

ICAEW FOUNDATION

England & Wales · Charity number 313983

Details

Other names	THE CHARTERED ACCOUNTANTS' GENERAL CHARITABLE TRUST FUND
Status	Registered
Legal form	Trust
Registered	1962-09-28
Register	View on the Charity Commission register

Contact

Address	Chartered Accountants' Hall 1 Moorgate Place London EC2R 6EA
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Activities

Objects: FOUNDING, SUPPORTING OR MAINTAINING ANY ONE OR MORE OBJECTS WHICH MAY FROM TIME TO TIME BE SELECTED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS.

Activities: The Foundation and linked charities(except CACIP which acts as the charities' investment vehicle)provide donations for public benefit in areas of particular interest to the ICAEW,i.e.the advancement of education particularly in accounting and related subjects, provision of a library and information service, funds prizes awarded through ICAEW's exams and funds academic research projects and events.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training
- **Who:** The General Public/mankind

Geography

- Cambodia
- Cyprus
- Ghana
- Hong Kong
- Malawi
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£1,210,526	£1,380,041	£20,314,329	5
2024-12-31	£1,118,447	£1,194,570	£18,369,733	5
2023-12-31	£1,101,586	£1,107,564	£16,931,955	4
2022-12-31	£1,062,697	£1,124,479	£15,395,929	5
2021-12-31	£1,022,507	£1,108,699	£16,797,552	5
2020-12-31	£1,101,910	£1,073,407	£15,175,504	5

Trustees

Name	Role	Appointed
Andrew Nicholas Ratcliffe	Chair	2019-08-29
Andrew George Wauchope		2018-12-16
CHARTERED ACCOUNTANTS' TRUSTEES LIMITED		2012-01-09
Dr Lore Lippmann		2026-06-02
Michael Edward Hicks		2019-08-01
Nideshnee Dookhee		2026-06-02
Stephen Malcolm Gee		2026-06-02
Talha Witten		2026-06-02

Linked charities

- THE CHARTERED ACCOUNTANTS' CHARITIES INVESTMENT POOL (313983-1)
- ROGER N CARTER PRIZE FUND (313983-10)
- DELOITTE PRIZE FUND (313983-11)
- ROBERT FLETCHER PRIZE FUND (313983-12)
- THEODORE GREGORY PRIZE FUND (313983-13)
- FLIGHT LIEUTENANT DUDLEY HEWITT D F C FUND (313983-14)
- WALTER KNOX SCHOLARSHIP FUND (313983-15)
- W B PEAT MEDAL AND PRIZE (313983-16)
- PLENDER PRIZE FUND (313983-17)
- WILLIAM QUILTER PRIZE (313983-18)
- O C RAILTON PRIZE FUND (313983-19)
- P D LEAKE TRUST (313983-2)
- STEPHENS PRIZE FUND (313983-20)
- TOM WALTON PRIZE FUND (313983-21)
- WEST PRIZE FUND (313983-22)
- FREDERICK WHINNEY PRIZE FUND (313983-23)
- CHARTERED ACCOUNTANTS' TRUST FOR EDUCATION AND RESEARCH (313983-3)
- THE GENERAL EDUCATIONAL TRUST OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES (313983-4)
- RESEARCH FOUNDATION OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES (313983-5)
- THE CHARTERED ACCOUNTANTS EDUCATIONAL FOUNDATION (313983-6)
- INSTITUTE PRIZE FUND (313983-7)
- THE HOWITT PRIZE FUND (313983-8)
- CHARTERED ACCOUNTANTS' PERMANENT EDUCATION TRUST (313983-9)

ICAEW FOUNDATION

England & Wales - Charity number 313983

Accounts



Registered Charity No. 313983

ICAEW FOUNDATION

and its linked charities

TRUSTEE'S ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2025

ICAEW FOUNDATION

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THE LINKED CHARITABLE TRUSTS AND THEIR SOLE CORPORATE TRUSTEE

The names and registration numbers of the ICAEW's charitable trusts linked with the Foundation on the Charity Commission website, and which although separately administered are accounted for as if they and the Foundation were a single charity, under the authority of a uniting direction from the Charity Commission, are as set out below:

313983-001	The Chartered Accountants' Charities Investment Pool (CACIP)
313983-002	P D Leake Trust (PDLT)
313983-003	Chartered Accountants' Trust for Education and Research (CATER)
313983-009	Chartered Accountants' Permanent Education Trust (CAPET)

The sole trustee of all these charities is Chartered Accountants' Trustees Limited (CAT). The directors of the Trustee company at present and those in office during the period covered by this report are:

Andrew Ratcliffe	Chairman
Richard Baylis	Resigned 05 January 2026
Shauna Bevan	
Michael Hicks	
Christopher Soan	Resigned 22 January 2026
Andrew Wauchope	

Further administrative information will be found on page 29.

The registered office of the trustee and principal office of each of the charities is:

Chartered Accountants' Hall
1 Moorgate Place
London EC2R 6EA UK

PUBLIC BENEFIT AIMS

The trustee presents its annual report and financial statements for ICAEW Foundation (the Foundation) which include its linked charities for the year ended 31 December 2025.

The aim of the Foundation is to support and provide donations to bodies, charitable trusts or funds for the public benefit in areas which are of particular interest to the Institute of Chartered Accountants in England and Wales (ICAEW).

The aims of the linked charities (apart from CACIP which is CAT's collective investment vehicle) are as follows:

- CATER: the advancement of education, particularly in accounting and related subjects, by maintaining and operating the ICAEW Library and by supporting qualifying education and research projects initiated by the ICAEW and others;
- CAPET: the advancement of education, particularly in accounting and related subjects, by funding the prizes awarded through ICAEW's examinations and funding bursaries in accordance with the secondary objectives of the trust;
- PDLT: the advancement of the sciences of accounting and political economy, including public finance and taxation, by funding academic research projects and events.

When pursuing these public benefit aims and when setting annual objectives and planning future activities, the trustee has given due consideration to the Charity Commission's general and sub-sector guidance on public benefit.

STRUCTURE, ORGANISATION AND MANAGEMENT

The Foundation is governed by a Deed of Trust last updated on 18 May 2007.

CATER is governed by an administrative scheme of December 1971 made by the Secretary of State for Education and Science. Chartered Accountants' Library Limited (CALL) is a wholly owned subsidiary trading company of CATER which became dormant at the end of 2018.

CAPET is governed by a Charity Commission scheme of October 1975.

PDLT (the 1952 will trust of the late Percy Dewe Leake) is governed by an October 1975 Charity Commission scheme.

CACIP, the investment pooling charity, is established and governed by a Charity Commission scheme of December 1996.

ICAEW is the beneficial owner of the shares of CAT, which has no corporate assets and is active only as sole trustee of the charities and so is dormant for accounting under company law. In accordance with IFRS10, however, the financial statements of all the charities administered by CAT are consolidated in ICAEW's financial statements.

Details of the charities' transactions with related parties are shown in the notes to the financial statements.

Appointment of trustee's directors

The appointment of directors of CAT is proposed by CAT's Board of Directors and approved by ICAEW's Nominating Committee.

Term of appointment as a director of CAT

The Articles of Association of CAT do not limit the term of appointment. However, by agreement with ICAEW, the trustee directors normally hold office for eight years at a maximum, and the chairman for five years maximum, having served at least one year as a trustee director before becoming chairman.

Induction and training

As part of their induction, new directors of CAT are given a briefing pack which includes information relating to the powers and responsibilities of CAT as a corporate trustee, copies of papers and minutes of board meetings, copies of annual reports and financial statements of the trusts and information relating to the work of the charitable trusts it administers. An opportunity is offered to new trustee directors to meet with the chair and existing trustee directors and members involved in managing the trusts to obtain briefing on the grant making process.

The trustee directors consider periodically whether further training on their role and responsibilities as directors is needed as part of their terms of appointment. Where it is considered appropriate, regular updates and training are provided in conjunction with the charities' investment, other advisers and other external sources.

Directors' Meetings

The trustee directors meet at least three times a year, in order to manage the charities, to review investment and financial performance, to assess new grant applications and to consider feedback and reports on previous grant awards.

The trustee directors have appropriate policies and procedures in place for managing any conflicts of interest arising in the course of its trusteeship.

Key management personnel remuneration

The CAT Board considers the trustee's directors and the Head of the Library & Information Services (LIS) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. The trustee's directors give their time freely. Details of expenses claimed and related party transactions are disclosed in notes 6 and 15 to the financial statements.

The pay of the head of LIS is borne by ICAEW and reviewed annually in accordance with the ICAEW remuneration policy.

STRATEGY FOR ACHIEVING OBJECTIVES

Foundation

The trustee's strategy is to make grants for selected initiatives where the contribution made by the trust can make a positive difference to the outcome.

The initiatives supported within the trustee's ongoing aims and objectives can be summarised as follows:

- **Bursaries**
Offering life-changing opportunities to talented individuals who may not otherwise have the opportunity to join the next generation of finance professionals.
- **Prizes**
Rewarding academic excellence and outstanding contributions to society as an inspiration to others.
- **Research and PhD fellowships**
Supporting high quality research that challenges perceptions of the future of accounting and finance.
- **Teaching fellowships**
Fostering change in education, bringing to academic tuition the practical insight for which the profession is renowned.
- **Library services and heritage**
Preserving and enhancing through CATER (see below) ICAEW's heritage that symbolises its position as a most highly respected professional body.

GRANTMAKING AND POLICY

Foundation

Any applications for grants and bursaries are put to the CAT Board for approval via the Foundation office. If a bursary to a university is approved, then a Memorandum of Understanding is signed by both parties.

CATER & PDLT

The trustee has a process for the review of grant applications. The Research Advisory Board (RAB) considers all grant applications for research projects and events and makes its recommendations to the trustee. Each grant application includes details of the purpose and contribution of the research project or event and a summary of expected expenditure under such headings as:

- staff costs
- travel costs
- research instruments and access to data sources
- other relevant specified costs

The RAB also commissions leading academics, from both the UK and around the world, to research, write papers and present on issues of key importance to the accountancy profession, particularly on aspects of financial reporting. An annual conference and lecture are both held at which these papers are presented before they appear in a special issue of the journal *Accounting and Business Research*. Requests for funding for the papers and events are put to the trustees in the usual way.

The RAB meets three times a year. It includes senior academics from various universities, including at least one overseas university, as well as other practitioner members. Where appropriate, members of the RAB personally interview the person or team making the grant application and always obtain independent academic and practitioner reviews.

The trustee may at its own discretion accept or reject any grant application which has been considered by the RAB.

The charitable trusts are committed only to reimburse qualifying research expenditure incurred, together with buyout replacement teaching if appropriate.

The trustee encourages the publication and distribution of the grantees' research findings to the widest possible audience. This may be through ICAEW to its members and others or by other academic journals and external publishers.

The trustee gratefully acknowledges the assistance of ICAEW and its help in publicising the work of the charitable trusts.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

CATER's budget for the ICAEW Library is formally reviewed with the Head of the LIS each year to review progress against budget, progress with ongoing development of the LIS and to agree priorities for the year ahead. The resources spent on this service in 2025 amounted to £715,000 (2024: 736,000).

CAPET

The trustee's policy is to:

- assist with the general professional education of suitable persons who are preparing for, entering, or engaged in the profession of accountancy, such as by providing books or paying fees, subject to applicants meeting the trustee's criteria for grant eligibility; and
- award prizes in connection with ICAEW's examinations.

CACIP

This charity exists only to manage the pooled investments of the above charities administered by CAT.

FUNDRAISING

Foundation

Actual donations totalling £121,624 (including gift aid and accrued income) were received during 2025. Total pledges since the launch of the Foundation, including legacies, donations and gift aid, stood at £3,085,088 at the end of the year.

2025 ACTIVITIES AND ACHIEVEMENTS

FOUNDATION

Grants awarded

The main strategic focus of the Foundation is the creation and granting of bursaries.

Our Changing Futures Programme awards bursaries through universities in the UK, Northern Ireland, Cyprus, Greece and in Hong Kong SAR, for talented students from financially disadvantaged backgrounds wishing to study for an accountancy or finance related degree at university.

Our Building Futures Programme provides bursaries to a growing number of talented and ambitious students undertaking new professional accountancy qualifications in countries such as Malawi, Sri Lanka, Ghana, Cambodia, Zimbabwe, Lesotho and Nepal.

New bursaries will be funded from the income generated on the investment of current donations or the release of expendable endowment. Total bursaries awarded during the year (net of write backs) were £301,000 (2024: £144,000). UK bursaries are usually awarded for a period of three or four years and are accrued in the accounts for the whole period in the first year when the bursary is approved. Therefore, the awards payable to UK universities shown in note 6 are for new bursaries, including amounts payable over future years.

The table below details the number of bursaries awarded by country to date:

COUNTRY	NUMBER OF BURSARIES AWARDED
UK	108
CYPRUS	5
GREECE	1
HONG KONG	14
TOTAL CHANGING FUTURE BURSARIES	128
MALAWI	49
SRI LANKA	40
GHANA	19
CAMBODIA	10
ZIMBABWE	10
LESOTHO	6
NEPAL	15
TOTAL BUILDING FUTURE BURSARIES	149
GRAND TOTAL	277

Khadijah Iddris was previously featured in our foundation video in 2018 and has received support from the ICAEW Foundation throughout her PhD studies in finance, her ultimate ambition being that of becoming a lecturer in the subject. Khadijah was awarded her PhD during 2024, gaining top marks.

During the year the trustees agreed to provide additional funding to enable publication of her recent book 'Infrastructure Finance'. A publisher has been selected, and the book will be published and launched during 2026.

ICAEW Foundation is immensely proud of our work with students through the bursary programmes but we do need the support of our members to continue to grow our impact and reach.

CATER LIBRARY AND INFORMATION SERVICE

The ICAEW Library & Information Service delivered a highly valued and impactful service in 2025, maintaining strong user satisfaction while adapting to a changing information landscape. The enquiry service remained central, resolving 10,994 enquiries across a wide spectrum of technical and business needs, supported by very high satisfaction levels and extensive positive feedback from members.

The library also expanded its visibility and reach through targeted promotions, case studies, and new research guides, some of which gained national media coverage. Efforts to engage new audiences included Insights email campaigns and practical case studies demonstrating the service's real-world value, such as helping members identify sources of venture capital. At the same time, the team undertook significant research initiatives, including pioneering work on early women in accountancy and historical projects marking the Second World War, reinforcing the library's role as both an important technical research hub and a custodian of the profession's heritage.

A major achievement in 2025 was the library's innovation in digital services. Following the end of a long-standing database subscription, the team successfully developed a series of in-house industry profiles aligned with ICAEW priorities, achieving strong early engagement and significant online reach. Alongside this, the ICAEW digital archive continued to expand and mature, supported by cutting-edge AI developments that have attracted interest from other organisations.

CAPET

CAPET's primary objective is the advancement of education, particularly in accounting and related subjects, by funding the ICAEW International ACA annual prizes and annual climate change competition.

For the third year, in association with CAPET, ICAEW held a competition for a research proposal addressing the role of accountants in guiding organisations to navigate climate change. The prize of £5,000 was awarded to Sam Beukers – Stewart, an ICAEW student, who submitted the winning entry – the full report can be found here: [ICAEW Climate Essay Competition 2025 | ICAEW](#)

Climate change is one of the most pressing challenges of our time, and it requires urgent and collective action from all sectors of society. The accountancy profession has a vital role to play in driving and supporting climate action, both within and beyond their organisations.

Total expenditure on prizes awarded during 2025 amounted to £53,000 (2024: £35,000). The increase on prior year relates to the dual running of exam prizes due to the phasing in of the Next Generation ACA examinations. £150,000 during the year (2024: £150,000) was transferred to the Foundation to fund bursaries. This is in line with the secondary objects of CAPET.

PDLT

The P D Leake Trust was established in 1962 to advance the science of accounting and political economy, including public finance and taxation. In 2025, the Trust supported independent, high-quality research and knowledge exchange designed to strengthen understanding of corporate behaviour and performance, improve the information available to markets and stakeholders, and help boards, advisers and policymakers reduce the risk and impacts of corporate failure.

In delivering these aims, activity during the year combined: the commissioning and publication of research; the initiation of new, future-facing research programmes; and the convening of events and conferences

that enable academics and practitioners to challenge assumptions, test emerging ideas, and translate evidence into practical insight.

The Trust's 2025 activity intentionally balanced delivery of publishable outputs with investment in future impact. The next phase will focus on:

- completion and dissemination of newly commissioned research.
- ensuring practical translation into insights for boards, advisers and policymakers.
- continued support for high-quality convening that connects research, practice and public interest outcomes.

Further information on the work of the charitable trusts can be found here [ICAEW Foundation | ICAEW](#)

UN Sustainable Development Goals

As the world continues to focus on the importance of the UN Sustainable Development Goals (SDG's), we too continue to collaborate and work together with our partners to help contribute to their own achievement aims.



We are conscious of how the objectives and work of the ICAEW Foundation contributes to achieving Goals 2, 3, 4, 5, 8, 10 and 13.

As a member of the Association of Corporate Foundations and 60th signatory to their Funders' Commitment on Climate Change, we continue to play our part for climate action.

PLANS FOR THE FUTURE

Foundation

The trustee intends to continue to identify and support relevant initiatives where the grant given by the Foundation has a definable outcome and where the contribution made can make an appreciable difference to the recipient. Some interest has also been shown from District Society entities to donate some of their reserves to area specific student bursaries.

PDLT

The trustee intends to continue to support funding academic research and events as proposed by the RAB approved within PDLT using the same processes which currently apply. The value of the annual grant is currently under review with an appetite to increase funding depending upon the quality and volume of proposals coming through. Post-graduate bursaries will also continue to be awarded. A review of the objects of the trust is also underway to establish if these can be widened to reach more beneficiaries.

CATER

The trustee intends to promote and support the on-going development of a world-class Library and information service for the accountancy profession as well as the advancement of an education and training programme. This will include further development of the Library collection, digitising the resources, developing the Library management system and promoting LIS services.

CAPET

The Trustee intends to continue to award prizes in connection with ICAEW's examinations and funding the annual climate change competition.

In line with the secondary objects of CAPET, £150k per annum until 2027 will be earmarked for UK student bursaries, this will be reviewed on a regular basis as reserves levels permit.

RESERVES LEVELS AND POLICY

All the charities administered by the trustee depend on investment income for the funding of their annual charitable expenditure. Only the Foundation's unrestricted income reserves (augmented from time to time by drawing down from its discretionary expendable endowment to cover exceptional spending) are expendable entirely at the trustee's own discretion. Therefore, the income of the educational trusts is all accounted for in these combined accounts as restricted income for the purposes of the underlying trusts. However, the trustee's reserves policy for each of the charities is separately determined and reported as below.

Foundation

The trustee approved that the level of free reserves should be a minimum of 12 months and a maximum of 24 months of the average total expenditure incurred by the trust over the prior three years. This will allow the trust to continue to meet its ongoing commitments and plan for future expenditure.

At 2025 levels this results in a minimum level of £183,000 and a maximum level of £366,000. Current reserves are £349,000 so within the required range.

The Trust also holds a discretionary expendable endowment. The trustee monitors and reviews the level of income reserves against policy, along with this endowment at each Board meeting. As at 31 December 2025 unrestricted reserves stood at £349,000 (2024: £356,000) and the expendable endowment was over £2.7m. The Trustees will continue to review this overall position and should the opportunity arise consider use of the expendable endowment to further its charitable aims.

The Foundation depends on investment income from the discretionary endowment resulting from its ongoing Foundation Campaign appeal, whose terms of trust have created an expendable endowment for the funding of the Foundation's charitable activities contemplated by the donor. Any unused donations and their investment returns are expendable at the trustee's own discretion.

CATER

CATER mainly depends on voluntary income for the funding of its charitable expenditure on educational purposes. With this in mind, the trustee's reserves policy requires a minimum of six months and a maximum of 12 months' of CATER expenditure as freely available income reserves. As at 31 December 2025 CATER's undesignated free reserves were running slightly high at £907,000 equating to 15 months' expenditure, as per the maximum level under this policy (2024: 14 months). The increase in the reserves are due to a reduction in staff costs and the purchase of electronic products. Gift aid from the ICAEW is forecast to reduce in future years to bring reserves back within required levels.

PDLT

The trustee believes it is prudent to keep a balance of at least the existing and one year's prospective commitments and one year's administrative expenses in unrestricted PDLT reserves against the risk of a sustained decline in investment income. This is based on an average of the last three years results and would require maximum income reserves of £216,000. Unrestricted reserves as at 31 December 2025 amounted to £1,073,000 (2024: £1,003,000), which equated to 77 months total expenditure.

An enquiry with the Charity Commission is currently underway to try and expand the objects of the trusts to further utilise the funds available.

CAPET

The trustee believes it is prudent to keep a minimum of two years' forecast examination prize expenditure and a maximum of three times forecast total expenditure in unrestricted income reserves against the risk of a sustained decline in investment income. That would indicate income reserves of between £105,000 and £219,000. The reserves of £569,000 as at 31 December 2025 are in excess of the reserves policy (2024: £620,000: in excess of policy). In line with CAPET's secondary objectives, the trustees approved additional annual expenditure to fund student bursaries of £150,000 for 2026-2027, this will bring reserves below the maximum level over the medium term.

The trustee monitors and reviews the level of reserves for all of the charities above at each meeting of its directors.

MAJOR RISKS

The principal risks faced by the charitable trusts as identified by the trustee lie in the performance of investments and operational risks from ineffective grant making and, more fundamentally, major incidents such as fluctuations in interest rates, inflation, cyber-attacks, global pandemics, political unrest and the effects of terrorist activity.

The trustee considers the volatility of investment returns and long-term losses on the permanent endowment fund to be the charity's major financial risk. It accepts some short-term variability as part of its long-term investment strategy. This is mitigated by retaining the appropriate expertise from the investment managers and by having a diversified investment portfolio.

The reputational risk from making inappropriate grants is managed by a reporting and review process. This assists us in keeping track of developments and to focus on the public benefit derived from our funding of their work.

Major incidents could disrupt Library operations and result in loss of property, data and staff. The Library participates in ICAEW's business continuity plans which are subject to regular review.

The trustee has an established risk analysis process which identifies the major risks to which the charitable trusts are exposed and the ways in which those risks can be mitigated. The risk analysis is reviewed on a regular basis.

The Directors regularly review current practice against the charity governance code.

INVESTMENT POLICY AND PERFORMANCE

All the charitable trusts' investments are pooled in CACIP.

The trustee regularly reviews its Investment Policy to ensure the suitability of investments for the participating charitable trusts, in line with the Trustee Act 2000, adequate diversification and adherence to the internationally recognised Principles of Responsible Investment (PRI).

London & Capital ("L&C") and Waverton Investment Management ("Waverton") officially become W1M in June 2025. This followed the announcement in March that the two brands would consolidate under this new name to offer clients one home for wealth and investment management, offering exceptional breadth and depth of global advice and planning, combined with institutional-quality investment management.

W1M manage the endowment and part of the cash fund. In order to maximise investment returns, the cash fund moved from a cautious to balanced portfolio in April 2025.

Royal London Asset Management also manage part of the trusts cash fund.

The trustee's aim for the W1M funds is to generate resources on a recurring basis for spending on the objectives of the Foundation and other charities at a sustainable rate, while seeking sufficient capital growth over the long term to ensure that the endowment's real spending power is maintained.

W1M funds are invested to provide an optimal mix of income returns and long-term capital growth. Distributable funds are invested to provide a secure income and to reduce the risk of substantial fluctuations in capital values.

The short-term investments invested with Royal London are also managed on a discretionary basis for the best income return at minimal risk to capital, in both cases within policy guidelines set by the trustee. A review was conducted during the year, and these funds were moved the lowest risk money market plan in December 2025.

The trustee receives regular investment performance reports and reviews them against industry benchmarks as detailed in the tables below.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Endowment Funds – W1M

Total Return Net of Fees	3 Months	9 Months	1 Year	Inception 02/03/2021
Portfolio Percentage Return	4.6%	14.3%	13.6%	51.5%
Balanced Index	2.9%	13.8%	11.6%	38.7%
ARC Steady Growth Charity Survey	3.0%	10.8%	9.3%	28.4%
CPI + 3.0%	1.3%	4.9%	6.3%	47.1%

Liquid Funds – W1M

These funds moved from a cautious to balanced mandate in April 2025, blended comparatives are shown below.

Total Return Net of Fees	3 Months	9 Months	1 Year	Inception 30/04/2021
Portfolio Percentage Return	4.4%	15.4%	14.7%	33.6%
Cautious Index	2.8%	11.9%	10.7%	24.4%
Blended Index*	2.9%	13.8%	11.6%	33.8%
ARC Cautious Charity Survey	1.5%	4.7%	5.8%	8.8%
CPI + 2.5%	1.2%	4.5%	5.8%	42.0%
CPI + 3.0%	1.3%	4.9%	6.3%	45.1%

* Benchmark changed from Cautious to Balanced index, effective 27/04/2025

Combined investments at the end of 2025 stood at £20.8m (2024: £18.6m), comprising of £17.6 m in the endowment fund and £3.2m of liquid assets as detailed in the table below.

£'000	YTD movement					
	in funds	Dec 25	Sept 25	June 25	Mar 25	Dec 24
Equity Funds (W1M - Portfolio 1)	1,785	17,631	16,929	15,989	15,662	15,846
Liquid Funds (W1M - Portfolio 2)	185	1,634	1,584	1,470	1,433	1,449
Total Equity Funds	1,970	19,265	18,513	17,459	17,095	17,295
Liquid Funds (Royal London)	239	1,519	1,588	1,442	1,344	1,280
Total Funds	2,209	20,784	20,101	18,901	18,439	18,575

The table below analyses the movement in combined fund balances for 2025 and prior year.

	2025	2024
	£,000	£,000
Opening combined investment balance	18,575	17,067
Unrealised gains	2,114	1,514
Investment income	385	364
Management fees paid	(87)	(79)
Cash movements	(203)	(291)
Closing combined investment balance	20,784	18,575

The portfolios performed strongly up 13.6% (no.1) and 14.7% (no.2) outperforming both the Balanced Index (11.6%) and the ARC Steady Growth peer group comparative (9.31%).

Alternatives generated the strongest returns, with gold up 53%. Equities also rose strongly by 15% although the performance of bonds was more subdued reporting a 4% increase.

Equity markets were stronger than expected. While economic and earnings growth has been more robust than anticipated, much of the performance was driven by a re-rating.

Investor sentiment fluctuated as the focus of attention moved from the potential impact of US tariffs to the impact of expansionary fiscal and monetary policies around the world and optimism around the potential for AI.

Bond markets were volatile as investors changed their expectations for interest rate cuts and tussled with rising levels of government debt around the world. The UK gilt index ended the year up 5%.

The portfolios benefited from their overweight exposures to equities at the expense of the bonds market.

Stock selection was good in North America. At the sector level it was good in Materials, Communication Services and Technology.

The Trustees are carefully monitoring current global economic uncertainties and subsequent effects on the investment portfolios.

CUSTODY OF INVESTMENTS

All cash and investments managed by the investment managers are held on CACIP's behalf at independent custodians, in the name of the custodian's nominee company. Cash awaiting investment is held by the investment manager as clients' money according to the rules of the Financial Conduct Authority and is deposited to earn interest with the custodian or a wholly owned subsidiary of the custodian.

As at 31 December 2025, the trustee has received and relied upon confirmations from the investment managers as to proper custodianship of investments. It has also received and relied upon confirmation from their respective auditors that, in their opinion, the internal controls and systems of each organisation are sufficient to prevent or detect material errors or irregularities.

