Expenditure</b>		<b>2,228</b>	<b>2,228</b>	<b>2,068</b>	<b>2,068</b>
Realised Net Gains on Investments		18	18	19	19
Unrealised Net Gains / (Loss) on Investments		(1,406)	(1,406)	273	273
<b>Net Income/(Expenditure)</b>		<b>(1,506)</b>	<b>(1,506)</b>	<b>216</b>	<b>216</b>
<b>Transfers Between Funds</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Recognised Gains / (Losses):</b>					
Actuarial Gains / (Losses) on Defined Benefit Pension Scheme	21	(57)	(57)	405	405
<b>Net Movement in Funds</b>		<b>(1,563)</b>	<b>(1,563)</b>	<b>621</b>	<b>621</b>
<b>Reconciliation of Funds</b>					
Total Funds Brought Forward		27,381	27,381	26,760	26,760
<b>Total Funds Carried Forward</b>		<b>25,818</b>	<b>25,818</b>	<b>27,381</b>	<b>27,381</b>

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

All income and expenditure derive from continuing activities. The notes on pages 25 to 41 form part of these financial statements.

**BALANCE SHEET AS AT 31 MARCH 2023**

COMPANY REGISTRATION No. 980025

REGISTERED CHARITY No. 261245

	NOTES	31 March 2023		31 March 2022	
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Intangible Assets	11		0		0
Tangible Assets	12		1		3
Investments: Pooled	13		24,055		25,041
Investments: Social	14		74		79
<b>Total Fixed Assets</b>			<b>24,130</b>		<b>25,123</b>
<b>Current Assets</b>					
Debtors	15	275		399	
Cash at Bank and in Hand		1,596		1,872	
<b>Total Current Assets</b>		<b>1,871</b>		<b>2,271</b>	
<b>Creditors</b>					
Amounts falling due within one year	16	(256)		(158)	
<b>Net Current Assets</b>			<b>1,615</b>		<b>2,113</b>
<b>Total assets less current liabilities</b>			<b>25,745</b>		<b>27,236</b>
<b>Creditors</b>					
Amounts falling due after one year	16		0		0
<b>Defined Pension Scheme Liability</b>	21		73		145
<b>Total Net Assets</b>			<b>25,818</b>		<b>27,381</b>
<b>Funds</b>					
Restricted Funds			0		0
Unrestricted Designated Funds			23,074		24,352
Unrestricted Free Funds			2,671		2,884
Pension Reserve			73		145
<b>Total Charity Funds</b>	18		<b>25,818</b>		<b>27,381</b>

The accounts are prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 102 and with the special provisions of Part 15 of the Companies Act relating to small companies.

Signed on behalf of the Board of Trustees and authorised for issue on 7 September 2023.



Peter McCrea FRICS FCIArb FRSA

Chair, Board of Trustees, LionHeart

The notes on pages 25 to 41 form part of these financial statements.

**STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Year Ended 31 March 2023	Year Ended 31 March 2022
		£000	£000
<b>Cash Flows from Operating Activities:</b>			
<i>Net Cash Provided by / (used in) Operating Activities</i>	<b>23</b>	<b>(820)</b>	<b>(1)</b>
<b>Cash Flows from Investing Activities:</b>			
Returns from Investments		947	866
Purchase of Property, Plant, Equipment & Intangibles		0	(3)
Proceeds from Sale of Investments		97	136
Purchase of Investments		(500)	(1,500)
<i>Net Cash Provided by / (used in) Investing Activities</i>		<u>544</u>	<u>(501)</u>
<b>Change in Cash and Cash Equivalents in the year</b>		<b>(276)</b>	<b>(502)</b>
Cash and Cash Equivalents at 1 April 2022		<u>1,872</u>	<u>2,374</u>
<b>Cash and Cash Equivalents at 31 March 2023</b>		<u><b>1,596</b></u>	<u><b>1,872</b></u>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting Policies

#### Charity Information

LionHeart is a registered charity (number 261245) and company limited by guarantee with no share capital, registered in England and Wales (number 980025). Its registered office and principal place of business is 55 Colmore Row, Birmingham, B3 2AA. Since the financial period being reported on the registered office and principal place of business has changed to 1 Cornwall Street, Birmingham B3 2DX.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention, except for investments which are included at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Companies Act 2006.

The 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 notes.

#### Going Concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of LionHeart's resources and the challenges presented by the current economic climate, the Trustees are satisfied that the charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of the approval of the accounts.

There are no significant financial uncertainties which the Trustees consider are a significant risk to the ability of the charity to trade as a going concern in the foreseeable future.

#### Funds Structure

LionHeart has one unrestricted and undesignated fund, three designated funds and no restricted funds.

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

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.

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. Expenditure is charged to the Statement of Financial Activities when incurred.

#### Income

Donations received directly by LionHeart are accounted for on the day of receipt or when they become entitled to them. Donations collected by third parties are accounted for as cash in third parties' hands on the date of receipt by the third party. Legacies are accounted for as soon as entitlement, probability and monetary value can be established. For investments, accounting entries are based upon the quarterly returns submitted by our investment management company.

#### Expenditure and Irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable to beneficiaries are accounted for where either we have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or where any condition attaching to the

grant is fulfilled. We have taken the exemption available for charity trusts registered in England and Wales from providing the names of grant recipients and the amounts of the grants.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred. Where possible costs are directly attributed to specific activities. Overhead and support costs which relate to more than one activity are apportioned between those activities.

#### **Tangible Fixed Assets and Depreciation**

All assets costing more than £1,000 are capitalised and are valued at depreciated historic cost. Depreciation is charged on fixed assets on a straight-line basis over their estimated useful life. The useful life of LionHeart's fixed assets is 3 years for office and computer equipment.

#### **Intangible Assets and Amortisation**

Intangibles are amortised over 3 years, with a full year's depreciation charged in the first year.

#### **Investments**

Investments are stated at fair value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period. The fair value of the investments is the quoted bid price.

Social Investments are loans to beneficiaries. Loans are partially provided for in case of default.

The shares in Gravesend and District Property Company Ltd were disposed of within the year.

#### **Pensions**

LionHeart operates defined benefit and defined contribution (money purchase) schemes. Note 21 gives details of the defined benefit scheme. The calculations on the recognition of gains and losses and the notes are produced in accordance with FRS 102 requirements. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses arising are recognised immediately in the Statement of Financial Activities. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in the Statement of Financial Activities. The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations. Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

#### **Debtors**

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

#### **Cash at Bank and in Hand**

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

#### **Creditors and Provisions**

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

### Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through profit and loss, are initially recognised at transaction value and subsequently measured at their settlement value.

### Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Trustees have determined a level of provision against the loans made to beneficiaries, this is reviewed each year.

## 2. Donations and Legacies

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Donations from RICS members	591	683
Other cash donations	443	248
Donated office space	0	0
<b>Donations</b>	<b>1,034</b>	<b>931</b>
Legacies	119	179
Unrestricted grants	10	10
<b>Total</b>	<b>1,163</b>	<b>1,120</b>

## 3. Other Trading Activities

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Trading subsidiary	0	0
Lottery income	0	6
<b>Total</b>	<b>0</b>	<b>6</b>

The Lottery was discontinued June 2021.

#### 4. Investment Income

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Dividends from pooled investment funds	796	683
Investment income	151	183
<b>Total</b>	<b>947</b>	<b>866</b>

The above figures have been amended to show investment return as income instead of as a change in market value.

#### 5. Cost of Raising Funds

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Costs of activities	6	1
Lottery costs	0	5
Staff costs	52	47
<b>Total</b>	<b>58</b>	<b>53</b>
Investment manager fees	84	110
<b>Total</b>	<b>142</b>	<b>163</b>

The Lottery was discontinued June 2021.

**6. Charitable Expenditure by Activity**

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
<b>Grant Making to Individuals</b>		
Grants approved	449	314
Staff costs	135	117
Depreciation	0	6
Other costs	0	0
Support & Governance	118	116
Total	<u>702</u>	<u>553</u>
<b>Advice and Beneficiary Support</b>		
Staff costs	230	207
Depreciation	1	11
Other costs	54	47
Support & Governance	214	205
Total	<u>499</u>	<u>470</u>
<b>Engagement and Communications</b>		
Staff costs	218	193
Depreciation	0	10
Other costs	26	96
Support & Governance	212	182
Total	<u>456</u>	<u>481</u>
<b>Workshops and Webinars</b>		
Staff costs	164	155
Depreciation	1	9
Other costs	35	65
Support & Governance	229	173
Total	<u>429</u>	<u>402</u>
<b>Total</b>		
Grants approved	449	314
Staff costs	747	671
Depreciation	2	36
Other costs	115	208
Support & Governance	773	676
Total	<u>2,086</u>	<u>1,905</u>

All expenditure is from unrestricted funds. Support & Governance costs are also shown in note 7.

**7. Analysis of Support and Governance Costs**

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
<b>Grant Making to Individuals</b>		
Staff costs	50	55
Consultancy	11	5
Information and technology costs	15	21
Other costs	22	18
Governance	20	17
Total	<u>118</u>	<u>116</u>
<b>Advice and Beneficiary Support</b>		
Staff costs	91	97
Consultancy	19	9
Information and technology costs	28	37
Other costs	39	33
Governance	37	29
Total	<u>214</u>	<u>205</u>
<b>Engagement and Communications</b>		
Staff costs	89	86
Consultancy	19	8
Information and technology costs	28	33
Other costs	39	29
Governance	37	26
Total	<u>212</u>	<u>182</u>
<b>Workshops and Webinars</b>		
Staff costs	97	82
Consultancy	21	7
Information and technology costs	30	31
Other costs	41	28
Governance	40	25
Total	<u>229</u>	<u>173</u>
<b>Total</b>		
Staff costs	327	320
Consultancy	70	29
Information and Technology Costs	101	122
Other costs	141	108
Governance	134	97
Total	<u>773</u>	<u>676</u>

All allocations are based on staff numbers.

## 8. Net income is stated after charging the following:

	Year Ended 31/03/2023 £000's	Year Ended 31/03/2022 £000's
Depreciation	2	36
Auditor's remuneration	16	14
Operating lease expenses incurred in the year	17	43
<b>Total</b>	<b>34</b>	<b>94</b>

## 9. Employees

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Staff costs comprise:		
Salaries	999	889
Social security costs	100	85
Other pension contributions	125	130
<b>Total</b>	<b>1,224</b>	<b>1,104</b>

All expenditure is from unrestricted funds.

The average number of employees during the year was 29 (2021-2022 28). Full time equivalents were 25.2 (2021-2022 24.4).

One employee earned emoluments in excess of £60,000 in the year (2021-2022 1) this was in the band £80,001 to £90,000 (2021-2022 £80,001 to £90,000). Pension contributions of £9k were made for this employee (2021-2022 £8k).

Key management personnel of the charity are those having authority and responsibility delegated to them by the Trustees for planning, directing, and controlling the activities of the charity. The total employee benefits of the key management personnel of the charity were £206k (2021-2022 £211k). The Head of Finance and Corporate Services post was vacant for 6 months of the year.

## 10. Trustees' and Co-Opted Members' Remuneration and Expenses

The Trustees and co-opted committee members received no remuneration during the year (2021-2022 nil). Some of the Trustees and co-opted members claim travelling and subsistence expenses and during the year a total of £4,618 was paid to 12 Trustees and co-opted committee members (2021-2022 £2,174 to 8).

**11. Intangible Fixed Assets**

	Year ended 31 March 2023 £000 Software Development
<b>Cost</b>	
At 1 April 2022	88
Additions	0
Disposals	0
At 31 March 2023	<u>88</u>
<b>Depreciation</b>	
At 1 April 2022	88
Disposals	0
Charge for year	0
At 31 March 2022	<u>88</u>
<b>Net book value</b>	
At 31 March 2023	<u>0</u>
At 31 March 2022	<u>0</u>

**12. Tangible Fixed Assets**

	Year ended 31 March 2023 £000 Office Equipment
<b>Cost</b>	
At 1 April 2022	63
Additions	0
Disposals	0
At 31 March 2023	<u>63</u>
<b>Depreciation</b>	
At 1 April 2022	60
Disposals	0
Charge for year	2
At 31 March 2023	<u>62</u>
<b>Net book value</b>	
At 31 March 2023	<u>1</u>
At 31 March 2022	<u>3</u>

### 13. Fixed Asset Investments

	Year ended 31/03/2023	Year ended 31/03/2022
	£'000	£'000
Market value brought forward	25,041	23,385
Add additions to investments at cost	500	1,500
Less disposals at carrying value	-80	-117
Add net gain (loss) on revaluation	-1,406	273
Market value as at 31 March	<u>24,055</u>	<u>25,041</u>

#### Fixed Asset Investments by Type

	Year Ended 31/03/2023	Year Ended 31/03/2022
	£000's	£000's
<b>Pooled Investment Funds</b>	24,055	24,961
<b>Unquoted Securities at Fair Value</b>		
Gravesend and District Property Company	-	80
<b>Total</b>	<u>24,055</u>	<u>25,041</u>

During the first quarter of the year a second Investment Manager was appointed in CCLA, and 50% of the Sarasin Endowment Fund was transferred to a CCLA COIF Ethical Investment Fund.

### 14. Social Investments

	Year Ended 31/03/2023	Year Ended 31/03/2022
	£000's	£000's
<b>Interest Free Loans with no Fixed Repayment Date</b>		
<b>Paid to Beneficiaries</b>		
Loans Outstanding at 1st April	210	221
Loans Repaid During the Year	-5	-11
Loans Outstanding at 31st March	205	210
<b>Provision for Bad Debts on Loans</b>		
Provision at 1st April	-131	-136
Provision Released in the Year	0	5
Provision at 31st March	-131	-131
<b>Net Loans Outstanding at 31st March</b>	<u>74</u>	<u>79</u>

### 15. Debtors

	Year Ended 31/03/2023	Year Ended 31/03/2022
	£000's	£000's
Taxation Recoverable	56	44
Prepayments and Accrued Income	176	251
Other Debtors	43	104
<b>Total</b>	<b>275</b>	<b>399</b>

## 16. Creditors

	31 March 2023	31 March 2022
	£000	£000
Trade creditors	73	36
Grant commitments	83	54
Accruals	65	44
Taxation and social security	26	22
Other creditors	9	2
<b>Total</b>	<b>256</b>	<b>158</b>

Grant Commitments	31 March 2023	31 March 2022
	£000	£000
Balance 1 April 2022	54	73
Additions	439	309
Paid	(410)	(328)
<b>Balance 31 March 2023</b>	<b>83</b>	<b>54</b>

## 17. Net Assets

	31 March 2023	31 March 2023	31 March 2022	31 March 2022
	Unrestricted £000's	Total £000's	Unrestricted £000's	Total £000's
Fixed Assets	1	1	3	3
Investments	24,129	24,129	25,120	25,120
Net Current Assets	1,615	1,615	2,113	2,113
Provisions	73	73	145	145
<b>Total</b>	<b>25,818</b>	<b>25,818</b>	<b>27,381</b>	<b>27,381</b>

**18. Movement in Funds in the Year**

	<b>Balance at 1 April 2022 £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers £000</b>	<b>Gains / (losses) £000</b>	<b>Balance at 31 March 2023 £000</b>
Free reserves	2,884	2,110	(2,211)	(112)	0	2,671
Income fund	23,349	0	0	412	(1,388)	22,373
Development fund	1,000	0	0	(300)	0	700
Pension reserve	145	0	(15)	0	(57)	73
Fixed asset fund	3	0	(2)	0	0	1
Restricted fund	0	0	0	0	0	0
<b>Total</b>	<b>27,381</b>	<b>2,110</b>	<b>(2,228)</b>	<b>0</b>	<b>(1,445)</b>	<b>25,818</b>

	<b>Balance at 1 April 2021 £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers £000</b>	<b>Gains / (losses) £000</b>	<b>Balance at 31 March 2022 £000</b>
Free reserves	2,449	1,992	(2,005)	448	0	2,884
Income fund	23,307	0	0	(250)	292	23,349
Development fund	1,200	0	0	(200)	0	1,000
Pension reserve	(232)	0	(28)		405	145
Fixed asset fund	36	0	(35)	2	0	3
Restricted fund	0	0	0		0	0
<b>Total</b>	<b>26,760</b>	<b>1,992</b>	<b>(2,068)</b>	<b>0</b>	<b>697</b>	<b>27,381</b>

**Designated Funds**

The Income Fund has been designated by the Trustees to provide future income for the charity to continue its activities indefinitely. This is predominantly made up of investment holdings.

The Development Fund was set up in 2019 to utilise some reserves to facilitate funding the objectives of the five-year strategy. Monies were transferred from the Income Fund for this.

The Pension Reserve has been designated by the Trustees to set aside funds against the deficit on the defined benefit pension scheme.

The Tangible Fixed Asset Fund has been designated by the Trustees to set aside funds for the future depreciation on fixed assets.

**Restricted Fund**

There are currently no restricted funds.

**Transfers Between Funds**

Funds have been transferred to (from) free reserves to match the necessary levels of designated funds.

## 19. Commitments Under Operating Leases

At 31 March 2023, the charity had one operating lease with a commitment of £37k within one year (2022 £32k) and £74k greater than one year, but less than five years (2022 £nil).

## 20. Capital Commitments

At 31 March 2023, the charity had no capital commitments (2022 £nil).