There has been increased volatility in the stock markets post year end following conflict in the middle east. Whilst this situation is deeply concerning, market pricing has remained remarkably rational so far. In general, portfolios have held up well absolutely but given up the relative performance gained in January and early Feb. Trustees will continue to carefully monitor this situation.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee prepares the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charities and of the incoming resources and application of resources, including the income and expenditure, of the charities for that period. In preparing these financial statements, the trustee is required to:

- select the most suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgments and accounting estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation or a linked charity will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities' transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deeds or other governing documents. The trustee is also responsible for safeguarding the assets of the Foundation and its linked charities and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

HaysMac LLP has been proposed for reappointment as auditor.

Approved by the trustee's board of directors on 28 April 2026 and signed on their behalf by



Andrew Ratcliffe
Chairman

Opinion

We have audited the financial statements of ICAEW Foundation for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit

- have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee for the financial statements

As explained more fully in the trustee's responsibilities statement set out on page 31, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those related to compliance with charity law, and with the reporting framework, being the Charities SORP (FRS 102) 2019 and the Charities Act 2011. We undertook audit procedures to assess the extent of compliance with these laws and regulations and ensured that these were communicated within the audit team regularly. The audit team remained alert to instances of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- review of the meeting minutes of the trustee's directors;
- undertaking procedures to identify and test journals, in particular journal entries posted with unusual descriptions or in seldom used accounts and those that significantly impact on the result or financial position of the charity; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather

ICAEW FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF ICAEW FOUNDATION

than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustee, for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP, Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: **13th May 2026**

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

ICAEW FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted income funds 2025 £'000	Restricted income funds 2025 £'000	Endowment funds 2025 £'000	Total 2025 £'000	Total 2024 £'000
Income and endowments from:						
Donations and legacies	3	24	706	96	826	754
Income from investments	4	62	317	6	385	364
Total income		86	1,023	102	1,211	1,118
Expenditure on:						
Charitable Activities						
Grant funded and direct	6	(310)	(268)	-	(578)	(377)
Library	7	-	(715)	-	(715)	(736)
Raising funds						
Investment management fees	5	-	-	(87)	(87)	(82)
Total expenditure		(310)	(983)	(87)	(1,380)	(1,195)
Net gains on investments	8	67	183	1,864	2,114	1,514
Transfer between funds	13	150	(150)	-	-	-
Net income and movement of endowed funds for the year		(7)	73	1,879	1,945	1,437
Reconciliation of funds:						
Fund balance brought forward at 1 January	13	356	2,475	15,538	18,369	16,932
Fund balance carried forward at 31 December	13	349	2,548	17,417	20,314	18,369

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

BALANCE SHEET AT 31 DECEMBER 2025

	Note	2025 £'000	2024 £'000
Fixed asset investments	8/9	20,784	18,576
Current assets			
Debtors	10	47	164
Cash and cash equivalents		291	166
Total current assets		338	330
Creditors: amounts falling due within one year	11	(653)	(448)
Net current liabilities		(315)	(118)
Total assets less current liabilities		20,469	18,458
Creditors: amounts falling due after more than one year	11	(155)	(89)
Total net assets		20,314	18,369
The funds of the charitable trusts:			
Endowment capital (permanent & expendable)	13	17,417	15,538
Restricted funds	13	2,548	2,475
Unrestricted funds	13	349	356
Total funds	12	20,314	18,369

Approved and authorised for issue by the trustee's board of directors on 28 April 2026 and signed on their behalf by:



Andrew Ratcliffe
Chairman

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £'000	2024 £'000
Net movement in funds	1,945	1,437
Cash flows from operating activities		
Deduct gains/add back losses on investments	(2,114)	(1,514)
Decrease in debtors	117	24
Increase in creditors	271	59
Net cash provided by operating activities	219	6
Cash flows from investing activities		
Purchase of investments	(3,496)	(3,230)
Proceeds of sales of investments	3,629	3,215
Net movement in cash held not yet invested	(227)	20
Net cash (used in)/provided by investing activities	(94)	5
Change in cash and cash equivalents in the year	125	11
Cash and cash equivalents brought forward	166	155
Cash and cash equivalents carried forward	291	166

No separate analysis of changes in net funds has been presented as the charity has no borrowings in the current and prior year.

The accompanying notes form part of these financial statements

1 Accounting policies

Accounting convention and basis of preparation

- a. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.
- b. The trust constitutes a public benefit entity as defined by FRS 102.
- c. The financial statements of the Foundation aggregate a number of charitable trusts under the authority of a uniting direction from The Charity Commission as set out in the Trustees' Annual Report. These separate trusts are presented as restricted funds within these financial statements.
- d. The investments of The Foundation and its linked charitable trusts are subject to a pooling arrangement under CACIP. The underlying investment additions, purchases and movements in cash held not yet reinvested are all reported in the Statement of Cash Flows under cash flows from investing activities.

Going concern

- e. After reviewing the forecasts, projections and giving consideration to the current position of the world economy with regard to inflation, interest rates and market fluctuations as a result of the ongoing war in the middle east, the trustee has a reasonable expectation that the Foundation and each linked charity has adequate resources to continue in operational existence for the foreseeable future. At the end of the year, although our results are presenting as net current liabilities, careful management of grant liabilities and the availability of cash presented within fixed asset investments are considered when reviewing our year end results. The trustee therefore continues to adopt the going concern basis in preparing its financial statements for the charities.

Income recognition

- f. All income is recognised once the charity has an entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- g. Gift aid is allocated between the restricted and unrestricted funds of each charitable trust in line with the qualifying donations accruing thereto.
- h. Investment income is taken into account on entitlement.
- i. Voluntary income is recognised when receivable. Donations in kind reflect governance costs directly funded by ICAEW.
- j. The surplus or deficit on a partial investment sale is calculated pro rata to the cost of the investment.

Expenditure recognition

- k. Grant making includes grants payable and the associated support costs. Grants are accounted for in the year they are approved, irrespective of the period they cover except for performance-related grants, which are accounted for only when the beneficiary has met the performance conditions. Grants awarded but not yet paid are recorded as grant commitments in the balance sheet.
- l. Governance costs. ICAEW holds a blanket indemnity insurance policy for all employees and directors. The amount allocated to the charitable trusts is estimated based on the number of people covered by the scheme. Governance costs also include annual external audit fees and any costs reimbursed in respect of out-of-pocket expenses of the trustee's directors. The trustee does not receive any remuneration or other benefits for its services.
- m. Costs of raising funds. The costs of generating funds consist of investment management costs and applicable legal fees.

- n. Expenditure on charitable activities. Costs of charitable activities include grants made, governance costs and support costs.

Other

Taxation

- o. The Foundation and constituent charities are exempt from corporation tax on income and gains applied in furtherance of their charitable objects so there is no liability in respect of its activities.

Fixed asset investments

- p. Listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. The Statement of Financial Activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals during the year.

Cash and cash equivalents

- q. Cash and cash equivalents includes cash in hand, deposits held in banks and other short-term highly liquid investments with original maturity of three months or less.

Fund accounting

- r. Endowment funds consist of both permanent endowment funds and expendable endowment funds. Permanent endowment funds represent amounts for which the capital must be retained. Expendable endowment funds are considered to be those unused donations which have been invested alongside the charity's permanent endowment funds in order to generate investment returns. They remain expendable for the furtherance of the charity's objectives. Restricted funds are funds which are subject to restrictions imposed by donors or have been raised by the charity for particular purposes.
- s. The trustee identifies those funds which are expendable in full alongside those generated through investment returns as set out in the Investment Policy and Performance section of the annual report.

2 Statement of financial activities 2024 comparison by fund

	Unrestricted income funds 2024 £'000	Restricted income funds 2024 £'000	Endowment funds 2024 £'000	Total 2024 £'000
Income and endowments from:				
Donations and legacies	26	721	7	754
Income from investments	58	300	6	364
Total income	84	1,021	13	1,118
Expenditure on:				
Charitable Activities				
Grant funded and direct	(162)	(215)	-	(377)
Library	-	(736)	-	(736)
Raising funds				
Investment management fees	-	-	(82)	(82)
Total expenditure	(162)	(951)	(82)	(1,195)
Net gains on investments	40	116	1,358	1,514
Transfer between funds	150	(150)	-	-
Net income and movement of endowed funds for the year	112	36	1,289	1,437
Reconciliation of funds:				
Fund balance brought forward at 1 January	244	2,439	14,249	16,932
Fund balance carried forward at 31 December	356	2,475	15,538	18,369

3 Donations and legacies

Unrestricted fund

Foundation donations

Donations in kind

Restricted Fund

Gift aid donations from ICAEW

Donations in kind

Endowment Fund

Foundation donations

2025 £'000	2024 £'000
23	25
1	1
24	26
700	700
6	21
706	721
96	7
826	754

4 Income from investments

Unrestricted Funds

Equities, Bonds, Alternatives and cash

62
62

58
58

Restricted Funds

Fixed interest securities

28

28

Equities, Bonds, Alternatives and cash

289

272

317

300

Endowment Funds

6

6

385

364

5 Cost of raising funds

Investment managers fees

2025
£'000

87

87

2024
£'000

82

82

6 Expenditure on grant funded and charitable activities undertaken directly

Grant making activities

Foundation grants approved

310

12

-

322

PDLT grants approved

-

180

-

180

Grants written back (no longer required)

(21)

(35)

-

(56)

Total grants

289

157

-

446

Activities undertaken directly

Exam prizes

-

53

-

53

Support and governance costs

Management and support costs

21

46

-

67

Audit fee

-

11

-

11

Indemnity insurance and other trustee director's expenses

-

1

-

1

Total Expenditure on grant funded and charitable activities undertaken directly

310

268

-

578

Foundation grants approved relate to student bursaries as detailed in the trustee's report pages 6

PDLT grants relate to research, events and post graduate bursaries as referenced on page 7 of the trustee's report.

6a Expenditure on grant funded and charitable activities undertaken directly – 2024 for comparison

Grant making activities

Foundation grants approved
 PDLT grants approved
 PDLT grants written back (no longer required)

Total grants

Activities undertaken directly

Exam prizes

Support and governance costs

Management and support costs
 Audit fee
 Indemnity insurance and other trustee director's expenses

Total Expenditure on grant funded and charitable activities undertaken directly

	Unrestricted £'000	Restricted £'000	Endowment £'000	2024 £'000
Foundation grants approved	168	-	-	168
PDLT grants approved	-	131	-	131
PDLT grants written back (no longer required)	(24)	-	-	(24)
Total grants	144	131	-	275
Exam prizes	-	35	-	35
Management and support costs	18	37	-	55
Audit fee	-	11	-	11
Indemnity insurance and other trustee director's expenses	-	1	-	1
Total Expenditure on grant funded and charitable activities undertaken directly	162	215	-	377

Trustee expenses reimbursed during 2025 in relation to travel costs were £554 (2024: £470). The trustee directors did not receive any remuneration or other benefits for their services during the year (2024: £nil).

7 Library expenditure

Cost of ICAEW seconded staff
 Books and journals
 Accommodation and facility costs
 Office services and computer costs

Total

	2025 £'000	2024 £'000
Cost of ICAEW seconded staff	260	253
Books and journals	211	240
Accommodation and facility costs	221	220
Office services and computer costs	23	23
	455	483
Total	715	736

The ICAEW Foundation has no employees. All Library staff are employees of ICAEW who are seconded to the Library and the related employment costs are met by the charity. An average of 4.9 employees were seconded from ICAEW for the year (2024: 5.0 employees).

8 Movements in participating charities' interests in pooled investments

	Balance at 1 January 2025 £'000	New money invested £'000	Amounts withdrawn £'000	Investment income £'000	Gains on investments £'000	Balance at 31 December 2025 £'000	Note: Fees not yet debited £'000
CAPET	5,912	-	(242)	128	694	6,492	(8)
PDLT	8,740	-	(161)	181	993	9,753	(11)
Foundation	3,256	150	(28)	63	352	3,793	(3)
CATER	668	700	(710)	13	75	746	-
Total	18,576	850	(1,141)	385	2,114	20,784	(22)

9 Investments

	2025 £'000
Market value at 1 January	18,576
Additions	3,496
Net cash movement in year not yet invested	227
Disposal proceeds	(3,629)
Gains on investment	2,114
Market value at 31 December	20,784

Investments at market value comprised:

Listed Investments	20,460
Cash	324
	20,784

Historical cost:

Restricted fund	2,816
Endowment fund	13,720
	16,536

10 Debtors

	2025 £'000	2024 £'000
Amounts owed by group and related undertakings	-	10
Prepayments and accrued income	47	154
	47	164

11 Creditors

	2025 £'000	2024 £'000
Due within one year:		
Grants payable	520	360
Accruals	70	61
Tax and social security	5	5
Amounts owed to group and related undertakings	58	22
	653	448
Due after one year:		
Grants	155	89
	808	537

12 Analysis of net assets between funds

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2025 Total £'000	2024 Total £'000
Fixed asset investments	1,092	2,062	17,630	20,784	18,576
Other net (liabilities)/assets	(743)	486	(213)	(470)	(207)
Total value of the fund	349	2,548	17,417	20,314	18,369

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2025 Total £'000	2024 Total £'000
CAPET	-	569	5,914	6,483	5,913
PDLT	-	1,074	8,469	9,543	8,583
Foundation	349	(2)	3,034	3,381	3,028
CATER	-	907	-	907	845
	349	2,548	17,417	20,314	18,369

Analysis of net assets between funds - 2024 comparison

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2024 Total £'000
Fixed asset investments	828	1,902	15,846	18,576
Other net (liabilities)/assets	(472)	573	(308)	(207)
Total value of the fund	356	2,475	15,538	18,369

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2024 Total £'000
CAPET	-	620	5,293	5,913
PDLT	-	1,003	7,580	8,583
Foundation	356	7	2,665	3,028
CATER	-	845	-	845
	356	2,475	15,538	18,369

13 Summary of 2025 fund movements by trust and prior year comparison:

Unrestricted funds

	Balance at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2024 £'000
Foundation	244	84	(162)	150	40	356
Total	244	84	(162)	150	40	356

ICAEW FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Balance at 1 January 2025 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2025 £'000
Foundation	356	86	(310)	150	67	349
Total	356	86	(310)	150	67	349

Restricted funds

	Balance at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2024 £'000
CAPET	674	121	(54)	(150)	29	620
PDLT	943	168	(152)	-	44	1,003
CATER	833	714	(745)	-	43	845
FOUNDATION	(11)	18	-	-	-	7
Total	2,439	1,021	(951)	(150)	116	2,475

	Balance at 1 January 2025 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2025 £'000
CAPET	620	127	(73)	(150)	45	569
PDLT	1,003	179	(171)	-	63	1,074
CATER	845	714	(727)	-	75	907
FOUNDATION	7	3	(12)	-	-	(2)
Total	2,475	1,023	(983)	(150)	183	2,548

The above restricted funds are trust income that must be spent on that specific charity's general purposes at the discretion of the trustee as detailed on page 5. During the year, the trustees approved a transfer from CAPET of £150,000 to the Foundation to fund bursaries. This is in line with the secondary objectives of CAPET.

Endowment funds

	Balance at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2024 £'000
CAPET	4,846	2	(28)	-	473	5,293
PDLT	6,941	3	(41)	-	677	7,580
Foundation	2,462	8	(13)	-	208	2,665
Total	14,249	13	(82)	-	1,358	15,538

	Balance at 1 January 2025 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2025 £'000
CAPET	5,293	2	(30)	-	649	5,914
PDLT	7,580	3	(44)	-	930	8,469
Foundation	2,665	97	(13)	-	285	3,034
Total	15,538	102	(87)	-	1,864	17,417

CAPET and PDLT's endowment funds are permanent but the Foundation endowment is expendable for general purposes at the discretion of the trustee in furtherance of the objects of that charity as set out in the trustee's report on page 5. During the year no transfers were made from the expendable endowment (2024:nil).

14 Library book stock

The working stock of the Library was originally donated by ICAEW to CATER and is currently valued for insurance purposes at £900,000 (2024: £900,000). The stock is not included on the balance sheet but Library expenditure includes the cost of maintaining and adding to it. The aggregate cost and depreciation of the Library stock is not known and cannot be estimated with any reasonable degree of accuracy. Additions during the year are expensed as incurred and included within Library expenditure as they are below the capitalisation threshold.

15 Related party transactions

There is an agreement between CAT and ICAEW to provide administrative services to the Foundation and linked charities. The total of the transactions amounted to £238,000 (2024: £239,000), in addition to the costs of the Library. At the year end £58,000 (2024: £12,000) was owed to ICAEW. Management and miscellaneous support costs include direct costs and related charges on a time spent basis and an allocation of overheads split between CATER, PDLT, CAPET and the Foundation.

ICAEW provides gift aid to support the running of the Library. This amounted to £0.7m for 2025 (2024: £0.7m). CATER make an annual charge to the ICAEW for staff use of Library services; this amounted to £26,000 (2024: £25,000).

All Library staff are employees of ICAEW who are seconded to the Library and the related employment costs are charged to the charity. This amounted to £260,000 for 2025 (2024: £253,000).

There were no transactions with CAT or its directors in the year and prior year other than the reimbursement of expenses as set out in Note 6 to the accounts.

16 Group financial statements

ICAEW is the beneficial owner of the shares in CAT, the sole trustee of the Foundation. ICAEW is a body incorporated by Royal Charter in the United Kingdom (Company registration no. RC000246).

Under International Financial Reporting Standards ICAEW has prepared group financial statements which include the results and net assets of the Foundation and linked charities as well as any non-UK charities CAT administers. You can read the group financial statements online at www.icaew.com/review, or you can request a copy from the Chief Financial Officer, The Institute of Chartered Accountants in England and Wales, Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ.

ADVISERS, AGENTS AND ADMINISTRATOR

Investment managers:	Royal London Asset Management 55 Gracechurch Street London EC3V 0RL W1M 16 Babmaes Street London SW1Y 6AH
Independent auditor:	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Solicitors:	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
Bankers:	National Westminster plc 164-166 Midsummer Arcade Centre, Milton Keynes Milton Keynes MK9 3BA
Administrator	Jennifer Smith Governance Manager ICAEW Chartered Accountants' Hall 1 Moorgate Place London EC2R 6EA

ICAEW FOUNDATION

England & Wales - Charity number 313983

Accounts



Registered Charity No. 313983

ICAEW FOUNDATION

and its linked charities

TRUSTEE'S ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2024

ICAEW FOUNDATION

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THE LINKED CHARITABLE TRUSTS AND THEIR SOLE CORPORATE TRUSTEE

The names and registration numbers of the ICAEW's charitable trusts linked with the Foundation on the Charity Commission website, and which although separately administered are accounted for as if they and the Foundation were a single charity, under the authority of a uniting direction from the Charity Commission, are as set out below:

313983-001	The Chartered Accountants' Charities Investment Pool (CACIP)
313983-002	P D Leake Trust (PDLT)
313983-003	Chartered Accountants' Trust for Education and Research (CATER)
313983-009	Chartered Accountants' Permanent Education Trust (CAPET)

The sole trustee of all these charities is Chartered Accountants' Trustees Limited (CAT). The directors of the Trustee company at present and those in office during the period covered by this report are:

William Arthur Bailey	Chairman until 4 June 2024
Richard Baylis	Appointed 4 June 2024
Shauna Bevan	
Michael Hicks	
Andrew Ratcliffe	Chairman from 4 June 2024
Susan Smith	Resigned 28 July 2024
Christopher Soan	Appointed 4 June 2024
Andrew Wauchope	

Further administrative information will be found on page 47.

The registered office of the trustee and principal office of each of the charities is:

Chartered Accountants' Hall
1 Moorgate Place
London EC2R 6EA UK

PUBLIC BENEFIT AIMS

The trustee presents its annual report and financial statements for ICAEW Foundation (the Foundation) which include its linked charities for the year ended 31 December 2024.

The aim of the Foundation is to support and provide donations to bodies, charitable trusts or funds for the public benefit in areas which are of particular interest to the Institute of Chartered Accountants in England and Wales (ICAEW).

The aims of the linked charities (apart from CACIP which is CAT's collective investment vehicle) are as follows:

- CATER: the advancement of education, particularly in accounting and related subjects, by maintaining and operating the ICAEW Library and by supporting qualifying education and research projects initiated by the ICAEW and others;
- CAPET: the advancement of education, particularly in accounting and related subjects, by funding the prizes awarded through ICAEW's examinations and funding bursaries in accordance with the secondary objectives of the trust;
- PDLT: the advancement of the sciences of accounting and political economy, including public finance and taxation, by funding academic research projects and events.

When pursuing these public benefit aims and when setting annual objectives and planning future activities, the trustee has given due consideration to the Charity Commission's general and sub-sector guidance on public benefit.

STRUCTURE, ORGANISATION AND MANAGEMENT

The Foundation is governed by a Deed of Trust last updated on 18 May 2007.

CATER is governed by an administrative scheme of December 1971 made by the Secretary of State for Education and Science. Chartered Accountants' Library Limited (CALL) is a wholly owned subsidiary trading company of CATER which became dormant at the end of 2018.

CAPET is governed by a Charity Commission scheme of October 1975.

PDLT (the 1952 will trust of the late Percy Dewe Leake) is governed by an October 1975 Charity Commission scheme.

CACIP, the investment pooling charity, is established and governed by a Charity Commission scheme of December 1996.

ICAEW is the beneficial owner of the shares of CAT, which has no corporate assets and is active only as sole trustee of the charities and so is dormant for accounting under company law. In accordance with IFRS10, however, the financial statements of all the charities administered by CAT are consolidated in ICAEW's financial statements.

Details of the charities' transactions with related parties are shown in the notes to the financial statements.

Appointment of trustee's directors

The appointment of directors of CAT is proposed by CAT's Board of Directors and approved by ICAEW's Volunteer Nomination Committee.

Term of appointment as a director of CAT

The Articles of Association of CAT do not limit the term of appointment. However, by agreement with ICAEW, the trustee directors normally hold office for eight years at a maximum, and the chairman for five years maximum, having served at least one year as a trustee director before becoming chairman.

Induction and training

As part of their induction, new directors of CAT are given a briefing pack which includes information relating to the powers and responsibilities of CAT as a corporate trustee, copies of papers and minutes of board meetings, copies of annual reports and financial statements of the trusts and information relating to the work of the charitable trusts it administers. An opportunity is offered to new trustee directors to meet with the chair and existing trustee directors and members involved in managing the trusts to obtain briefing on the grant making process.

The trustee directors consider periodically whether further training on their role and responsibilities as directors is needed as part of their terms of appointment. Where it is considered appropriate, regular updates and training are provided in conjunction with the charities' investment, other advisers and other external sources.

Directors' Meetings

The trustee directors meet at least three times a year, in order to manage the charities, to review investment and financial performance, to assess new grant applications and to consider feedback and reports on previous grant awards.

The trustee directors have appropriate policies and procedures in place for managing any conflicts of interest arising in the course of its trusteeship.

Key management personnel remuneration

The CAT Board considers the trustee's directors and the Head of the Library & Information Services (LIS) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. The trustee's directors give their time freely. Details of expenses claimed and related party transactions are disclosed in notes 6 and 15 to the financial statements.

The pay of the head of LIS is borne by ICAEW and reviewed annually in accordance with the ICAEW remuneration policy.

STRATEGY FOR ACHIEVING OBJECTIVES

Foundation

The trustee's strategy is to make grants for selected initiatives where the contribution made by the trust can make a positive difference to the outcome.

The initiatives supported within the trustee's ongoing aims and objectives can be summarised as follows:

- **Bursaries**
Offering life-changing opportunities to talented individuals who may not otherwise have the opportunity to join the next generation of finance professionals.
- **Prizes**
Rewarding academic excellence and outstanding contributions to society as an inspiration to others.
- **Research and PhD fellowships**
Supporting high quality research that challenges perceptions of the future of accounting and finance.
- **Teaching fellowships**
Fostering change in education, bringing to academic tuition the practical insight for which the profession is renowned.
- **Library services and heritage**
Preserving and enhancing through CATER (see below) ICAEW's heritage that symbolises its position as a most highly respected professional body.

GRANTMAKING AND POLICY

Foundation

Any applications for grants and bursaries are put to the CAT Board for approval via the Foundation office. If a bursary to a university is approved, then a Memorandum of Understanding is signed by both parties.

CATER & PDLT

The trustee has a process for the review of grant applications. The Research Advisory Board (RAB) considers all grant applications for research projects and events and makes its recommendations to the trustee. Each grant application includes details of the purpose and contribution of the research project or event and a summary of expected expenditure under such headings as:

- staff costs
- travel costs
- research instruments and access to data sources
- other relevant specified costs

The RAB also commissions leading academics, from both the UK and around the world, to write papers and present on issues of key importance to the accountancy profession, particularly on aspects of financial reporting. An annual conference and lecture are both held at which these papers are presented before they appear in a special issue of the journal *Accounting and Business Research*. Requests for funding for the papers and events are put to the trustees in the usual way.

The RAB meets three times a year. It includes senior academics from various universities, including at least one overseas university, as well as other practitioner members. Where appropriate, members of the RAB personally interview the person or team making the grant application and always obtain independent academic and practitioner reviews.

The trustee may at its own discretion accept or reject any grant application which has been considered by the RAB.

The charitable trusts are committed only to reimburse qualifying research expenditure incurred, together with buyout replacement teaching if appropriate.

The trustee encourages the publication and distribution of the grantees' research findings to the widest possible audience. This may be through ICAEW to its members and others or by other academic journals and external publishers.

The trustee gratefully acknowledges the assistance of ICAEW and its help in publicising the work of the charitable trusts.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

CATER's budget for the ICAEW Library is formally reviewed with the Head of the LIS each year to review progress against budget, progress with ongoing development of the LIS and to agree priorities for the year ahead. The resources spent on this service in 2024 amounted to £736,000 (2023: £650,000).

CAPET

The trustee's policy is to:

- assist with the general professional education of suitable persons who are preparing for, entering, or engaged in the profession of accountancy, such as by providing books or paying fees, subject to applicants meeting the trustee's criteria for grant eligibility; and
- award prizes in connection with ICAEW's examinations.

CACIP

This charity exists only to manage the pooled investments of the above charities administered by CAT.

FUNDRAISING

Foundation

The Foundation launched in 2007.

Actual donations totalling £51,368 (including gift aid and accrued income) were received during 2024. Total pledges since the launch of the Foundation, including legacies, donations and gift aid, stood at £2,963,466 at the end of the year.

Since the launch of the Foundation, actual donations (which mainly accrued to expendable endowment capital) received up to 31 December 2024, including gift aid, were £2,323,466 before investment returns, and can be categorised as follows:

	£
Funds to be used at the trustee's discretion	1,493,033
Bursaries	211,992
Prizes	110,378
Research	2,241
Library services and heritage	2,078
PhD fellowships	8,846
CABA awards	70,000
Combined Code Research Fund	104,783
PwC Flying Start Programme	100,000
Ernst & Young Smart Futures	36,000
Challenge 10 Initiative	38,140
Legacies	143,475
Cheng Bursary	2,500
Total	2,323,466

The table below details the number of bursaries awarded by country to date:

COUNTRY	NUMBER OF BURSARIES AWARDED
UK	86
CYPRUS	4
GREECE	1
HONG KONG	10
TOTAL CHANGING FUTURE BURSARIES	101
MALAWI	49
SRI LANKA	40
GHANA	19
CAMBODIA	10
ZIMBABWE	10
LESOTHO	6
TOTAL BUILDING FUTURE BURSARIES	134
GRAND TOTAL	235

2024 ACTIVITIES AND ACHIEVEMENTS

FOUNDATION

Grant funded activities

Historically, the Foundation made an annual award of £6k to Humentum to fund bursaries for its charitable training in accountancy to individuals working in non-governmental organisations. Over time, this pool of funds built up but during the year the trustees approved a reclassification of these funds to support financial skills training targeted within organisations as opposed to individuals with an aim to further the reach of the training provided. The removal of barriers and more targeted approach resulted in 40 participants being trained during the year in financial management and sustainability thus fully utilising the remaining funds available. No further funding is anticipated at this time.

Grants awarded

The main strategic focus of the Foundation is the creation and granting of bursaries. New bursaries will be funded from the income generated on the investment of current donations or the release of expendable endowment. Total bursaries awarded during the year (net of write backs) were £144,000 (2023: £194,000). UK bursaries are usually awarded for a period of three or four years and are accrued in the accounts for the whole period in the first year when the bursary is approved. Therefore, the awards payable to UK universities shown in note 6 are for new bursaries, including amounts payable over future years.

The ICAEW Foundation Changing Futures Bursary Programme

To date, the ICAEW Foundation *Changing Futures* bursary programme has supported 101 undergraduate students of accountancy and finance in universities across the UK, and in Hong Kong, Cyprus and Greece.

- ICAEW members can see how their donations to the Foundation are making a real difference and having a positive impact. They may also be encouraged to engage with their local student.
- ICAEW Foundation is immensely proud of our work with students through the bursary programmes but we do need the support of our members to continue to grow our impact and reach.

Here are some of our student bursary recipient stories from this past year. You can read about the difference the bursary has made to these talented and ambitious individuals and how the educational experience has already nurtured and developed them. The process for collecting student reports was updated in 2024 and students were sent a questionnaire and given the opportunity to complete it via 'DotDigital'. Responses received are below:

Eleni Ktorides, European University of Cyprus (year 3)

How has the bursary contributed to the past academic year? The bursary has been invaluable in providing me with financial stability, allowing me to attend university without the constant worry of economic strain. This support enabled me to fully focus on my studies, significantly enhancing my academic performance. It also gave me a sense of independence and confidence, knowing that I have additional support beyond my parents. Furthermore, the bursary has opened doors for new opportunities, such as participating in the Erasmus+ program next semester, which will enrich my academic and personal growth. This assistance has truly empowered me to make the most of my university experience.

Have you been involved in any extracurricular activities at university? I've been to a couple of presentations & seminars that took place at EUC. I also attended an accounting qualification presentation event that took place outside my University. I did 2 internships during the summer. Lastly, I'm excited for the upcoming Erasmus + program, I'm going to take part in.

Have you got a part-time job outside of your studies? No, just some internships during the summer holidays to enhance my CV and get experience

What are your future ambitions? My future ambition is to become the best accountant I can be, striving for self-actualization through continuous learning and professional growth. Once I am financially stable, I aim to give back to the community, using my skills and resources to make a positive impact. Additionally, I hope to incorporate my artistic talents, such as drawing and singing, to bring joy to others. Whether through creative initiatives, community outreach, or combining my expertise in accounting with my passion for art. I aspire to build a fulfilling career that leaves a meaningful mark on the world.

Any other comments? Thank you for making all of this possible!

Rebecca Abraham, Cardiff Metropolitan University (year 1)

How has the bursary contributed to the past academic year? The bursary has helped to reduce financial pressure through the past year. It has allowed me to buy books, as I prefer a hard copy of the resources rather than use online methods because this allows me to make notes and mark pages that I need so I can refer back to them at any time and take them with me when I am on the go. The bursary has also allowed me to be able to pay for afterschool facilities for my children, my younger son has joined a rugby team, and my eldest son has signed up to a local football team. This has meant I now benefit from extra quiet time to focus on my studies. I have been able to buy ink and paper for my printer when needed and the bursary has helped with the cost of traveling to university so that I was able to attend all lectures and seminars throughout the year, which I know contributed to me being given a progression award for receiving high results within my first year.

Have you been involved in any extracurricular activities at university? I have taken part in extra classes to help assist with my studies. These optional workshops have helped me build academic skills including referencing and note taking. Being on campus for all my lectures and seminars has helped me get to know my lecturers and spend some one-to-one time with them when I had questions. This would not have been possible if I had not had financial support to help with childcare. I have also made contact with a recent graduate from the course I am studying who has coped with studying and parenting duties and now has a graduate role in accounting. I was encouraged to make contact with her by my programme director and thanks to the bursary have time to speak to her and benefit from the knowledge, experience and resources she is able to share with me.

Have you got a part-time job outside of your studies? Yes, I have a part time job outside of my studies. I work as a self-employed cleaner on a fortnightly basis cleaning for regular clients. The bursary has helped with reducing the amount of clients I have to allow me to still work and earn extra income but also to manage my time to be able to have free days to study without the added money worry.

What are your future ambitions? My future ambition is to be a qualified accountant. I would like to have my own successful accounting business to allow myself and my children to live a more comfortable life without any money worries whilst showing them it is never too late to go back to studies, and you can achieve anything you want to if you are committed.

Any other comments? I would like to say thank you for believing in me and awarding me the bursary. I am extremely grateful, and I will continue to show my determination towards achieving my end goal. Without this opportunity I would not have been able to alleviate the pressure of study and home life balance.

Ryan Mahami, University of Reading (year 3)

How has the bursary contributed to the past academic year? Financially, the bursary crucially supported my expenses, such as accommodation, food, and study materials. It allowed me more time for studying, as it reduced the need for a part-time job, enabling me to dedicate extra time to my academic work. This also alleviated the stress of managing costs, allowing me to concentrate more on my studies. However, early last year was a struggle due to the passing of a close family member. The bursary allowed me to travel home to see them just before it happened, for which I will be forever grateful. It was a difficult year, but not having to worry about finances significantly benefitted me. The books for my modules were quite expensive, and being able to purchase them thanks to the bursary ensured I had the correct materials for my exams.

I significantly enjoyed the AC221 Personal Tax module, where I learned how to calculate Income Tax, Inheritance Tax, and Capital Gains Tax. These are important areas that play significant roles in our day-to-day lives, making it essential to have a strong understanding of them. I was very pleased to receive 74% in my final exam. I also enjoyed the IC201 Corporate Finance module, which provided me with valuable knowledge in financial management, including capital structures, mergers and acquisitions, risk, and investment strategies. This module developed skills crucial for management consulting and enhanced my mathematical abilities, which I always enjoy improving. In the final exam, I scored 71%, reflecting my hard work.

Have you been involved in any extracurricular activities at university? Moreover, I was able to join the golf society, where I played golf and met many new friends at social events. This enhanced my university experience, allowing me to enjoy my free time while balancing my studies and extracurricular activities.

Joining the society also taught me valuable skills, such as discipline and networking, which greatly benefitted my well-being last year. I hope to continue this again this year.

Have you got a part-time job outside of your studies? At home, I have two jobs: I work as an assistant for a plumbing and heating company, and I also detail cars. These jobs allow me to perform hands-on work, which is a valuable life skill. I interact directly with customers, providing services and ensuring I meet their needs to the best of my ability. Detailing requires great attention to detail, and it has taught me a lot about professionalism, as every wash must be precise and thorough. These skills will hopefully benefit me in future career paths. Additionally, these jobs offer me flexibility.

What are your future ambitions? My future ambition is to become an ACA-qualified accountant, as I am passionate about accounting. Also participating in AC221 will enable 'Credit for Prior Learning' if in the business tax module, this year, I also achieve a mark over 50%. Achieving this qualification will provide me with a strong foundation in the financial world. After that, I may move into property development, combining my financial expertise with the hands-on skills I've gained through plumbing and heating. This could give me the flexibility I desire in the future, especially as I start a family, allowing me to spend as much time with them as possible.

Any other comments? Would once again like to send my thanks and appreciation to everyone involved.

James Wyles, Bournemouth University (year 2)

How has the bursary contributed to the past academic year? The funding has helped me massively in first year as it has taken financial pressure off me, so I have been able to concentrate fully on my studies. I have been able to gain a good understanding of the modules on my course and have managed to do well in these. It has allowed me to also have free time to do things such as sports and meeting new people which has helped me develop on my communicating skills, all of this has helped me succeed and like my first year at university.

Have you been involved in any extracurricular activities at university? No, I have not but have participated in activities outside of university.

Have you got a part-time job outside of your studies? No as the funding has helped me be able to focus on my studies.

What are your future ambitions? To work for a big firm in the accounting and finance sector and try to work my way up.

- During 2023, a new 4-year scholarship with the Chinese University of Hong Kong was signed. This was entitled the "Paul Kwok Kin Cheng ICAEW Bursary" and will be fully sponsored by the family of the late Paul KK Cheng. Paul Cheng was extremely proud to represent the accountancy profession having been a longstanding member of ICAEW since 1976. The family are sponsoring this scholarship as a way of continuing his memory and to help other aspiring professionals achieve their career goals within the accountancy profession. The 2024 bursary was awarded to Year 3 student, Ho Wing, studying Professional Accountancy. See her report below:



A short presentation at the college assembly

I am writing to express my heartfelt gratitude for the scholarship you generously provided. Your support has made a significant impact on my academic journey and my life.

Thanks to your generosity, I have been able to focus on my studies without the added stress of financial burdens. I am proud to share that I achieved a term GPA of 3.94 out of 4.00 in the 2024/2025 first term. Your scholarship has motivated me to strive for excellence in all my endeavours.

In addition to my academic achievements, I have joined a volunteer programme where I serve as a mentor for secondary school students. This experience has been incredibly rewarding, and I am committed to giving back to society to honour your generosity.

I am also actively searching for an internship to gain practical experience in my field of study. I promise to continue working hard in both my life and studies to embody the same spirit of kindness and support you have shown me.

Thank you once again for your incredible support. I aspire to make a difference in the world, just as you have done for me.

The ICAEW Foundation Building Futures Bursary Programme

Our Building Futures bursary programme, for students of new professional accountancy qualifications across Africa and Asia has allocated funds for 134 bursaries since its launch in 2015.

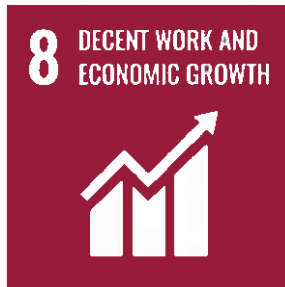
GHANA (ICAG)

Khadijah Iddris was previously featured in our foundation video in 2018 and has received support from the ICAEW Foundation throughout her PhD studies in finance, her ultimate ambition being that of becoming a lecturer in the subject. Khadijah was awarded her PhD during 2023, gaining top marks.

During the year the trustees agreed to provide additional funding to enable publication of her recent book 'Infrastructure Finance'. A publisher has been selected, and the book will be published during 2025.

UN Sustainable Development Goals

As the world increasingly focuses on the importance of the UN Sustainable Development Goals (SDG's), we too continue to collaborate and work together with our partners to help contribute to their own achievement aims.



We are conscious of how the objectives and work of the ICAEW Foundation contributes to achieving Goals 2, 3, 4, 5, 8, 10 and 13.

As a member of the Association of Corporate Foundations and 60th signatory to their Funders' Commitment on Climate Change, we continue to play our part for climate action.

CATER LIBRARY AND INFORMATION SERVICE

The Library & Information Service (LIS or 'Library') supports the current and future research needs of the accountancy profession by collating and preserving information and by providing an enquiry and research service. LIS also supports ICAEW by delivering a quality benefit to ICAEW Members.

For 150 years the Library has been the only Library in the United Kingdom to have comprehensively collected material in this sector, effectively creating a national Library of accountancy, including plenty of material not held by The British Library. The Library remains one of the world's largest and most important collections of material for the accountancy profession.

In 2024 the ICAEW Library teams have once again provided a widely appreciated service to high levels of user satisfaction against the backdrop of a rapidly shifting information landscape with its many challenges. The year has also brought about some fresh opportunities, notably with developments in artificial intelligence (AI) and the introduction of new CPD requirements.

The new CPD requirements saw a noticeable change in usage of the website. At its peak around half of visits to the website were recorded as being for CPD. A cross-team effort has ensured that the Library's digital resources can be counted towards members' verifiable CPD requirements.

Last year we identified that AI was an opportunity to do things differently. After an exploratory phase some of these AI tools have now been integrated as part of business-as-usual operations, particularly with the digital archive, where OpenAI's Whisper is being used to transcribe ICAEW webinars at scale, opening up access in a way that has not been possible before.

Alongside this, improvements to the experience for library users have included the launch of a new, much improved catalogue interface for users, offering a more responsive design, enhanced search functionality and clearer displays; a new series of library guides to support users on a range of topics; and improvements to the searchability of our digital archive.

Outreach has proven to be important in promoting the library resources and services to our core audiences. In 2024 the Library teams were able to carry out more promotion of the service than has been possible in recent years, ranging from attendance at every New Member Ceremony to a series of promotions in Insights emails to members.

Our digital archive work continues to be at the cutting edge. One significant step taken in this area last year saw the ICAEW Library join the international Digital Preservation Coalition (DPC). Joining the DPC gives us access to the global digital preservation community and tools that we can use to benchmark our progress against other organisations.

LIS management and structure

The Library collection (including third party digital information resources), and supporting software system and catalogue, are maintained and operated by CATER on behalf of ICAEW and the wider public. There are currently 5.4 full time equivalent staff posts funded by CATER for this purpose.

The Library staff operating the Enquiry Service and looking after the Library website are currently funded by ICAEW rather than CATER. ICAEW funded staff report to directors in Belonging & Supporting and in Digital & Publishing respectively.

CATER staff continue to contribute to the answering of enquiries, gaining valuable knowledge that feeds into stock selection and cataloguing.

The Rare Books collection, an asset owned by ICAEW, falls outside the remit of CATER. However, the Library team help to manage and support this collection.

Enquiry, Document Delivery and Loan Services

The LIS information professionals provide a valuable business information research service to members and the profession. The enquiry service remains a popular point-of-contact for members with 10,853 enquiries resolved this year.

The Library enquiry service is managed by the Library Enquiry Team, funded by ICAEW, and operated in collaboration with CATER funded library staff.

Business Centre

The Business Centre continues to operate as a flexible working space for members and 2024 has seen a visible increase in recurring usage. With the rise in 'working from home', members appreciate the opportunities provided by the Business Centre for networking and socialisation. We have also noticed that the space has become more popular for members who are between jobs, and we are pleased that we have been able to support such members with their job searches.

Enquiries

Client screening remains the most popular service (by volume) offered by the enquiry team, accompanied by queries on taxation, company/industry information and model documents.

The Library Enquiry and the Technical Advisory Service (TAS) teams continue to work collaboratively to support member enquiries. The enquiry team's webchat support provided to TAS in 2023 ended in mid-January 2024 once vacancies had been filled in the TAS team. Several members of the TAS frontline team returned the favour later in 2024 by providing resource to support client screening requests.

On top of our more common enquiries, 2024 has seen an increase in industry and market data requests. The research output of such requests has been remarked upon as being very useful to members and their clients. Other noteworthy enquiry topics of 2024 include in-depth research into the history of Chartered Accountants Hall, assisting a Japanese academic with the history of ICAEW's professional conduct regulations and the introduction of fines to ICAEW members, as well as assisting new ICAEW Directors with research information that have fed into ICAEW strategy discussions.

Customer satisfaction surveys for 2024 showed that 96% of Library & Information Service users found the service was easy or fairly easy to use which was a slight increase on the last two years. The appreciation for the service provided by the enquiry team is reflected in 298 direct compliments considered worthy of note having been received by the team across 2024.

Many users commented on how impressed they were that their requests were dealt with by information professionals with the expertise to understand and deal with their needs. Testimonials from users included:

"This is a brilliant service, the Law Society has nothing like this, I am so happy to be a member of this Institute"

"Your great help has saved our bacon (or may be caviar). As always, we are grateful for the generous services of ICAEW Library whenever we are in a tight corner."

"Very helpful librarian - understood my query and went out of his way to enable me to attend a client meeting with resources that added value."

"I have always experienced an exceptionally good service from the ICAEW Library but this experience went even further than my high expectations."

"The person who responded went above and beyond to help me get the data I was looking for. It was much appreciated and extremely helpful - it helped me with some marketing information and helped me motivate my employees."

"Contact was straight forward. Researcher was knowledgeable and engaging. Information provided was just what I needed."

CATER collection and digital resources

The ICAEW Library is a modern, hybrid service comprising of a physical collection of loan and reference material, and a suite of online, third-party resources to support user needs. Most of the physical collection is held at an offsite warehouse in Milton Keynes.

The Resources team manage the life cycle of resources in the Library collection from acquisition to disposal, covering both print to digital. The majority of ICAEW publications are now captured in digital format rather than added physically to the collection, reducing the resources needed to process and shelve them.

Supply of print resources

Whilst the Library continues to purchase and maintain a comprehensive print collection to support the enquiry and loan services, the decline in the number of book titles published in print format continues. The managed reduction in ICAEW print materials also continues, particularly with the changes to local ICAEW member groups and societies.

Our print journal subscriptions have remained steady. We currently take 44 non-ICAEW titles, including two CIPFA titles donated to us - Public Finance and Public Money & Management.

Supply of digital resources

Third party online resources are a key component of our hybrid collection and now accounts for over 80% of CATER's annual budget for library stock/resources. As last year, our most expensive licence contracts have been agreed on a multi-year basis to secure discounts.

In May 2024, we agreed a new contract to licence the IBISWorld market and industry sector reports, allowing us to supply this usually expensive information to Library users. As the cost was shared with another department within ICAEW, the cost to the Library has been minimal. Overall, our 2024 online resource costs have therefore remained steady.

We have increased our eBooks collection by 16 titles since the last CAT report and usage remains high, with an average of over 1700 views per month. We undertook a trial of Sweet & Maxwell's eBooks platform, Proview, but decided not to purchase a licence.

The EBSCO platform is undergoing a change of platform later this year, which we hope will not impact on the user experience of the database. However, EBSCO have recently removed some key finance titles from their database, such as International Tax Review, which will impact what we can supply to users.

Warehouse store

The majority of the print library collection is stored offsite in Milton Keynes. A project, which began in 2023 to tidy, weed and reorganise the materials held there, is ongoing.

CATER stock valuation

It was agreed that the CATER collection will be insured for £900,000. In practice, the unique nature of the collection means that many of the books would not be replaceable.

Usage and development of online resources

Work to increase the visibility of third-party resources licensed by the Library on the ICAEW website continued through 2024. In particular, the Content Curation team redesigned 168 tax by country pages to better promote IBFD database content, EBSCO articles from International Tax Review and eBooks.

Stock cataloguing

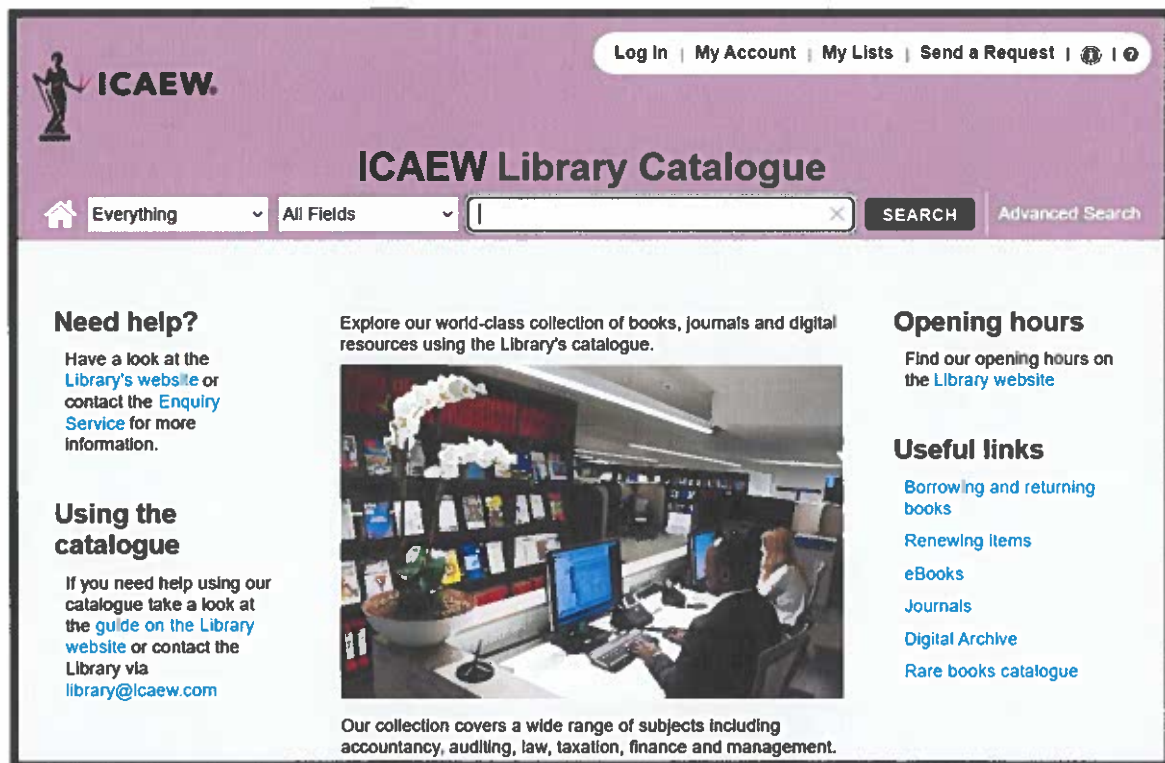
The library catalogue provides a record of electronic and print resources held by the library - books, rare books, articles, serials held by the library, as well as all ICAEW-produced documents. The catalogue supports the Library enquiry service and the website, with the aim of helping our users find and use our collections.

This year we have catalogued a total of 928 items, reflecting a significant increase from the previous year's figure of 573 items. The distribution of items catalogued this year shows 68% ICAEW digital materials and eBooks versus 32% printed books.

In addition to traditional cataloguing efforts, we have made significant strides in adding relevant free web-based materials to our catalogue (linking up with the Internet Archive to ensure long term availability). This initiative aims to enhance enquiry reference capabilities, providing users with easy access to valuable resources that complement our physical and digital collections.

Enterprise – our new discovery platform

Our primary project this year has been the replacement of our twenty-year-old online catalogue, iLink, with the Enterprise discovery platform.



The new interface for the library catalogue at icaew.com/librarycat

This transition has proven to be more complex than initially anticipated, requiring extensive behind-the-scenes editing and record clean-ups to ensure the accuracy and clarity of the data presented to our users, as well as input from our suppliers, SirsiDynix. The platform upgrade was successfully completed and launched to users at the end of September 2024.

The collaborative effort to overcome challenges with the platform's display involved various team members, demonstrating our commitment to improving user experience.

The new discovery platform offers many benefits to users including:

- A more responsive design to work with all devices
- Enhanced search functionality using fuzzy search algorithms and relevance ranking
- More intuitive search including search suggestions based on trending topics
- Clearer displays and easier navigation

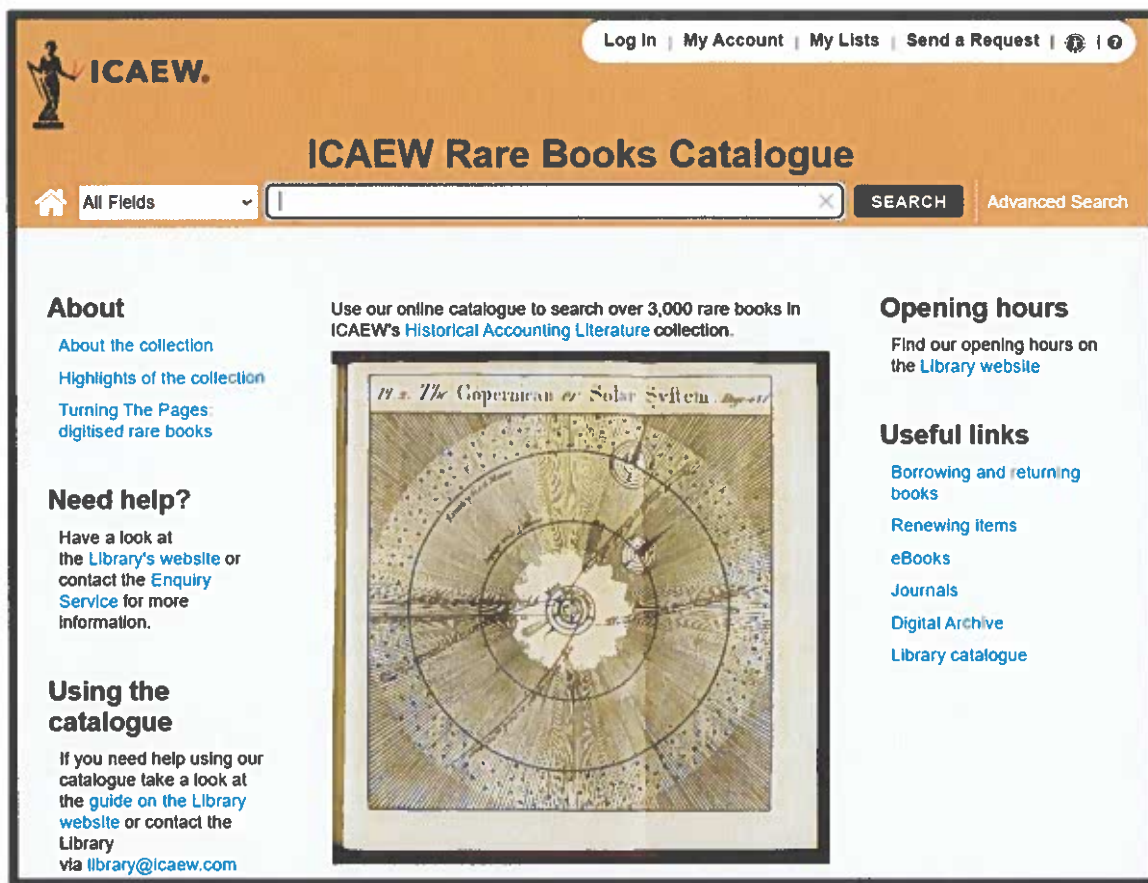
The new platform will run side-by-side with the old platform during a transitional period while links are switched over, ensuring no disruption to users.

The extensive record cleaning carried out as part of this project will put us in a much better position for future upgrades.

Rare books

The Library team continue to look after the ICAEW collection of rare books on accountancy, which is widely recognised as one of the finest collections in the world.

Developments in 2024 have included an improved rare book catalogue, using our new Enterprise discovery platform, and an upgrade to the Turning the Pages platform used to display digital versions of four of our rarest books.



The new interface for the rare book catalogue at icaew.com/rarebookcat

An article on what happened to the rare books collection and the library during WW2 was published in Insights in June 2024, revealing the details of the re-location of the rarest books to Truro for the duration of the war. The article can be seen at icaew.com/rarebooks/ww2

Digital Preservation

The Digital Archive Project is an initiative aimed at creating a digital repository for all material released by ICAEW into the public domain. This includes ICAEW's digital publications, regular snapshots of the ICAEW website and digitised materials from the library's print collection. By preserving these assets, the project plays a vital role in reinforcing the library's mission to capture and disseminate organisational knowledge for the benefit of researchers.

ICAEW joins the Digital Preservation Coalition (DPC)

In December 2023 the ICAEW Library joined the Digital Preservation Coalition (DPC), the international foundation which supports a wide range of government bodies, businesses and libraries in their efforts to secure their digital legacy. Since then, the team have drawn upon the resources available through the DPC to develop a Digital Archive policy for the organisation.