## 21. Staff Pension Schemes

Three current employees are members of the Local Government Pension Scheme which is administered by the London Pensions Fund Authority. There is also one pension member and a further three deferred members. The Local Government Pension scheme is a defined benefit (final salary) scheme. LionHeart as the employer, although not a local authority, is classified as an admitted body into the scheme. LionHeart has no influence over how the scheme operates or its investment performance. Contribution levels are set by reference to actuarial assessments that are formally reviewed by the LPFA every three years. Pension costs are accounted for on the basis of spreading the cost of pensions over employees' working lives with LionHeart. The scheme was closed to new members on 9 December 2010. Following this date new employees are offered a contribution to stakeholder pension plans. The current pension offered is operated by Royal London.

The Financial Reporting Standard 102 (FRS 102) disclosures are provided by the London Pensions Fund Authority (LPFA) on an agreed statutory basis over which LionHeart has no control. The methodology and assumptions prescribed for the purposes of FRS 102 mean that the disclosures will be inherently volatile, varying greatly according to investment market conditions at each accounting date.

FRS 102 requires disclosure of the charity's share of the assets and liabilities of the LPFA defined benefits scheme. A qualified independent actuary, appointed by LPFA, has made a valuation on 31 March 2023 based on the following assumptions:

Assumed life expectations from age 65 are:

		<b>31 March 2023</b>	<b>31 March 2022</b>
Life expectancy from age 65 (years)			
Retiring today			
	Males	21.9	23.6
	Females	23.9	23.6
Retiring in 20 years			
	Males	23.1	23.4
	Females	25.8	25.9

The estimated duration of the employer as of the 31<sup>st</sup> of March 2023 is 15 years.

The financial assumptions used to calculate the results are as follows:

		<b>31 March 2023</b>	<b>31 March 2022</b>
Financial assumptions			
		% pa	% pa
Discount rate		4.80%	2.60%
Pension increases		2.90%	3.25%
Salary increases		3.90%	4.25%

Based on these assumptions the LPFA actuary values the charity's share of the funds is as follows:

	<b>31 March 2023 £000</b>	<b>31 March 2022 £000</b>
Present value of the defined benefit obligation	1,361	2,259
Fair value of fund assets (bid value)	2,452	2,404
Deficit / (Surplus)	<b>(1,091)</b>	<b>(145)</b>
Impact of asset ceiling	<b>1,018</b>	
Net defined benefit liability / (asset)	<b>(73)</b>	<b>(145)</b>

The analysis of the assets of the scheme is as follows:

	<b>31 March 2023 £000</b>	<b>31 March 2022 £000</b>
Equities	1,442	1,368
Target return funds	456	518
Infrastructure	310	245
Property	241	216
Cash	3	57
<b>Total</b>	<b>2,452</b>	<b>2,404</b>

Reconciliation of defined benefit obligation:

Opening defined benefit obligation	2,259	2,289
Current service cost	45	47
Interest cost	59	44
Contributions by members	7	7
Estimated benefits paid, net of transfers in	(23)	(22)
Change in financial assumptions	(704)	(110)
Experience gain / (loss) on defined benefit obligation	(330)	4
Past service costs including curtailments	0	0
Change in demographic assumptions	48	0
<b>Closing defined benefit obligation</b>	<b>1,361</b>	<b>2,259</b>

Reconciliation of fair value of employer assets:

Opening fair value of employer assets	2,404	2,057
Interest on assets	63	40
Contributions by members	7	7
Contributions by employer, including unfunded	27	26
Return on assets less interest	(31)	299
Administration expenses	(1)	(3)
Estimated benefits paid plus unfunded transfers in	(23)	(22)
Other actuarial gains	6	0
<b>Closing fair value of employer's assets</b>	<b>2,452</b>	<b>2,404</b>

The total return on fund assets for the year to 31 March 2023 was £32k (2021-2022 £339k).

Amounts recognised in the Statement of Financial Activities in respect of defined benefit schemes are as follows:

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Service cost	45	44
Net interest on the defined liability	(4)	(4)
Administration expenses	1	3
Total loss / (profit)	<u>42</u>	<u>43</u>

Remeasurements in other comprehensive income:

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Remeasurement of the net assets / (defined liability)		
Return on Fund assets in excess of interest	(31)	299
Other actuarial gains / (losses) on assets	6	0
Change in financial assumptions	704	110
Change in demographic assumptions	(48)	0
Experience gain / (loss) on defined benefit obligation	330	(4)
Changes in effect of asset ceiling	(1,018)	0
Remeasurement of the net assets / (defined liability)	<u>(57)</u>	<u>405</u>

Reconciliation of asset ceiling:

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
<b>Opening impact of asset ceiling</b>	-	-
Interest on asset ceiling	-	-
Actuarial losses / (gains)	1,018	-
<b>Closing impact of asset ceiling</b>	<u>1,018</u>	-

The asset ceiling is the present value of any economic benefit available to Lionheart in the form of refunds or reduced future employer contributions. The approach taken was to restrict the surplus with an asset ceiling. The asset ceiling is calculated as the difference between the accounting surplus attributable to Lionheart and the surplus limit. The surplus limit is calculated as the future cost of accrual, calculated in line with the discount rate, minus the present value of the certified contributions payable by Lionheart.

**Projected pension expense for the period to 31 March 2024**

Analysis of projected amount to be charged to the statement of financial activities for the year to 31 March 2024:

	1 April 2023 to 31 March 2024 £000
Service cost	28
Net interest cost	(4)
Administration expenses	1
<b>Total charge</b>	<b>25</b>
Estimated employer's contributions	<b>16</b>

Estimated employer's contributions at 15% from 1 April 2023 (previous rate 25.7%).

**22. Related Party Transactions**

No related party transactions have been identified in the year.

**23. Reconciliation of Income / (Expenditure) to Net Cashflow from Operating Activities**

	Year Ended 31 March 2023 £000	Year Ended 31 March 2022 £000
<b>Net income / (expenditure) for the year</b>	<b>(1,506)</b>	<b>216</b>
Depreciation and amortisation	2	36
Disposal of social investment	6	11
(Gains) / losses on investments	1,388	(292)
Change of provision - bad debts	0	(6)
Defined benefit pension scheme adjustment	15	28
Returns on Investments	(947)	(866)
(Increase) / decrease in debtors	124	857
Increase / (decrease) in creditors	98	15
<b>Net cash provided by / (used by) operating activities</b>	<b>(820)</b>	<b>(1)</b>

## 24. Financial Instruments

	<b>31 March 2023 £000</b>	<b>31 March 2022 £000</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	24,055	25,041
Financial assets that are debt instruments measured at amortised cost	1,909	2,306
	<u><b>25,964</b></u>	<u><b>27,347</b></u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u><b>(256)</b></u>	<u><b>(158)</b></u>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed and unlisted securities.

Financial assets measured at amortised cost comprise cash at bank, other debtors, and accrued income.

Financial liabilities measured at amortised cost comprise grant commitments, accruals, and other creditors.

The charity's income, expense, gains, and losses in respect of financial instruments are summarised below:

	<b>31 March 2023 £000</b>	<b>31 March 2022 £000</b>
Total investment income for financial assets measured at fair value through income and expenditure	947	866
Net gains / (losses) on financial assets measured at fair value through income and expenditure	(1,388)	292
	<u>          </u>	<u>          </u>

## 25. Reconciliation of Net Debt

	<b>1 April 2022 £000</b>	<b>Cashflows</b>	<b>31 March 2023 £000</b>
Cash	1,872	(276)	1,596
Finance lease obligations	0	0	0
Total	<u>1,872</u>	<u>(276)</u>	<u>1,596</u>

**THE ROYAL INSTITUTION OF CHARTERED SURVEYORS' BENEVOLENT FUND LIMITED**

England & Wales - Charity number 261245

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# Accounts

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The Royal Institution of Chartered Surveyors Benevolent Fund Limited  
(A Charitable Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR FROM 1 APRIL 2021 TO 31 MARCH 2022**

Company Number: 980025

Charity Number: 261245

**The Royal Institution of Chartered Surveyors Benevolent Fund Limited**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR FROM 1 APRIL 2021 TO 31 MARCH 2022**

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## CHAIR'S FOREWORD

During 2021/22, LionHeart continued to provide strong support to those members of the RICS family affected by Covid-19 – not only financial but, equally importantly, sometimes just being someone to talk to. If Covid formed the bookend to the start of the year, the end of the year saw us provide vital help to members and their families in Ukraine – which we continue to do. Our global reach was also exemplified by our assistance to a member caught up in the instability in Ethiopia, together with requests for help from India and Nigeria.

We continued to expand on our offer to those at the start of their careers, with APC support at the forefront. This is a relatively recent expansion of LionHeart's services, but a reminder that we are here for all surveyors, of whatever age and experience. Our digital offering expanded significantly, with webinars on a variety of topics proving extremely popular.

Our staff, with inspirational leadership from Davina Goodchild, kept the whole show on the road from their spare bedrooms and kitchens, demonstrating the resilience which we have perhaps taken for granted, but for which the Board, and the profession, continue to be thankful.

I cannot let the opportunity pass to especially thank two long-serving LionHeart stalwarts, Patrick Hall, and Bob Dyson, both of whom retired from the Investment Committee in April 2021. Bob served on the Committee for over 20 years, during which he combined stewardship of our funds with senior roles within the profession. We were very sorry to see him retire, but he had more than earned it! In addition to sterling service on the Committee, Patrick is a former chair of the Board, and was instrumental in effecting significant change in governance and the way the Charity operated. Our continued success is down in no small part to the building blocks which Patrick put in place a decade ago. We thank them both for their super and long-standing service.

During the year we also said farewell to Trustee Kate Taylor, and our Head of Finance and Corporate Services, Jane Lucas. During Kate's three years on the Board, she brought to bear cutting-edge experience of the profession with masterful knowledge of the APC process. Jane was one of the unsung heroes of the Charity and masterminded our digitisation and general upgrading of systems. She was a steady financial hand in turbulent times for the profession. They both leave with our grateful thanks.

We are now three years into our five-year strategic plan, so inevitably minds are turning to how we should shape the next stage in our progress. Work has already commenced on that, with both the Board and staff feeding into the process.

My heartfelt thanks go to all our extended team for their work in 2021/22 - staff, my superb colleagues around the board table, our ambassadors, committee-members, supporters, and donors, all of whom play a vital, and often unsung, role. Thank you.

For me, the spirit of LionHeart was summed up by the recipient of one of our Christmas hampers, who told us it was the *only* Christmas present he would receive that year. Truly, when it seems there is no-one to turn to, LionHeart is there for you.

Peter McCrea FRICS FCI Arb  
Chair, Board of Trustees, LionHeart

## **STRATEGIC REPORT 2021/2022**

This was the third year of a five-year strategy which aims to dramatically increase awareness of and engagement in LionHeart with Royal Institution of Chartered Surveyors (RICS) members around the globe.

There have been no changes to our vision, mission and values which remain as follows:

Our vision is to ensure that everyone in the RICS community has access to confidential, practical support.

Our mission is to deliver advice that matters and support that counts; personal, flexible support for all RICS professionals and the people they love to help them overcome life's unexpected challenges.

Our values are:

- Integrity
- Compassion
- Professionalism
- Flexibility

Our five strategic priorities are:

- Building Awareness – so that all RICS professionals know of LionHeart, understand its role, and have pride in association with it
- Developing Engagement – so that the RICS world is interested and engaged in LionHeart's story, services and activities and takes opportunities to get involved
- Global Development – to provide a truly global offer with services and products meeting the needs of each RICS world region
- Service Development and Delivery – to deliver a validated range of services meeting an increased demand with demonstrable impact on the wellbeing of RICS professionals
- Organisational Development – to be an organisation that punches above its weight and achieves incredible results through delivery of its strategy

### **The Continued Impact of Covid on LionHeart Strategy and Operations**

LionHeart was in a strong position to be able to respond quickly and effectively to the impact that Covid has had on the lives of RICS professionals and their families. We were already using Microsoft Teams and had many members of staff regularly working from home. We were therefore able to move seamlessly to working from home immediately from the first lockdown and have been doing so since.

Our training has continued to be delivered online and during the year we increased our global audience for these sessions.

All our other services were able to run effectively as normal and there was no disruption to our service.

### **Operational Management**

We have continued with our development of a full set of work plans that operationalise the Strategic Plan and link delivery to KPIs. Every member of the LionHeart staff team contributes to at least one of the work plans. All managers have been empowered to manage their own budget aligned to the work plans. Everyone has regular supervision that focuses on the delivery of work plans. In this way we ensure that our focus is upon the delivery of the Strategic Plan.

The values of the organisation: Flexibility, Compassion, Professionalism, and Integrity are central to our operations and are discussed at meetings and within individual supervision sessions. This year we have developed guidance for behaviours linked to values to help team members identify where and when they can demonstrate our values in their roles.

### **Digital Transformation**

We have made significant progress towards our planned digital transformation this year including enhancements to our Microsoft Dynamics systems covering our CRM and finance system. PowerBI is now an integral part of our reporting.

This progress will provide a quicker, more empowering IT solution for all staff; giving them the tools they need to do their job wherever they are without needing to ask others for information or access. Our progress and success with digital innovation has resulted in plans for a Digital/Data research and planning project in 2022/2023; moving us closer to the digital future we believe will increase our reach and impact.

### **A Great Place to Work**

We ensure that we consider the wellbeing of the staff team. We ask for feedback on staff wellbeing, experience, and motivation regularly using an anonymous all staff survey. The full staff team is now working from home with visits to the office now limited to specific meetings or events. We continue to invest in staff development with the launch of a LionHeart learning plan across the organisation and advanced plans for a development programme specifically for managers.

### **Engagement**

We have continued to build on the fantastic of levels of online engagement with the surveying community that we really established during the pandemic. We strive to use a warm and inclusive tone designed to reassure people that LionHeart understands the tricky world climate and is here to support. We have continued to grow our social media audience (up around a third on the previous year), have grown our global website audience, and notched up over 150,000 website page views as we continue to offer varied articles and blogs that resonate with our audience.

We have continued to see a real demand for online learning and have broadened the range of webinar subjects being delivered live. These are also available for download; good use of video has also been made to engage and inform our audiences.

We have worked hard to engage the younger end of the profession as we have expanded our support for apprentices, students, and APC candidates. A new offer from our Support Services Team to help APC candidates with their final presentation practices has been a huge hit, both in terms of take-up but also because this social media savvy generation have been very quick to share their successes and publicly acknowledge our support. We hope that this really positive experience of LionHeart so early in their careers will mean they continue to use our services and advocate for LionHeart for the rest of their careers.

We also developed an education partner offer to extend our engagement with students and apprentices even further and establish fruitful relationships with some key universities and training providers.

Our team of dedicated volunteer ambassadors continued to grow both globally and in the UK. Raising awareness and developing services outside of the UK has remained a priority, and our growing number of global ambassadors is helping us build better networks and raise awareness in various regions of the world. Online focus groups in the Asia Pacific region have also informed our plans for growth in the region.

We were able to use our good connections with RICS to respond very proactively and quickly when the war in Ukraine broke out. Together we were able to make those surveyors in Ukraine aware that LionHeart was there to help,

primarily in the form of emergency grants, which our team worked hard to process sometimes within hours of first enquiry. The crisis also provided an opportunity for us to highlight the global nature of LionHeart's support and was responded to very positively by the wider surveying community.

Finally, during this year we undertook our largest ever global mailout campaign, with the twin aims of raising awareness and generating more opt-ins for our digital mailings. Over 102,000 copies of a letter, tear-off contact card and copy of our latest Impact Report were sent to surveyors all over the world. This generated not only a number of new sign-ups but also sparked several new enquiries for help.

### **Developing Services**

We launched a counselling service for 12-25s and agreed a delivery partnership with a global supplier of counselling and legal advice enabling us to offer a comprehensive service in over 100 countries. Not only did this streamline and speed up access to support globally but also included, for the first time, the chance for people to access counselling in their preferred local language. We continued to develop new webinars to meet the needs of RICS members including new webinars on supporting people with cancer and dealing with bereavement in the workplace.

We delivered the following results during the year:

- 9,230 individual acts of support
- 233 webinars, and a further 2045 views and downloads of recorded webinars, the latter a 41% increase on last year
- Our coaching service expanded by 30% and our APC support service grew over 2000%
- 429 new people were helped and supported, an increase of 76%
- We provided counselling to 184 people, an increase of 60%
- We welcomed a further 10 organisations to our corporate partnership project
- Our social media audience increased by over 32%
- We recruited 15 new volunteer ambassadors, available to speak of their lived experience and to promote LionHeart within the profession, and expanded our ambassador network beyond the UK for the first time

### **Ademola's Story**

Ademola approached LionHeart when he was "down to his last pennies" after he lost his job and ran into difficulties claiming government support.

The APC candidate, in his early thirties, had borrowed money from his mother but said: "I just ran out of all other financial support options. It was a desperate situation being unemployed and not able to get the universal credit I should have received."

At the time, the job market was sluggish due to the pandemic. LionHeart was able to provide a short-term monthly grant, access to legal advice and some help with his hunt for his next position.

Eventually Ade had a backdated claim for universal credit accepted and successfully started a new job after receiving support with his job applications and interview skills. He has now resumed his APC pathway.

He said: "LionHeart gave me financial, emotional and career advice assistance. It took a huge weight off my shoulders and the service was everything I could have hoped for."

### **Clive's Story**

A surveyor in his fifties, Clive said he had never expected to need support from LionHeart, let alone end up requesting counselling. He said: "I was suffering low mood and self-esteem, stressed, generally struggling with everything and feeling alone. I received some counselling and some coaching support from LionHeart.". Clive began weekly sessions with a LionHeart counsellor over a period of time.