The DPC provide a rapid assessment model (DPC RAM) that allows us to assess the current position of the ICAEW digital archive and measure our progress towards our target state. This model will be run annually to assess our progress and track this against industry benchmarks.

The initial assessment shows that our Digital Archive is in reasonably good shape for a relatively young digital archive with a particularly strong result for critical IT capabilities.

Progress in building the digital archive

The project to build a digital archive is progressing well and the collection continues to grow as new digital materials and website snapshots are added. We now have over 24,000 files (documents and audio-visual media) and more than 1.5TB of data in our Preservica archive and nine complete ICAEW.com website captures.

The archive has been well used by staff and members looking to retrieve older material, including instances where it has been used to inform current projects and to generate new content from old.

The digital archive field continues to experience rapid growth. Our project at ICAEW continues to be at the cutting edge in tackling technical challenges. This technological expertise has been recognised by our suppliers at Preservica, who sought information on our experience with web archiving while they worked on the integration of similar functionality into their platform.

We also play an active role in the broader digital archiving community, through the Preservica London User Group and Digital Preservation Coalition events for example, sharing our experience and expertise.

Across ICAEW we have seen strong engagement with the digital archive team, prompted by an Intranet article in late 2023 and through ongoing promotion of the team's work by the content design team. This engagement has resulted in a series of projects to archive content in areas ranging from Technical Advisory to Professional Standards. Projects have included:

- Audit Monitoring Reports
- Statements of Insolvency Practice (SIPs)
- ICAEW Regulations, Principal Bye-Laws and the Royal Charter
- TAS Help sheets

In addition, we are proactively ingesting multimedia content, including audio-visual materials from platforms such as SoundCloud, StreamAMG, Vimeo, and YouTube.

The multimedia project is a large undertaking, with the StreamAMG content alone totalling at around 1,500 assets. To streamline this process, we developed automated methods to leverage APIs to facilitate batch exportation of content along with its original metadata.

This project was given added urgency following the announcement that StreamAMG is set to close their multimedia platform at the end of 2025, making it necessary to ensure that all relevant ICAEW content hosted on the platform was securely removed and ingested into Preservica to mitigate any risk of loss.

ICAEW has installed new printers at Chartered Accountants' Hall and at the ICAEW warehouse at Wolverton which feature advanced scanning capabilities (e.g. background suppression) which are particularly well suited to digitisation. An initial project to digitise past ICAEW annual reports using these hybrid printer-scanners is underway.

Technical developments

In 2024 we built upon our previous innovations in the digital preservation workflow. These are now being used at scale and becoming part of business-as-usual digital archiving. Technical developments included:

- Further development of Python-based ingest tools to automate a significant portion of the pre-ingest workflow, which we aim to share with the wider digital preservation community.
- The integration of specialist digital preservation tools, such as Brunnhilde, for file format identification and virus scanning.

- Incorporation of ICAEW's taxonomy for automatic content classification, resulting in improved metadata production.
- Utilisation of OpenAI's Whisper to produce transcripts of our audio-visual materials, enhancing discovery and accessibility.

Website captures

As ICAEW increasingly offers content through its website rather than in traditional document formats, preserving the website's content becomes pivotal to ensuring access to the full spectrum of ICAEW output for future researchers.

Snapshots of the complete ICAEW website are taken every six months, a process that involves complex technical selection and capture procedures. In 2024, we added a new tool from the Webrecorder project, which greatly sped up the process, reducing the time it takes to capture the site from weeks to just a few days.

This efficient capture strategy now ensures that content can be swiftly archived before website sections undergo redevelopment, preserving it for the benefit of future researchers.

Ad hoc captures of external publications

As a matter of routine, the library team now use the functionality in the Internet Archive's Wayback Machine to request that relevant pages and publications on external websites get added to their archive, ensuring their long term preservation.

Library website

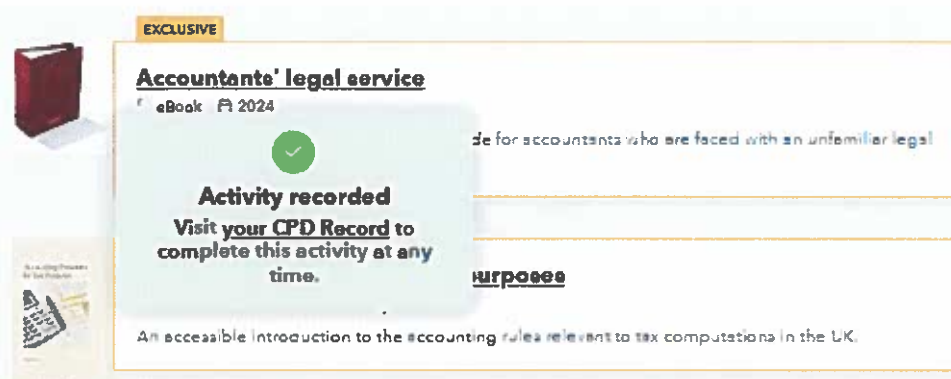
The Library microsite is an important channel for providing information about our services, promoting the Library, and as an entry point for digital resources acquired and managed by the Library.

The Content Curation team is responsible for creating, updating, and maintaining these web pages, as well highlighting relevant eBook titles, chapters, and online articles on technical topic pages across icaew.com. The emphasis is on putting library information in front of users where they need it, rather than expecting users to come directly to us.

Changing website usage for CPD

ICAEW's new CPD requirements for members came into effect in November 2023. This has resulted in a noticeable change to usage of the website with a substantial increase in visits to fulfil CPD. In September 2024 this reached a peak with 49% of visits to the website recorded as being for CPD. This has opened up a new angle to library usage.

In 2024, we worked closely with the Digital Product and Experience team to ensure that the Library's digital resources (such as eBooks) would be included as part of the website's new AddCPD tool. This will ensure that Library resources are counted towards members' verifiable CPD requirements.



The add CPD tool in use

In ongoing work from 2023, we continue to assist the Digital Product and Experience team in integrating the taxonomy into the CPD record. The AddCPD tool will allow members to categorise their CPD activities using topics from the taxonomy, enabling consistent tracking of CPD topics.

New research guides

In 2024 the Content Curation Team have focused on producing fresh content based on popular library enquiries; topics that members may not know that the library can help with; and key highlights from the collection.

The team produced 12 new Research Guides (<https://www.icaew.com/library/research-guides>) which explain how to research more difficult topics and locate ICAEW material from reliable sources.

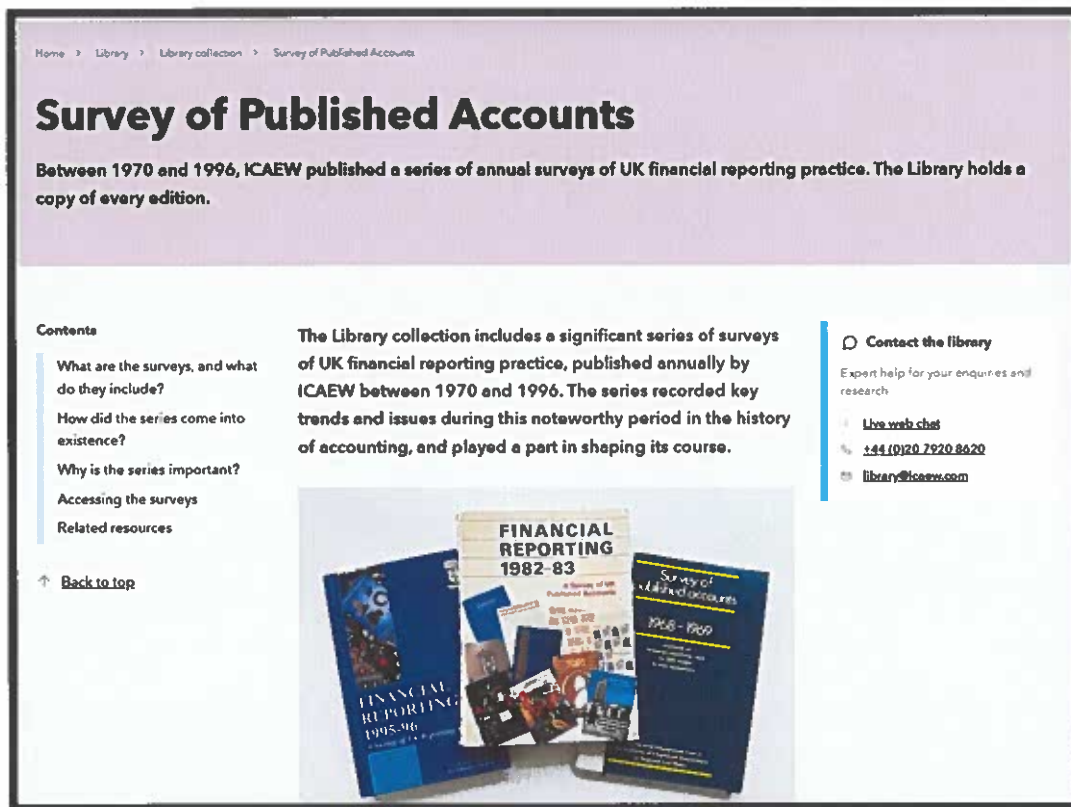
The latest additions cover:

- Audit fees and surveys
- Business and share valuation
- Finance Acts and Bills
- ICAEW Technical Releases and representations
- International tax rates
- UK tax rates
- Researching case law
- Measuring the length of the UK tax code
- Historical members handbook and regulations
- The Black-Scholes model
- Withdrawn and superseded Financial Reporting Standards (FRSs)
- Withdrawn and superseded IFRS Accounting Standards

New collection guides

Three new Collection Guides have also been published in 2024. These guides highlight key resources in the Library collection that researchers may not be aware of:

- Financial reporting – a survey of UK reporting practice 1968-1996
- Orange and Yellow tax annuals
- The Corporate Report discussion paper 1975



One of the new guides published in 2024

New enquiry service guides

Four new enquiry service guides have been published in 2024 which promote pro-forma documents and resources that the Enquiry Service can help provide:

- AML resources
- Commercial contracts
- Employment contracts
- Non-disclosure agreements

Publicity and Promotion

We continue to promote the Library and the enquiry service through ICAEW's website, social media channels and email newsletters.

The Enquiry Team attended all "New Members Ceremonies" held at Chartered Accountants Hall in 2024 meeting with new members. The Library is specifically mentioned in the main presentation at the event and this direct engagement has resulted in new users to the Library.

The Library content and services have been promoted in ICAEW Insights emails to members throughout the year. Promotion has included the client screening service; country resources (doing business in and tax information for different jurisdictions); industry data; company research; and the new library guides published in 2024.

Sessions to better understand how the Library is a benefit to members have been held with member-facing teams in Milton Keynes. They now have an even better understanding of the range of enquiries the library can answer, enabling them to be ambassadors for the library.

Celebrating Chartered Accountants' Hall

The Library teams built on last years role in the hosting of tours of Chartered Accountants' Hall (CAH) during London's Open House Festival. New for 2024 were room-specific historical tour notes for CAH used

by the CEO, Council members, ICAEW staff and volunteers for the popular Open House weekends and VIP tours.

The Library teams created and provided training and support materials to Front of House staff at CAH to help them describe key features of the building to ICAEW guests.

The Head of Curation and Library Collection took tour groups around the building during the Open House Festival. Over 570 visitors explored the building over the two-day event.

The Library teams have also continued to develop and update the information on the website about the building, particularly focused on the artworks on display in the building which has involved new research and fresh information from the artists whose works are on display.

In addition, the team fact checked 'Chartered Accountants' Hall: Balancing history with shaping the future', the new book about Chartered Accountants' Hall published in 2024. This involved determining the truth from several myths and unreliable facts that had built up over the years.

Key performance indicators

KPIs in 2024 show healthy figures across the board.

	2024	2023	2022	2021
Enquiries ¹	10,853	10,053	9,611	9,912
WebChat enquiries ^{2,3}	301	467	327	1,087
Book loans, excluding renewals ⁴	441	407	468	273
Document Delivery (excl. client screenings)	2,754	2,233	1,762	2,780
Client screenings (total reports requested)	7,849	6,806	6,498	5,455
Items (print vols, digital copies and ebooks) acquired and catalogued	928	572	1,096	1,513
Journal articles abstracted and indexed on LibCat	618	530	479	334
Total number of journal articles on LibCat	70,778	70,272	69,741	69,291
Ebook views and downloads	20,240	18,151	14,718	14,500
Files added to the Digital Archive ⁵	2,951	2,950	5,768	10,610
Total files in the Digital Archive	24,329	21,378	18,428	12,660

¹ Enquiry statistics exclude quick Business Centre enquiries

² The launch of the new CRM platform in April 2022 introduced a new WebChat system which has been offered through fewer library pages and functions in a different way, allowing users to choose which team to contact. This has seen more enquiries routed to the service centre in Milton Keynes.

³ Webchat enquiry numbers have decreased in 2024 due to the cessation of assistance provided to TAS which temporarily increased numbers in 2023.

⁴ Publishers continue to reduce the range of updated popular titles produced in print formats, directly affecting the volume of book loans.

⁵ Figure taken from the Preservica dashboard. The slower pace of additions to the Digital Archive in 2024 is due to a focus on more complex series of documents and improving the searchability of existing digital archive content through various methods, such as improved metadata and AI generated transcriptions.

CAPET

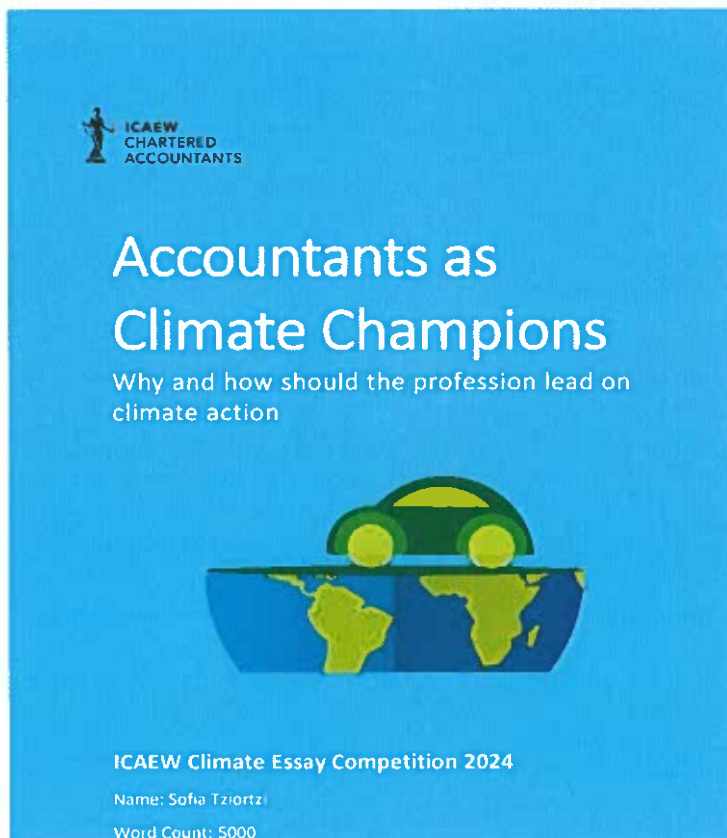
CAPET's primary objective is the advancement of education, particularly in accounting and related subjects, by funding the ICAEW International ACA annual prizes and various district society prizes.

During the year, 60 awards were given at Certificate and CFAB Level, 76 awards given at Professional Level and Advanced Level and 3 awards given at Level 4.

During 2024 in association with CAPET, ICAEW held a competition for a research proposal addressing how the UK's VAT system can be reformed to make it fit for the 2030s. The prize of £5,000 was awarded to Cheryl Ong, Sze Teen Wong and Anna Poh for their research proposal, Reforming the UK VAT system – a comparative analysis and reform design. [VAT reform prize winning proposal | ICAEW](#)

Climate change is one of the most pressing challenges of our time, and it requires urgent and collective action from all sectors of society. The accountancy profession has a vital role to play in driving and supporting climate action, both within and beyond their organisations.

In association with ICAEW, in 2022, the trustees launched the first essay competition to motivate students and recently qualified members to consider how the profession can act on the climate crisis. Sofia Tziortzi, an ICAEW student, submitted the 2024 winning entry, providing her unique and personal perspective on the role of accountants in leading on climate action. The views expressed are those of the individual and do not represent the employer.



The full report can be found here sofia-tziortzi.ashx

Total expenditure on prizes and bursaries awarded during 2024 amounted to £35,000 (2023: £50,000). £150,000 during the year (2023: £150,000) was transferred to the Foundation to fund bursaries. This is in line with the secondary objects of CAPET.

PDLT

The following new academic research projects and event funding requests were approved in 2024:

	Institution/Host	Funding Approved £
Research projects		
Sustainability and the Profession (additional approval)	HEC Paris	9,000
Why do companies fail? - second research paper on the role of governance and business ethics in preventing business failures	University of Bristol Professor Ambika Zutshi Professor Toni Bracken	5,000
AI and the profession – empirical paper	Professor Crawford Spence (Kings College London)	15,000
Emissions reporting: eLiability accounting – lecture and paper	Professor Karthik Ramana, University of Oxford	10,000
Investigating how accountants use information on beneficial ownership to manage money-laundering and terrorist-financing risk	Paul Gilmour	15,000
Total research projects		54,000
Early Career Researcher Grants		
'Learning to play the game' - a case analysis of the experiences of junior auditors in a Big 4 firm'		2,500
AI Impact on Accounting: Implications for Practice and Education		2,500
Challenges, implications, and implementation of digital corporate reporting in the UK		2,500
Accounting for Private Finance Initiatives: The real effects on budgeting decisions and operational efficiency in the public sector		2,500
Total Early Career Researcher Grants		10,000
Events		
International Conference on Behavioural Finance	Queen Mary University and Cardiff University	3,500
International Accounting Policy Forum and evolution of IFBM conference (16 - 17 December 2024)	Accounting and Business Research (ABR)	31,646
African Accounting and Finance Conference (4 - 6 September 2024)	University of Zimbabwe	2,000
Tax Research Network (TRN) Conference (9-11 Sept 2024)	Cardiff University	2,500
The landscape of climate change reporting (was originally 'Environmental Challenges and Corporate Policies')	Queen Mary University	2,000
20th Comparative International Governmental Accounting Research (CIGAR) Conference, 25 - 27 June 2025 at Athens University of Economics and Business.	Athens University of Economics and Business.	1,245
British Accounting and Finance Association (BAFA) 2025 Doctoral Masterclass, 15 April 2025	Ulster University	4,000

	Business School	
Total events		46,891
Post Graduate Bursaries		20,000
Total 2024:		130,891
Total 2023 for comparison:		97,540

The increase in grant expenditure compared to the prior year is predominantly due grants awarded to support events and post graduate bursaries which were awarded for the first time during 2024 after review and discussions on a change in interpretation of the objects of the trust.

Achievements

The charitable objective for the PD Leake trust is to 'advance the theory and practice of accountancy, finance, business and commerce in all their aspects, including in particular auditing, financial management and taxation'. During 2024, and at the recommendation of the Research Advisory Board, the Trustees established the following aims for our research activities, to deliver the charitable objective:

1. **Support policy with evidence:** generate research evidence that is relevant, timely and reliable to contribute to policy initiatives by government and other bodies. To enable this, we have commenced six research workstreams in 2024, each aligned with ICAEW's strategy and aimed at providing input to specific areas of policy.
2. **Provide practical resources:** generate practical tools and guidance that professional accountants can apply directly in their work. We have updated and expanded our webpages to enable better engagement with academic resources.
3. **Support the academic community:** take an inclusive approach to engaging with the academic community to maximise engagement with our resources. ICAEW sponsored eight academic conferences in 2024, including for the first time in Germany and Africa, enabling wide participation across the academic community.
4. **Build ICAEW's reputation:** through the promotion of our research activities and funding. We have been promoting the research funding across the UK business schools, resulting in an increase in applications received.
5. **Make effective use of funding:** following a period of growing reserves, to make effective use of the trust resources. Proposals presented to the Trustees in 2024 made full use of the research allocation of £150,000, although only a minority of this amount had been disbursed by the year-end.

Research programmes

By the end of 2024, the following research projects were in progress, with outputs during the year as set out below:

1. **How should we account for intangible and digital assets?** ICAEW has been carrying out a research fellowship with the Chinese Ministry of Finance and in 2023 we hosted the residency of a scholar from the Harbin Institute of Technology, Eugene Wu. Dr Wu delivered a draft paper to ICAEW in 2024 on data assets: a new emerging form of intangible and the trust allocated a fee of £6,000 to Professor Andrew Stark of Manchester University for supervision of the paper. It is hoped that the paper will make a valuable contribution to the IASB project on intangible assets as well as to the China Accounting Standards Committee, which is investigating this area.
2. **Why do companies fail?** This workstream aims to investigate why companies fail and the role of internal control and corporate governance in mitigating failures. This includes exploring internal mechanisms (such as the board and audit committee) and external mechanisms (such as the regulator, market and social actors) that play a role in preventing failures. ICAEW's Corporate Governance Committee has identified internal control failings as a significant contributor to corporate failures, particularly surprise failures, where risks leading to failure are not appropriately portrayed in financial statements. We are interested in investigating dynamic approaches like out-of-the-box thinking and reverse stress testing to anticipate failure in changing markets.

In 2023, ICAEW invited scholars to submit proposals for a literature review, the Trustees awarded two grants of £15,000 to teams of researchers led by Professor Ania Zalewska at Leicester University and

Professor Ambika Zutshi at Australian Catholic University. Both projects were underway at the end of 2024.

On 16 December 2024, ICAEW co-hosted the 18th International Accounting Policy Forum with the journal Accounting and Business Research at ESMT Berlin. The first day of the forum considered corporate failure and how regulation could help reduce the risk of disorderly failure. Papers were presented by Professor Mark deFond of USC Marshall on *Audit Failures: why they occur and some suggestions for reducing them*, and Professor Maria Correia of LSE on *Accounting and Corporate Failure: The Evolving Role of Accounting Information in Bankruptcy Prediction*. These papers will appear in a special edition of Accounting and Business Research in 2025. Professor Zaleweska presented her initial findings at an ICAEW panel session during the conference. The Trustees provided funding of £31,646 for the conference.

3. **What is the purpose of local government reporting?** Despite the effort that goes into producing and auditing local government accounts, they are little used or understood. During 2024 ICAEW promoted a call for papers with academic journal Public Money and Management (PMM), aiming to explore ways in which financial statements can enhance local government effectiveness and accountability for a future special edition of the journal.

Unfortunately, responses to the call for papers were disappointing, demonstrating the current research gaps in this area, particularly in the UK. Therefore in 2025 ICAEW will be pursuing two additional initiatives on this topic to help develop the research base. We have been successful in securing funding for a PhD studentship from a consortium of London universities and intend to use this opportunity to explore the topic in more detail. Although no funding has been committed from the trust toward the studentship, the Trustees have allocated £8,000 to this topic and we anticipate making this funding available during the studentship, subject to further approval in 2025.

The Trustees have also confirmed sponsorship of €1,500 for the 20th Comparative International Governmental Accounting Research Network conference, which will be held at Athens University of Economics and Business in Greece from 25-27 June 2025. We are pleased to be supporting again a conference outside of the UK, particularly as ICAEW's largest concentration of members in the EU is in Greece and Cyprus and we will be promoting the conference to them. This is the first time we will be supporting the CIGAR conference.

4. **Emissions reporting and the sustainable development goals.** The Trustees have approved funding for a number of projects linked to the sustainable development goals:
- Climate Disclosure: disclosure of climate-related emission metrics: thermal power generation companies listed in UK and China, Zi Wei, Central University of Finance and Economics and Economics and Richard Barker, Oxford University. This report was published by ICAEW in September 2024. The trustees provided a supervision fee of £5,000. [climate-disclosure-report-2024.ashx](#)
 - Conflicting messages on female senior management issues in Annual Reports in two cultural settings: the UK and South Korea, Ameer Kim, Canterbury Christ Church University. £15,000 was awarded in 2023 for this research, which is underway.
 - Food Waste Reporting - empirical research, Silvia Gaia, University of Essex. £15,000 was awarded in 2023 for this research, which is underway.
 - Sustainability and the accountancy profession, Keith Robson, Xiaoyu Xu, HEC Paris and Chiara Bottausci University of Bristol. Funding of £15,000 was awarded in 2024 for this research project, subject to contract.
 - Sustainable development goals: where are we now? Ian Thompson, University of Dundee. Professor Thompson delivered a lecture on this topic at the ICAEW Climate Summit on 5 November 2024.
 - Emissions reporting: eLiability accounting, Karthik Ramanna, University of Oxford. The Trustees have approved £10,000 for a lecture on this topic, which will be held in 2025.
5. **How can the accountancy profession benefit from AI?** Our sixth project aims to investigate the transformative effect of AI on the accountancy profession. The trustees have approved funding of £15,000 to Crawford Spence and Rita Samiolo at the Kings College London FinWorks centre, subject to contact. The study aims to investigate Technological adoption and barriers in the middle market for audit in the UK.

Conferences

During 2024 the Trustees supported the following academic conferences:

- British Accounting and Finance Association 2024 Doctoral Masterclass (8 April 2024, Portsmouth University)
- The landscape of climate change reporting (5 June 2024, Queen Mary School of Business and Management, University of London)
- Behavioural Finance Working Group annual conference (12-13 June 2024, Kensington, London)
- Accounting History Review conference (13 - 14 June 2024, Edge Hill University)
- Journal of International Accounting Research annual conference (21-24 June 2024, University of East Anglia)
- Financial Reporting and Business Communication Conference (4 - 5 July 2024, University of Bristol)
- African Accounting and Finance Conference (4 - 6 September 2024, Cresta Lodge, Sango Conference Centre, Harare, Zimbabwe)
- Tax Research Network Conference (9-11 Sept 2024, Cardiff Business School)
- International Accounting Policy Forum and evolution of Information for Better Markets conference (16 - 17 December 2024, ESMT Berlin)

Some research projects and other events will continue or take place beyond 2024. At 31 December 2024 a total of twelve research projects, nine events, four early career research projects and three legacy projects were in progress and their achievements will be reported on subsequently. All these activities and events, whether held in-person or online, allow both members of the public and ICAEW members to engage with world-class research and hear from academics from the UK and beyond.

PLANS FOR THE FUTURE

Foundation

The trustee intends to continue to identify and support relevant initiatives where the grant given by the Foundation has a definable outcome and where the contribution made can make an appreciable difference to the recipient.

PDLT

The trustee intends to continue to support funding academic research and events as proposed by the RAB approved within PDLT using the same processes which currently apply. The value of the annual grant is currently under review with an appetite to increase funding depending upon the quality and volume of proposals coming through.

Following a review at the end of 2022 of PD Leake's Will and the Charity Commission Register, in which the objects of the PDLT were defined as, 'The advancement of the Science of Accounting and knowledge of Political Economy, including the subject of Public Finance and Taxation', it was assessed that in addition to current applications, PDLT funds can be used to provide educational bursaries to postgraduate students. This commenced in 2024 and will be subject to annual review thereafter.

CATER

The trustee intends to promote and support the on-going development of a world-class Library and information service for the accountancy profession as well as the advancement of an education and training programme. This will include further development of the Library collection, digitising the resources, developing the Library management system and promoting LIS services.

CAPET

The Trustee intends to continue to award prizes in connection with ICAEW's examinations.

At the November 2023 CAT meeting, the trustees unanimously supported the proposal to allocate £150k per annum from 2024 onwards for the duration of two to three years from CAPET reserves to fund new UK bursaries. This is in line with the secondary objects of CAPET and will be reviewed on a regular basis.

RESERVES LEVELS AND POLICY

All the charities administered by the trustee depend on investment income for the funding of their annual charitable expenditure. Only the Foundation's unrestricted income reserves (augmented from time to time by

drawing down from its discretionary expendable endowment to cover exceptional spending) are expendable entirely at the trustee's own discretion. Therefore, the unrestricted income of the educational trusts is all accounted for in these combined accounts as restricted income. However, the trustee's reserves policy for each of the charities is separately determined and reported as below.

Foundation

The trustee reviewed the policy during the year and approved that the level of free reserves should be a minimum of 12 months and a maximum of 24 months of the average total expenditure incurred by the trust over the prior three years. This will allow the trust to continue to meet its ongoing commitments and plan for future expenditure.

At 2024 levels this results in a minimum level of £168,000 and a maximum level of £336,000. Current reserves are £356,000 so slightly above the maximum level.

The Trust also holds a discretionary expendable endowment. The trustee monitors and reviews the level of income reserves against policy, along with this endowment at each Board meeting. As at 31 December 2024 unrestricted reserves stood at £356,000 (2023: £244,000) and the expendable endowment was over £2.6m. The Trustees will continue to review this overall position and should the opportunity arise consider use of the expendable endowment to further its charitable aims.

The Foundation depends on investment income from the discretionary endowment resulting from its ongoing Foundation Campaign appeal, whose terms of trust have created an expendable endowment for the funding of the Foundation's charitable activities contemplated by the donor. Any unused donations and their investment returns are expendable at the trustee's own discretion.

CATER

CATER mainly depends on voluntary income for the funding of its charitable expenditure on educational purposes. With this in mind, the trustee's reserves policy requires a minimum of six months and a maximum of 12 months' of CATER expenditure as freely available income reserves. As at 31 December 2024 CATER's undesignated free reserves were running slightly high at £845,000 equating to 14 months' expenditure, as per the maximum level under this policy (2023: 15 months).

PDLT

The trustee believes it is prudent to keep a balance of at least the existing and one year's prospective commitments and one year's administrative expenses in unrestricted PDLT reserves against the risk of a sustained decline in investment income. This is based on an average of the last three years results and would require maximum income reserves of £181,000. Unrestricted reserves as at 31 December 2024 amounted to £1,003,000 (2023: £943,000), which equated to 79 months total expenditure.

Following a review of PD Leake's Will and the Charity Commission Register it was assessed that in addition to current applications, from 2023, PDLT funds can be used to provide educational bursaries to postgraduate students. This decision will reduce reserves over the long term.

CAPET

The trustee believes it is prudent to keep a minimum of two years' forecast examination prize expenditure and a maximum of three times forecast total expenditure in unrestricted income reserves against the risk of a sustained decline in investment income. That would indicate income reserves of between £70,000 and £161,000. The reserves of £620,000 as at 31 December 2024 are in excess of the reserves policy (2023: £674,000: in excess of policy). In line with CAPET's secondary objectives, the trustees approved additional annual expenditure to fund student bursaries of £150,000 for 2024-2026, this will bring reserves below the maximum level over the medium term.

The trustee monitors and reviews the level of reserves for all of the charities above at each meeting of its directors.

MAJOR RISKS

The principal risks faced by the charitable trusts as identified by the trustee lie in the performance of investments and operational risks from ineffective grant making and, more fundamentally, major incidents such as fluctuations in interest rates, inflation, cyber-attacks, global pandemics, political unrest and the effects of terrorist activity.

The trustee considers the volatility of investment returns and long-term losses on the permanent endowment fund to be the charity's major financial risk. It accepts some short-term variability as part of its long-term investment strategy. This is mitigated by retaining the appropriate expertise from the investment managers and by having a diversified investment portfolio.

The reputational risk from making inappropriate grants is managed by a reporting and review process. This assists us in keeping track of developments and to focus on the public benefit derived from our funding of their work.

Major incidents could disrupt Library operations and result in loss of property, data and staff. The Library participates in ICAEW's business continuity plans which are subject to regular review.

The trustee has an established risk analysis process which identifies the major risks to which the charitable trusts are exposed and the ways in which those risks can be mitigated. The risk analysis is reviewed on a regular basis.

The Directors regularly review current practice against the charity governance code.

INVESTMENT POLICY AND PERFORMANCE

All the charitable trusts' investments are pooled in CACIP.

The trustee regularly reviews its Investment Policy to ensure the suitability of investments for the participating charitable trusts, in line with the Trustee Act 2000, adequate diversification and adherence to the internationally recognised Principles of Responsible Investment (PRI).

Waverton Investment Management Limited manage the endowment and part of the cash fund. In order to maximise investment returns, the cash fund moved from a cautious to balanced portfolio in April 2024.

Royal London Asset Management also manage part of the trusts liquid fund.

The trustee's aim for the Waverton funds is to generate resources on a recurring basis for spending on the objectives of the Foundation and other charities at a sustainable rate, while seeking sufficient capital growth over the long term to ensure that the endowment's real spending power is maintained.

Waverton funds are invested to provide an optimal mix of income returns and long-term capital growth. Distributable funds are invested to provide a secure income and to reduce the risk of substantial fluctuations in capital values.

The liquid funds are invested in the Royal London Short Term Fixed Income Fund.

The trustee receives regular investment performance reports and reviews them against industry benchmarks as detailed in the tables below.

Endowment Funds - Waverton

Total Return Net of Fees	3 Months	9 Months	1 Year	Inception 02/03/2021
Portfolio Percentage Return	1.0%	4.2%	11.0%	33.4%
Balanced Index	2.8%	6.3%	12.1%	24.2%
ARC Steady Growth Charity Survey	1.1%	4.1%	8.2%	17.4%
CPI + 3.0%	1.7%	4.1%	5.5%	37.9%

Liquid Funds – Waverton

These funds moved from a cautious to balanced mandate in April 2024, blended comparatives are shown below.

Total Return Net of Fees	3 Months	9 Months	1 Year	Inception 30/04/2021
Portfolio Percentage Return	2.2%	5.0%	9.8%	16.5%
Cautious Index	1.6%	5.1%	9.4%	12.4%
Blended Index*	2.8%	6.2%	10.6%	13.7%
ARC Cautious Charity Survey	0.7%	3.4%	4.5%	2.9%
CPI + 2.5%	1.7%	3.8%	5.0%	34.1%
Blended CPI Target **	1.7%	4.1%	5.3%	34.5%

*Benchmark changed from Cautious to Balanced Index, effective from 27/04/2024.

**Inflation target changed from CPI+2.5% to 3.0%, effective from 27/04/2024.

Combined investments at the end of 2024 stood at £18.6m (2023: £17.1m), comprising of £15.9m in the endowment fund and £2.7m of liquid assets as detailed in the table below. This increase in value of the portfolio is mainly attributable to continued stability in performance in the equity markets resulting in an unrealised market gain of £1.5m (2023: £1.5m gain).

£'000	YTD movement in					
	funds	Dec 24	Sept 24	June 24	Mar 24	Dec 23
Equity Funds (Waverton 1)	1,284	15,846	15,782	15,666	15,455	14,562
Equity Funds (Waverton 2)	85	1,449	1,437	1,423	1,415	1,364
Total Equity Funds	1,369	17,295	17,219	17,089	16,870	15,926
Liquid Funds (Royal London)	139	1,280	1,434	1,388	1,277	1,141
Total Funds	1,508	18,575	18,653	18,477	18,147	17,067

Income generated was £0.36m (2023: £0.35m).

2024 was a good year for the investments, with the larger No.1 portfolio having risen in value by +11.0%, whilst the smaller No.2 portfolio increased by +9.1% (net of costs). The No.2 portfolio was re-organised during the year, where the risk profile was increased to match that of the No.1 portfolio, which should result in the performance of the two portfolios being more closely aligned in future years.

2024 was marked by a strong rally in risk assets, with equities leading in terms of returns. The portfolios held c.65% in equities for the majority of the year, with smaller allocations to bonds, alternatives and cash. The equity asset class return was dominated by an extraordinary concentration in a small number of American technology-related companies. The S&P500 index of the largest US companies rose in value by 27.3% in sterling terms, and the US market now makes up almost 70% of the global market as measured by the MSCI AC World Index. The portfolios held three of the largest seven US companies as Waverton preferred to structure a more diversified list of securities than a neutral market weight might have dictated. Overall, the equities in the No.1 portfolio rallied by +17.2%.

Bonds and alternatives (property, infrastructure and gold) were disappointing in terms of returns in 2024. UK government bonds (gilts) declined in value, although corporate bonds rallied, which resulted in the overall bond allocation suffering only a small negative return for the portfolio of -0.6%. Alternatives

were assisted by a good performance from gold, which resulted in a positive return of +3.6%, whilst cash produced +4.7%.

CUSTODY OF INVESTMENTS

All cash and investments managed by the investment managers are held on CACIP's behalf at independent custodians, in the name of the custodian's nominee company. Cash awaiting investment is held by the investment manager as clients' money according to the rules of the Financial Conduct Authority and is deposited to earn interest with the custodian or a wholly owned subsidiary of the custodian.

As at 31 December 2024, the trustee has received and relied upon confirmations from the investment managers as to proper custodianship of investments. It has also received and relied upon confirmation from their respective auditors that, in their opinion, the internal controls and systems of each organisation are sufficient to prevent or detect material errors or irregularities.

In July 2024, Waverton Asset management announced the merger of London & Capital and Waverton Group. Integration is progressing well, and communication has been received that in June 2025 the London & Capital and Waverton businesses will be uniting under a single new brand, W1M.

There has been increased volatility in the stock markets post year end predominantly following the introduction of new tariff policies by United States, this is being carefully monitored by the trustee directors.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee prepares the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charities and of the incoming resources and application of resources, including the income and expenditure, of the charities for that period. In preparing these financial statements, the trustee is required to:

- select the most suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgments and accounting estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation or a linked charity will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities' transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deeds or other governing documents. The trustee is also responsible for safeguarding the assets of the Foundation and its linked charities and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

On the 18 November 2024 the auditor to ICAEW Foundation changed its name from Haysmacintyre LLP to HaysMac LLP. HaysMac LLP has been proposed for reappointment as auditor.

Approved by the trustee's board of directors on 5 August 2025 and signed on their behalf by



Andrew Ratcliffe
Chairman

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit

- have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee for the financial statements

As explained more fully in the trustee's responsibilities statement set out on page 31, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those related to compliance with charity law, and with the reporting framework, being the Charities SORP (FRS 102) 2019 and the Charities Act 2011. We undertook audit procedures to assess the extent of compliance with these laws and regulations and ensured that these were communicated within the audit team regularly. The audit team remained alert to instances of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- review of the meeting minutes of the trustee's directors;
- undertaking procedures to identify and test journals, in particular journal entries posted with unusual descriptions or in seldom used accounts and those that significantly impact on the result or financial position of the charity; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather

than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustee, for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

07/08/2025

HaysMac LLP
Statutory Auditor
10 Queen Street Place
London
EC4R 1AG

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

ICAEW FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted income funds 2024 £'000	Restricted income funds 2024 £'000	Endowment funds 2024 £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:						
Donations and legacies	3	26	721	7	754	751
Income from investments	4	58	300	6	364	351
Total income		84	1,021	13	1,118	1,102
Expenditure on:						
Charitable Activities						
Grant funded and direct	6	(162)	(215)	-	(377)	(387)
Library	7	-	(736)	-	(736)	(650)
Raising funds						
Investment management fees	5	-	-	(82)	(82)	(71)
Total expenditure		(162)	(951)	(82)	(1,195)	(1,108)
Net gains on investments	8	40	116	1,358	1,514	1,542
Transfer between funds	13	150	(150)	-	-	-
Net income and movement of endowed funds for the year		112	36	1,289	1,437	1,536
Reconciliation of funds:						
Fund balance brought forward at 1 January	13	244	2,439	14,249	16,932	15,396
Fund balance carried forward at 31 December	13	356	2,475	15,538	18,369	16,932

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

BALANCE SHEET AT 31 DECEMBER 2024

	Note	2024 £'000	2023 £'000
Fixed asset investments	8/9	18,576	17,067
Current assets			
Debtors	10	164	188
Cash and cash equivalents		166	155
		330	343
Creditors: amounts falling due within one year	11	(448)	(401)
Net current liabilities		(118)	(58)
Total assets less current liabilities		18,458	17,009
Creditors: amounts falling due after more than one year	11	(89)	(77)
Total net assets		18,369	16,932
The funds of the charitable trusts:			
Endowment capital (permanent & expendable)	13	15,538	14,249
Restricted funds	13	2,475	2,439
Unrestricted funds	13	356	244
Total funds	12	18,369	16,932

Approved and authorised for issue by the trustee's board of directors on 05 August 2025 and signed on their behalf by:



Andrew Ratcliffe
Chairman

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £'000	2023 £'000
Net movement in funds	1,437	1,536
Cash flows from operating activities		
Deduct gains/add back losses on investments	(1,514)	(1,542)
Decrease in debtors	24	90
Increase in creditors	59	34
Net cash provided by operating activities	6	118
Cash flows from investing activities		
Purchase of investments	(3,230)	(2,723)
Proceeds of sales of investments	3215	2,448
Net movement in cash held not yet invested	20	170
Net cash provided by (used in) investing activities	5	(105)
Change in cash and cash equivalents in the year	11	13
Cash and cash equivalents brought forward	155	142
Cash and cash equivalents carried forward	166	155

No separate analysis of changes in net funds has been presented as the charity has no borrowings in the current and prior year.

The accompanying notes form part of these financial statements

1 Accounting policies

Accounting convention and basis of preparation

- a. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

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

- b. The trust constitutes a public benefit entity as defined by FRS 102.
- c. The financial statements of the Foundation aggregate a number of charitable trusts under the authority of a uniting direction from The Charity Commission as set out in the Trustees' Annual Report. These separate trusts are presented as restricted funds within these financial statements.
- d. The investments of The Foundation and its linked charitable trusts are subject to a pooling arrangement under CACIP. The underlying investment additions, purchases and movements in cash held not yet reinvested are all reported in the Statement of Cash Flows under cash flows from investing activities.

Going concern

- e. After reviewing the forecasts, projections and giving consideration to the current position of the world economy with regard to inflation, interest rates and market fluctuations as a result of the recent US tariff announcements, the trustee has a reasonable expectation that the Foundation and each linked charity has adequate resources to continue in operational existence for the foreseeable future. At the end of the year, although our results are presenting as net current liabilities, careful management of grant liabilities and the availability of cash presented within fixed asset investments are considered when reviewing our year end results. The trustee therefore continues to adopt the going concern basis in preparing its financial statements for the charities.

Income recognition

- f. All income is recognised once the charity has an entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- g. Gift aid is allocated between the restricted and unrestricted funds of each charitable trust in line with the qualifying donations accruing thereto.
- h. Investment income is taken into account on entitlement.
- i. Voluntary income is recognised when receivable. Donations in kind reflect governance costs directly funded by ICAEW.
- j. The surplus or deficit on a partial investment sale is calculated pro rata to the cost of the investment.

Expenditure recognition

- k. Grant making includes grants payable and the associated support costs. Grants are accounted for in the year they are approved, irrespective of the period they cover except for performance-related grants, which are accounted for only when the beneficiary has met the performance conditions. Grants awarded but not yet paid are recorded as grant commitments in the balance sheet.
- l. Governance costs. ICAEW holds a blanket indemnity insurance policy for all employees and directors. The amount allocated to the charitable trusts is estimated based on the number of people covered by the scheme. Governance costs also include annual external audit fees and any costs reimbursed in

respect of out-of-pocket expenses of the trustee's directors. The trustee does not receive any remuneration or other benefits for its services.

- m. Costs of raising funds. The costs of generating funds consist of investment management costs and applicable legal fees.
- n. Expenditure on charitable activities. Costs of charitable activities include grants made, governance costs and support costs.

Other

Taxation

- o. The Foundation and constituent charities are exempt from corporation tax on income and gains applied in furtherance of their charitable objects so there is no liability in respect of its activities.

Fixed asset investments

- p. Listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. The Statement of Financial Activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals during the year.

Cash and cash equivalents

- q. Cash and cash equivalents includes cash in hand, deposits held in banks and other short-term highly liquid investments with original maturity of three months or less.

Fund accounting

- r. Endowment funds consist of both permanent endowment funds and expendable endowment funds. Permanent endowment funds represent amounts for which the capital must be retained. Expendable endowment funds are considered to be those unused donations which have been invested alongside the charity's permanent endowment funds in order to generate investment returns. They remain expendable for the furtherance of the charity's objectives. Restricted funds are funds which are subject to restrictions imposed by donors or have been raised by the charity for particular purposes.
- s. The trustee identifies those funds which are expendable in full alongside those generated through investment returns as set out in the Investment Policy and Performance section of the annual report.

2 Statement of financial activities 2023 comparison by fund

	Unrestricted income funds 2023 £'000	Restricted income funds 2023 £'000	Endowment funds 2023 £'000	Total 2023 £'000
Income and endowments from:				
Donations and legacies	35	703	13	751
Income from investments	51	294	6	351
Total income	86	997	19	1,102
Expenditure on:				
Charitable Activities				
Grant funded and direct	(203)	(184)	-	(387)
Library	-	(650)	-	(650)
Raising funds				
Investment management fees	-	-	(71)	(71)
Total expenditure	(203)	(834)	(71)	(1,108)
Net gains on investments	28	110	1,404	1,542
Transfer between funds	150	(150)	-	-
Net income and movement of endowed funds for the year	61	123	1,352	1,536
Reconciliation of funds:				
Fund balance brought forward at 1 January	183	2,316	12,897	15,396
Fund balance carried forward at 31 December	244	2,439	14,249	16,932

3 Donations and legacies

Unrestricted fund

Foundation donations

Donations in kind

Restricted Fund

Gift aid donations from ICAEW

Donations in kind

Endowment Fund

Foundation donations

2024 £'000	2023 £'000
25	34
1	1
26	35
700	700
21	3
721	703
7	13
754	751

4 Income from investments

Unrestricted Funds

Equities, Bonds, Alternatives and cash

Restricted Funds

Fixed interest securities

Equities, Bonds, Alternatives and cash

Endowment Funds

	2024 £'000	2023 £'000
	58	51
	58	51
	28	35
	272	259
	300	294
	6	6
	364	351

5 Cost of raising funds

Investment managers fees

	2024 £'000	2023 £'000
	82	71
	82	71

6 Expenditure on grant funded and charitable activities undertaken directly

Grant making activities

Foundation grants approved

PDLT grants approved

Foundation grants written back (no longer required)

Total grants

Activities undertaken directly

Exam prizes

Support and governance costs

Management and support costs

Audit fee

Indemnity insurance and other trustee director's expenses

Total Expenditure on grant funded and charitable activities undertaken directly

	Unrestricted £'000	Restricted £'000	Endowment £'000	2024 £'000
	168	-	-	168
	-	131	-	131
	(24)	-	-	(24)
	144	131	-	275
	-	35	-	35
	18	37	-	55
	-	11	-	11
	-	1	-	1
	162	215	-	377

Foundation grants approved relate to student bursaries as detailed in the trustee's report pages 6-10.

PDLT grants relate to research, events and post graduate bursaries as listed on page 23-26 of the trustee's report.

6a Expenditure on grant funded and charitable activities undertaken directly – 2023 for comparison

Grant making activities

Foundation grants approved
 PDLT grants approved
 PDLT grants written back (no longer required)

Total grants

Activities undertaken directly

Exam prizes

Support and governance costs

Management and support costs
 Audit fee
 Indemnity insurance and other trustee director's expenses

Total Expenditure on grant funded and charitable activities undertaken directly

	Unrestricted £'000	Restricted £'000	Endowment £'000	2023 £'000
Foundation grants approved	183	11	-	194
PDLT grants approved	-	98	-	98
PDLT grants written back (no longer required)	-	(26)	-	(26)
Total grants	183	83	-	266
Exam prizes	-	50	-	50
Management and support costs	20	38	-	58
Audit fee	-	11	-	11
Indemnity insurance and other trustee director's expenses	-	2	-	2
Total Expenditure on grant funded and charitable activities undertaken directly	203	184	-	387

Trustee expenses reimbursed during 2024 in relation to travel costs were £470 (2023: £400). The trustee directors did not receive any remuneration or other benefits for their services during the year (2023: £nil).

7 Library expenditure

Cost of ICAEW seconded staff

Books and journals
 Accommodation and facility costs
 Office services and computer costs

Total

	2024 £'000	2023 £'000
Cost of ICAEW seconded staff	253	215
Books and journals	240	197
Accommodation and facility costs	220	221
Office services and computer costs	23	17
	483	435
Total	736	650

The ICAEW Foundation has no employees. All Library staff are employees of ICAEW who are seconded to the Library and the related employment costs are met by the charity. An average of 5.0 employees were seconded from ICAEW for the year (2023: 4.2 employees).

8 Movements in participating charities' interests in pooled investments

	Balance at 1 January 2023 £'000	New money invested £'000	Amounts withdrawn £'000	Investment income £'000	Gains on investments £'000	Balance at 31 December 2023 £'000	Note: Fees not yet debited £'000
CAPET	5,532	-	(244)	122	502	5,912	(7)
PDLT	7,970	-	(121)	170	721	8,740	(10)
Foundation	2,898	150	(99)	59	248	3,256	(3)
CATER	667	700	(755)	13	43	668	-
Total	17,067	850	(1,219)	364	1,514	18,576	(20)

9 Investments

	2024 £'000
Market value at 1 January	17,067
Additions	3,230
Net cash movement in year not yet invested	20
Disposal proceeds	(3,215)
Gains on investment	1,514
Market value at 31 December	18,576

Investments at market value comprised:

Listed Investments	18,464
Cash	112
	18,576

Historical cost:

Restricted fund	2,576
Endowment fund	13,405
	15,981

10 Debtors

	2024 £'000	2023 £'000
Amounts owed by group and related undertakings	10	14
Prepayments and accrued income	154	174
	164	188

11 Creditors

	2024 £'000	2023 £'000
Due within one year:		
Grants payable	360	310
Accruals	61	64
Tax and social security	5	5
Amounts owed to group and related undertakings	22	22
	448	401
Due after one year:		
Grants	89	77
	537	478

12 Analysis of net assets between funds

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2024 Total £'000	2023 Total £'000
Fixed asset investments	828	1,902	15,846	18,576	17,067
Other net (liabilities)/assets	(472)	573	(308)	(207)	(135)
Total value of the fund	356	2,475	15,538	18,369	16,932

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2024 Total £'000	2023 Total £'000
CAPET	-	620	5,293	5,913	5,520
PDLT	-	1,003	7,580	8,583	7,884
Foundation	356	7	2,665	3,028	2,695
CATER	-	845	-	845	833
Total	356	2,475	15,538	18,369	16,932

Analysis of net assets between funds - 2023 comparison

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2023 Total £'000
Fixed asset investments	668	1,837	14,562	17,067
Other net (liabilities)/assets	(424)	602	(313)	(135)
Total value of the fund	244	2,439	14,249	16,932

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2023 Total £'000
CAPET	-	674	4,846	5,520
PDLT	-	943	6,941	7,884
Foundation	244	(11)	2,462	2,695
CATER	-	833	-	833
Total	244	2,439	14,249	16,932

13 Summary of 2024 fund movements by trust and prior year comparison:

Unrestricted funds

	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2023 £'000
Foundation	183	86	(203)	150	28	244
Total	183	86	(203)	150	28	244

ICAEW FOUNDATION

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

	Balance at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2024 £'000
Foundation	244	84	(162)	150	40	356
Total	244	84	(162)	150	40	356

Restricted funds

	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2023 £'000
CAPET	740	121	(70)	(150)	33	674
PDLT	841	161	(93)	-	34	943
CATER	735	715	(660)	-	43	833
FOUNDATION	-	-	(11)	-	-	(11)
Total	2,316	997	(834)	(150)	110	2,439

	Balance at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2024 £'000
CAPET	674	121	(54)	(150)	29	620
PDLT	943	168	(152)	-	44	1,003
CATER	833	714	(745)	-	43	845
FOUNDATION	(11)	18	-	-	-	7
Total	2,439	1,021	(951)	(150)	116	2,475

The above restricted funds are trust income that must be spent on that specific charity's general purposes at the discretion of the trustee as detailed on page 5. During the year, the trustees approved a transfer from CAPET of £150,000 to the Foundation to fund bursaries. This is in line with the secondary objectives of CAPET.

Endowment funds

	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2023 £'000
CAPET	4,380	2	(25)	-	489	4,846
PDLT	6,273	3	(35)	-	700	6,941
Foundation	2,244	14	(11)	-	215	2,462
Total	12,897	19	(71)	-	1,404	14,249

	Balance at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2024 £'000
CAPET	4,846	2	(28)	-	473	5,293
PDLT	6,941	3	(41)	-	677	7,580
Foundation	2,462	8	(13)	-	208	2,665
Total	14,249	13	(82)	-	1,358	15,538

CAPET and PDLT's endowment funds are permanent but the Foundation endowment is expendable for general purposes at the discretion of the trustee in furtherance of the objects of that charity as set out in the trustee's report on page 5. During the year no transfers were made from the expendable endowment (2023:nil).

14 Library book stock

The working stock of the Library was originally donated by ICAEW to CATER and is currently valued for insurance purposes at £900,000 (2023: £900,000). The stock is not included on the balance sheet but Library expenditure includes the cost of maintaining and adding to it. The aggregate cost and depreciation of the Library stock is not known and cannot be estimated with any reasonable degree of accuracy. Additions during the year are expensed as incurred and included within Library expenditure as they are below the capitalisation threshold.

15 Related party transactions

There is an agreement between CAT and ICAEW to provide administrative services to the Foundation and linked charities. The total of the transactions amounted to £239,000 (2023: £221,000), in addition to the costs of the Library. At the year end £12,000 (2023: £8,000) was owed to ICAEW. Management and miscellaneous support costs include direct costs and related charges on a time spent basis and an allocation of overheads split between CATER, PDLT, CAPET and the Foundation.

ICAEW provides gift aid to support the running of the Library. This amounted to £0.7m for 2024 (2023: £0.7m). CATER make an annual charge to the ICAEW for staff use of Library services; this amounted to £25,000 (2023: £25,000).

All Library staff are employees of ICAEW who are seconded to the Library and the related employment costs are charged to the charity. This amounted to £253,000 for 2024 (2023: £215,000).

There were no transactions with CAT or its directors in the year and prior year other than the reimbursement of expenses as set out in Note 6 to the accounts.

16 Group financial statements

ICAEW is the beneficial owner of the shares in CAT, the sole trustee of the Foundation. ICAEW is a body incorporated by Royal Charter in the United Kingdom (Company registration no. RC000246).

Under International Financial Reporting Standards ICAEW has prepared group financial statements which include the results and net assets of the Foundation and linked charities as well as any non-UK charities CAT administers. You can read the group financial statements online at www.icaew.com/review, or you can request a copy from the Chief Financial Officer, The Institute of Chartered Accountants in England and Wales, Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ.