He said: "It gave me opportunity to talk to someone about my circumstances and what I had been through, and the effect that had on me, and provided professional, considered support. It's given me my optimism back; for a long time my emotions and thoughts had been repressed. The service was excellent, and I never thought I'd ever have a call on it. Whilst it was hard at first exploring topics that were affecting me, I'm much happier and can see a positive future."

### **Paula's Story**

Paula was very disappointed when she didn't make the grade at her first APC attempt, following a particularly challenging time in her personal life.

Determined to try for her chartered status again as quickly as possible, she approached LionHeart for support. She said: "I had a very difficult personal situation right before the first APC panel. I remember I felt hugely disappointed to have failed but when I read the referral report, I realised I'd made some huge mistakes."

She received regular support calls and help to practise her presentation and interview skills ahead of her next panel, adding: "LionHeart was fantastic from the start. It meant I managed to review all my weak spots, develop my presentation to another level and just feel more confident and prepared."

The extra preparation and support gave Paula the confidence boost she needed to succeed at her second APC panel. She added: "I would highly recommend anyone trying to achieve MRICS to reach out to LionHeart. It is a great initiative, and the support is very well organised."

### **OUR PLANS FOR 2022/23**

Our ambitious strategy is all about increasing the numbers of RICS members and their families that utilise our services, whether those be our workshops and webinars or our helpline and support services, including grants and counselling.

During 2022/23 we will continue to deliver IT solutions to improve effectiveness and efficiency. As a more digitally focused organisation we will take advantage of quicker, online access to services for ourselves and the people we help. We will enhance analysis and understanding of our impact, ensure better integration across all our communication platforms, and continued data protection compliance.

During this year we will be carrying out two very important reviews; the first will be to examine our approach to Equality, Diversity, and Inclusion. An action plan will be drawn up to identify and deliver excellence in this area for LionHeart in all areas including service delivery, employment, and involvement of volunteers. We will also be considering our digital future and creating some plans for innovation in the areas of data and digital to ensure we are optimising our resources to achieve our mission.

**Davina Goodchild CMgr FCMI**  
**Chief Executive**

## **TRUSTEES' REPORT**

The Board of Trustees present their combined annual report for the year from 1 April 2021 to 31 March 2022 prepared in accordance with the Companies Act 2006 and the Charities Act 2011, together with audited financial statements for the year.

### **Public Benefit**

The Trustees have read and understood the Charity Commission guidance on public benefit. They consider that LionHeart, a registered charitable company whose charitable purposes as defined within the Charities Act 2011 are for the relief and prevention of poverty, demonstrates its public benefit by providing financial help and other assistance to past and present RICS members and their dependants (and past members of organisations that have merged with the RICS and their dependants) and RICS staff who have experienced difficulties in their lives. RICS is the leading professional body for the property sector and membership is open to those who meet defined educational and professional practice standards. The number of people that could potentially ask for help is more than 500,000. All assistance is provided at the discretion of Trustees of the charity, after careful consideration of the circumstances and the needs of the applicant.

## **OBJECTS AND PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE PUBLIC BENEFIT**

### **Reference and Administrative Details**

The Royal Institution of Chartered Surveyors Benevolent Fund Limited, known as LionHeart, is registered as a charity in England with the registration number of 261245. It is also a company limited by guarantee and not having a share capital. The company is registered in England with the registration number 980025.

The principal office of the charity and its registered office is 55 Colmore Row, Birmingham B3 2AA. Its website is [www.lionheart.org.uk](http://www.lionheart.org.uk)

The present Trustees and any past Trustees who served during the period are shown on page 15 together with the names of the senior executive staff on page 16. The professional advisors to the charity are set out on page 16.

### **Charitable Objective**

The declared object of LionHeart is to provide assistance to past and present members of the Royal Institution of Chartered Surveyors and their dependants who experience difficulties in their lives. Assistance is typically given in cases of physical or mental ill health, unemployment, accident or disability, family separation, difficulties in retirement or returning to work and adverse economic conditions although LionHeart will assist with any problem, where possible.

### **Delivery of Charitable Objective**

LionHeart delivers its charitable objective through the work of two teams – the Partnership and Engagement Team and the Support Services Team.

The Partnership and Engagement Team offer a suite of workshops, webinars, and awareness-raising sessions on subjects of interest to RICS professionals, all designed to help increase wellbeing, health, and happiness. Workshops are developed in response to RICS professionals' needs which are assessed via our regular surveys and feedback from the people we help.

The Support Services Team provide advice that matters and support that counts. Their expert advice helps prevent life's challenges from becoming life's crises, and our confidential, practical support helps people overcome those challenges. We provide the following services but everyone who calls is treated as an individual and, as such, our response is 'made to measure':

- Regular grants to help with general living costs, in certain circumstances
- One-off grants to deal with an emergency or unexpected difficulties
- Professional counselling
- Support and advice on a range of issues including stress and wellbeing
- Coaching
- Practical help and advice to help unemployed chartered surveyors get back into work
- Legal advice
- Debt advice and practical support
- All the help offered is person centred with each person being supported by a bespoke set of services and solutions according to their individual circumstances. Grants are made to individuals and families, usually with a maximum time limit of 24 months.

### **Grant Making Policy**

The Board of Trustees annually review and update the guidelines used by the Support Services Team to establish whether we can help an individual financially. The guidelines are reviewed to consider changes to the general cost of living, social security benefit rates and other support for those not working. Support Services Team decisions regarding individual grants are audited by Trustees twice a year.

### **Covid, and moving on from a global pandemic**

Particularly during the early part of this financial year, we continued to see the effects of Covid ripple on. While we didn't see the levels of job losses and financial impact we had originally feared – largely thanks to government schemes such as furlough and support with income for the self-employed – there was a lingering impact financially for global professionals, who may not have had access to the same levels of support and where the jobs market was not as buoyant, and the prolonged impact of the pandemic had left some businesses struggling.

What we did experience on the helpline was a certain level of fatigue and the emotional strain that the pandemic was having and the effects of prolonged periods of restrictions, lockdowns, school closures and working from home. The numbers of people presenting with mental ill health and stress problems rose by almost 60%, and we almost doubled the number of counselling clients we supported. In addition, we identified a need to further expand the support we could offer families following months of uncertainty and isolation and amid the well-documented squeeze on access to youth mental health services. As a result, by September we had introduced our new counselling offer for the children aged 12 and upwards of RICS professionals in the UK.

The rise in global enquiries generated not only applications for grants but also requests for emotional support as the pandemic continued to affect people worldwide. Through a new partnership with a global EAP provider, we streamlined the way we were able to offer counselling to those professionals based outside the UK and Ireland, speeding up access to vetted, accredited counsellors in over 100 countries and including access to support in the client's preferred language for the first time.

This increased awareness globally put us in a good position to respond when the war broke out in Ukraine, and our team were able to process emergency grants to both surveyors who were leaving the country and those who had to stay but needed help to get their families to safety.

As the workplace has begun to return to normal, we have seen a renewed appetite for career development support such as coaching and help with interview and confidence skills. We have also seen increased demand for our online webinars and downloadable resources in this area.

Throughout this year, as last year, we have continued to monitor the changing needs of the community we are supporting and have been ready to adapt our offering as needed. As we approached the end of the year, there have been increased opportunities to engage with our members pce to face at conferencing, fundraising, and networking events, which has allowed us to continue building our visibility and reach.

## **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

Income for the year was £1,992k. Our overall expenditure was £2,068k and there was increased activity and development of our services in accordance with the five-year strategy. Overall income was on budget for the year even with legacies a little short of those budgeted. We are always grateful to RICS members and their families who choose to remember us in this way. Income from donations with subscriptions was slightly down compared to the previous year. Due to changes in delivery of services and less travelling in 2021/22 our expenditure was lower than we had budgeted, with delivery of services being achieved remotely.

The net funds of LionHeart increased over the year. Despite a dip in valuations due to market conditions in the last quarter of the year, there was a gain on investments of £292k. Our investments are made with a long-term view, and short-term fluctuations are expected.

Overall, the financial position of LionHeart remains strong, with free reserves at a level required by our reserves policy, and investments maintaining levels required to ensure our long-term growth and sustainability.

## **FINANCIAL MANAGEMENT POLICIES**

### **Reserves**

#### **1. Free Reserves**

These 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. They are intended to facilitate running costs of the charity and provide necessary cashflow from funds that are not invested.

The free reserves at the end of the year are £2,884k, an increase on the previous year, (2020/21 £2,449k). They are at the target level of free reserves and are intended to cover a year's expenditure.

Trustees aim to secure an income fund which provides cover for expenditure to give less short-term reliance on fluctuating sources of income such as legacies and donations.

#### **2. Designated Funds**

These comprise unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are explained in the notes to the accounts.

The designated funds at the end of the year total £24,352k (2020/21 £24,543k). These funds are made up as follows:

	£000
Income Fund	23,349
Development Fund	1,000
Fixed Asset Fund	3
Total	<u>24,352</u>

The Development Fund was set up in 2019 to utilise some reserves to facilitate funding the objectives of the five-year strategy. Monies are transferred to ensure that the balance remains appropriate for delivery of the strategy in line with agreed plans.

### **3. Restricted Fund**

These arise where donors express a restriction on the purposes to which a gift may be applied. The restricted fund at the end of the year is £nil (2020/21 £nil).

### **4. Pension Reserve**

The pension reserve at the year-end is a surplus of £145k (2020/21 deficit of £232k).

In general, participating in a defined benefit pension scheme means that the employer is exposed to a number of risks:

- Investment risk. The fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges
- Interest rate risk. The fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the fund holds assets such as equities the value of the assets and liabilities may not move in the same way
- Inflation risk. All the benefits under the fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. If the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

### **Going Concern**

LionHeart has net assets of 2021/22 £27,381k (2020/21 £26,760k), and this includes managed investments of £24,961k (2020/21 £23,189k). Investment income in 2021/22 was £866k (2020/21 £862k). Donations from RICS members totalled £683k (2020/21 £695k).

We use a specialist investment management company to manage and safeguard the investments, and their track record in growing the portfolio and at the same time minimising risk has been in line with market trends.

We consistently receive significant income from RICS members. We regularly review all sources of income, to improve the service and expand the client base. In the light of Covid-19 we have reassessed these and considered the potential impact. These measures together with our asset base provides appropriate confidence of LionHeart's going concern capability.

## **INVESTMENT POLICY AND PERFORMANCE**

### **Principal Investment Objective**

The investment objective is to grow the income and capital returns in the long term for invested funds. The assets should be managed to at least maintain the real capital value of the portfolio, whilst generating a sustainable level of investment income to support current charitable activities, having regard to the charitable nature of the funds and to the Trustees' responsibility to avoid unacceptable risks.

### **Investment Policy Statement**

The charity's investment policy was reviewed in May 2022 shortly after the year-end having previously been reviewed in 2019.

### **Review of Fund Managers**

The charity formally reviews its managers on a regular basis at least five-yearly. There was a formal review during the year. Performance was found to be satisfactory, however it was decided to tender services. A second fund manager was appointed shortly after the year-end with investments to be split across the two Fund Managers on a 50/50 basis.

### **COMMERCIAL INVESTMENTS**

LionHeart has a number of quoted commercial investments, which are held within two distinct portfolios managed by Sarasin & Partners. Sarasin & Partners LLP are professional fund managers and operate subject to constraints specified by the Investment Committee regarding objective, benchmark, risk profile, maximum size of individual underlying security and reporting.

The two investment portfolios are divided between a long-term fund, invested solely in the Sarasin Endowments Fund, and a medium-term fund, which is predominantly invested in the Sarasin Income & Reserves Fund.

#### **Long-term Portfolio – Sarasin Endowments Fund**

The benchmark of the fund from 1<sup>st</sup> July 2021 is: MSCI UK IMI (Net Return) GBP (20%), ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI AC World ex UK (Local Currency) (GBP) (10%), MSCI AC World ex UK (Net Total Return) (40%), SONIA + 2% (alternative assets) (10%).

The benchmark for the fund, up to 30<sup>th</sup> June 2021 was: MSCI UK IMI (Net Return) GBP (20%), ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI AC World ex UK (Local Currency) (GBP) (10%), MSCI AC World ex UK (Net Total Return) (40%), UK Cash LIBOR 1 Month (Total Return) (10%).

The investment portfolio achieved a return of +5.3% against the composite benchmark return of +9.1% (2020/21 +25.4% against a benchmark of +25.5%).

#### **Medium-term Portfolio – Sarasin Income & Reserves Fund**

The benchmark of the fund from 1<sup>st</sup> July 2021 is: MSCI UK IMI (Net Return) GBP (10%), ICE BofAML Sterling Corporate (30%), ICE BofAML UK Gilts All Stocks (35%), MSCI AC World ex UK (Net Total Return) (10%), SONIA (5%), SONIA + 2% (alternative assets) (10%).

The benchmark for the fund, up to 30<sup>th</sup> June 2021 was: MSCI UK IMI (Net Return) GBP (10%), ICE BofAML Sterling Corporate (30%), ICE BofAML UK Gilts All Stocks (35%), MSCI AC World ex UK (Net Total Return) (10%), UK Cash LIBOR 1 Month (Total Return) (15%).

The investment portfolio achieved a return of -1.2% against a composite benchmark return of -0.6% (2020/21 +7.0% against a benchmark of +6.7%).

### **Reporting**

Income reports and valuations are produced for the two portfolios monthly and full reports with economic outlook, quarterly. The quarterly reports are circulated to members of the Investment Committee. Sarasin & Partners fund managers attend two Investment Committee meetings each year in addition to the September Board of Trustees meeting.

### **Socially Responsible Investment Policy and Corporate Governance Policy**

- There will be no holdings in companies with exposure to the production of tobacco or tobacco-related manufacturing.

- The fund will also avoid investment in companies that earn a material portion of their revenue from alcohol manufacture, armaments, gambling, pornography, and predatory lending.
- All externally managed funds are screened on initial purchase and reviewed regularly to ensure that they also adhere to these rules.
- The funds publish a regular sustainability audit of investments and are active in voting on company resolutions. Where necessary, the firms will engage in direct dialogue with investee companies, policy makers and governing bodies to drive positive change.

### **Unquoted Investments**

LionHeart has one unquoted commercial investment; at the start of the year it had a holding of 104,960 ordinary shares in the Gravesend and District Property Company gifted to the charity as part of a legacy. The Trustees took the decision to sell the shares and 62,500 shares were sold during the year. This left a balance at the end of the year of 42,460 shares.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Statement of Trustees' Responsibilities, Corporate Governance and Risk Management**

#### **Board of Trustees**

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

Company law requires the Board of Trustees to prepare financial statements for each financial period which give a true and fair view of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Board of Trustees are required to:

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

The Board of Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

LionHeart, in preparing these accounts, has complied with current statutory requirements and its Memorandum and Articles of Association, and has adopted, in full, the provisions of SORP 2015 for Charities. The Trustees consider that the charity is adequately funded to meet its current obligations.

The charity is governed by its Articles of Association, these require that the number of elected members of the Board of Trustees be not less than 8 or more than 18. The President of RICS is Patron of LionHeart during their year of office. All Trustees serve for a term of three years upon which they are eligible for re-appointment unless they have already

served three consecutive terms in which case, they are not eligible for re-election until they have stood down for at least one year.

### **Trustee Recruitment, Training and Development**

Trustees are recruited via adverts placed on the web targeting both the property industry and the charity sector. We also advertise online through our own website and social media as well as other free channels. We have a full application process including an application form and interview and we follow good practice and equal opportunities guidelines throughout the process.

We actively encourage Trustees to undertake training and development so that our governance is fit for purpose. Details of external Trustee training opportunities are circulated to Trustees as they arise, and attendance is reported to the Board. Training is sourced from the Association of Charity Officer's Trustee Seminar Programme, the Charity Finance Group, National Council of Voluntary Organisations, and other opportunities provided by commercial and third sector providers from time to time.

### **Safeguarding**

LionHeart operates a robust safeguarding procedure to provide staff and volunteers with overarching principles that guide our approach. These are reviewed regularly and have been substantially enhanced recently. All our staff that work with people requesting help are aware of their safeguarding responsibilities, and our counsellors are regulated by the British Association for Counselling and Psychotherapy ensuring appropriate professional and ethical standards at all times.

### **Governance Code**

The Charity Governance Code was introduced in July 2017. The code is not statutory regulation but "represents a standard of good governance practice to which all charities should aspire." The code requests that charities either apply the standards of the code or explain how they are going to apply them in the future. LionHeart now has in place a Quality Task Group that has considered the recent code update and will ensure that future updates are considered and actioned on an ongoing basis.

A key change to the code is on Equality, Diversity, and Inclusion an area where LionHeart had already been reviewing and assessing appropriate changes. This work will continue and grow and encompass the recommendations of the code.

### **Fundraising**

LionHeart income is largely from the following sources:

- Regular donations from RICS professionals
- Gift aid
- Return on investments
- Legacy donations
- Clients account donations (with the necessary assurances regarding repayment if required)

Lionheart has two part-time fundraising team members We do not outsource fundraising to external organisations and are registered with the Fundraising Regulator. The charity has no other fundraising requiring disclosure under S162A of the Charities Act 2011. A decision was made to end the LionHeart lottery to reduce costs and allow us to streamline our fundraising initiatives to focus resources on other key fundraising areas, for example, gaining regular support by Direct Debit. Consequently, the final lottery draw took place on 28<sup>th</sup> June 2021.