ADVISERS, AGENTS AND ADMINISTRATOR

Investment managers:	Royal London Asset Management 55 Gracechurch Street London EC3V ORL
	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH
Independent auditor:	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Solicitors:	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
Bankers:	National Westminster plc 164-166 Midsummer Arcade Centre Milton Keynes Milton Keynes MK9 3BA
Administrator	Jennifer Smith Governance Manager ICAEW Chartered Accountants' Hall 1 Moorgate Place London EC2R 6EA

ICAEW FOUNDATION

England & Wales - Charity number 313983

Accounts



Registered Charity No. 313983

ICAEW FOUNDATION

and its linked charities

TRUSTEE'S ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2023

ICAEW FOUNDATION

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THE LINKED CHARITABLE TRUSTS AND THEIR SOLE CORPORATE TRUSTEE

The names and registration numbers of the ICAEW's charitable trusts linked with the Foundation on the Charity Commission website, and which although separately administered are accounted for as if they and the Foundation were a single charity, under the authority of a uniting direction from the Charity Commission, are as set out below:

313983-001	The Chartered Accountants' Charities Investment Pool (CACIP)
313983-002	P D Leake Trust (PDLT)
313983-003	Chartered Accountants' Trust for Education and Research (CATER)
313983-009	Chartered Accountants' Permanent Education Trust (CAPET)

The sole trustee of all these charities is Chartered Accountants' Trustees Limited (CAT). The directors of the Trustee company at present and those in office during the period covered by this report are:

William Arthur Bailey	Chairman until 4 June 2024
Richard Baylis	Appointed 4 June 2024
Shauna Bevan	
Michael Hicks	
Andrew Ratcliffe	Chairman from 4 June 2024
Susan Smith	Resigned 28 July 2023
Christopher Soan	Appointed 4 June 2024
Andrew Wauchope	

Further administrative information will be found on page 45.

The registered office of the trustee and principal office of each of the charities is:

Chartered Accountants' Hall
1 Moorgate Place
London EC2R 6EA UK

PUBLIC BENEFIT AIMS

The trustee presents its annual report and financial statements for ICAEW Foundation (the Foundation) which include its linked charities for the year ended 31 December 2023.

The aim of the Foundation is to support and provide donations to bodies, charitable trusts or funds for the public benefit in areas which are of particular interest to the Institute of Chartered Accountants in England and Wales (ICAEW).

The aims of the linked charities (apart from CACIP which is CAT's collective investment vehicle) are as follows:

- CATER: the advancement of education, particularly in accounting and related subjects, by maintaining and operating the ICAEW Library and by supporting qualifying education and research projects initiated by the ICAEW and others;
- CAPET: the advancement of education, particularly in accounting and related subjects, by funding the prizes awarded through ICAEW's examinations and funding bursaries in accordance with the secondary objectives of the trust;
- PDLT: the advancement of the sciences of accounting and political economy, including public finance and taxation, by funding academic research projects and events.

When pursuing these public benefit aims and when setting annual objectives and planning future activities, the trustee has given due consideration to the Charity Commission's general and sub-sector guidance on public benefit.

STRUCTURE, ORGANISATION AND MANAGEMENT

The Foundation is governed by a Deed of Trust last updated on 18 May 2007.

CATER is governed by an administrative scheme of December 1971 made by the Secretary of State for Education and Science. Chartered Accountants' Library Limited (CALL) is a wholly owned subsidiary trading company of CATER which became dormant at the end of 2018.

CAPET is governed by a Charity Commission scheme of October 1975.

PDLT (the 1952 will trust of the late Percy Dewe Leake) is governed by an October 1975 Charity Commission scheme.

CACIP, the investment pooling charity, is established and governed by a Charity Commission scheme of December 1996.

ICAEW is the beneficial owner of the shares of CAT, which has no corporate assets and is active only as sole trustee of the charities and so is dormant for accounting under company law. In accordance with IFRS10, however, the financial statements of all the charities administered by CAT are consolidated in ICAEW's financial statements.

Details of the charities' transactions with related parties are shown in the notes to the financial statements.

Appointment of trustee's directors

The appointment of directors of CAT is proposed by CAT's Board of Directors and approved by ICAEW's Nominating Committee.

Term of appointment as a director of CAT

The Articles of Association of CAT do not limit the term of appointment. However, by agreement with ICAEW, the trustee directors normally hold office for eight years at a maximum, and the chairman for five years maximum, having served at least one year as a trustee director before becoming chairman.

Induction and training

As part of their induction, new directors of CAT are given a briefing pack which includes information relating to the powers and responsibilities of CAT as a corporate trustee, copies of papers and minutes of board meetings, copies of annual reports and financial statements of the trusts and information relating to the work of the charitable trusts it administers. An opportunity is offered to new trustee directors to meet with the chair and existing trustee directors and members involved in managing the trusts to obtain briefing on the grant making process.

The trustee directors consider periodically whether further training on their role and responsibilities as directors is needed as part of their terms of appointment. Where it is considered appropriate, regular updates and training are provided in conjunction with the charities' investment, other advisers and other external sources.

Directors' Meetings

The trustee directors meet at least three times a year, in order to manage the charities, to review investment and financial performance, to assess new grant applications and to consider feedback and reports on previous grant awards.

The trustee directors have appropriate policies and procedures in place for managing any conflicts of interest arising in the course of its trusteeship.

Key management personnel remuneration

The CAT Board considers the trustee's directors and the Head of the Library & Information Services (LIS) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. The trustee's directors give their time freely. Details of expenses claimed and related party transactions are disclosed in notes 6 and 15 to the financial statements.

The pay of the head of LIS is borne by ICAEW and reviewed annually in accordance with the ICAEW remuneration policy.

STRATEGY FOR ACHIEVING OBJECTIVES

Foundation

The trustee's strategy is to make grants for selected initiatives where the contribution made by the trust can make a positive difference to the outcome.

The initiatives supported within the trustee's ongoing aims and objectives can be summarised as follows:

- **Bursaries**
Offering life-changing opportunities to talented individuals who may not otherwise have the opportunity to join the next generation of finance professionals.
- **Prizes**
Rewarding academic excellence and outstanding contributions to society as an inspiration to others.
- **Research and PhD fellowships**
Supporting high quality research that challenges perceptions of the future of accounting and finance.
- **Teaching fellowships**
Fostering change in education, bringing to academic tuition the practical insight for which the profession is renowned.
- **Library services and heritage**
Preserving and enhancing through CATER (see below) ICAEW's heritage that symbolises its position as a most highly respected professional body.

GRANTMAKING AND POLICY

Foundation

Any applications for grants and bursaries are put to the CAT Board for approval via the Foundation office. If a bursary to a university is approved then a Memorandum of Understanding is signed by both parties.

CATER & PDLT

The trustee has a process for the review of grant applications. The Research Advisory Board (RAB) considers all grant applications for research projects and events and makes its recommendations to the trustee. Each grant application includes details of the purpose and contribution of the research project or event and a summary of expected expenditure under such headings as:

- staff costs
- travel costs
- research instruments and access to data sources
- other relevant specified costs

The RAB also commissions leading academics, from both the UK and around the world, to write papers and present on issues of key importance to the accountancy profession, particularly on aspects of financial reporting. An annual conference and lecture are both held at which these papers are presented before they appear in a special issue of the journal *Accounting and Business Research*. Requests for funding for the papers and events are put to the trustees in the usual way.

The RAB meets three times a year. It includes senior academics from various universities, including at least one overseas university, as well as other practitioner members. Where appropriate, members of the RAB personally interview the person or team making the grant application, and always obtain independent academic and practitioner reviews.

The trustee may at its own discretion accept or reject any grant application which has been considered by the RAB.

The charitable trusts are committed only to reimburse qualifying research expenditure incurred, together with buyout replacement teaching if appropriate.

The trustee encourages the publication and distribution of the grantees' research findings to the widest possible audience. This may be through ICAEW to its members and others or by other academic journals and external publishers.

The trustee gratefully acknowledges the assistance of ICAEW and its help in publicising the work of the charitable trusts.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

CATER's budget for the ICAEW Library is formally reviewed with the Head of the LIS each year to review progress against budget, progress with ongoing development of the LIS and to agree priorities for the year ahead. The resources spent on this service in 2023 amounted to £729,000 (2022: £690,000).

CAPET

The trustee's policy is to:

- assist with the general professional education of suitable persons who are preparing for, entering, or engaged in the profession of accountancy, such as by providing books or paying fees, subject to applicants meeting the trustee's criteria for grant eligibility.
- award prizes in connection with ICAEW's examinations.

CACIP

This charity exists only to manage the pooled investments of the above charities administered by CAT.

FUNDRAISING

Foundation

The Foundation launched in 2007.

Actual donations totalling £46,250 (including gift aid and accrued income) were received during 2023. Total pledges since the launch of the Foundation, including legacies, donations and gift aid, stood at £2,927,853 at the end of the year.

Since the launch of the Foundation, actual donations (which mainly accrued to expendable endowment capital) received up to 31 December 2023, including gift aid, were £2,272,098 before investment returns, and can be categorised as follows:

	£
Funds to be used at the trustee's discretion	1,461,470
Bursaries	210,492
Prizes	110,378
Research	2,191
Library services and heritage	2,078
PhD fellowships	8,846
CABA awards	70,000
Combined Code Research Fund	104,783
PwC Flying Start Programme	100,000
Ernst & Young Smart Futures	36,000
Challenge 10 Initiative	38,140
Legacies	127,720
Total	2,272,098

The table below details the number of bursaries awarded by country to date:

COUNTRY	NUMBER OF BURSARIES AWARDED
UK	74
MALAWI	49
SRI LANKA	40
GHANA	19
CAMBODIA	10
HONG KONG	10
ZIMBABWE	10
LESOTHO	6
CYPRUS	3
TOTAL	221

2023 ACTIVITIES AND ACHIEVEMENTS

FOUNDATION

Grant funded activities

Historically, the Foundation made an annual award of £6k to Humentum to fund bursaries for its charitable training in accountancy to individuals working in non-governmental organisations. Over time, this pool of funds has built up and stood at £24k at the mid-year point. No additional grants have been awarded during 2023 but the trustees approved a reclassification of these funds to support financial skills training targeted within organisations as opposed to individuals with an aim to further the reach of the training provided. This has been very successful with an additional £10k being utilised by the year end. Humentum will report back to the board during 2024.

Grants awarded

The main strategic focus of the Foundation is the creation and granting of bursaries. New bursaries will be funded from the income generated on the investment of current donations or the release of expendable endowment. Total bursaries awarded during the year (net of write backs) were £194,000 (2022: £164,000). UK bursaries are usually awarded for a period of three or four years and are accrued in the accounts for the whole period in the first year when the bursary is approved. Therefore, the awards payable to UK universities shown in note 6 are for new bursaries, including amounts payable over future years.

The ICAEW Foundation Changing Futures Bursary Programme

To date, the ICAEW Foundation *Changing Futures* bursary programme has supported eighty-seven undergraduate students of accountancy and finance in universities across the UK, and in Hong Kong and Cyprus.

- ICAEW members can see how their donations to the Foundation are making a real difference and having a positive impact. They may also be encouraged to engage with their local student.
- ICAEW Foundation is immensely proud of our work with students through the bursary programmes but we do need the support of our members to continue to grow our impact and reach.
- During the year, a new 4-year scholarship with the Chinese University of Hong Kong was signed. This will be entitled the "Paul Kwok Kin Cheng ICAEW Bursary" and will be fully sponsored by the family of the late Paul KK Cheng. Paul Cheng was extremely proud to represent the accountancy profession having been a longstanding member of ICAEW since 1976 until he sadly passed away last year. The family are sponsoring this scholarship as a way of continuing his memory and to help other aspiring professionals achieve their career goals within the accountancy profession.

Here are some of our student bursary recipient stories from this past year. You can read about the difference the bursary has made to these talented and ambitious individuals and how the educational experience has already nurtured and developed them.

Rebecca Callaghan – Queen's University Belfast

Having concluded my second year at Queen's University Belfast, on reflection I can easily say that it was one of the best years of my life so far. Not only was I provided with life changing opportunities with regards to my future career and study, but I also got to enjoy the social aspect that university life has to offer and make lifelong friendships. Many of these opportunities have been made possible thanks to this generous scholarship and I cannot put into words how grateful I am.

This scholarship has enabled me to work less in my part-time job, allowing me to devote more time to my studies, which was particularly important this year, as due to timetabling issues associated with studying accounting and a language, I had to complete two thirds of my modules in the first semester alone. It also provided me with extra motivation when undertaking my five January final exams, despite having covid and lacking energy a mere two weeks prior.

In addition, this scholarship has also instilled in me a great deal of confidence, which proved to help in interviews for summer internships, which is highlighted by the fact that I was offered three internships with Deloitte, KPMG, and PwC. This sense of confidence has also enabled me to participate in events such as the Insight into Management programme, which provided me with an array of skills that will be extremely beneficial throughout my life and career, such as time management and teamwork, while also providing me with networking opportunities.

As I study accounting with Spanish it is a compulsory element of my degree to spend the third year abroad. I really wanted to be placed in the region of Valencia under the British Council scheme as an English Language Assistant, however it was stated that the payments in Valencia are unreliable and often don't come when expected. Consequently, it was advised to only submit Valencia as your region of preference when applying for the scheme if you had sufficient savings to help with living costs. Therefore, this scholarship has enabled me to live in my dream area of Spain as I was allocated to the city of Alicante. Furthermore, this scholarship has helped me with the setup costs of moving abroad, as well as other essential costs, such as my child protection certificate.

I have also been extremely fortunate to participate in many of the social events that university life has to offer, which has provided me with an all-round enriching student experience and has greatly contributed to my personal development and social skills, which I believe are extremely important to have as an accountant. This year I have attended both the Queen's Management formal, as well as the Modern Languages formal, which has allowed me to make connections, network with my classmates and fully participate in all aspects of university life. Additionally, after completing my exams in May, myself and three of my friends from my course travelled to Budapest. This experience has provided me with a global mindset and has strengthened my relationships with my peers.

Most notably, in June I completed a summer internship with KPMG in their audit department. As aforementioned this scholarship has allowed me to have the choice between three different highly regarded accounting firms to gain experience with, due to my interview skills which stem from the confidence I now have because of this scholarship. I also did an internship over the summer with KPMG last year in their deal advisory department, which helped me decide which firm I wanted to go to, as I thoroughly enjoyed my time here and was eager to return. At the start of July when finishing my internship, I completed an interview for a graduate role in the company's audit department. I was successful and hence I was offered a graduate job with them to train to become a chartered accountant and they also are sponsoring my master's degree in accounting to gain extra exemptions from the exams. I have now accepted this offer and I strongly believe that this scholarship has paved the way for this opportunity.

Therefore, I would like to conclude by thanking you for your generosity as it has facilitated my dream of becoming a chartered accountant and has ensured that I have had the best university experience possible.

Taylor Loveridge – University of Gloucester

As my academic journey is coming to an end it is important to recognise the support I had along the way. The financial aid I have received over the course of three years has been invaluable, particularly during my final year. The cost-of-living crisis has made it extremely difficult for students with the rise in food, school equipment, and many other prices. I frankly would not be able to afford to be student and without this crucial bursary would have deterred me going to university. Modules this year have been very arduous due to taking three strategic level ICAEW exam papers. Despite this I have risen to the challenge and on track to secure a first-class honours.

Advanced financial reporting was a specific module I found to be academically stretching. With it incorporating all content learnt, high level concepts and being one of the ICAEW papers. The academic written piece for this was interesting due to having to analyse a listed company and how they applied international accounting standard to the presentation of their financial statements. Social and environmental accounting was another notable module as it provided me with a broader understanding of the field and gave light into how the profession is helping solve issues in climate change and humanitarian issues. In this I produce a report critically evaluating a sustainability report of a company, going into great depth and providing recommendations.

I was privileged to be re-elected for my second year in a row as Course Representative. I assisted open days, taster days, work closely with the academic course leads, and be the voice for many students at my university. This further strengthened my soft skills, something that is important to develop before leaving education. My university put on networking events with local employers and institutions that really developed me skills in making connections and understanding the industry holistically. This is something I think all students should partake in as many times as they can.

Finding a job after university is a daunting task especially during these challenging times. The key to this I found was consistency and being yourself in interviews. After hundreds of applications, I was fortunate to secure a role as a Level 7 Finance Apprentice at UK research and Innovation. I am excited to start work and use my knowledge and skills I have acquired across the years.

To conclude, I am deeply grateful to the ICAEW and its esteemed members for granting me the foundation bursary, enabling me to forge invaluable connections with exceptional industry professionals and acquire skills that will leave a lasting impact on my journey.

Ben Avila Ulloa – Bayes Business School

The following is an overview of my experience, achievements and overall wellbeing throughout the second year of my Accounting and Finance degree at Bayes Business School.

Having reached the second stage of the degree now, the workload, dedication and resilience required to attain the highest of grades has dramatically increased; an achievement I intend to reach. Unfortunately, alongside many hours of work, there exists numerous external difficulties that undoubtedly intensify the stresses of the student life. However, fortunately for me, the funding I have received has minimised this adverse effect. Examples of this are affording travel costs on the train most days of the week and to afford to bring in lunches, especially as inflation has driven up the costs of such necessities. Furthermore, purchasing textbooks, general reading books, notepads and stationery is no longer a burden to me and is one less barrier to studying as efficiently as possible. Also, I have been able to enjoy leisurely activities on a regular basis which is fundamental to unwinding from studying and keeping a clear mind.

As a result of the benefits I have received, I have achieved an average of a first class (70%) in all modules in term 1 and expect to attain the same average grade when I receive results for my second term. Although this is what I am aiming for, I still understand it is an incredible achievement and hence share my success with you. This has motivated me for my upcoming third year and I wholeheartedly believe I will graduate from the university with first class honours.

Once again, I am extremely thankful for the support that has been given to me.

Philip Gerakyyan – Bayes Business School

Financially, the bursary has been instrumental in allowing me to focus on my studies without the constant worry of managing the financial aspects of my education. It has covered essential expenses such as tuition fees, textbooks, and materials, ensuring that I have all the necessary resources to excel in my coursework. The bursary has eased financial stress and provided me with the freedom to fully engage myself in my course.

The bursary has had a huge impact on my personal development. The recognition and belief has created a strong sense of self-confidence and motivation. These experiences have not only enriched my university life but have also honed my leadership skills, interpersonal abilities, and teamwork.

I am truly grateful to the ICAEW for their support, and generosity. It has been an enormous help. I am looking forward to the opportunities to come and to possibly giving back to others in need when I am able to.

Ronan Cupeva – University of Bristol

As I approach my final year at the University of Bristol, I wish to express my enduring gratitude for the ICAEW scholarship, which has had a profound impact on my university experience. My appreciation remains as great as it was on the day I was first awarded it. It has undeniably transformed my university experience, allowing me to concentrate fully on my academic and career aspirations instead of extra part-time work.

This has led to my successful completion of a summer internship at PwC and receiving a full-time job offer once I graduate. Alongside this, I am proud to have finished my second year achieving higher than average in all my modules this year.

During the summer, I've also begun to focus my efforts on an initiative I've formed called 'OUR' (Opportunity for the Under-Represented) - The first UK organisation to support UK students from disadvantaged Eastern European and Balkan backgrounds towards their careers. 'OUR' seeks to connect these deserving individuals with professionals who can provide mentorship, alongside students participating in various events (both in-person and virtual), to serve as sources of inspiration. 'OUR' is in its early stages so is seeking mentors and organisations to collaborate in its mission to positively impact these young people's lives.

Thank you once again to the ICAEW for supporting me in another year of my studies and allowing me to pursue my professional interests.

Abigail Darko – Royal Holloway University of London

Thank you for awarding me with this generous scholarship as it has greatly aided me in more ways than one.

Firstly, receiving the funding has really helped me focus on academic and non-academic progression at Royal Holloway. The money I received meant that I did not have to try and rush and get a quick part time job to pay for bills or living expenses but I rather took my time and waited and found work experience perfect for my career prospects. Because I took that time, I can happily say I found banking work experience within Santander, which has led me to be working there part time as a personal banker for over a year. I am licensed within the bank to help with dealing account queries, helping customers reach financial goals, fostering relationships with clients to meet their personal banking needs and increasing profits by cross-selling accounts and services. This has brought valuable experience/opportunities which I never thought I would have so early on. Furthermore, the stress relief on making money has been greatly reduced and I've taken a calmer pace with my studies. I am more focused on enjoying and understanding my subject without the burden of finances.

I started off two years ago studying Accounting and Finance, however due to the areas I was finding most interesting, I changed course and am now going into my second year of Financial and Business Economics. My favourite first year module has to be applied economics and policy. This focuses on key economic issues and introduces how economists think about current world problems such as economic growth, inequality, inflation, fiscal and monetary policy. I achieved a high 2:1 in this and hope to do even better next year. Secondly, the funding has also meant I could afford extracurricular activities at Royal Holloway such as the Cheerleading and Dance club. I have been in the club for two years and it has been one of the best decisions I have made, mentally and physically it is so good to have something you can do on the side of studies that can be a stress reliever. Furthermore, this year I have been granted the opportunity to be a Dance captain which I could not have gotten without this fund.

Currently I am very interested in doing investment banking in the future and so I will be looking at doing similar internships during summer 2024 at hopefully one of the top banks like J P Morgan or Deloitte. I will also be looking at other experiences I can do within Santander as I have an internal advantage which I am so grateful for.

To conclude, thank you very much for this fund as it has helped me set up my future in ways, I never thought I could.

Holly Swift – University of Manchester

Firstly, I cannot believe I finished my second year. It feels so recent that I wrote my donor report at the end of my first year. My second academic year has been more challenging than my first, both with the content and managing the increased workload. Whilst at times it felt overwhelming, I feel it has allowed me to develop my time management skills – something which will benefit me next year in my industrial placement. I thoroughly enjoyed being able to have more control over my studies with optional modules, in particular Mergers and Acquisitions (M&A) from a Financial Perspective was a module which I loved. It was extremely interesting and inspired me to explore potential career paths regarding this area. I also enjoyed being able to do more finance-based modules, such as Financial Markets & Institutions. This module allowed me to create a basis for my financial understanding and helped me with other finance modules I took in my second semester.

I am immensely proud of myself for managing my modules, a weekend job, and placement application during my second year, even more so after successfully acquiring a placement at RSM as a Tax Assistant. This placement, which starts in September, is something I am extremely excited for. The opportunity to gain experience in an area I hope to go into after graduation will be so valuable to my personal development, especially with such a reputable firm. During my placement, I will spend 6 months respectively with the corporate tax team, and private client services. Being able to learn from professionals and explore what my future career may entail is something which I cannot wait for. I hope to do well, and be offered a graduate job, as RSM offer the joint ACA CTA programme which is something I want to go on to achieve after graduation.

My scholarship has enabled me to purchase the student bus pass, something which is essential for travel to university. Without the pass, I would not have travelled into campus as much and been unable to study as frequently in the Library. I feel if this was the case, my grades would have suffered along with my capacity to concentrate and separate studying from home life. I am extremely grateful; I love going to study on campus and at the Alliance Manchester Business School – it really helps me focus, especially around

exam season. Aside from the pass, it allowed me to purchase new study supplies such as books, stationary, and even formal clothing for my assessment centres – something which I could not afford to buy without the scholarship. Words cannot express my gratitude; I am so thankful for receiving this bursary. It has massively improved my student experience over the past two years, both academically and for my mental health. It has reduced stress of having to take on excessive shifts to cover my food and general living costs and meant that I could still commit wholly to my studies.

Thank you once again to everyone at the ICAEW Foundation.

Mohammad Fayzan Ashraf – University of Manchester

I am a grateful recipient of the ICAEW Foundation Bursary, currently undertaking my Accounting degree at the University of Manchester. As this academic year draws to a close, I want to express my deepest gratitude for your support and share the beautiful experiences and opportunities your generosity has allowed me to have.

The beginning of the academic year was challenging, juggling a job and my studies. However, receiving the ICAEW Foundation Bursary has been a lifeline. With the financial support, I could significantly reduce my working hours, greatly easing my transition into university life. This gift of time has facilitated my academic focus and allowed me to build lasting friendships and fully immerse myself in the university experience.

Among the year's many highlights, one stands out – the chance to learn Spanish in Seville. Studying in Seville has been an extraordinary experience, pushing my boundaries and broadening my perspective. Living in a different country, learning a new language, and meeting diverse people from all around the world has been an incredibly enriching experience, made possible through the bursary you provided. Outside of my academics, I have participated in a weekly 6-a-side football competition every Thursday. Not only has it been a source of physical well-being, but it has also been a platform for me to connect with new people and foster friendships. This time for recreation, undisturbed by work commitments, was made possible because of the bursary's allowing me to significantly reduce my working hours and need for additionally money to support myself.

Looking toward the next academic year, I am filled with anticipation. The upcoming move into student accommodation will be a new chapter in my life, again, a change made significantly smoother by the bursary. Reducing my commute from 50 minutes to just five will be a game-changer, allowing me more time for studying, extracurricular activities, and social interactions. Regarding my academics, I am particularly excited about modules such as Financial Statement Analysis, which will deepen my understanding of accounting.

I cannot emphasise the profound impact of the ICAEW Foundation Bursary on my life enough. The financial support has not only eased my everyday stresses but also given me the freedom to engage in opportunities I could not have otherwise afforded. It has truly shaped my university experience, adding dimensions to it that go beyond academia.

To my donors, I want to express my heartfelt gratitude. Your investment in my education has done more than support my academic journey; it has enriched my life in ways I had not imagined. I am immensely grateful for your belief in my potential, and I assure you that I am, and will continue to, make the most of this incredible opportunity you have given me.

Thank you once again for the impact you have made. Your generosity inspires me, and as I move forward in my career, I hope to emulate it by helping others achieve their dreams.

Thomas Hill – Cardiff University

It's been a while since I made my last update, and I've mainly been focusing on my work and beginning my revision for my exams. I've put in a lot of hours, and fortunately I'm feeling very confident heading into my second round of exams. I believe a substantial impact upon my mentality has been the financial support you've given me. It's allowed me to have a more generally relaxed attitude in all parts of life, as money isn't as tight meaning a heavy load has been relieved. It has given me a solid platform in which to learn and revise with less outside pressure. This, matched with the fact that my dad's condition has improved has set me in good stead to achieve the grades I desire in the following two months. I've sat one assessment since I was last in touch. It was a Microsoft Excel exam, as part of my Professional Skills for Accountants module, where I achieved a mark of 84 out of 100 (no doubt at least partly a result of the alleviation of pressure that came with your financial aid), and consequently attained Microsoft Excel Certification, an

achievement which I am very proud of. It has not only equipped me with important skills to apply within the Accounting Profession, but also bolstered my CV to show that I'm a capable excel user, and proficient in IT.

During the past weeks, and particularly during the Easter Break, I was able to have a think about my future career path, where I researched a variety of jobs in the financial sector. One career that stuck out to me above all else was Forensic Accountancy. I inadvertently became aware of it while writing a report on Business Ethics, while I was researching a number of various accounting scandals, such as the infamous Enron scandal. The job description of finding evidence of crimes and aiding insurance companies or law enforcement agencies in catching perpetrators was one that I'm sure most would find thrilling, but I also appreciated the very important role Forensic Accountants play in society, maintaining a fair and just world where large corporations can't misreport earnings and mislead the public, for example. It's important to me that my future profession is one that I can be proud of, and one that adds value to society, so I can visualise myself pursuing this path further during my future. To close the report, I'd like to make my gratitude clear once more. It's hard to put into words the full scope of my appreciation, but know that due to your help I've been able to achieve a strong balance in studying and caring for my father, all while maintaining a clearer and more comfortable frame of mind, which has been conducive to greater academic success and, in truth, a more enjoyable life where I also can afford to do nice things with my friends, family or girlfriend, with less weighing on my conscience.

Thank you, so much.

Owen Ingram – Nottingham University Business School

Receiving a bursary from the ICAEW during my first year at university has been a blessing. Being raised by a single parent, finances have always been a concern; however, thanks to the bursary I have been able to ease the burden on both myself and more importantly my family since I am now capable of living financially independent.