## **General Data Protection Regulation (GDPR)**

New data protection processes and policies were introduced in 2018 for the organisation to be compliant with GDPR. We have a data sharing agreement with the RICS that has been updated in line with the new code and our privacy statements have been updated and are available online. All staff are trained on the responsibilities in respect of data.

## **OUR STAFF**

LionHeart is a vibrant and progressive charity that values its workforce and recognises the need for skilled and committed staff who work well as a team and with Trustees to deliver quality services to RICS members, past and present, and their dependants. This is achieved through creating an environment where staff feel supported by managers and employers, and where they receive regular information about the organisation through meetings and briefings. They are actively encouraged to give their suggestions and views on performance and strategy to develop the organisation and its performance.

Trustees are committed to the continuing professional development of staff at all levels within the organisation. The training needs and the performance of each staff member is a continuous process, supported by supervision from line managers. Training programmes are provided to meet any on-going needs, with the aim of developing employees for both their current and their future roles. LionHeart is an accredited Investors in People employer and has the IIP Gold Award.

## **KEY MANAGEMENT PERSONNEL REMUNERATION**

Remuneration for key management personnel is set on advice from a third party, by reference to benchmarks for charities of a similar size and nature. All salaries were reviewed in 2019. The next review is due late 2022.

## **Patron**

The President of the Royal Institution of Chartered Surveyors is LionHeart's Patron. On 31 March 2022, the office holder was Clement Lau.

## **Honorary Officers for 2021/22**

Chair	Peter McCrea
Vice Chair	James Grierson
Honorary Treasurer	James Williamson

## **Other Members**

The following have served as members of the Board (and Directors) during the year and at the date the accounts were signed:

Dayle Bayliss  
Andrew Carrick  
Diane Dumashie  
James Grierson  
Amy Dalton-Leader  
Caroline Legg  
Katie Leppard  
Peter McCrea  
Philip Nell  
Philippa Sampson-Bancroft  
Shashi Sharma  
Kate Taylor (resigned February 2022)  
James Williamson

## Audit and Risk Committee

The Audit and Risk Committee has the purpose of overseeing the preparation and agreement of the annual accounts and audit of LionHeart's finances. Specifically, the committee will:

- Oversee the audit of the accounts and make recommendations for approval by the Board of Trustees
- Oversee the risk management process

### Committee Membership:

James Grierson	Chair
Katie Leppard	Trustee
Shashi Sharma	Trustee
Mark Southwell	Co-opted
Lorna Wright	Co-opted
Jane Lucas	LionHeart, resigned April 2022

## Investment Committee

The Investment Committee has the following role and purpose:

- To appoint appropriate professional investment manager(s)
- To agree with the investment manager(s) the broad long-term investment strategy for LionHeart's capital endowment
- To monitor the investment performance of the investment manager(s) against suitable benchmarks and peer groups
- To assess the ethical, social and governance (ESG) policies of the investment manager(s) and investments to ensure they do not bring LionHeart into disrepute
- To oversee the charity's policies for cash and short-term deposit management
- To recommend to the Board of Trustees a change of investment managers, when required
- To oversee and manage the selection process for new investment managers

### Committee Membership:

James Williamson	Trustee, Chair
Philip Nell	Trustee, Vice Chair
James Grierson	Trustee
Philippa Sampson-Bancroft	Trustee
Robert Dyson	Co-opted, retired April 2021
Patrick Hall	Co-opted, retired April 2021
Chris Perkins	Co-opted
Neil A'Bear	Co-opted
Jane Lucas	LionHeart, resigned April 2022

## SENIOR LEADERSHIP TEAM

The Trustees delegate day to day management of the charity to the Senior Leadership Team, who attend Trustee and Committee meetings as appropriate and report on the activities of the charity to Trustees regularly.

<b>Chief Executive</b>	Davina Goodchild
<b>Head of Finance &amp; Corporate Services</b>	Jane Lucas, resigned April 2022
<b>Head of Operations</b>	Juliet Smithson

## PROFESSIONAL ADVISERS

<b>Auditors</b>	Crowe U.K. LLP, Black Country House, Rounds Green Road, Oldbury, West Midlands, B69 2DG
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<b>Solicitors</b>	Wilsons, Steynings House, Summerlock Approach, Salisbury, Wiltshire, SP2 7RJ
<b>Investment Managers</b>	Sarasin & Partners, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU CCLA, Senator House 85 Queen Victoria Road, London, EC4V 4ET
<b>Bankers</b>	Unity Trust Bank PLC, Nine Brindleyplace, Birmingham, B1 2HB

### **Corporate Governance**

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency and effectiveness. Processes are in place to ensure that performance is monitored, and that appropriate management information is prepared and reviewed regularly by both Executive Management and the Board of Trustees.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- A business plan and annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews
- Delegation of day-to-day management authority and segregation of duties
- Identification and management of risks

### **Risk Management**

The Trustees have continued to focus on Risk Management. This has involved:

- Identifying the major risks facing the charity
- Assessing the likelihood and severity of the risks identified
- Reviewing the existing controls that the charity has in place to mitigate the risks
- Seeking to identify and implement any further actions required to manage risk

The Trustees confirm that they have systems in place to mitigate the major risks facing the charity which they have identified. Recent reviews have included consideration of how all aspects of Covid-19 may affect the charity. Major risks identified include:

Volatility of income, from both investments and donations. To mitigate this the Investment Committee monitors performance, and we encourage donations by multiple methods. Sufficient reserves are held in case income falls significantly.

The increasingly global nature of RICS membership. In response to this we are looking to develop our services outside of the UK over the next five years.

### **Third Party Indemnity for Directors**

Qualifying third party indemnity provision is in place for the benefit of all Trustees of the charitable company. This cover is up to £1m and cost £1k (2020/21 £1k).

### **Statement as to Disclosure of Information to Auditors**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have

confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### **Auditors**

LionHeart's auditors for financial year ending 31 March 2022 are Crowe U.K. LLP. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The report and accounts were approved and authorised by the Board of Trustees on 8 September 2022 and signed on their behalf by:



Peter McCrea FRICS FCI Arb  
Chair, Board of Trustees, LionHeart

## **Independent Auditors' Report to the members of LionHeart (The Royal Institution of Chartered Surveyors Benevolent Fund Limited)**

### **Opinion**

We have audited the financial statements of LionHeart (The Royal Institution of Chartered Surveyors Benevolent Fund Limited) for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of charitable company's affairs as at 31 March 2022 and of its income 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 Companies Act 2006

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

### **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements

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

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 13, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
Helen Drew, Senior Statutory Auditor

For and on behalf of **Crowe U.K. LLP, Statutory Auditor**

Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date: 24<sup>th</sup> October 2022

**STATEMENT OF FINANCIAL ACTIVITIES**

(Incorporating an Income and Expenditure Account)  
FOR THE YEAR FROM 1 APRIL 2021 TO 31 MARCH 2022

	Notes	Unrestricted Funds £000	Year Ended 31 March 2022 Total £000	Unrestricted Funds £000	Year Ended 31 March 2021 Total £000
<b>Income From:</b>					
Donations and Legacies	2	1,120	1,120	2,074	2,074
Other Trading Activities	3	6	6	25	25
Investments	4	866	866	862	862
<b>Total Income</b>		<b>1,992</b>	<b>1,992</b>	<b>2,961</b>	<b>2,961</b>
<b>Expenditure on:</b>					
Raising Funds	5	53	53	53	53
Investment Management Fees	5	110	110	101	101
Charitable Activities	6	1,905	1,905	1,787	1,787
<b>Total Expenditure</b>		<b>2,068</b>	<b>2,068</b>	<b>1,941</b>	<b>1,941</b>
Net Gains / (Loss) on Investments		292	292	3,601	3,601
<b>Net Income/(Expenditure)</b>		<b>216</b>	<b>216</b>	<b>4,621</b>	<b>4,621</b>
<b>Transfers Between Funds</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Recognised Gains / (Losses):</b>					
Actuarial Gains / (Losses) on Defined Benefit Pension Scheme	21	405	405	(142)	(142)
<b>Net Movement in Funds</b>		<b>621</b>	<b>621</b>	<b>4,479</b>	<b>4,479</b>
<b>Reconciliation of Funds</b>					
Total Funds Brought Forward		26,760	26,760	22,281	22,281
<b>Total Funds Carried Forward</b>		<b>27,381</b>	<b>27,381</b>	<b>26,760</b>	<b>26,760</b>

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

All income and expenditure derive from continuing activities. The notes on pages 25 to 40 form part of these financial statements.

**BALANCE SHEET AS AT 31 MARCH 2022**

COMPANY REGISTRATION No. 980025

REGISTERED CHARITY No. 261245

	NOTES	31 March 2022		31 March 2021	
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Intangible Assets	11		0		29
Tangible Assets	12		3		7
Investments: Commercial	13		25,041		23,385
Investments: Social	14		79		85
<b>Total Fixed Assets</b>			<b>25,123</b>		<b>23,506</b>
<b>Current Assets</b>					
Debtors	15	399		1,255	
Cash at Bank and in Hand		1,872		2,374	
<b>Total Current Assets</b>		<b>2,271</b>		<b>3,629</b>	
<b>Creditors</b>					
Amounts falling due within one year	16	(158)		(143)	
<b>Net Current Assets</b>			<b>2,113</b>		<b>3,486</b>
<b>Total assets less current liabilities</b>			<b>27,236</b>		<b>26,992</b>
<b>Creditors</b>					
Amounts falling due after one year	16		0		0
Defined Pension Scheme Liability	21		145		(232)
<b>Total Net Assets</b>			<b>27,381</b>		<b>26,760</b>
<b>Funds</b>					
Restricted Funds			0		0
Unrestricted Designated Funds			24,352		24,543
Unrestricted Free Funds			2,884		2,449
Pension Reserve			145		(232)
<b>Total Charity Funds</b>	18		<b>27,381</b>		<b>26,760</b>

The accounts are prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 102 and with the special provisions of Part 15 of the Companies Act relating to small companies.

Signed on behalf of the Board of Trustees and authorised for issue on 8 September 2022.



Peter McCrea FRICS FCI Arb  
Chair, Board of Trustees, LionHeart

The notes on pages 25 to 40 form part of these financial statements.

**STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Year Ended 31 March 2022	Year Ended 31 March 2021
		£000	£000
<b>Cash Flows from Operating Activities:</b>			
<i>Net Cash Provided by / (used in) Operating Activities</i>	23	(1)	(32)
<b>Cash Flows from Investing Activities:</b>			
Returns from Investments		866	862
Purchase of Property, Plant, Equipment & Intangibles		(3)	1
Proceeds from Sale of Investments		136	0
Purchase of Investments		(1,500)	0
<i>Net Cash Provided by / (used in) Investing Activities</i>		<u>(501)</u>	<u>863</u>
<b>Change in Cash and Cash Equivalents in the year</b>		(502)	828
Cash and Cash Equivalents at the 1 April 2021		<u>2,374</u>	<u>1,546</u>
<b>Cash and Cash Equivalents at the 31 March 2022</b>		<u><u>1,872</u></u>	<u><u>2,374</u></u>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting Policies

#### Charity Information

LionHeart is a registered charity (number 261245) and company limited by guarantee with no share capital, registered in England and Wales (number 980025). Its registered office and principal place of business is 55 Colmore Row, Birmingham, B3 2AA.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention, except for investments which are included at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Companies Act 2006.

The 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 notes.

#### Going Concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of LionHeart's resources and the challenges presented by the current economic climate, taking into account the impact of Covid-19, the Trustees are satisfied that the charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of the approval of the accounts.

There are no significant financial uncertainties which the Trustees consider are a significant risk to the ability of the charity to trade as a going concern in the foreseeable future.

#### Funds Structure

LionHeart has one unrestricted and undesignated fund, three designated funds and no restricted funds.

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

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.

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. Expenditure is charged to the Statement of Financial Activities when incurred.

#### Income

Donations received directly by LionHeart are accounted for on the day of receipt or when they become entitled to them. Donations collected by third parties are accounted for as cash in third parties' hands on the date of receipt by the third party. Legacies are accounted for as soon as entitlement, probability and monetary value can be established. For investments, accounting entries are based upon the quarterly returns submitted by our investment management company.

#### Expenditure and Irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable to beneficiaries are accounted for where either we have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or where any condition attaching to the grant is fulfilled.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred. Where possible costs are directly attributed to specific activities. Overhead and support costs which relate to more than one activity are apportioned between those activities.

#### **Tangible Fixed Assets and Depreciation**

All assets costing more than £1,000 are capitalised and are valued at depreciated historic cost. Depreciation is charged on fixed assets on a straight-line basis over their estimated useful life. The useful life of LionHeart's fixed assets is 3 years for office and computer equipment.

#### **Intangible Assets and Amortisation**

Intangibles are amortised over 3 years, with a full year's depreciation charged in the first year.

#### **Investments**

Investments are stated at fair value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period. The fair value of the investments is the quoted bid price.

Social Investments are loans to beneficiaries. Loans are partially provided for in case of default.

The shares in Gravesend and District Property Company Ltd are not traded on a known exchange and transactions are small. Trustees consider that the valuation of £80k is reasonable.

#### **Pensions**

LionHeart operates defined benefit and defined contribution (money purchase) schemes. Note 20 gives details of the defined benefit scheme. The calculations on the recognition of gains and losses and the notes are produced in accordance with FRS 102 requirements. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses arising are recognised immediately in the Statement of Financial Activities. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in the Statement of Financial Activities. The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations. Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

#### **Debtors**

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

#### **Cash at Bank and in Hand**

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

#### **Creditors and Provisions**

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

### Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through profit and loss, are initially recognised at transaction value and subsequently measured at their settlement value.

### Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Trustees have determined a level of provision against the loans made to beneficiaries, this is reviewed each year.

## 2. Donations and Legacies

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Donations from RICS members	683	695
Other cash donations	248	287
Donated office space	0	0
<b>Donations</b>	<b>931</b>	<b>982</b>
Legacies	179	1,082
Unrestricted grants	10	10
<b>Total</b>	<b>1,120</b>	<b>2,074</b>

## 3. Other Trading Activities

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Trading subsidiary	0	0
Lottery income	6	25
<b>Total</b>	<b>6</b>	<b>25</b>

The Lottery was discontinued June 2021.

#### 4. Investment Income

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Dividends from listed investments	676	698
Investment return	183	160
Dividends from unlisted investments	7	4
<b>Total</b>	<b>866</b>	<b>862</b>

The above figures have been amended to show investment return as income instead of as a change in market value.

#### 5. Cost of Raising Funds

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Costs of activities	1	1
Lottery costs	5	22
Staff costs	47	30
<b>Total</b>	<b>53</b>	<b>53</b>
Investment manager fees	110	101
<b>Total</b>	<b>163</b>	<b>154</b>

The Lottery was discontinued June 2021.

**6. Charitable Expenditure by Activity**

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
<b>Grant Making to Individuals</b>		
Grants approved	314	436
Staff costs	117	90
Depreciation	6	7
Other costs	0	0
Support & Governance	116	75
<b>Total</b>	<b>553</b>	<b>608</b>
<b>Advice and Beneficiary Support</b>		
Staff costs	207	224
Depreciation	11	17
Other costs	47	25
Support & Governance	205	188
<b>Total</b>	<b>470</b>	<b>454</b>
<b>Engagement and Communications</b>		
Staff costs	193	162
Depreciation	10	12
Other costs	96	6
Support & Governance	182	135
<b>Total</b>	<b>481</b>	<b>315</b>
<b>Workshops and Webinars</b>		
Staff costs	155	195
Depreciation	9	14
Other costs	65	38
Support & Governance	173	163
<b>Total</b>	<b>402</b>	<b>410</b>
<b>Total</b>		
Grants approved	314	436
Staff costs	671	671
Depreciation	36	50
Other costs	208	69
Support & Governance	676	561
<b>Total</b>	<b>1,905</b>	<b>1,787</b>

All expenditure is from unrestricted funds. Support & Governance costs are also shown in note 7.

**7. Analysis of Support and Governance Costs**

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
<b>Grant Making to Individuals</b>		
Staff costs	55	30
Consultancy	5	3
Information and technology costs	21	15
Other costs	18	13
Governance	17	14
Total	<u>116</u>	<u>75</u>
<b>Advice and Beneficiary Support</b>		
Staff costs	97	74
Consultancy	9	7
Information and technology costs	37	37
Other costs	33	34
Governance	29	36
Total	<u>205</u>	<u>188</u>
<b>Engagement and Communications</b>		
Staff costs	86	54
Consultancy	8	5
Information and technology costs	33	26
Other costs	29	24
Governance	26	26
Total	<u>182</u>	<u>135</u>
<b>Workshops and Webinars</b>		
Staff costs	82	65
Consultancy	7	6
Information and technology costs	31	32
Other costs	28	29
Governance	25	31
Total	<u>173</u>	<u>163</u>
<b>Total</b>		
Staff costs	320	223
Consultancy	29	21
Information and Technology Costs	122	110
Other costs	108	100
Governance	97	107
Total	<u>676</u>	<u>561</u>

All allocations are based on staff numbers.

**8. Net income is stated after charging the following:**

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Depreciation	36	50
Auditor's remuneration	14	13
	36	50

**9. Employees**

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Staff costs comprise:		
Salaries	889	833
Social security costs	85	72
Other pension contributions	130	108
Total	1,104	1,013

All expenditure is from unrestricted funds.

The average number of employees during the year was 28 (2020/21 26). Full time equivalents were 24.4 (2020/21 23.3).

One employee earned emoluments in excess of £60,000 in the year (2020/21 1) this was in the band £80,001 to £90,000 (2020/21 £80,001 to £90,000). Pension contributions of £8k were made for this employee (2020/21 £8k).

Key management personnel of the charity are those having authority and responsibility delegated to them by the Trustees for planning, directing, and controlling the activities of the charity. The total employee benefits of the key management personnel of the charity were £211k (2020/21 £203k). No termination payments were made in the year (2020/21 nil).

**10. Trustees' and Co-Opted Members' Remuneration and Expenses**

The Trustees and co-opted committee members received no remuneration during the year (2020/21 nil). Some of the Trustees and co-opted members claim travelling and subsistence expenses and during the year a total of £2,174 was paid to 8 Trustees and co-opted committee members (2020/21 £147 to 2).

**11. Intangible Fixed Assets**

	Year ended 31 March 2022 £000 Software Development
<b>Cost</b>	
At 1 April 2021	88
Additions	0
Disposals	0
At 31 March 2022	<u>88</u>
<b>Depreciation</b>	
At 1 April 2021	59
Disposals	0
Charge for year	29
At 31 March 2022	<u>88</u>
<b>Net book value</b>	
At 31 March 2022	<u>0</u>
At 31 March 2021	<u>29</u>

**12. Tangible Fixed Assets**

	Year ended 31 March 2022 £000 Office Equipment
<b>Cost</b>	
At 1 April 2021	62
Additions	3
Disposals	(2)
At 31 March 2022	<u>63</u>
<b>Depreciation</b>	
At 1 April 2021	55
Disposals	(2)
Charge for year	7
At 31 March 2022	<u>60</u>
<b>Net book value</b>	
At 31 March 2022	<u>3</u>
At 31 March 2021	<u>7</u>

**13. Fixed Asset Investments**

	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>£000</b>	<b>£000</b>
<b>Quoted securities at fair value</b>		
Sarasin Endowment Fund	24,961	23,189
<b>Unquoted securities at fair value</b>		
Gravesend and District Property Company	80	196
<b>Total commercial investments</b>	<b><u>25,041</u></b>	<b><u>23,385</u></b>

**14. Social Investments**

	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>£000</b>	<b>£000</b>
<b>Interest free loans with no fixed repayment date, made to beneficiaries</b>		
Loans outstanding at 1 April	221	228
Loans repaid during the year	<u>(11)</u>	<u>(7)</u>
Loans outstanding at 31 March	<u>210</u>	<u>221</u>
<b>Provision for bad debts on loans</b>		
Provision at 1 April	(136)	(136)
Provision released in the year	5	0
Provision at 31 March	<u>(131)</u>	<u>(136)</u>
Net loans outstanding as at 31 March	<u>79</u>	<u>85</u>

**15. Debtors**

	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>£000</b>	<b>£000</b>
Taxation recoverable	44	64
Prepayments and accrued income	251	1,052
Other debtors	<u>104</u>	<u>139</u>
<b>Total</b>	<b><u>399</u></b>	<b><u>1,255</u></b>

**16. Creditors**

	31 March 2022 £000	31 March 2021 £000
Trade creditors	36	9
Grant commitments	54	73
Accruals	44	40
Taxation and social security	22	20
Other creditors	2	1
<b>Total</b>	<b>158</b>	<b>143</b>

	31 March 2022 £000	31 March 2021 £000
Balance 1 April 2021	73	79
Additions	309	436
Paid	(328)	(442)
<b>Balance 31 March 2022</b>	<b>54</b>	<b>73</b>

## 17. Net Assets

	31 March 2022 Unrestricted £000	31 March 2022 Total £000	31 March 2021 Unrestricted £000	31 March 2021 Total £000
Fixed assets	3	3	36	36
Investments	25,120	25,120	23,470	23,470
Net current assets	2,113	2,113	3,486	3,486
Provisions	145	145	(232)	(232)
<b>TOTAL</b>	<b>27,381</b>	<b>27,381</b>	<b>26,760</b>	<b>26,760</b>

## 18. Movement in Funds in the Year

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance at 31 March 2022 £000
Free reserves	2,449	1,992	(2,005)	448	0	2,884
Income fund	23,307	0	0	(250)	292	23,349
Development fund	1,200	0	0	(200)	0	1,000
Pension reserve	(232)	0	(28)		405	145
Fixed asset fund	36	0	(35)	2	0	3
Restricted fund	0	0	0		0	0
<b>Total</b>	<b>26,760</b>	<b>1,992</b>	<b>(2,068)</b>	<b>0</b>	<b>697</b>	<b>27,381</b>

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance at 31 March 2021 £000
Free reserves	2,827	2,961	(1,877)	(1,462)	0	2,449
Income fund	17,844	0	0	1,862	3,601	23,307
Development fund	1,600	0	0	(400)	0	1,200
Pension reserve	(75)	0	(15)		(142)	(232)
Fixed asset fund	85	0	(49)		0	36
Restricted fund	0	0	0		0	0
<b>Total</b>	<b>22,281</b>	<b>2,961</b>	<b>(1,941)</b>	<b>0</b>	<b>3,459</b>	<b>26,760</b>

### Designated Funds

The Income Fund has been designated by the Trustees to provide future income for the charity to continue its activities indefinitely.

The Development Fund was set up in 2019 to utilise some reserves to facilitate funding the objectives of the five-year strategy. Monies were transferred from the Income Fund for this.

The Pension Reserve has been designated by the Trustees to set aside funds against the deficit on the defined benefit pension scheme.

The Tangible Fixed Asset Fund has been designated by the Trustees to set aside funds for the future depreciation on fixed assets.

### Restricted Fund

There are currently no restricted funds.

### Transfers Between Funds

Funds have been transferred to (from) free reserves to match the necessary levels of designated funds and to the tangible fixed asset fund to match the future depreciation commitment.

## 19. Commitments Under Operating Leases

At 31 March 2022, the charity had one operating lease with a commitment of £32k within one year (2021 £43k) and £0k greater than one year, but less than five years (2021 £32k).

## 20. Capital Commitments

At 31 March 2022, the charity had no capital commitments (2021 £nil).

## 21. Staff Pension Schemes

Three current employees are members of the Local Government Pension Scheme which is administered by the London Pensions Fund Authority. There are also two pension members and a further three deferred members. The Local Government Pension scheme is a defined benefit (final salary) scheme. LionHeart as the employer, although not a local authority, is classified as an admitted body into the scheme. LionHeart has no influence over how the scheme operates or its investment performance. Contribution levels are set by reference to actuarial assessments that are formally reviewed by the LPFA every three years. Pension costs are accounted for on the basis of spreading the cost of pensions over employees' working lives with LionHeart. The scheme was closed to new members on 9 December 2010. Following this date new employees are offered a contribution to stakeholder pension plans. The current pension offered is operated by Royal London.

The Financial Reporting Standard 102 (FRS 102) disclosures are provided by the London Pensions Fund Authority (LPFA) on an agreed statutory basis over which LionHeart has no control. The methodology and assumptions prescribed for the purposes of FRS 102 mean that the disclosures will be inherently volatile, varying greatly according to investment market conditions at each accounting date.

FRS 102 requires disclosure of the charity's share of the assets and liabilities of the LPFA defined benefits scheme. A qualified independent actuary, appointed by LPFA, has made a valuation on 31 March 2022 based on the following assumptions:

Assumed life expectations from age 65 are:

		<b>31 March 2022</b>	<b>31 March 2021</b>
Life expectancy from age 65 (years)			
Retiring today			
	Males	23.6	23.5
	Females	23.6	23.6
Retiring in 20 years			
	Males	23.4	23.4
	Females	25.9	25.8

We have also assumed that:

- members will exchange half their commutable pension for cash at retirement
- members will retire at one pension age for all tranches of benefit, which will be the pension weighted average tranche retirement age

The financial assumptions used to calculate the results are as follows:

	<b>31 March 2022</b>	<b>31 March 2021</b>
Financial assumptions	% pa	% pa
Discount rate	2.60%	1.95%
Pension increases	3.25%	2.85%
Salary increases	4.25%	3.85%

Based on these assumptions the LPFA actuary values the charity's share of the funds is as follows:

	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>£000</b>	<b>£000</b>
Fair value of charity's share of the funds' assets	2,404	2,057
Present value of the defined benefit obligation	(2,259)	(2,289)
Charity's share of the funds' net deficit	<u>145</u>	<u>(232)</u>
	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>£000</b>	<b>£000</b>

The analysis of the assets of the scheme is as follows:

Equities	1,368	1,118
Target return funds	518	484
Infrastructure	245	174
Property	216	187
Cash	57	94
<b>Total</b>	<u><b>2,404</b></u>	<u><b>2,057</b></u>

Reconciliation of defined benefit obligation:

Opening defined benefit obligation	2,289	1,853
Current service cost	47	38
Interest cost	44	43
Contributions by members	7	7
Estimated benefits paid, net of transfers in	(22)	(67)
Change in financial assumptions	(110)	455
Experience gain / (loss) on defined benefit obligation	4	(21)
Past service costs including curtailments	0	0
Change in demographic assumptions	0	(19)
<b>Closing defined benefit obligation</b>	<u><b>2,259</b></u>	<u><b>2,289</b></u>

**Reconciliation of fair value of employer assets:**

Opening fair value of employer assets	2,057	1,778
Interest on assets	40	41
Contributions by members	7	7
Contributions by employer, including unfunded	26	27
Return on assets less interest	299	273
Administration expenses	(3)	(2)
Estimated benefits paid plus unfunded transfers in	(22)	(67)
Other actuarial gains	0	0
<b>Closing fair value of employer's assets</b>	<b>2,404</b>	<b>2,057</b>

The total return on fund assets for the year to 31 March 2022 was £339k (2020/21 £314k).

**Amounts recognised in the Statement of Financial Activities in respect of defined benefit schemes are as follows:**

	<b>Year ended 31 March 2022 £000</b>	<b>Year ended 31 March 2021 £000</b>
Service cost	44	49
Net interest on the defined liability	(4)	4
Administration expenses	3	3
<b>Total loss / (profit)</b>	<b>43</b>	<b>56</b>

**Remeasurements in other comprehensive income:**

	<b>Year ended 31 March 2022 £000</b>	<b>Year ended 31 March 2021 £000</b>
Remeasurement of the net assets / (defined liability)		
Return on Fund assets in excess of interest	299	273
Other actuarial gains / (losses) on assets	0	0
Change in financial assumptions	110	(455)
Change in demographic assumptions	0	19
Experience gain / (loss) on defined benefit obligation	(4)	21
Changes in effect of asset ceiling	0	0
<b>Remeasurement of the net assets / (defined liability)</b>	<b>405</b>	<b>(142)</b>

**Projected pension expense for the period to 31 March 2023**

Analysis of projected amount to be charged to the statement of financial activities for the year to 31 March 2023:

	1 April 2022 to 31 March 2023 £000
Service cost	44
Net interest cost	(4)
Administration expenses	3
<b>Total charge</b>	<b>43</b>
Estimated employer's contributions	<b>26</b>

**22. Related Party Transactions**

No related party transactions have been identified in the year.

**23. Reconciliation of Income / (Expenditure) to Net Cashflow from Operating Activities**

	Year Ended 31 March 2022 £000	Year Ended 31 March 2021 £000
<b>Net income / (expenditure) for the year</b>	<b>216</b>	<b>4,621</b>
Depreciation and amortisation	36	50
Disposal of social investment	11	7
(Gains) / losses on investments	(292)	(3,601)
Change of provision - bad debts	(6)	
Defined benefit pension scheme adjustment	28	15
Returns on Investments	(866)	(862)
(Increase) / decrease in debtors	857	(217)
Increase / (decrease) in creditors	15	(45)
<b>Net cash provided by / (used by) operating activities</b>	<b>(1)</b>	<b>(32)</b>

## 24. Financial Instruments

	31 March 2022 £000	31 March 2021 £000
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	25,041	23,385
Financial assets that are debt instruments measured at amortised cost	2,306	3,650
	<u>27,347</u>	<u>27,035</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(158)</u>	<u>(143)</u>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed and unlisted securities.

Financial assets measured at amortised cost comprise cash at bank, other debtors, and accrued income.

Financial liabilities measured at amortised cost comprise grant commitments, accruals, and other creditors.

The charity's income, expense, gains, and losses in respect of financial instruments are summarised below:

	31 March 2022 £000	31 March 2021 £000
Total investment income for financial assets measured at fair value through income and expenditure	866	862
Net gains on financial assets measured at fair value through income and expenditure	292	3,601
	<u>          </u>	<u>          </u>

## 25. Reconciliation of Net Debt

	1 April 2021 £000	Cashflows	31 March 2022 £000
Cash	2,374	(502)	1,872
Finance lease obligations	0	0	0
Total	<u>2,374</u>	<u>(502)</u>	<u>1,872</u>

**THE ROYAL INSTITUTION OF CHARTERED SURVEYORS' BENEVOLENT FUND LIMITED**

England & Wales - Charity number 261245

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# Accounts

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The Royal Institution of Chartered Surveyors Benevolent Fund Limited  
(A Charitable Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR FROM 1 APRIL 2020 TO 31 MARCH 2021**

Company Number: 980025

Charity Number: 261245

**The Royal Institution of Chartered Surveyors Benevolent Fund Limited**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR FROM 1 APRIL 2020 TO 31 MARCH 2021**

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## CHAIR'S FOREWORD

LionHeart's year to March 2021 was, like those of many other organisations, unprecedented in the history of the charity. The office was shut down by the Covid-19 outbreak, but by strong teamwork between the Board, the senior leadership team, and our superbly resilient staff, we not only maintained "business as usual", but indeed expanded our output in many areas to cope with increased demand.

We very much took the view that if ever there was a period that we would need to be there for the surveying family, this was it. As one grateful beneficiary put it – "LionHeart always has your back". Indeed so. Strategically, we continued our progress on our five-year plan. Naturally, some areas were affected by the complete dearth of "live" conferences, but other areas, particularly our online offer and virtual events continued, and even thrived.

At Board level, I was delighted that we were extremely successful in our aim to diversify the board, in which women now outnumber men. Amy Leader FRICS, Diane Dumashie FRICS, Shashi Sharma FCA and Philippa Sampson-Bancroft MRICS were appointed to the Board in March, with Shashi joining Honorary Treasurer James Williamson as the second non-surveyor Trustee. Amy and Diane bring senior-level experience, with Diane offering an international perspective, while Philippa provides much-needed insight into public sector surveying and has strong governance experience. It is to the credit of all four of them that they hit the ground running, despite only having met some of us online.

I must thank our senior leadership team, headed up of course by our CEO Davina Goodchild who has provided reassuring and level-headed direction in very challenging circumstances. Tight financial stewardship, under the leadership of our Head of Finance and Corporate Services Jane Lucas, has again returned a positive balance for the year. Our Head of Operations Juliet Smithson ensured that our client-facing operations were maintained during exceptional circumstances, while ensuring the well-being of our staff team, of whom I thank each and every one for keeping the show on the road from their kitchens and spare rooms.

As last year, I would conclude by thanking the wider LionHeart team – ambassadors, co-opted committee members, donors and supporters – for everything they have done in the last 12 months. Together, all of us have ensured that LionHeart has been there when needed. Cometh the hour, cometh the charity.



Peter McCrea FRICS FCIArb  
Chair, Board of Trustees, LionHeart

## **STRATEGIC REPORT 2020/21**

This was the second year of a five-year strategy which aims to dramatically increase awareness of and engagement in LionHeart with the Royal Institution of Chartered Surveyors (RICS) professionals around the globe.

There have been no changes to our vision, mission and values which remain as follows:

Our vision is to ensure that everyone in the RICS community has access to confidential, practical support.

Our mission is to deliver advice that matters and support that counts; personal, flexible support for all RICS professionals and the people they love to help them overcome life's unexpected challenges.

Our values are:

- Integrity
- Compassion
- Professionalism
- Flexibility

Our five strategic priorities are:

- Building Awareness – so that all RICS professionals know of LionHeart, understand its role and have pride in association with it
- Developing Engagement – so that the RICS world is interested and engaged in LionHeart's story, services and activities and takes opportunities to get involved
- Global Development – to provide a truly global offer with services and products meeting the needs of each RICS world region
- Service Development and Delivery – to deliver a validated range of services meeting an increased demand with demonstrable impact on the wellbeing of RICS professionals
- Organisational Development – to be an organisation that punches above its weight and achieves incredible results through delivery of its strategy

### **Impact of Covid on LionHeart Strategy and Operations**

LionHeart was in a strong position to be able to respond quickly and effectively to the impact that Covid has had on the lives of RICS professionals and their families. We were already using Microsoft Teams and had many members of staff regularly working from home. We were therefore able to move seamlessly to working from home immediately from the first lockdown and have been doing so since.

Emergency board meetings were held to ascertain whether we needed to alter any of our Grant Criteria or Guidelines or services policies in order to ensure we were able to support those affected by the pandemic and concluded that no change was needed.

As we were not able to provide in person workshops, we moved all of our training online and developed a suite of new webinars to be delivered globally, including a number specifically dealing with the impact of the pandemic.

All of our other services were able to run effectively as normal and there was no disruption to our service.