The bursary has been a great help to me in improving my studies. It allowed me to focus less on having to get a part-time job and more on my studies, which has allowed me to attain 2:1's or higher in all my modules. Thanks to the ICAEW, the level of stress and anxiety I usually feel during exam time were greatly decreased. Through the bursary I was able to buy the resources, such as textbooks, necessary to improve my understanding of modules and therefore increase my confidence for my end-of-year exams, having an overall positive effect on my mental health.

One module I especially enjoyed was the fundamentals of financial management and accounting; The interactive teaching as well as the difficulty of the module allowed me to truly push myself. Thanks to the bursary, I had enough time to focus on understanding the intricacies of the module and overall enjoy it. The time and effort I applied allowed me to achieve an 86% result on my exam.

During the holidays, I went back home and spent time on activities that were separate to my education but also crucial for my personal development. The bursary assisted me in getting my driver's license by helping me pay for the costly driving lessons. I am therefore very thankful to the ICAEW for aiding me in my future, as I believe being able to drive is a necessity. Without the bursary, I would not have been able to travel to various regions of Europe over the summer. As a result, it has helped my education and given me the opportunity to widen my horizons and learn more about the world.

I would like to thank the ICAEW for its generosity and financial support as without it I would have never been able to achieve both the great results in my exams, as well as the growth I have had as a person. I have had several great memories throughout my first year of university and I will never forget the kindness given to me that has allowed me to obtain them.

Huang Xuanrong – The Chinese University of Hong Kong

Entering the second year of college life, the academic pressure continues unabated. I still get overwhelmed and anxious with lots of group assignments, papers and tests. But what has improved is that I have gradually figured out the rules of college life and can better deal with various affairs. I know that even if you are extremely busy, as long as you arrange things in an orderly manner, tasks can be gradually completed. I realized that refusing to procrastinate and starting to do the tasks as soon as possible can reduce anxiety, which can be regarded as the achievement of my mentality construction.

In terms of academic achievements, this semester I focused more on my studies and for the first time surpassed myself with a GPA of over 3.3 in my sophomore year. Although it's not a major accomplishment, it's enough to motivate me to continue working hard.

In terms of extracurricular activities, this year I also participated in a business case competition with my friends. We participated in J.P. Morgan's virtual bank competition, which was more formal and challenging than any competition I had participated in before. Although we didn't win any awards, the experience taught me to view the business world with a more professional perspective, and I learned a lot about finance and the business environment. Moreover, through interacting with my teammates, we helped and encouraged each other, which gave me a sense of belonging and friendship, which are "precious treasures" I obtained.

Regarding career planning, I tried to send out resumes to apply for internships. In the process of selecting internship companies, I have gained a deeper understanding of accounting positions and the recruitment process of companies. My future plans have become clearer. Although I don't know the final result or whether I have a chance of being accepted, I still want to encourage myself for taking the first step in job-seeking.

Thank you again for the generosity from ICAEW Foundation.

The ICAEW Foundation Building Futures Bursary Programme

Our Building Futures bursary programme, for students of new professional accountancy qualifications across Africa and Asia has allocated funds for 134 bursaries since its launch in 2015.

MALAWI (ICAM)

In 2022, the new Professional Qualification (PQ) administered by ICAM was launched. The overall vision of the PQ is for an increase in qualified accountants and for it to be a locally focused qualification but one that maintains internationally accepted standards as this is an essential part of improving investor confidence and the climate for investment. During 2022, Trustees approved £5,178 to support 6 students with the cost of registration, tuition and exam fees and study manuals for the Level 1 exam. The start of this project was slightly delayed and payment was made at the end of 2023.

GHANA (ICAG)



Khadijah Iddris was previously featured in our foundation video in 2018 and has received support from the ICAEW Foundation throughout her PhD studies in finance, her ultimate ambition being that of becoming a lecturer in the subject. We are proud to report that Khadijah was awarded her PhD during the year, gaining top marks when presenting her viva. Her thesis was titled 'Foreign Bank Presence, Financial Development, Inclusive Growth and Foreign Direct Investment in Africa'.

CAMBODIA (KICPAA)

The first ever Cambodian professional accountancy qualification (ATQ), due to launch in 2020, was delayed predominantly due to the impact of Covid 19. Nearly all students have been heavily impacted over the past three years as not only were they unable to get the usual part-time jobs to fund their studies but in addition, all universities/colleges remained closed throughout 2020 and only reopened at the beginning of 2023.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

£25,500 was approved in 2020 to support forty students over 2 years studying the new ATQ. This finally launched and the first instalment of £12,750 was paid in January 2023 with the second instalment due to be paid in the first quarter of 2024.

ZIMBABWE (ICAZ)

In 2010 ICAEW signed a reciprocal membership agreement (RMA) with ICAZ which was renewed in 2012 and again in 2023.

During 2022, trustees approved a total of £8,306 to support 5 students through the second and third years of their accountancy qualifications. The bursary scheme gives students who are facing economic hardship an opportunity to obtain relevant degrees and train to become Chartered Accountants, delivering against the Sustainable Development Goals (SDGs) by allowing social mobility and gender balance.

All five students successfully passed and completed their Year 2 exams and have commenced Year 3.

During the year, trustees approved £825 per student, total cost £4,125 to fund for the fourth and final year university costs. This will be paid early in 2024.

SRI LANKA (CASL)

ICAEW has worked with CA Sri Lanka (CASL) for more than 20 years and signed the first recognition agreement with them in 2010 which set out an expedited route to membership for appropriately qualified members of both bodies. This was renewed in 2014, 2018 and again in 2023.

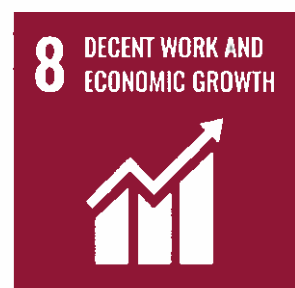
During 2022, Trustees approved £34,360 during the year to support 20 students for two years on the Joint Student Scheme. Providing good graduates in economic hardship an opportunity to become ICAEW Members, thus providing them with international employment opportunities, provide an important milestone in the ICAEW-CASL partnership and raise ICAEW's and the ICAEW Foundation's profile in Sri Lanka. This scheme commenced slightly later than anticipated at the start of 2023. Due to the success of this scheme, trustees approved an additional 20 bursaries during the year to commence in 2024 at a total cost of £35,000.

Since launching the Joint Student Scheme, ICAEW has delivered several workshops, both face-to-face and virtually to promote the scheme to students; approximately 105 students have joined to date, including 10 from a previous bursary funded by ICAEW Foundation. These students are currently pursuing ICAEW Advanced Level exams and are expecting to qualify as ICAEW members in 2024.

ICAEW have also received high levels of support from the big four and key firms in Sri Lanka who are keen to help ICAEW and CASL to promote this route to their existing and future trainees.

UN Sustainable Development Goals

As the world increasingly focuses on the importance of the UN Sustainable Development Goals (SDG's), we too continue to collaborate and work together with our partners to help contribute to their own achievement aims.





We are conscious of how the objectives and work of the ICAEW Foundation contributes to achieving Goals 3, 4, 5, 8, 10 and 13.

As a member of the Association of Corporate Foundations and 60th signatory to their Funders' Commitment on Climate Change, we continue to play our part for climate action by launching our annual essay competition to motivate students and recently qualified members to consider how the profession can act on the climate crisis. This was a resounding success in 2023 and due to the high calibre of entrants, the judges not only awarded a first prize but also awarded four highly commended prizes.

The next competition seeking answers to the question, "Accountants as Climate Champions: why and how should the profession lead on climate action?" was launched early in 2024.

Our Building Futures bursary programme, for students of new professional accountancy qualifications across Africa and Asia continues to promote and assist in social mobility and gender balance.

CATER LIBRARY AND INFORMATION SERVICE

The Library & Information Service (LIS or 'Library') supports the current and future research needs of the accountancy profession by collating and preserving information and by providing an enquiry and research service. LIS also supports ICAEW by delivering a quality benefit to ICAEW Members.

For 150 years the Library has been the only Library in the United Kingdom to have comprehensively collected material in this sector, effectively creating a national Library of accountancy, including plenty of material not held by The British Library. The Library remains one of the world's largest and most important collections of material for the accountancy profession.

In 2023 the Library has continued to thrive, adapting to the impact of a continued move away from print by publishers while embracing the opportunities to improve remote access to the rich ICAEW back catalogue through our growing digital archive. In our physical spaces we are noticing a change in footfall patterns and how visitors are making use of the space as new ways of working emerge.

The year to date has brought about some fresh challenges, such as the rapid adoption of artificial intelligence tools, which have changed the way that users seek and request information. The Library teams are playing a part in ICAEW projects tackling this new information revolution and anticipate this will be an area we have to focus on in 2024.

Improvements to the experience for Library users have included the implementation of a new, much improved catalogue interface for users, which was scheduled for launch in the first quarter of 2024, and a redesign of the ICAEW Library website. At the same time, improvements are being made to the documents stored in our digital archive to help make the content more findable.

LIS management and structure

The Library collection (including third party digital information resources), and supporting software system and catalogue, are maintained and operated by CATER on behalf of ICAEW and the wider public. There are currently 5.6 full time equivalent staff posts funded by CATER for this purpose.

In May 2023 two new starters joined the Library team. To meet the increasing demand for resource in digital archiving we recruited a Digital Archivist to support the Digital Archive Manager. The post of Library Resources Assistant, supporting the Resources Manager, was also filled after being vacant since 2021.

The Library staff operating the Enquiry Service and looking after the Library website are currently funded by ICAEW rather than CATER. ICAEW funded staff report to directors in Belonging & Supporting and in Digital & Publishing respectively.

CATER staff continue to contribute to the answering of enquiries, gaining valuable knowledge that feeds into stock selection and cataloguing.

The Rare Books collection, an asset owned by ICAEW, falls outside the remit of CATER. However, the Library team help to manage and support this collection.

Enquiry, Document Delivery and Loan Services

The LIS information professionals provide a valuable business information research service to members and the profession. The Enquiry Service remains a popular point-of-contact for members. The team handled and resolved 10,053 queries this year.

The Library Enquiry Service is managed by the Library Enquiry Team, funded by ICAEW, and operated in collaboration with CATER funded Library staff. After a period of short staffing, a new Information Executive joined in March from the Institute of Directors who has rapidly become a very valuable and much appreciated addition to the enquiry team.

Business Centre

Post-Covid working practices have led to a notable difference in footfall patterns across the week in the Business Centre as well as a visible change in how the Library space is being used by members (for example, more members taking part in remote team meetings via their own laptops in the Business Centre).

An increasing number of businesses are moving away from traditional office space to co-working spaces such as WeWork, including those of ICAEW members. London has seen some of the strongest growth worldwide in these flexible workspaces coming out of the pandemic (flexible workspaces contributed to 35% of commercial property transactions in London in 2020). Several visitors have commented that this is making them look at the Business Centre in a new way – as a premium flexible working space with the added value benefit of books and online resources on hand.

Enquiries

The enquiry team has recently trialed complementing the ICAEW Technical Advisory Services (TAS) team; providing a 'first line' webchat support. This experience has added to the Library enquiry team's accountancy knowledge and working relationship with TAS. It has also increased awareness of the Library service among members.

Client screening remains the most popular service offered by the enquiry team, accompanied by queries on taxation, model documents and company information.

On top of our more common historical enquiries, such as firm histories, 2023 has seen some particularly interesting and in-depth historical enquiries. Memorable examples range from assisting a PhD researcher with his research into the role of chartered accountants in the secret service during WWII, to helping a lead historian for English Heritage with his research into the architecture of Chartered Accountants Hall for an article that appeared in *Country Life* in December 2023. This led to several highly informative trips to the London Metropolitan Archive to consult with the Institute's historical records.

Customer satisfaction surveys for 2023 showed that 94% of Library & Information Service users found the service was easy or fairly easy to use which echoed the results from 2022. The appreciation for the service provided by the enquiry team is reflected in 250 exceptional compliments received by the team across 2023.

Many users commented on how impressed they were that their requests were dealt with by information professionals with the expertise to understand and deal with their needs, then supply exactly the information that was required. One example from April 2023 read "May I say this is a fantastic service: clearly knowledgeable, highly efficient and delightfully managed."

CATER collection and digital resources

The Library is a modern, hybrid service comprising of a physical collection of loan and reference material, and a suite of online, third-party resources to support user needs. Most of the physical collection is held at an offsite warehouse in Milton Keynes.

The Resources team manage the life cycle of resources in the Library collection from acquisition to disposal, covering both print to digital. The majority of ICAEW publications are now captured in digital format rather than added physically to the collection, reducing the resources needed to process and shelve them.

Print books are purchased to support the demand from the Library loan service, and we continue to subscribe to print journal titles. However, expenditure on print resources is continuing to fall as publishers cease to produce print material as they move to digital-only models.

Supply of digital resources

Third party online resources are a key component of our hybrid collection and now accounts for over 80% of CATER's annual budget for Library stock/resources. Many of our larger licence contracts are agreed on a multi-year basis, in order to secure discounts. This has meant, that despite recent high inflation rates, our 2023 online resource costs have not suffered severe price hikes.

Warehouse store

The ICAEW warehouse, where the majority of the Library collection is stored, was secured with a five-year lease renewal in 2022.

Staff have been able to make more visits to the Milton Keynes warehouse, where the majority of the Library collection is stored. A project is underway to tidy and reorganise the materials held there to make space for newly archived materials.

Usage and development of online resources

Work to increase the visibility of third-party resources licensed by the Library on the ICAEW website continued through 2023. The Library web pages on journals were redesigned and updated to better highlight the breadth of our print and online collections. Signposts to journal titles have also been added to relevant topic pages throughout ICAEW.com.

A project to use third party resources licensed by the Library to update articles from the Business and Management Faculty magazine was completed in 2023. By the end of the year 238 articles (out of 715) had been updated, providing further reading through the databases where most value could be added.

In 2023 we have seen that requests for the full text of articles and eBooks through the Business Source Corporate Plus database have gone up by 24.9% (from 15,547 to 19,417 downloads).

Stock cataloguing

The Library catalogue provides detailed records of the electronic and print resources held by the Library, including all ICAEW-produced documents, and abstracts of relevant journal articles. The catalogue supports the Library Enquiry Service and the website, with the aim of helping our users find and use our collections.

This year has seen more balance return to the work of the team following the disruption of the pandemic. The team are continuing to adapt to digital cataloguing, documenting changes to processes, while also adding links from the catalogue to electronic versions of publications that have moved to the digital archive.

Earlier this year we undertook a review of journals that we abstract from and have started adding relevant articles from a number of academic titles to enhance Library visibility amongst the academic community. We have also started to plug certain gaps in abstracting from academic material from the 2015-16 period.

Enterprise – our new discovery platform

The team are working with our suppliers, SIRSI, to install a new discovery platform, Enterprise, which will replace the iLink platform that was launched in 2004. The new discovery platform offers many benefits to users including:

- A more responsive design to work with all devices.
- Enhanced search functionality using fuzzy search algorithms and relevance ranking.
- More intuitive search including search suggestions based on trending topics.

- Clearer displays and easier navigation.

The new platform was delivered for testing and development at the end of 2023 with the expectation of a launch in early 2024. The new platform will run side-by-side with the old platform during a transitional period while links are switched over, ensuring no disruption to users.

CATER stock valuation

It was agreed that the CATER collection will be insured for £900,000. In practice, the unique nature of the collection means that many of the books would not be replaceable.

Digital Preservation

The Digital Archive project is an initiative aimed at creating a digital repository capable of accommodating all born-digital materials released by ICAEW into the public domain, as well as providing future capacity for the digitisation of material from the Library's print collection.

The Digital Archive includes resources such as help sheets, technical releases, press releases, AGM papers, magazines and regular snapshots of the ICAEW website. By preserving these assets, the project plays a vital role in reinforcing the Library's mission to capture and disseminate organisational knowledge for the benefit of researchers.

Project progress

There are currently two main strands to the project – preservation of publications and documents on the Preservica platform and website captures using the Archive-IT platform.

Digital publications preservation and storage – Preservica

Digital content is extremely vulnerable – due to software and hardware changes and data that can easily be corrupted. Preservica allows us to store documents with greater confidence by rigorously checking for corruption and by ensuring a seamless transition from older file formats to guarantee uninterrupted access as software changes.

In 2023, the focus has been on refining our digital preservation workflows and enriching previously ingested content to improve findability for researchers. This effort has involved:

- The development of Python-based ingest tools to automate a significant portion of the pre-ingest workflow, which we aim to share with the wider digital preservation community.
- The integration of specialist digital preservation tools, such as Brunnhilde, for file format identification and virus scanning.
- Incorporation of ICAEW's taxonomy for automatic content classification, resulting in improved metadata production.
- Utilisation of OpenAI's Whisper to produce transcripts of our audio-visual materials, enhancing discovery and accessibility.

This pattern of improvement is common among digital archives, reflecting the rapid development of this relatively new field. During the early period of the digital archive at ICAEW, the focus was to ingest a large amount of at risk content quickly. This early content lacks the metadata needed to describe and provide context for users of the digital archive.

In 2023 we started re-classifying the content, adding value with essential metadata, i.e. title fields, author fields, subject fields, date fields and relationship fields. This should make our content more accessible, searchable, and valuable for users. By the end of 2023 some 3,180 files had been re-classified and this work continues in 2024.

Overall, this aspect of the Digital Archive project continues to progress well. Preservica now holds around 21,000 assets, while another 10,000 assets wait to be ingested. The value of the Digital Archive for future researchers only continues to grow as more material is added for long-term preservation.

Usage of the digital archive through the Preservica platform has seen 10,792 views of archived content from outside ICAEW in 2023, with a further 4,914 views from staff using the platform to answer member enquiries, for internal research or as part of work to help grow the digital archive¹.

¹ Note on data: Due to technical issues at Preservica, usage data from March to May 2023 was incomplete. We have used estimated figures based on averages to give us approximate page views for those three months. The March and

Website captures – Archive-IT

As ICAEW increasingly offers content through its website rather than in traditional document formats, capturing the website's content becomes pivotal to ensuring access to the full spectrum of ICAEW output for future researchers.

Regular captures of the complete ICAEW website are conducted every six months, a process that involves complex technical selection and capture procedures. A recent addition to our web archiving workflows is a new web crawler from the web recorder project which has significantly reduced the time required to crawl the ICAEW website – reducing it from several weeks to a matter of days.

This efficient capture strategy now ensures that content is archived before website sections undergo redevelopment, preserving it for the benefit of future researchers.

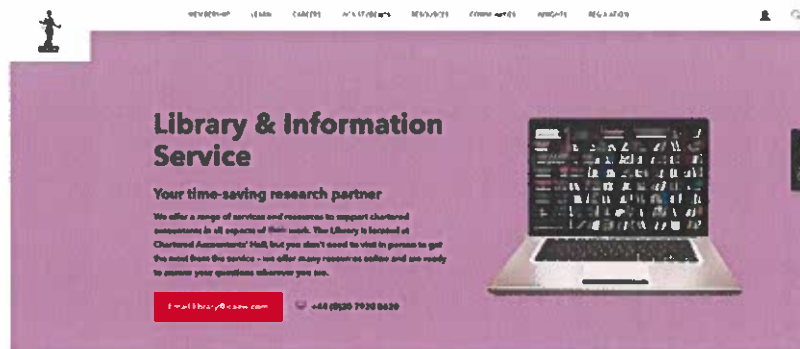
In 2023, two full crawls of the ICAEW.com site were completed with the crawler capturing approximately 17,000 pages of HTML content per crawl. In addition, the crawls feature a complete backup of the site's media Library - consisting of PDFs, Word documents, Excel files, MP3 files etc.

Our interest in preserving information on the accountancy profession for future researchers has led us to extend our work to the capture of websites beyond ICAEW that we consider critically important. With the agreement of the FRC we completed a comprehensive capture of their public facing website before it was revamped earlier this year, consisting of around 4,000 pages.

Library website

The Library microsite is an important channel for providing information about our services, promoting the Library, and as an entry point for digital resources acquired and managed by LIS.

A project to redesign the Library web pages at [icaew.com/Library](https://www.icaew.com/Library) has seen significant improvements to the user experience made this year, including a new Library homepage with a refreshed design and a new strapline of "Your time-saving research partner".



The Content Curation team is responsible for creating, updating, and maintaining these web pages, as well as highlighting relevant eBook titles, chapters, and online articles on technical topic pages across [icaew.com](https://www.icaew.com). The emphasis is on putting Library information in front of users where they need it, rather than expecting users to come directly to us.

In 2023, the team has reviewed, updated and extensively rewritten a suite of Research Guides on accounting, finance and business topics. Two brand new guides were launched this year on finding company information and finding accounting research. The guide to finding accounting research papers is intended to help users to explore the research papers, databases and indices in the Library collection.

Promotion

We continue to promote the Library and the Enquiry Service through ICAEW's website, social media channels and email newsletters.

May figures were calculated based on average number of page views per day. The April figure is an average of March and May's page views.

For the first time, the Enquiry Team took a leading role in the hosting of tours of CAH during London's two-day Open House Festival. This was a very popular event and we hope to continue our involvement in this event going forwards.

The Enquiry Service Manager and Head of Curation and Library Collection also hosted a showing of the Rare Books Collection to the CEOs and senior leadership teams of both ICAEW and CIPFA. This was a unique opportunity to showcase our most prized rare books and highlight the role that the Library teams play in looking after this internationally important collection.

Initial inroads have been made for much more active promotion of the Library service next year through the development of relationships with several key ICAEW contacts who work in the field of marketing and communications. In 2024 we have also arranged to participate in all future New Members' Ceremonies held at Chartered Accountants Hall to promote Library services to newly qualified members.

Key performance indicators

KPIs in 2023 show healthy figures across the board.

2023 key performance indicators

	2023	2022	2021	2020
Enquiries ²	10,053	9,611	9,912	9,670
WebChat enquiries ³	467	327	1,087	1,218
Book loans, excluding renewals ⁴	407	468	273	341
Document Delivery (excl. client screenings) ^{5,6}	2,233	1,762	2,780	2,842
Client screenings (total reports requested) ⁷	6,806	6,498	5,455	4,850
Items (vols and ebooks) acquired and catalogued ⁸	572	1,096	1,513	303
Journal articles abstracted and indexed on LibCat ⁹	530	479	334	55
Total number of journal articles on LibCat	70,272	69,741	69,291	68,964
Ebook views and downloads ¹⁰	18,151	14,718	14,500	15,062
Files added to the Digital Archive ¹¹	2,950	5,768	10,610	2,050
Total files in the Digital Archive	21,378	18,428	12,660	2,050

² Enquiry statistics exclude quick Business Centre enquiries

³ The launch of the new CRM platform in April 2022 introduced a new WebChat system which has been offered through fewer Library pages and functions in a different way, allowing users to choose which team to contact. This has seen more enquiries routed to the service centre in Milton Keynes.

⁴ Publishers continue to reduce the range of updated popular titles produced in print formats, directly affecting the volume of book loans.

⁵ The number of electronic documents supplied saw a significant drop in 2022 following the withdrawal of some key titles from one of the online databases we subscribe to.

⁶ The way in which these statistics are collected was reviewed and streamlined in 2022 which may account for a small degree of variation in the numbers reported.

⁷ Blend of data from Sitecore (January-October) and D365 (November-December).

⁸ The reduced number of items in 2023 is not caused by a drop in acquisitions, but due to a batch of 354 non-core items awaiting cataloguing, which will be completed in early 2024. The backlog accrued due to several reasons: lower staffing levels; the new Cataloguing and Taxonomy Manager getting up to speed in their new role; and concentration on maintaining existing complex cataloguing records.

⁹ The number of journals we review for abstracting has increased and we are retrospectively cataloguing from a few key titles to support ICAEW initiatives (such as Accounting and business research, British accounting review, and Fiscal studies).

¹⁰ There is no single cause for this jump. Increases have been seen across all eBook platforms.

¹¹ Figure taken from the Preservica dashboard. The slower pace of additions to the Digital Archive in 2023 are due to a combination of short staffing in the team up to May 2023; work on more complex series of documents with long version histories; and a re-focus on improvements to searchability of digital archive content.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

CAPET

CAPET's primary objective is the advancement of education, particularly in accounting and related subjects, by funding the ICAEW International ACA annual prizes and various district society prizes.

During the year, 64 awards were given at Certificate and CFAB Level and 78 awards given at Professional Level and Advanced Level.

To celebrate exam success, ICAEW Student Insights published an article on Mandy Lai, a current and previous prize winner.



Mandy Lai may have only decided on pursuing the ACA the night before her application deadline, but it's proving to have been a fruitful decision. Hailing from Sunway College in Malaysia, Mandy has picked up a series of honours since enrolling in September 2021: the Knox Prize for Professional Level Financial Accounting and Reporting in December 2022; the Watts Prize for Professional Level Audit and Assurance in March 2023; and, most recently, the Knox Prize for Professional Level Tax Compliance in June 2023. That latest prize prompted congratulations from the King and Queen of Malaysia.

Mandy credits a strong support network and the right work-life balance, as well as a knowledge-based approach to studying, with her continued exam success.

In association with ICAEW, during November 2022, the trustees launched an essay competition to motivate students and recently qualified members to consider how the profession can act on the climate crisis. Entrants were asked to submit a 5,000 word essay, video, podcast or other media format in answer to the question 'The Great Transition: what we need to do and what role does the accountancy profession have?'. Human induced climate change is affecting the world now and the focus of the essay should be on action needed to adapt to the impacts already being felt, and to mitigate further damage. This was a resounding success and due to the high calibre of entrants, the judges not only awarded a first prize but also awarded four highly commended prizes. Details of the winning entries can be found here [ICAEW Climate Essay Competition | ICAEW](#)

This will now become an annual competition and the next one was launched early in 2024 with the following question being asked – "Accountants as Climate Champions: why and how should the profession lead on climate action?".

Total expenditure on prizes and bursaries awarded during 2023 amounted to £50,000 (2022: £34,000). £150,000 during the year (2022: £150,000) was transferred to the Foundation to fund bursaries. This is in line with the secondary objects of CAPET.

PDLT

The following new academic research projects and event funding requests were approved in 2023:

	Institution/Host	Funding Approved £
Research projects		
How should we account for intangibles and digital assets?	Manchester Business School	6,000

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Sustainability and the Profession (Keith Robson, Chiara Bottausci & Xiaoyu Xu)	HEC Paris	6,000
Why do companies fail? - literature review	University of Bristol	
Why do companies fail? - workshop	Leicester University	15,000
"Conflicting messages on female senior management issues in Annual Reports in two cultural settings: the UK and South Korea".	Leeds Business School	4,500
Food Waste Reporting - empirical research	Canterbury Christ University	15,000
SDGs: Where are we now?	University of Essex	15,000
	Professor Ian Thompson	6,000
Total research projects		67,500
Events		
British Accounting and Finance Association 2024 Doctoral Masterclass (8 April 2024)	BAFA	4,000
Management Accounting Research Group conference (16-17 Nov 2023)	Aston	5,400
Tax Research Network (TRN) Conference (5-7 Sept 2023)	University of Cambridge	2,500
Frontiers of Accounting Research, the 14th LUMS/AMBS/ICAEW conference (21 - 24 June 2023).	Lancaster University	3,140
Financial Reporting and Business Communication (FRBC) (6-7 July)	University of Bath	2,000
Financial Reporting and Business Communication Conference (4 - 5 July 2024)	University of Bristol	2,000
Behavioural Finance Working Group annual conference (12-13 June)	Queen Mary's	3,500
Accounting History Review conference (13 - 14 June 2024)	Edge Hill University	3,000
	Business School	
Journal of International Accounting Research (JIAR) annual conference (21-24 June)	Norwich Business School / University of East Anglia	2,000
CSR, The Economy and Financial Markets conference (9 - 10 November 2023).	WHU - Otto Beisheim School of Management, Germany	2,500
Total events		30,040
Total 2023:		97,540
Total 2022 for comparison:		62,605

The increase in grant expenditure compared to the prior year is predominantly due to a different approach being used, including possible calls for particular research, attracting projects which more directly reflect ICAEW's current strategic themes and member interests.