## **Operational Management**

We have continued with our development of a full set of work plans that operationalise the Strategic Plan and link delivery to KPIs. Every member of the LionHeart staff team contributes to at least one of the work plans. All managers have been empowered to manage their own budget aligned to the work plans. Everyone has regular supervision that focuses on the delivery of work plans. In this way we ensure that our focus is upon the delivery of the Strategic Plan.

The values of the organisation: Flexibility, Compassion, Professionalism and Integrity are central to our operations and are discussed at meetings and within individual supervision sessions. This year we have developed guidance for behaviours linked to values to help team members identify where and when they can demonstrate our values in their roles.

## **Digital Transformation**

We have made significant progress towards our planned digital transformation this year including enhancements to our Microsoft Dynamics systems covering our CRM and finance system. PowerBI is now an integral part of our reporting. At the time of writing, we are developing our use of PowerBI further along with the use of other Microsoft 365 systems for better collaboration.

This progress will provide a quicker, more empowering IT solution for all staff; giving them the tools they need to do their job wherever they are without needing to ask others for information or access.

## **A Great Place to Work**

Despite the pandemic we have ensured that all members of staff have prioritised the wellbeing of the staff team. We asked for feedback on the effect of the pandemic on their wellbeing regularly through the use of an anonymous all staff survey. We were able to respond flexibly to employees who had children at home and made sure that every member of staff had the right equipment at home to enable them to work safely.

We provided essential training for all members of the staff team this year. Training covered the following areas:

- Safeguarding adults
- Fraud awareness
- GDPR and cyber security
- Equality, diversity and inclusion and unconscious bias
- Bullying and harassment
- Health and safety (including workstation safety and advice on working from home)

## **Engagement**

We had another fantastic year in terms of engagement. Our social media audience has continued to grow as our warm and inclusive tone resonated well with a profession under pressure due to the pandemic. Our partnership with Estates Gazette continued to provide us with opportunities to provide excellent content that illuminates the issues that are affecting the sector. We also collaborated on a new mental health platform for the profession. Engagement during the pandemic has been online only but we adapted quickly to this and have established new ways of engaging audiences with refreshed presentations and new video offerings.

Our team of dedicated volunteer ambassadors was enlarged to include a new global network to help us reach the worldwide community of RICS professionals and ambassadors for those members embarking upon the assessment for chartered status. We are ambitious to develop our engagement further, but we are extremely pleased to be building on a successful first year with excellent progress in our second year.

Raising awareness and developing services outside of the UK has remained a priority. The Covid-19 pandemic prevented us from undertaking our trips to Hong Kong and Dubai to carry out research and engage with RICS

professionals there, however, plans are well underway for online focus groups in both locations. This research will inform our plans for developing a presence in both Hong Kong and Dubai.

### **Developing Services**

As the world moved online due to the Covid-19 pandemic, we reviewed our services offer and introduced a number of new webinar resources to respond to the new challenges faced by RICS professionals. These included new financial webinars and additional content to support those made redundant due to the changes in the industry. In response to evidence from our helpline we also developed a specification for a counselling service for 11-25s and this will be piloted during 2021/22.

We delivered the following results during the year:

- 243 webinars, an increase of 117%
- 5,576 webinar attendees, an increase of 318%
- 244 new people were helped and supported
- We provided counselling to 115 people
- We welcomed a further 3 organisations to our corporate partnership project
- Our social media audience increased by over 32%
- We recruited 14 new volunteer ambassadors, available to speak of their lived experience and to promote LionHeart within the profession

### **Becky's Story**

Becky, a chartered surveyor in her 20s from London, found herself without a job when the coronavirus pandemic hit. She got in touch with LionHeart in April 2020, in the unfortunate position of having left one job but due to start a new one a few weeks later in May.

Unfortunately, her new company then withdrew the job offer, leaving her ineligible for government furlough support and without any income at all until she could claim benefits some weeks later. As well as a monthly grant and regular telephone support from a LionHeart support officer, Becky was also referred to our legal helpline for some initial advice on employment contract law.

Struggling mentally with her situation through lockdown and feeling anxious about her future, Becky also took up some counselling. As she began to look for new job opportunities, she also had some sessions with one of our external employment partners, who helped her revamp her CV and prepare to enter the jobs market at an uncertain time. Becky said: "LionHeart has been the greatest support during my time of need. The counselling service was outstanding, especially during the lockdown period. In addition, the financial aid given to me helped me with my living expenses while I was looking for work." Less than six months later, Becky started a new surveying job and was back in the workplace looking forward to a more secure future.

### **David's Story**

Having often made donations to LionHeart over the years, Kenyan chartered surveyor and businessman David never dreamt he might one day be in a position where he would need our help himself. However, when the coronavirus pandemic hit, he found himself in a precarious position and not sure if his social housing enterprise would survive the hurdle.

He said: "With Covid coinciding with a few business and personal situations, life became challenging financially and I found myself in my most vulnerable financial position ever."

David got in touch with LionHeart, and our financial support officer guided him through the process to apply for a monthly grant to help him cover his basic outgoings and keep his family home. He said: “This top-up ensured I could focus on sorting out the problems rather than the stresses of losing my home. It allowed me to focus on keeping the business afloat and on surviving through to 2021. “Without these funds I don’t think I could have pushed through this, but we have now stabilised the social enterprise, kept all the team working and at least some income.

“A huge thank you to LionHeart and the team. Your support officer was supportive, relaxed and easy to open up to; just what was needed and so reassuring during the difficult times.”

### **Rob’s Story**

A freak accident at home left quantity surveyor Rob paralysed from the chest down at the age of 58.

The widowed dad-of-four suffered a severe spinal cord injury when low blood pressure caused him to faint and fall awkwardly at his home. After undergoing surgery, he was transferred to a rehab centre, but it was clear the house he shared with his three sons would need extensive adaptations in order to make it safe and comfortable for him. Rob was offered help from UK trades charity Band of Builders, which arranged for a makeover force of 60 trades volunteers to carry out work to adapt his home.

A LionHeart support officer liaised with Rob’s family and Band of Builders to work out how we could contribute and help reunite Rob with his family after the life-changing accident. Through our one-off grants programme, we paid for accessible appliances in his new specially-adapted kitchen, with other construction materials and fittings donated by local firms. Now back at home with his sons and learning to rebuild his life, Rob said the combined efforts had left him “simply speechless”.

### **OUR PLANS FOR 2021/22**

Our ambitious strategy is all about increasing the numbers of RICS professionals and their families that utilise our services, whether those be our workshops and webinars or our helpline and support services, including grants and counselling. In order to achieve our aims, we are investing in the organisation and the team will continue to grow over the next three years.

During 2021/22 we will continue to deliver IT solutions to improve effectiveness and efficiency. As a more digitally focused organisation we will take advantage of quicker, online access to services for ourselves and the people we help. We will enhance analysis and understanding of our impact, ensure better integration across all of our communication platforms, and continued data protection compliance.

We will deliver an awareness campaign in order to enable all RICS professionals globally to sign up to receive information directly from LionHeart; this will enable us to reach out to more RICS professionals and their families with our excellent services. Through this raised awareness we aim to further increase the numbers of people we help, the number of people attending our webinars, the number of people donating and the number of people in receipt of other services such as counselling. In addition to this we will review and improve our impact monitoring and reporting processes in order to better demonstrate the positive impact of our work.

**Davina Goodchild CMgr FCMI**  
**Chief Executive**

## **TRUSTEES' REPORT**

The Board of Trustees present their combined annual report for the year from 1 April 2020 to 31 March 2021 prepared in accordance with the Companies Act 2006 and the Charities Act 2011, together with audited financial statements for the year.

### **Public Benefit**

The Trustees have read and understood the Charity Commission guidance on public benefit. They consider that LionHeart, a registered charitable company whose charitable purpose as defined within the Charities Act 2011 are for the relief and prevention of poverty, demonstrates its public benefit by providing financial help and other assistance to past and present RICS members and their dependants (and past members of organisations that have merged with the RICS and their dependants) and RICS staff who have experienced difficulties in their lives. The RICS is the leading professional body for the property sector and membership is open to those who meet defined educational and professional practice standards. The number of people that could potentially ask for help is in excess of 500,000. All assistance is provided at the discretion of Trustees of the charity, after careful consideration of the circumstances and the needs of the applicant.

## **OBJECTS AND PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE PUBLIC BENEFIT**

### **Reference and Administrative Details**

The Royal Institution of Chartered Surveyors Benevolent Fund Limited, known as LionHeart, is registered as a charity in England with the registration number of 261245. It is also a company limited by guarantee and not having a share capital. The company is registered in England with the registration number 980025.

The principal office of the charity and its registered office is 55 Colmore Row, Birmingham B3 2AA. Its website is [www.lionheart.org.uk](http://www.lionheart.org.uk)

The present Trustees and any past Trustees who served during the period are shown on page 15 together with the names of the senior executive staff on page 16. The professional advisors to the charity are set out on page 16.

### **Charitable Objective**

The declared object of LionHeart is to provide assistance to past and present members of the Royal Institution of Chartered Surveyors and their dependants who experience difficulties in their lives. Assistance is typically given in cases of physical or mental ill health, unemployment, accident or disability, family separation, difficulties in retirement or returning to work and adverse economic conditions although LionHeart will assist with any problem, where possible.

### **Delivery of Charitable Objective**

LionHeart delivers its charitable objective through the work of two teams – the Partnership and Engagement Team and the Support Services Team.

The Partnership and Engagement Team offer a suite of workshops, webinars and awareness-raising sessions on subjects of interest to RICS professionals, all designed to help increase wellbeing, health and happiness. Workshops are developed in response to RICS professionals' needs which are assessed via our regular surveys and feedback from the people we help.

The Support Services Team provide advice that matters and support that counts. Their expert advice helps prevent life's challenges from becoming life's crises, and our confidential, practical support helps people overcome those challenges. We provide the following services but everyone who calls is treated as an individual and, as such, our response is 'made to measure':

- Regular grants to help with general living costs, in certain circumstances
- One-off grants to deal with an emergency or unexpected difficulties
- Professional counselling
- Support and advice on a range of issues including stress and wellbeing
- Coaching
- Practical help and advice to help unemployed chartered surveyors get back into work
- Legal advice
- Debt advice and practical support

All of the help offered is person centred with each person being supported by a bespoke set of services and solutions according to their individual circumstances. Grants are usually made to individuals with a maximum time limit of 24 months.

### **Grant Making Policy**

The Board of Trustees annually review and update the guidelines used by the Support Services Team to establish whether or not we are able to help an individual financially. The guidelines are reviewed to take into account changes to the general cost of living, social security benefit rates and other support for those not working. Support Team decisions regarding individual grants are audited by Trustees twice a year.

### **Covid-19**

The shadows of Covid-19 were felt across the world and the impact of the pandemic on surveyors and their families accounted for almost 30% of all calls made to the LionHeart helpline. People felt the effects of the virus in different ways. There was, of course, a pressing and immediate need for financial support for those who lost their jobs or business income due to Covid, and from April to June we saw applications for grants increase by 100%. Almost a third of all grants made during the year were attributable in some way to coronavirus.

As well as financial support to help bridge the gap during this challenging time, anxiety and uncertainty also took its toll. We saw a rise in demand for counselling and emotional support as well as a huge jump in requests for legal advice. Around two thirds of all the legal queries we received related to employment law, as many faced furlough and possible job loss, with a world of work that suddenly looked very different.

LionHeart moved to fully remote working and continues to support the surveying community with enhanced online provision including webinars specifically commissioned to inform and support surveyors and their families with the new challenges that they are facing. We have continued as usual to provide our helpline and other frontline support services such as financial grants and counselling. Our investment in flexible and agile working for all staff means we continue to be in a very good position to maintain and enhance our services without interruption.

A fifth of those who called us due to Covid received additional support including counselling or coaching, while 45% received ongoing support from the LionHeart staff team. Altogether, almost 9 in 10 received at least one service from us following their initial call to the helpline. Face to face training and workshops had to be put on hold, we also offered an expanded programme of webinars to support people's wellbeing and personal development, delivering almost 250 online sessions across the year for individuals and partner firms, with thousands of attendees.

Financial grants continue to be available, and we recognise that the impact of this virus will continue to be felt during 2021 and beyond. The needs of the community we are supporting will continue to change and LionHeart is committed to flexibility in responding to new requirements as they arise.

## FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Income for the year was £2,961k. Our overall expenditure was £1,941k and there was increased activity and development of our services in accordance with the five-year strategy. Income was higher than budgeted due to donors leaving substantial legacies to LionHeart. Trustees are aware of another legacy due to LionHeart but are awaiting confirmation of the value. We are always grateful to RICS members and their families who choose to remember us in this way. Income from donations with subscriptions was slightly down compared to the previous year. Due to changes in delivery of services and less travelling in 2020/21 our expenditure was lower than we had budgeted with delivery of services being achieved remotely.

The net funds of LionHeart increased over the year with both income and expenditure being slightly better than our expectations and there was a gain investment of £3.601m, recovering all losses from the previous year. Our investments are made with a long-term view, and short-term fluctuations are expected.

Overall, the financial position of LionHeart remains strong, with free reserves at a level required by our reserves policy, and investments maintaining levels required to ensure our long-term growth and sustainability.

## FINANCIAL MANAGEMENT POLICIES

### Reserves

#### 1. Free Reserves

These 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. They are intended to facilitate running costs of the charity and provide necessary cashflow from funds that are not invested.

The free reserves at the end of the year are £2,449k, a decrease on the previous year, 2019/20 £2,827k. They are at the target level of free reserves and are intended to cover a year's expenditure.

Trustees aim to secure an income fund which provides cover for expenditure to give less short-term reliance on fluctuating sources of income such as legacies and donations.

#### 2. Designated Funds

These comprise unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are explained in the notes to the accounts.

The designated funds at the end of the year total £24,253k (2019/20 £19,529k). These funds are made up as follows:

	£000
Income Fund	23,307
Development Fund	1,200
Fixed Asset Fund	36
Total	<u>24,543</u>

The Development Fund was set up in 2019 to utilise some reserves to facilitate funding the objectives of the five-year strategy. Monies are transferred to ensure that the balance remains appropriate for delivery of the strategy in line with agreed plans.

### **3. Restricted Fund**

These arise where donors express a restriction on the purposes to which a gift may be applied. The restricted fund at the end of the year is £nil (2019/20 £nil).

### **4. Pension Reserve**

The pension reserve at the year end is a deficit of £232k (2019/20 deficit of £75k).

In general, participating in a defined benefit pension scheme means that the employer is exposed to a number of risks:

- Investment risk. The fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges
- Interest rate risk. The fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the fund holds assets such as equities the value of the assets and liabilities may not move in the same way
- Inflation risk. All of the benefits under the fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks

### **Going Concern**

LionHeart has net assets of 2020/21 £26,760k (2019/20 £22,281k), and this includes managed investments of £23,189k (2019/20 £19,587k). Investment income in 2020/21 was £862k (2019/20 £858k). Donations from RICS members totalled £695k (2019/20 £801k).

We use a specialist investment management company to manage and safeguard the investments, and their track record in growing the portfolio and at the same time minimising risk has been in line with market trends.

We consistently receive significant income from RICS members. We regularly review all sources of income, to improve the service and expand the client base. In the light of Covid-19 we have reassessed these and considered the potential impact. These measures together with our asset base provides appropriate confidence of LionHeart's going concern capability.

## **INVESTMENT POLICY AND PERFORMANCE**

### **Principal Investment Objective**

The investment objective is to grow the income and capital returns in the long term for invested funds. The assets should be managed to at least maintain the real capital value of the portfolio, whilst generating a sustainable level of investment income to support current charitable activities, having regard to the charitable nature of the funds and to the Trustees' responsibility to avoid unacceptable risks.

### **Investment Policy Statement**

The charity's investment policy was reviewed in 2019.

### **Review of Fund Managers**

The charity formally reviews its managers on a regular basis at least five-yearly. Their performance was reviewed in 2019 found to be satisfactory and the appointment continues. There will be a formal review during 2022.

## COMMERCIAL INVESTMENTS

LionHeart has a number of quoted commercial investments, which are held within two distinct portfolios managed by Sarasin & Partners. Sarasin & Partners LLP are professional fund managers and operate subject to constraints specified by the Investment Committee regarding objective, benchmark, risk profile, maximum size of individual underlying security and reporting.

The two investment portfolios are divided between a long-term fund, invested solely in the Sarasin Endowments Fund, and a medium-term fund, which is predominantly invested in the Sarasin Income & Reserves Fund.

### Long-term Portfolio - Sarasin Endowments Fund

The benchmark for the fund, as of 1 February 2020 is: MSCI UK IMI (Net Return) GBP (20%), ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI AC World ex UK (Local Currency) (GBP) (10%), MSCI AC World ex UK (Net Total Return) (40%), UK Cash LIBOR 1 Month (Total Return) (10%).

The investment portfolio achieved a return of 25.4% against the composite benchmark return of 25.5% (2019/20 -1.5% against a benchmark of -5.1%).

### Medium-term Portfolio – Sarasin Income & Reserves Fund

The benchmark for the fund, as of 1 February 2020 is: MSCI UK IMI (Net Return) GBP (10%), ICE BofAML Sterling Corporate (30%), ICE BofAML UK Gilts All Stocks (35%), MSCI AC World ex UK (Net Total Return) (10%), UK Cash LIBOR 1 Month (Total Return) (15%).

The investment portfolio achieved a return of 7.0% against a composite benchmark return of 6.7% (2019/20 2.7% against a benchmark of 2.5%). The Trustees decided to hold cash in anticipation of an increase in grants due to the Covid-19 pandemic, recognising that there would be a short term effect on the return of the portfolio. The return of the underlying Sarasin Income & Reserves Fund was 8.7% over the same period.

## Reporting

Income reports and valuations are produced for the two portfolios on a monthly basis and full reports with economic outlook, quarterly. The quarterly reports are circulated to members of the Investment Committee. Sarasin & Partners fund managers attend two Investment Committee meetings each year in addition to the September Board of Trustees meeting.

## Socially Responsible Investment Policy and Corporate Governance Policy

- There will be no holdings in companies with exposure to the production of tobacco or tobacco-related manufacturing
- The fund will also avoid investment in companies that earn a material portion of their revenue from alcohol manufacture, armaments, gambling and pornography
- All externally managed funds are screened on initial purchase and reviewed regularly to ensure that they adhere to these rules
- The fund publishes a regular sustainability audit of its investments and is active in voting on company resolutions. Where necessary, the firm will engage in direct dialogue with investee companies, policy makers and governing bodies in order to drive positive change

## Unquoted Investments

LionHeart has one unquoted commercial investment; a holding of 104,960 ordinary shares in the Gravesend and District Property Company gifted to the charity as part of a legacy. The shares are not easily marketable, and the Trustees have decided to retain some of them but have also looked at the possibility of selling some.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Statement of Trustees' Responsibilities, Corporate Governance and Risk Management**

#### **Board of Trustees**

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

Company law requires the Board of Trustees to prepare financial statements for each financial period which give a true and fair view of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Board of Trustees are required to:

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

The Board of Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

LionHeart, in preparing these accounts, has complied with current statutory requirements and its Memorandum and Articles of Association and has adopted, in full, the provisions of SORP 2015 for Charities. The Trustees consider that the charity is adequately funded to meet its current obligations.

The charity is governed by its Articles of Association, these require that the number of elected members of the Board of Trustees be not less than 8 or more than 18. The President of the RICS is Patron of LionHeart during their year of office. All Trustees serve for a term of three years upon which they are eligible for re-appointment unless they have already served three consecutive terms in which case, they are not eligible for re-election until they have stood down for at least one year. The articles have been reviewed and an updated version is now in place.

#### **Trustee Recruitment, Training and Development**

Trustees are recruited via adverts placed on the web targeting the property industry and the charity sector. We also advertise online through our own website and social media as well as other free channels. We have a full application process including an application form and interview and we follow good practice and equal opportunities guidelines throughout the process.

We actively encourage Trustees to undertake training and development so that our governance is fit for purpose. Details of external Trustee training opportunities are circulated to Trustees as they arise, and attendance is reported to the Board. Training is sourced from the Association of Charity Officer's Trustee Seminar Programme, the Charity

Finance Group, National Council of Voluntary Organisations and other opportunities provided by commercial and third sector providers from time to time.

## **Safeguarding**

LionHeart operates a robust safeguarding procedure to provide staff and volunteers with overarching principles that guide our approach. These are reviewed regularly and have been substantially enhanced recently. All of our staff that work with people requesting help are aware of their safeguarding responsibilities, and our counsellors are regulated by the British Association for Counselling and Psychotherapy ensuring appropriate professional and ethical standards at all times.

## **Governance Code**

The Charity Governance Code was introduced in July 2017. The code is not statutory regulation but “represents a standard of good governance practice to which all charities should aspire”. The code requests that charities either apply the standards of the code or explain how they are going to apply them in the future. LionHeart now has in place a Quality Task Group that has considered the recent code update and will ensure that future updates are considered and actioned on an ongoing basis.

A key change to the code is on Equality, Diversity and Inclusion an area where LionHeart had already been reviewing and assessing appropriate changes. This work will continue and grow and encompass the recommendations of the code.

## **Fundraising**

LionHeart income is largely from the following sources:

- Regular donations from RICS professionals
- Gift aid
- Return on investments
- Legacy donations
- Clients account donations (with the necessary assurances regarding repayment if required)

We do not outsource fundraising to external organisations and are registered with the Fundraising Regulator. LionHeart has a new part-time team member who assists with fundraising activities. The charity has no other fundraising requiring disclosure under S162A of the Charities Act 2011.

## **General Data Protection Regulation (GDPR)**

New data protection processes and policies were introduced in 2018 in order for the organisation to be compliant with GDPR. We have a data sharing agreement with the RICS that has been updated in line with the new code and our privacy statements have been updated and are available online. All staff are trained on the responsibilities in respect of data.

## **OUR STAFF**

LionHeart is a vibrant and progressive charity that values its workforce and recognises the need for skilled and committed staff who work well as a team and with Trustees to deliver quality services to RICS members, past and present, and their dependants. This is achieved through creating an environment where staff feel supported by managers and employers, and where they receive regular information about the organisation through meetings and briefings. They are actively encouraged to give their suggestions and views on performance and strategy to develop the organisation and its performance.

Trustees are committed to the continuing professional development of staff at all levels within the organisation. The training needs and the performance of each staff member is a continuous process, supported by supervision from line managers. Training programmes are provided to meet any on-going needs, with the aim of developing employees for both their current and their future roles. LionHeart is an accredited Investors in People employer and has the IIP Gold Award.

## **KEY MANAGEMENT PERSONNEL REMUNERATION**

Remuneration for key management personnel is set on advice from a third party, by reference to benchmarks for charities of a similar size and nature. All salaries were reviewed in 2019.

### **Patron**

The President of the Royal Institution of Chartered Surveyors is LionHeart's Patron. At 31 March 2021, the office holder was Kath Fontana.

### **Honorary Officers for 2020/21**

Chair	Peter McCrea
Vice Chair	James Grierson
Honorary Treasurer	James Williamson

### **Other Members**

The following have served as members of the Board (and Directors) during the year and at the date the accounts were signed:

Dayle Bayliss  
Andrew Carrick  
Diane Dumashie, from May 2020  
James Grierson  
Amy Leader, from May 2020  
Caroline Legg  
Katie Leppard  
Peter McCrea  
Philip Nell  
Philippa Sampson-Bancroft, from May 2020  
Shashi Sharma, from May 2020  
Kate Taylor  
James Williamson

### **Audit and Risk Committee**

The Audit and Risk Committee has the purpose of overseeing the preparation and agreement of the annual accounts and audit of LionHeart's finances. Specifically, the committee will:

- Oversee the audit of the accounts and make recommendations for approval by the Board of Trustees
- Oversee the risk management process

#### **Committee Membership:**

James Grierson	Chair
Katie Leppard	Trustee
Shashi Sharma	Trustee, from May 2020
Mark Southwell	Co-opted

Lorna Wright  
Jane Lucas

Co-opted  
LionHeart

### **Investment Committee**

The Investment Committee has the following role and purpose:

- To appoint appropriate professional investment manager(s)
- To agree with the investment manager(s) the broad long-term investment strategy for LionHeart's capital endowment
- To monitor the investment performance of the investment manager(s) against suitable benchmarks and peer groups
- To assess the ethical, social and governance (ESG) policies of the investment manager(s) and investments to ensure they do not bring LionHeart into disrepute
- To oversee the charity's policies for cash and short-term deposit management
- To recommend to the Board of Trustees a change of investment managers, when required
- To oversee and manage the selection process for new investment managers

#### **Committee Membership:**

James Williamson	Trustee, Chair
Philip Nell	Trustee, Vice Chair
James Grierson	Trustee
Philippa Sampson-Bancroft	Trustee, from May 2020
Robert Dyson	Co-opted, retired April 2021
Patrick Hall	Co-opted, retired April 2021
Chris Perkins	Co-opted
Neil A'Bear	Co-opted, from November 2020
Jane Lucas	LionHeart

### **SENIOR LEADERSHIP TEAM**

The Trustees delegate day to day management of the charity to the Senior Leadership Team, who attend Trustee and Committee meetings as appropriate and report on the activities of the charity to Trustees regularly.

<b>Chief Executive</b>	Davina Goodchild
<b>Head of Finance &amp; Corporate Services</b>	Jane Lucas
<b>Head of Operations</b>	Juliet Smithson

### **PROFESSIONAL ADVISERS**

<b>Auditors</b>	Crowe U.K. LLP, Black Country House, Rounds Green Road, Oldbury, West Midlands, B69 2DG
<b>Solicitors</b>	Wilson, Steynings House, Summerlock Approach, Salisbury, Wiltshire, SP2 7RJ
<b>Investment Managers</b>	Sarasin & Partners, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU
<b>Bankers</b>	Unity Trust Bank PLC, Nine Brindleyplace, Birmingham, B1 2HB

## **Corporate Governance**

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency and effectiveness. Processes are in place to ensure that performance is monitored, and that appropriate management information is prepared and reviewed regularly by both Executive Management and the Board of Trustees.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- A business plan and annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews
- Delegation of day-to-day management authority and segregation of duties
- Identification and management of risks

## **Risk Management**

The Trustees have continued to focus on Risk Management. This has involved:

- Identifying the major risks facing the charity
- Assessing the likelihood and severity of the risks identified
- Reviewing the existing controls that the charity has in place to mitigate the risks
- Seeking to identify and implement any further actions required to manage risk

The Trustees confirm that they have systems in place to mitigate the major risks facing the charity which they have identified. Recent reviews have included consideration of how all aspects of Covid-19 may affect the charity. Major risks identified include:

- Volatility of income, from both investments and donations. To mitigate this the Investment Committee monitors performance, and we encourage donations by multiple methods. Sufficient reserves are held in case income falls significantly.
- The increasingly global nature of RICS membership. In response to this we are looking to develop our services outside of the UK over the next five years.

## **Third Party Indemnity for Directors**

Qualifying third party indemnity provision is in place for the benefit of all Trustees of the charitable company. This cover is up to £1m and cost £1k (2019/20 £1k).

## **Statement as to Disclosure of Information to Auditors**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

## **Auditors**

LionHeart's auditors for financial year ending 31 March 2021 are Crowe U.K. LLP. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The report and accounts were approved and authorised by the Board of Trustees on 9 September 2021 and signed on their behalf by:



Peter McCrea FRICS FCI Arb  
Chair, Board of Trustees, LionHeart

## **Independent Auditors' Report to the members of LionHeart (The Royal Institution of Chartered Surveyors Benevolent Fund Limited)**

### **Opinion**

We have audited the financial statements of LionHeart (The Royal Institution of Chartered Surveyors Benevolent Fund Limited) for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of charitable company's affairs as at 31 March 2021 and of its income 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 Companies Act 2006

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 13, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and

discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Taxation legislation.

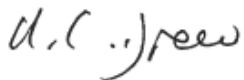
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Helen Drew**, Senior Statutory Auditor

For and on behalf of **Crowe U.K. LLP, Statutory Auditor**

Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

**Date: 15 September 2021**

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR FROM 1 APRIL 2020 TO 31 MARCH 2021

		Unrestricted Funds	Year Ended 31 March 2021	Unrestricted Funds	Year Ended 31 March 2020
	Notes	£000	Total £000	£000	Total £000
<b>Income From:</b>					
Donations and Legacies	2	2,074	2,074	1,391	1,391
Other Trading Activities	3	25	25	27	27
Investments	4	862	862	858	858
<b>Total Income</b>		<b>2,961</b>	<b>2,961</b>	<b>2,276</b>	<b>2,276</b>
<b>Expenditure on:</b>					
Raising Funds	5	53	53	55	55
Investment Management Fees	5	101	101	96	96
Charitable Activities	6	1,787	1,787	1,806	1,806
<b>Total Expenditure</b>		<b>1,941</b>	<b>1,941</b>	<b>1,957</b>	<b>1,957</b>
Net Gains / (Loss) on Investments		3,601	3,601	(929)	(929)
<b>Net Income/(Expenditure)</b>		<b>4,621</b>	<b>4,621</b>	<b>(610)</b>	<b>(610)</b>
<b>Transfers Between Funds</b>		0	0	0	0
<b>Other Recognised Gains / (Losses):</b>					
Actuarial Gains / (Losses) on Defined Benefit Pension Scheme	20	(142)	(142)	13	13
<b>Net Movement in Funds</b>		<b>4,479</b>	<b>4,479</b>	<b>(597)</b>	<b>(597)</b>
<b>Reconciliation of Funds</b>					
Total Funds Brought Forward		22,281	22,281	22,878	22,878
<b>Total Funds Carried Forward</b>		<b>26,760</b>	<b>26,760</b>	<b>22,281</b>	<b>22,281</b>

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

All income and expenditure derive from continuing activities. The notes on pages 25 to 40 form part of these financial statements.

**BALANCE SHEET AS AT 31 MARCH 2021**

COMPANY REGISTRATION No. 980025

REGISTERED CHARITY No. 261245

	NOTES	31 March 2021		31 March 2020	
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Intangible Assets	10		29		59
Tangible Assets	11		7		26
Investments: Commercial	12		23,385		19,783
Investments: Social	13		85		92
<b>Total Fixed Assets</b>			<u>23,506</u>		<u>19,960</u>
<b>Current Assets</b>					
Debtors	14	1,255		1,038	
Cash at Bank and in Hand		<u>2,374</u>		<u>1,546</u>	
<b>Total Current Assets</b>		<u>3,629</u>		<u>2,584</u>	
<b>Creditors</b>					
Amounts falling due within one year	15	<u>(143)</u>		<u>(188)</u>	
<b>Net Current Assets</b>			<u>3,486</u>		<u>2,396</u>
<b>Total assets less current liabilities</b>			<u>26,992</u>		<u>22,356</u>
<b>Creditors</b>					
Amounts falling due after one year	15		0		0
<b>Defined Pension Scheme Liability</b>	20		(232)		(75)
<b>Total Net Assets</b>			<u>26,760</u>		<u>22,281</u>
<b>Funds</b>					
Restricted Funds			0		0
Unrestricted Designated Funds			24,543		19,529
Unrestricted Free Funds			2,449		2,827
Pension Reserve			(232)		(75)
<b>Total Charity Funds</b>	17		<u>26,760</u>		<u>22,281</u>

The accounts are prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 102 and with the special provisions of Part 15 of the Companies Act relating to small companies.

Signed on behalf of the Board of Trustees and authorised for issue on 9 September 2021.



Peter McCrea FRICS FCI Arb

Chair, Board of Trustees, LionHeart

The notes on pages 25 to 40 form part of these financial statements.

**STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Year Ended 31 March 2021	Year Ended 31 March 2020
		£000	£000
<b>Cash Flows from Operating Activities:</b>			
<i>Net Cash Provided by / (used in) Operating Activities</i>	22	(32)	(865)
<b>Cash Flows from Investing Activities:</b>			
Returns from Investments		862	858
Purchase of Property, Plant, Equipment & Intangibles		1	(97)
Proceeds from Sale of Investments		0	0
Purchase of Investments		0	0
<i>Net Cash Provided by / (used in) Investing Activities</i>		<u>863</u>	<u>761</u>
<b>Change in Cash and Cash Equivalents in the year</b>		828	(104)
Cash and Cash Equivalents at 1 April 2020		<u>1,546</u>	<u>1,650</u>
<b>Cash and Cash Equivalents at 31 March 2021</b>		<u><u>2,374</u></u>	<u><u>1,546</u></u>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting Policies

#### Charity Information

LionHeart is a registered charity (number 261245) and company limited by guarantee with no share capital, registered in England and Wales (number 980025). Its registered office and principal place of business is 55 Colmore Row, Birmingham, B3 2AA.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Companies Act 2006.

The 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 notes.

#### Going Concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of LionHeart's resources and the challenges presented by the current economic climate, taking into account the impact of Covid-19, the Trustees are satisfied that the charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of the approval of the accounts.

There are no significant financial uncertainties which the Trustees consider are a significant risk to the ability of the charity to trade as a going concern in the foreseeable future.

#### Funds Structure

LionHeart has one unrestricted and undesignated fund, three designated funds and no restricted funds.

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

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes. These funds are reviewed annually.

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. Expenditure is charged to the Statement of Financial Activities when incurred.

#### Income

Donations received directly by LionHeart are accounted for on the day of receipt or when they become entitled to them. Donations collected by third parties are accounted for as cash in third parties' hands on the date of receipt by the third party. Legacies are accounted for as soon as entitlement, probability and monetary value can be established. For investments, accounting entries are based upon the quarterly returns submitted by our investment management company.

#### Expenditure and Irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable to beneficiaries are accounted for where either we have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or where any condition attaching to the grant is fulfilled.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred. Where possible costs are directly attributed to specific activities. Overhead and support costs which relate to more than one activity are apportioned between those activities.

### **Tangible Fixed Assets and Depreciation**

All assets costing more than £1,000 are capitalised and are valued at depreciated historic cost. Depreciation is charged on fixed assets on a straight-line basis over their estimated useful life. The useful life of LionHeart's fixed assets is 3 years for office and computer equipment.

### **Intangible Assets and Amortisation**

Intangibles are amortised over 3 years, with a full year's depreciation charged in the first year.

### **Investments**

Investments are stated at fair value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period. The fair value of the investments is the quoted bid price.

Social Investments are loans to beneficiaries. Loans are partially provided for in case of default.

The shares in Gravesend and District Property Company Ltd are not traded on a known exchange and transactions are small. Trustees consider that the valuation of £196k is reasonable.

### **Pensions**

LionHeart operates defined benefit and defined contribution (money purchase) schemes. Note 20 gives details of the defined benefit scheme. The calculations on the recognition of gains and losses and the notes are produced in accordance with FRS 102 requirements. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses arising are recognised immediately in the Statement of Financial Activities. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in the Statement of Financial Activities. The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan. The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations. Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs.

### **Debtors**

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

### **Cash at Bank and in Hand**

Cash at bank and cash in hand includes cash and monies on short term deposit, at the bank and other short-term liquid investments with original maturities of three months or less.

### **Creditors and Provisions**

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

### Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Such financial instruments, except for investments classified at fair value through profit and loss, are initially recognised at transaction value and subsequently measured at their settlement value.

### Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Trustees have determined a level of provision against the loans made to beneficiaries, this is reviewed each year.

## 2. Donations and Legacies

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Donations from RICS members	695	801
Other cash donations	287	505
<b>Donations</b>	<b>982</b>	<b>1,306</b>
Legacies	1,082	75
Unrestricted grants	10	10
<b>Total</b>	<b>2,074</b>	<b>1,391</b>

## 3. Other Trading Activities

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Lottery income	25	27
<b>Total</b>	<b>25</b>	<b>27</b>

#### 4. Investment Income

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Dividends from listed investments	698	692
Investment return	160	153
Dividends from unlisted investments	4	13
<b>Total</b>	<b>862</b>	<b>858</b>

The above figures have been amended to show investment return as income instead of as a change in market value.

#### 5. Cost of Raising Funds

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Costs of activities	1	3
Lottery costs	22	22
Staff costs	30	30
<b>Total</b>	<b>53</b>	<b>55</b>
Investment manager fees	101	96
<b>Total</b>	<b>154</b>	<b>151</b>

**6. Charitable Expenditure by Activity**

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
<b>Grant Making to Individuals</b>		
Grants approved	436	397
Staff costs	90	91
Depreciation	7	7
Other costs	0	0
Support	61	69
Governance	14	15
Total	<u>608</u>	<u>579</u>
<b>Advice and Beneficiary Support</b>		
Staff costs	224	251
Depreciation	17	18
Other costs	25	16
Support	152	182
Governance	36	39
Total	<u>454</u>	<u>506</u>
<b>Engagement and Communications</b>		
Staff costs	162	167
Depreciation	12	12
Other costs	6	13
Support	109	125
Governance	26	27
Total	<u>315</u>	<u>344</u>
<b>Workshops and Webinars</b>		
Staff costs	195	160
Depreciation	14	11
Other costs	38	65
Support	132	116
Governance	31	25
Total	<u>410</u>	<u>377</u>
<b>Total</b>		
Grants approved	436	397
Staff costs	671	669
Depreciation	50	48
Other costs	69	94
Support	454	492
Governance	107	106
Total	<u>1,787</u>	<u>1,806</u>

All expenditure is from unrestricted funds. Governance costs are also shown in note 7.

**7. Analysis of Support and Governance Costs**

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
<b>Grant Making to Individuals</b>		
Staff costs	30	25
Consultancy	3	6
Information and technology costs	15	20
Other costs	13	18
Governance	14	15
Total	<u>75</u>	<u>84</u>
<b>Advice and Beneficiary Support</b>		
Staff costs	74	66
Consultancy	7	16
Information and technology costs	37	53
Other costs	34	48
Governance	36	39
Total	<u>188</u>	<u>222</u>
<b>Engagement and Communications</b>		
Staff costs	54	45
Consultancy	5	11
Information and technology costs	26	36
Other costs	24	33
Governance	26	27
Total	<u>135</u>	<u>152</u>
<b>Workshops and Webinars</b>		
Staff costs	65	41
Consultancy	6	10
Information and technology costs	32	34
Other costs	29	30
Governance	31	25
Total	<u>163</u>	<u>140</u>
<b>Total</b>		
Staff costs	223	177
Consultancy	21	43
Information and technology costs	110	143
Other costs	100	129
Governance	107	106
Total	<u>561</u>	<u>598</u>

All allocations are on the basis of staff numbers.

Net income is stated after charging the following:

	<b>Year ended 31 March 2021 £000</b>	<b>Year ended 31 March 2020 £000</b>
Depreciation	50	49
Auditor's remuneration	<u>13</u>	<u>12</u>

## 8. Employees

	<b>Year ended 31 March 2021 £000</b>	<b>Year ended 31 March 2020 £000</b>
Salaries	833	741
Social security costs	72	70
Other pension contributions	<u>108</u>	<u>116</u>
Total	<u>1,013</u>	<u>927</u>

Staff costs comprise:

All expenditure is from unrestricted funds.

The average number of employees during the year was 26 (2019/20 24). Full time equivalents were 23.3 (2019/20 20.5).

One employee earned emoluments in excess of £60,000 in the year (2019/20 1) this was in the band £80,001 to £90,000. Pension contributions of £8k were made for this employee (2019/20 £7k).

Key management personnel of the charity are those having authority and responsibility delegated to them by the Trustees for planning, directing and controlling the activities of the charity. The total employee benefits of the key management personnel of the charity were £203k (2019/20 £185k). No termination payments were made in the year (2019/20 nil).

## 9. Trustees' and Co-Opted Members' Remuneration and Expenses

The Trustees and co-opted committee members received no remuneration during the year (2019/20 nil). Some of the Trustees and co-opted members claim travelling and subsistence expenses and during the year a total of £147 was paid to 2 Trustees and co-opted committee members (2019/20 £6k to 10).

**10. Intangible Fixed Assets**

	Year ended 31 March 2021 £000 Software Development
<b>Cost</b>	
At 1 April 2020	88
Additions	0
Disposals	0
At 31 March 2021	<u>88</u>
<b>Depreciation</b>	
At 1 April 2020	29
Disposals	0
Charge for year	30
At 31 March 2021	<u>59</u>
<b>Net book value</b>	
At 31 March 2021	<u>29</u>
At 31 March 2020	<u>59</u>

**11. Tangible Fixed Assets**

	Year ended 31 March 2021 £000 Office Equipment
<b>Cost</b>	
At 1 April 2020	68
Additions	1
Disposals	(7)
At 31 March 2021	<u>62</u>
<b>Depreciation</b>	
At 1 April 2020	42
Disposals	(7)
Charge for year	20
At 31 March 2021	<u>55</u>
<b>Net book value</b>	
At 31 March 2021	<u>7</u>
At 31 March 2020	<u>26</u>

## 12. Fixed Asset Investments

	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>£000</b>	<b>£000</b>
<b>Quoted securities at fair value</b>		
Sarasin Endowment Fund	23,189	19,587
<b>Unquoted securities at fair value</b>		
Gravesend and District Property Company	196	196
<b>Total commercial investments</b>	<b><u>23,385</u></b>	<b><u>19,783</u></b>

## 13. Social Investments

	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>£000</b>	<b>£000</b>
<b>Interest free loans with no fixed repayment date, made to beneficiaries</b>		
Loans outstanding at 1 April	228	257
Loans repaid during the year	(7)	(29)
Loans outstanding at 31 March	<u>221</u>	<u>228</u>
 Provision for bad debts on loans		
Provision at 1 April	(136)	(136)
Provision released in the year	0	0
Provision at 31 March	<u>(136)</u>	<u>(136)</u>
Net loans outstanding as at 31 March	<u>85</u>	<u>92</u>

## 14. Debtors

	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>£000</b>	<b>£000</b>
Taxation recoverable	64	62
Prepayments and accrued income	1,052	253
Other debtors	139	723
<b>Total</b>	<b><u>1,255</u></b>	<b><u>1,038</u></b>

**15. Creditors**
**Amounts falling due within one year**

	<b>31 March 2021 £000</b>	<b>31 March 2020 £000</b>
Trade creditors	9	1
Grant commitments	73	79
Accruals	40	79
Taxation and social security	20	18
Other creditors	1	11
<b>Total</b>	<b>143</b>	<b>188</b>

<b>Grant Commitments</b>	<b>31 March 2021 £000</b>	<b>31 March 2020 £000</b>
Balance 1 April 2020	79	93
Additions	436	376
Paid	(442)	(390)
<b>Balance 31 March 2021</b>	<b>73</b>	<b>79</b>

**16. Net Assets**

	<b>31 March 2021 Unrestricted £000</b>	<b>31 March 2021 Total £000</b>	<b>31 March 2020 Unrestricted £000</b>	<b>31 March 2020 Total £000</b>
Fixed assets	36	36	85	85
Investments	23,470	23,470	19,875	19,875
Net current assets	3,486	3,486	2,396	2,396
Provisions	(232)	(232)	(75)	(75)
<b>TOTAL</b>	<b>26,760</b>	<b>26,760</b>	<b>22,281</b>	<b>22,281</b>

## 17. Movement in Funds in the Year

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance at 31 March 2021 £000
Free reserves	2,827	2,961	(1,877)	(1,462)	0	2,449
Income fund	17,844	0	0	1,862	3,601	23,307
Development fund	1,600	0	0	(400)	0	1,200
Pension reserve	(75)	0	(15)		(142)	(232)
Fixed asset fund	85	0	(49)		0	36
Restricted fund	0	0	0		0	0
<b>Total</b>	<b>22,281</b>	<b>2,961</b>	<b>(1,941)</b>	<b>0</b>	<b>3,459</b>	<b>26,760</b>

	Balance at 1 April 2019 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance at 31 March 2020 £000
Free reserves	2,065	2,276	(1,877)	363	0	2,827
Income fund	18,773	0	0	0	(929)	17,844
Development fund	2,060	0	0	(460)	0	1,600
Pension reserve	(57)	0	(31)	0	13	(75)
Fixed asset fund	37	0	(49)	97	0	85
Restricted fund	0	0	0	0	0	0
<b>Total</b>	<b>22,878</b>	<b>2,276</b>	<b>(1,957)</b>	<b>0</b>	<b>(916)</b>	<b>22,281</b>

### Designated Funds

The Income Fund has been designated by the Trustees to provide future income for the charity to continue its activities indefinitely.

The Development Fund was set up in 2019 to utilise some reserves to facilitate funding the objectives of the five-year strategy. Monies were transferred from the Income Fund for this.

The Pension Reserve has been designated by the Trustees to set aside funds against the deficit on the defined benefit pension scheme.

The Tangible Fixed Asset Fund has been designated by the Trustees to set aside funds for the future depreciation on fixed assets.

### Restricted Fund

There are currently no restricted funds.

### Transfers Between Funds

Funds have been transferred to (from) free reserves to match the necessary levels of designated funds and to the tangible fixed asset fund to match the future depreciation commitment.

## 18. Commitments Under Operating Leases

At 31 March 2021, the charity had one operating lease with a commitment of £43k within one year (2020 £43k) and £32k greater than one year, but less than five years (2020 £75k).

## 19. Capital Commitments

At 31 March 2021, the charity had no capital commitments (2020 £nil).

## 20. Staff Pension Schemes

Three current employees are members of the Local Government Pension Scheme which is administered by the London Pensions Fund Authority. There are also two pension members and a further two deferred members. The Local Government Pension scheme is a defined benefit (final salary) scheme. LionHeart as the employer, although not a local authority, is classified as an admitted body into the scheme. LionHeart has no influence over how the scheme operates or its investment performance. Contribution levels are set by reference to actuarial assessments that are formally reviewed by the LPFA every three years. Pension costs are accounted for on the basis of spreading the cost of pensions over employees' working lives with LionHeart. The scheme was closed to new members on 9 December 2010. Following this date new employees are offered a contribution to stakeholder pension plans. The current pension offered is operated by Royal London.

The Financial Reporting Standard 102 (FRS 102) disclosures are provided by the London Pensions Fund Authority (LPFA) on an agreed statutory basis over which LionHeart has no control. The methodology and assumptions prescribed for the purposes of FRS 102 mean that the disclosures will be inherently volatile, varying greatly according to investment market conditions at each accounting date.

FRS 102 requires disclosure of the charity's share of the assets and liabilities of the LPFA defined benefits scheme. A qualified independent actuary, appointed by LPFA, has made a valuation on 31 March 2021 based on the following assumptions:

Assumed life expectations from age 65 are:

	<b>31 March 2021</b>	<b>31 March 2020</b>
Life expectancy from age 65 (years)		
Retiring today		
Males	23.5	23.8
Females	23.6	23.6
Retiring in 20 years		
Males	23.4	23.7
Females	25.8	25.9

We have also assumed that:

- members will exchange half their commutable pension for cash at retirement
- members will retire at one pension age for all tranches of benefit, which will be the pension weighted average tranche retirement age

The financial assumptions used to calculate the results are as follows:

Financial assumptions	<b>31 March 2021</b>	<b>31 March 2020</b>
	% pa	% pa
Discount rate	1.95%	2.35%
Pension increases	2.85%	1.90%
Salary increases	3.85%	2.90%

On the basis of these assumptions the LPFA actuary values the charity's share of the funds is as follows:

	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>£000</b>	<b>£000</b>
Fair value of charity's share of the funds' assets	2,057	1,778
Present value of the defined benefit obligation	(2,289)	(1,853)
Charity's share of the funds' net deficit	<b>(232)</b>	<b>(75)</b>

	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>£000</b>	<b>£000</b>

The analysis of the assets of the scheme is as follows:

Equities	1,118	964
Target return funds	484	433
Infrastructure	174	125
Property	187	162
Cash	94	94
<b>Total</b>	<b>2,057</b>	<b>1,778</b>

Reconciliation of defined benefit obligation:

Opening defined benefit obligation	1,853	1,951
Current service cost	38	40
Interest cost	43	46
Contributions by members	7	7
Estimated benefits paid, net of transfers in	(67)	(38)
Change in financial assumptions	455	(160)
Experience gain / (loss) on defined benefit obligation	(21)	(26)
Past service costs including curtailments	0	15
Change in demographic assumptions	(19)	18
<b>Closing defined benefit obligation</b>	<b>2,289</b>	<b>1,853</b>

**Reconciliation of fair value of employer assets:**

Opening fair value of employer assets	1,778	1,894
Interest on assets	41	45
Contributions by members	7	7
Contributions by employer, including unfunded	27	27
Return on assets less interest	273	(88)
Administration expenses	(2)	(2)
Estimated benefits paid plus unfunded transfers in	(67)	(38)
Other actuarial gains	0	(67)
<b>Closing fair value of employer's assets</b>	<b>2,057</b>	<b>1,778</b>

The total return on fund assets for the year to 31 March 2021 was £314k (2019/20 £43k).

**Amounts recognised in the Statement of Financial Activities in respect of defined benefit schemes are as follows:**

	<b>Year ended 31 March 2021 £000</b>	<b>Year ended 31 March 2020 £000</b>
Service cost	49	37
Net interest on the defined liability	4	1
Administration expenses	3	2
<b>Total loss / (profit)</b>	<b>56</b>	<b>40</b>

**Remeasurements in other comprehensive income:**

	<b>Year ended 31 March 2021 £000</b>	<b>Year ended 31 March 2020 £000</b>
Remeasurement of the net assets / (defined liability)		
Return on Fund assets in excess of interest	273	(88)
Other actuarial gains / (losses) on assets	0	(67)
Change in financial assumptions	(455)	160
Change in demographic assumptions	19	(18)
Experience gain / (loss) on defined benefit obligation	21	26
Changes in effect of asset ceiling	0	0
<b>Remeasurement of the net assets / (defined liability)</b>	<b>(142)</b>	<b>13</b>

**Projected pension expense for the period to 31 March 2022**

Analysis of projected amount to be charged to the statement of financial activities for the year to 31 March 2022:

	<b>1 April 2021 to 31 March 2022 £000</b>
Service cost	49
Net interest cost	4
Administration expenses	3
<b>Total charge</b>	<b>56</b>
Estimated employer's contributions	<b>28</b>

**21. Related Party Transactions**

No related party transactions have been identified in the year.

**22. Reconciliation of Income / (Expenditure) to Net Cashflow from Operating Activities**

	<b>Year Ended 31 March 2021 £000</b>	<b>Year Ended 31 March 2020 £000</b>
<b>Net income / (expenditure) for the year</b>	<b>4,621</b>	<b>(610)</b>
Depreciation and amortisation	50	49
Disposal of social investment	7	29
(Gains) / losses on investments	(3,601)	929
Defined benefit pension scheme adjustment	15	31
Returns on Investments	(862)	(858)
(Increase) / decrease in debtors	(217)	(437)
Increase / (decrease) in creditors	(45)	2
<b>Net cash provided by / (used by) operating activities</b>	<b>(32)</b>	<b>(865)</b>

## 23. Financial Instruments

	<b>31 March 2021 £000</b>	<b>31 March 2020 £000</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	23,385	19,783
Financial assets that are debt instruments measured at amortised cost	3,650	2,614
	<u><b>27,035</b></u>	<u><b>22,397</b></u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u><b>(143)</b></u>	<u><b>(188)</b></u>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed and unlisted securities.

Financial assets measured at amortised cost comprise cash at bank, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise grant commitments, accruals and other creditors.

The charity's income, expense, gains and losses in respect of financial instruments are summarised below:

	<b>31 March 2021 £000</b>	<b>31 March 2020 £000</b>
Total investment income for financial assets measured at fair value through income and expenditure	858	845
Net gains on financial assets measured at fair value through income and expenditure	3,601	(929)
	<u><b>3,601</b></u>	<u><b>(929)</b></u>

## 24. Reconciliation of Net Debt

	<b>1 April 2020 £000</b>	<b>Cashflows</b>	<b>31 March 2021 £000</b>
Cash	1,546	828	2,374
Finance lease obligations	(2)	2	0
Total	<u>1,544</u>	<u>830</u>	<u>2,374</u>