Achievements

In 2023, the ICAEW experienced a transformative year in its research funding activities. Under the guidance of the Research Advisory Board (RAB) and with the support of the Trustees, we undertook a comprehensive revamping of our research funding approach to align with our Royal Charter objectives and

overarching strategy. This effort proved successful, as evidenced by the unprecedented interest in our research funding opportunities.

The Research Advisory Board (RAB) played a crucial role in approving changes to the structure and approach of funding research. They approved a shift in the approach to calls for research, moving away from open calls for research papers to targeted calls for papers. This change aimed to specifically address pressing issues faced by the profession, with the goal of leveraging academic insights effectively.

To enhance the collaborative and impactful nature of our research, steering groups are being established for each research workstream. These groups, consisting of RAB members, leading researchers, and key practitioners, were designed to be operational for 1-3 years. They will be convened periodically and will guide projects from conception to conclusion, fostering a collaborative and impactful research environment.

In a significant move, Seed corn funding was approved in 2023 to support Early Career Researchers (ECRs) and pilot studies. Recognizing the vast UK business research community, this initiative, ongoing and accepting proposals from 2024, aims to promote ICAEW's reputation widely. While mainstream funding is limited, seed corn funding provides essential support to a broader spectrum of researchers.

The outputs of our revamped approach would include literature review papers, exploring current literature on practical questions and proposing interventions. Notably, a call for papers on "Why do companies fail" was launched in Q3 2023. Additionally, empirical research initiatives involved collaboration with the Public Money and Management Journal (PMM) on local government reporting and support for the development of new research on digital assets by ICAEW's China research fellow. Research funding proposals were approved for developing the SDG workstreams, covering topics such as food waste reporting, conflicting messages in senior management, SDG's progress, sustainability, and the profession.

In total, seven defined research workstreams were established in areas including how to account for intangibles and digital assets, why companies fail, local government reporting, Sustainable Development Goals, and additional workstreams on regulation/regulators' effectiveness, access to data, and VAT modernization. These additional initiatives were in response to internal requests from teams at ICAEW seeking academic evidence to support inquiries into these critical topics. We are taking these projects forward in 2024.

Our commitment to knowledge dissemination was evident in our partnership with Leeds University Business School. We successfully hosted an in-person roundtable and public event on why companies fail, and the role of internal control, and corporate governance in mitigating surprise failures. The overall event contributed to our regional presence and reputation. Practical insights from the event were also shared on the ICAEW insights channel.

While the annual Information for Better Markets conference was paused in 2023, we remain committed to supporting the journal Accounting and Business Research (ABR) and the International Accounting Policy Forum (IAPF). We are seeking partnerships to establish a well-recognized knowledge dissemination platform to bridge international accounting academia with policymakers and practitioners.

The RAB approved funding for annual conferences and responded to new requests, reinforcing the ICAEW's presence across diverse academic communities.

With the establishment of seven research workstreams and 11 approved conference funding requests in 2023, our commitment to fostering policy-relevant academic research remains steadfast. Completed project outputs in 2023 include our own roundtables, in-person events at Leeds, conference events, and practitioner-friendly articles on insights. In 2024, we anticipate the emergence of academic papers and practitioner-friendly outputs from ongoing research projects that were scoped and shaped in 2023, along with continued engagement with researchers, reinforcing our commitment to providing valuable insights free of charge to our members.

Some research projects and other events will continue or take place beyond 2023. At 31 December 2023 a total of fourteen research projects were in progress and nine events funded by PDLT were still to take place in the coming months and their achievements will be reported on subsequently. All these activities and events, whether held in-person or online, allow both members of the public and ICAEW members to engage with world-class research and hear from academics from the UK and beyond.

PLANS FOR THE FUTURE

Foundation

The trustee intends to continue to identify and support relevant initiatives where the grant given by the Foundation has a definable outcome and where the contribution made can make an appreciable difference to the recipient.

PDLT

The trustee intends to continue to support funding academic research and events as proposed by the RAB approved within PDLT using the same processes which currently apply. The value of the annual grant is currently under review with an appetite to increase funding depending upon the quality and volume of proposals coming through.

Following a review of PD Leake's Will and the Charity Commission Register, in which the objects of the PDLT were defined as, 'The advancement of the Science of Accounting and knowledge of Political Economy, including the subject of Public Finance and Taxation', it was assessed that in addition to current applications, PDLT funds can be used to provide educational bursaries to postgraduate students. This has commenced in 2024 and will be subject to annual review thereafter.

CATER

The trustee intends to promote and support the on-going development of a world-class Library and information service for the accountancy profession as well as the advancement of an education and training programme. This will include further development of the Library collection, digitising the resources, developing the Library management system and promoting LIS services.

CAPET

The Trustee intends to continue to award prizes in connection with ICAEW's examinations.

At the November 2022 CAT meeting, the trustees unanimously supported the proposal to allocate £150k per annum from 2023 onwards for the duration of two to three years from CAPET reserves to fund new UK bursaries. This is in line with the secondary objects of CAPET and will be reviewed on a regular basis.

RESERVES LEVELS AND POLICY

All the charities administered by the trustee depend on investment income for the funding of their annual charitable expenditure. Only the Foundation's unrestricted income reserves (augmented from time to time by drawing down from its discretionary expendable endowment to cover exceptional spending) are expendable entirely at the trustee's own discretion. Therefore, the unrestricted income of the educational trusts is all accounted for in these combined accounts as restricted income. However, the trustee's reserves policy for each of the charities is separately determined and reported as below.

Foundation

The trustee reviewed the policy during the year and approved that the level of free reserves should be a minimum of 12 months and a maximum of 24 months of the average total expenditure incurred by the trust over the prior three years. This will allow the trust to continue to meet its ongoing commitments and plan for future expenditure.

At 2023 levels this results in a minimum level of £145,000 and a maximum level of £290,000. Current reserves are £244,000 so the policy is satisfied.

The Trust also holds a discretionary expendable endowment. The trustee monitors and reviews the level of income reserves against policy, along with this endowment at each Board meeting. As at 31 December 2023 unrestricted reserves stood at £244,000 (2022: £183,000) and the expendable endowment was over £2.2m. The Trustees will continue to review this overall position and should the opportunity arise consider use of the expendable endowment to further its charitable aims.

The Foundation depends on investment income from the discretionary endowment resulting from its ongoing Foundation Campaign appeal, whose terms of trust have created an expendable endowment for the funding of the Foundation's charitable activities contemplated by the donor. Any unused donations and their investment returns are expendable at the trustee's own discretion.

CATER

CATER mainly depends on voluntary income for the funding of its charitable expenditure on educational purposes. With this in mind, the trustee's reserves policy requires a minimum of six months and a maximum of 12 months' of CATER expenditure as freely available income reserves. As at 31 December 2023 CATER's undesignated free reserves were running slightly high at £833,000 equating to 15 months' expenditure, as per the maximum level under this policy (2022: 14 months). The reason for the increase in reserves in the year is mainly attributable to savings made due to vacant posts and the purchase of electronic publications.

PDLT

The trustee believes it is prudent to keep a balance of at least the existing and one year's prospective commitments and one year's administrative expenses in unrestricted PDLT reserves against the risk of a sustained decline in investment income. This is based on an average of the last three years results and would require maximum income reserves of £177,000. Unrestricted reserves as at 31 December 2023 amounted to £943,000, which equated to 64 months total expenditure (2022: £841,000). The cumulative increase in reserves over the past few years is as a result of the following factors:

- we have had some significant write-backs over the past few years from some projects and events.
- the quality or relevance of the research proposals received has been disappointing. We are committed to ensuring that only the highest quality and most relevant projects are approved for funding and we have turned down a number of projects.
- In 2023 the continued changes brought about the global Covid-19 pandemic continued to affect research activities and events alike. Many events moved to a hybrid arrangement resulting in increased participation and a reduction in costs.

Following a review of PD Leake's Will and the Charity Commission Register it was assessed that in addition to current applications, from 2024, PDLT funds can be used to provide educational bursaries to postgraduate students. This decision will reduce reserves over the long term.

CAPET

The trustee believes it is prudent to keep a minimum of two years' forecast examination prize expenditure and a maximum of three times forecast total expenditure in unrestricted income reserves against the risk of a sustained decline in investment income. That would indicate income reserves of between £111,000 and £226,000. The reserves of £674,000 as at 31 December 2023 are in excess of the reserves policy (2022: £740,000: in excess of policy). In line with CAPET's secondary objectives, the trustees approved additional annual expenditure to fund student bursaries of £150,000 for 2023-2024, this will bring reserves below the maximum level over the medium term.

The trustee monitors and reviews the level of reserves for all of the charities above at each meeting of its directors.

MAJOR RISKS

The principal risks faced by the charitable trusts as identified by the trustee lie in the performance of investments and operational risks from ineffective grant making and, more fundamentally, major incidents such as fluctuations in interest rates, inflation, cyber-attacks, global pandemics, political unrest and the effects of terrorist activity.

The trustee considers the volatility of investment returns and long-term losses on the permanent endowment fund to be the charity's major financial risk. It accepts some short-term variability as part of its long-term investment strategy. This is mitigated by retaining the appropriate expertise from the investment managers and by having a diversified investment portfolio.

The reputational risk from making inappropriate grants is managed by a reporting and review process. This assists us in keeping track of developments and to focus on the public benefit derived from our funding of their work.

Major incidents could disrupt Library operations and result in loss of property, data and staff. The Library participates in ICAEW's business continuity plans which are subject to regular review.

The trustee has an established risk analysis process which identifies the major risks to which the charitable trusts are exposed and the ways in which those risks can be mitigated. The risk analysis is reviewed on a regular basis.

The Directors regularly review current practice against the charity governance code.

INVESTMENT POLICY AND PERFORMANCE

All the charitable trusts' investments are pooled in CACIP.

The trustee regularly reviews its Investment Policy to ensure the suitability of investments for the participating charitable trusts, in line with the Trustee Act 2000, adequate diversification and adherence to the internationally recognised Principles of Responsible Investment (PRI).

Waverton Investment Management Limited manage the endowment and part of the cash fund. These were previously managed by Cazenove Capital Management until September 2022.

Royal London Asset Management also manage part of the trusts cash fund.

The trustee's aim for the endowment funds is to generate resources on a recurring basis for spending on the objectives of the Foundation and other charities at a sustainable rate, while seeking sufficient capital growth over the long term to ensure that the endowment's real spending power is maintained.

Endowment funds are invested to provide an optimal mix of income returns and long-term capital growth. Distributable funds are invested to provide a secure income and to reduce the risk of substantial fluctuations in capital values.

The endowment investments are managed via a discretionary fund manager for long term capital growth and the short-term investments are also managed on a discretionary basis for the best income return at minimal risk to capital, in both cases within policy guidelines set by the trustee.

The trustee receives regular investment performance reports and reviews them against industry benchmarks as detailed in the tables below.

Endowment Funds

Total Return Net of Fees	3 Months	9 Months	1 Year	Inception 02/03/2021
Portfolio Percentage Return	6.90%	8.80%	12.70%	20.20%
Balanced Index	6.50%	8.00%	11.70%	10.80%
ARC Steady Growth Survey	5.50%	5.20%	7.50%	8.50%
CPI + 3.0%	0.90%	4.80%	6.90%	31.10%

Liquid Funds

Total Return Net of Fees	3 Months	9 Months	1 Year	Inception 30/04/2021
Portfolio Percentage Return	5.70%	7.20%	9.80%	6.10%
Cautious Index	6.60%	7.10%	10.30%	2.80%
ARC Cautious Charity Survey	2.50%	2.40%	3.60%	-1.60%
CPI + 2.5%	0.80%	4.40%	6.40%	27.70%

Combined investments at the end of 2023 stood at £17.1m (2022: £15.4m), comprising of £14.6m in the endowment fund and £2.5m of liquid assets as detailed in the table below. This increase in value of the portfolio is mainly attributable to improved performance in the equity markets resulting in an unrealised market gain of £1.4m (2022: £1.4m loss).

Income generated was £0.35m (2022: £0.32m).

£'000	YTD movement in					
	funds	Dec 23	Sept 23	June 23	Mar 23	Dec 22
Equity Funds (Waverton)	1,339	14,562	13,709	13,616	13,602	13,223
Total Equity Funds	1,339	14,562	13,709	13,616	13,602	13,223
Liquid Funds (Royal London)	225	1,141	1,382	1,154	1,003	916
Liquid Funds (Waverton)	84	1,364	1,294	1,293	1,302	1,280
Total Liquid Funds	309	2,505	2,676	2,447	2,305	2,196
Total Funds	1,648	17,067	16,385	16,063	15,907	15,419

The endowment portfolio is managed in order to meet a long term objective of inflation (CPI)+3% per annum. Waverton manages the assets on a 'Balanced' mandate, with a focus on global equities blended with bonds, cash and alternative assets in order to help dampen the overall volatility of the portfolio.

2023 ended on a strong note, with returns for risk assets boosted in the fourth quarter with rising expectation of interest rate cuts. US equities enjoyed a strong year, particularly amongst the largest US technology companies. The portfolio was well-positioned to benefit from this rally, with a high proportion invested in US equities.

It was not all plain sailing, there was a near-miss banking crisis in Q2 and despite only owning three of the dominant US technology companies, other holdings performed well to ensure that the portfolio outperformed its short-term benchmark. Some of the best performing companies included Hitachi (Japanese industrial) and Inditex (owner of the Zara clothing brand), which augmented strong returns from the likes of Advanced Micro Devices, Amazon, Alphabet and Microsoft (all technology-related companies).

The portfolio rose in value by +12.7% over the twelve month period, ahead of its short term benchmark which returned +11.7% and the ARC Steady Growth index of competitor returns, which returned +7.5%.

The portfolio remains invested with a reasonably high allocation to equities. Despite the moderation of expectations for interest rate cuts during 2024, it also appears that we have avoided the severe recession which many were predicting for 2023. With growth and employment managing to weather higher interest rates, even a modest reduction in 2024 would provide a meaningful tailwind for risk assets. Even if this does not transpire in a smooth fashion, we have confidence that the underlying individual companies which we have selected are well-placed to prosper.

The Waverton Cautious portfolio is managed with an objective of CPI+2.5%, resulting in a lower allocation to equities and higher allocations to bonds and alternative assets. During 2022, asset classes suffered in the teeth of rising interest rates, and indeed bonds fared worse than equities. However, 2023 was considerably more supportive. Despite bonds and alternatives still offering only modest returns, the high allocation to equities relative to the short term benchmark ensured an attractive return. The Cautious portfolio ended 2023 rising by +9.8%, similar to the Waverton Cautious index which returned +10.3%, but well ahead of the ARC competitor Balanced index which returned 3.6%.

CUSTODY OF INVESTMENTS

All cash and investments managed by the investment managers are held on CACIP's behalf at independent custodians, in the name of the custodian's nominee company. Cash awaiting investment is held by the investment manager as clients' money according to the rules of the Financial Conduct Authority and is deposited to earn interest with the custodian or a wholly owned subsidiary of the custodian.

As at 31 December 2023, the trustee has received and relied upon confirmations from the investment managers as to proper custodianship of investments. It has also received and relied upon confirmation from their respective auditors that, in their opinion, the internal controls and systems of each organisation are sufficient to prevent or detect material errors or irregularities.

During March 2024, confirmation was received that Waverton Asset Management and London & Capital have reached an agreement to merge their businesses. This strategic move, which is subject to regulatory approval, will bring together the exceptional international advice and planning expertise of London & Capital with the investment performance and wealth solutions of Waverton to create a leading independent wealth management business. Lovell Minnick Partners ("LMP"), a US-based private equity firm investing in growth-oriented companies in financial services, and London & Capital's majority shareholder, will take a majority shareholding in the combined business.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee prepares the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charities and of the incoming resources and application of resources, including the income and expenditure, of the charities for that period. In preparing these financial statements, the trustee is required to:

- select the most suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgments and accounting estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation or a linked charity will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities' transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deeds or other governing documents. The trustee is also responsible for safeguarding the assets of the Foundation and its linked charities and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditor to the ICAEW Foundation, Haysmacintyre LLP is proposed for reappointment.

Approved by the trustee's board of directors on 30 July 2024 and signed on their behalf by



Andrew Ratcliffe
Chairman

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit

- have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee for the financial statements

As explained more fully in the trustee's responsibilities statement set out on page 28, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- review of the meeting minutes of the trustee's directors;
- identifying and testing journals, in particular journal entries posted with unusual descriptions or in seldom used accounts and those that significantly impact on the result or financial position of the charity; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather

than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustee, for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditor
10 Queen Street Place
London
EC4R 1AG

1st August 2024

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

ICAEW FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted income funds 2023 £'000	Restricted income funds 2023 £'000	Endowment funds 2023 £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from:						
Donations and legacies	3	35	703	13	751	740
Income from investments	4	51	294	6	351	323
Total income		86	997	19	1,102	1,063
Expenditure on:						
Charitable Activities						
Grant funded and direct	6	(203)	(184)	-	(387)	(328)
Library	7	-	(650)	-	(650)	(729)
Raising funds						
Investment management fees	5	-	-	(71)	(71)	(67)
Total expenditure		(203)	(834)	(71)	(1,108)	(1,124)
Net gains/(losses) on investments	8	28	110	1,404	1,542	(1,341)
Transfer between funds	13	150	(150)	-	-	-
Net income and movement of endowed funds for the year		61	123	1,352	1,536	(1,402)
Reconciliation of funds:						
Fund balance brought forward at 1 January	13	183	2,316	12,897	15,396	16,798
Fund balance carried forward at 31 December	13	244	2,439	14,249	16,932	15,396


The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

BALANCE SHEET AT 31 DECEMBER 2023

		2023	2022
	Note	£'000	£'000
Fixed asset investments	8/9	17,067	15,420
Current assets			
Debtors	10	188	278
Cash and cash equivalents		155	142
		343	420
Creditors: amounts falling due within one year	11	(401)	(381)
Net current assets		(58)	39
Total assets less current liabilities		17,009	15,459
Creditors: amounts falling due after more than one year	11	(77)	(63)
Total net assets		16,932	15,396
The funds of the charitable trusts:			
Endowment capital (permanent & expendable)	13	14,249	12,897
Restricted funds	13	2,439	2,316
Unrestricted funds	13	244	183
Total funds	12	16,932	15,396

Approved and authorised for issue by the trustee's board of directors on 30 July 2024 and signed on their behalf by:



Andrew Ratcliffe
Chairman

The accompanying notes form part of these financial statements.

	2023 £'000	2022 £'000
Net movement in funds	1,536	(1,402)
Cash flows from operating activities		
Deduct gains/add back losses on investments	(1,542)	1,341
Decrease in debtors	90	2
Increase in creditors	34	40
Net cash provided by/(used in) operating activities	118	(19)
Cash flows from investing activities		
Purchase of investments	(2,723)	(3,612)
Proceeds of sales of investments	2,448	3,735
Net movement in cash held not yet invested	170	(52)
Net cash (used in)/provided by investing activities	(105)	71
Change in cash and cash equivalents in the year	13	52
Cash and cash equivalents brought forward	142	90
Cash and cash equivalents carried forward	155	142

No separate analysis of changes in net funds has been presented as the charity has no borrowings in the current and prior year.

The accompanying notes form part of these financial statements

1 Accounting policies

Accounting convention and basis of preparation

- a. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

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

- b. The trust constitutes a public benefit entity as defined by FRS 102.
- c. The financial statements of the Foundation aggregate a number of charitable trusts under the authority of a uniting direction from The Charity Commission as set out in the Trustees' Annual Report. These separate trusts are presented as restricted funds within these financial statements.
- d. The investments of The Foundation and its linked charitable trusts are subject to a pooling arrangement under CACIP. The underlying investment additions, purchases and movements in cash held not yet reinvested are all reported in the Statement of Cash Flows under cash flows from investing activities.

Going concern

- e. After reviewing the forecasts, projections and giving consideration to the current position of the world economy with regard to inflation, interest rates and market fluctuations as a result of the unfolding crisis in Ukraine, the trustee has a reasonable expectation that the Foundation and each linked charity has adequate resources to continue in operational existence for the foreseeable future. Careful management of grant liabilities and the availability of cash presented within fixed asset investments are considered when reviewing our year end results which present net current assets. The trustee therefore continues to adopt the going concern basis in preparing its financial statements for the charities.

Income recognition

- f. All income is recognised once the charity has an entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- g. Gift aid is allocated between the restricted and unrestricted funds of each charitable trust in line with the qualifying donations accruing thereto.
- h. Investment income is taken into account on entitlement.
- i. Voluntary income is recognised when receivable. Donations in kind reflect governance costs directly funded by ICAEW.
- j. The surplus or deficit on a partial investment sale is calculated pro rata to the cost of the investment.

Expenditure recognition

- k. Grant making includes grants payable and the associated support costs. Grants are accounted for in the year they are approved, irrespective of the period they cover except for performance-related grants, which are accounted for only when the beneficiary has met the performance conditions. Grants awarded but not yet paid are recorded as grant commitments in the balance sheet.
- l. Governance costs. ICAEW holds a blanket indemnity insurance policy for all employees and directors. The amount allocated to the charitable trusts is estimated based on the number of people covered by the scheme. Governance costs also include annual external audit fees and any costs reimbursed in respect of out-of-pocket expenses of the trustee's directors. The trustee does not receive any remuneration or other benefits for its services.

- m. Costs of raising funds. The costs of generating funds consist of investment management costs and applicable legal fees.
- n. Expenditure on charitable activities. Costs of charitable activities include grants made, governance costs and support costs as applicable.

Other

Taxation

- o. The Foundation and constituent charities are exempt from corporation tax on income and gains applied in furtherance of their charitable objects so there is no liability in respect of its activities.

Fixed asset investments

- p. Listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. The Statement of Financial Activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals during the year.

Cash and cash equivalents

- q. Cash and cash equivalents includes cash in hand, deposits held in banks and other short-term highly liquid investments with original maturity of three months or less.

Fund accounting

- r. Endowment funds consist of both permanent endowment funds and expendable endowment funds. Permanent endowment funds represent amounts for which the capital must be retained. Expendable endowment funds are considered to be those unused donations which have been invested alongside the charity's permanent endowment funds in order to generate investment returns. They remain expendable for the furtherance of the charity's objectives. Restricted funds are funds which are subject to restrictions imposed by donors or have been raised by the charity for particular purposes.
- s. The trustee identifies those funds which are expendable in full alongside those generated through investment returns as set out in the Investment Policy and Performance section of the annual report.

2 Statement of financial activities 2022 comparison by fund

	Unrestricted income funds 2022 £'000	Restricted income funds 2022 £'000	Endowment funds 2022 £'000	Total 2022 £'000
Income and endowments from:				
Donations and legacies	33	703	4	740
Income from investments	48	275	-	323
Total income	81	978	4	1,063
Expenditure on:				
Charitable Activities				
Grant funded and direct	(183)	(145)	-	(328)
Library	-	(729)	-	(729)
Raising funds				
Investment management fees	-	-	(67)	(67)
Total expenditure	(183)	(874)	(67)	(1,124)
Net gains/(losses) on investments	(17)	(144)	(1,180)	(1,341)
Transfer between funds	150	(150)	-	-
Net income and movement of endowed funds for the year	31	(190)	(1,243)	(1,402)
Reconciliation of funds:				
Fund balance brought forward at 1 January	152	2,506	14,140	16,798
Fund balance carried forward at 31 December	183	2,316	12,897	15,396

3 Donations and legacies

Unrestricted fund

Foundation donations
Donations in kind

Restricted Fund

Gift aid donations from ICAEW
Donations in kind

Endowment Fund

Foundation donations

	2023 £'000	2022 £'000
	34	32
	1	1
	35	33
	700	700
	3	3
	703	703
	13	4
	751	740

4 Income from investments

Unrestricted Funds

Equities, Bonds, Alternatives and cash

Restricted Funds

Fixed interest securities

Equities, Bonds, Alternatives and cash

Endowment Funds

	2023 £'000	2022 £'000
	51	48
	51	48
	35	32
	259	243
	294	275
	6	-
	351	323

5 Cost of raising funds

Investment managers fees

	2023 £'000	2022 £'000
	71	67
	71	67

6 Expenditure on grant funded and charitable activities undertaken directly

Grant making activities

Foundation grants approved

PDLT grants approved

Grants written back (no longer required)

Total grants

Activities undertaken directly

Exam prizes

Support and governance costs

Management and support costs

Audit fee

Indemnity insurance and other trustee director's expenses

Total Expenditure on grant funded and charitable activities undertaken directly

	Unrestricted £'000	Restricted £'000	Endowment	2023 £'000
	183	11	-	194
	-	98	-	98
	-	(26)	-	(26)
	183	83	-	266
	-	50	-	50
	20	38	-	58
	-	11	-	11
	-	2	-	2
	203	184	-	387

6a Expenditure on grant funded and charitable activities undertaken directly – 2022 for comparison	Unrestricted £'000	Restricted £'000	Endowment	2022 £'000
Grant making activities				
Humentum	6	-	-	6
Sub-total grants	6	-	-	6
Foundation grants approved	170	-	-	170
PDLT grants approved	-	63	-	63
Grants written back (no longer required)	(12)	(7)	-	(19)
Total grants	164	56	-	220
Activities undertaken directly				
Exam prizes	-	34	-	34
Support and governance costs				
Management and support costs	19	42	-	61
Audit fee	-	11	-	11
Indemnity insurance and other trustee director's expenses	-	2	-	2
Total Expenditure on grant funded and charitable activities undertaken directly	183	145	-	328

Trustee expenses reimbursed during 2023 in relation to travel costs were £400 (2022: £1k). The trustee directors did not receive any remuneration or other benefits for their services during the year (2022: £nil).

7 Library expenditure	2023 £'000	2022 £'000
Cost of ICAEW seconded staff	215	241
Books and journals	197	255
Accommodation and facility costs	221	221
Office services and computer costs	17	12
	435	488
Total	650	729

The ICAEW Foundation has no employees. All Library staff are employees of ICAEW who are seconded to the Library and the related employment costs are met by the charity. An average of 4.2 employees were seconded from ICAEW for the year (2022: 5.7 employees).

8 Movements in participating charities' interests in pooled investments

	Balance at 1 January 2023 £'000	New money invested £'000	Amounts withdrawn £'000	Investment income £'000	Gains on investments £'000	Balance at 31 December 2023 £'000	Note: Fees not yet debited £'000
CAPET	5,130	-	(242)	122	522	5,532	(6)
PDLT	7,188	-	(115)	163	734	7,970	(8)
Foundation	2,538	150	(85)	52	243	2,898	(3)
CATER	564	700	(654)	14	43	667	(1)
Total	15,420	850	(1,096)	351	1,542	17,067	(18)

9 Investments

	2023 £'000
Market value at 1 January	15,420
Additions	2,723
Net cash movement in year not yet invested	(170)
Disposal proceeds	(2,448)
Gains on investment	1,542
Market value at 31 December	17,067

Investments at market value comprised:

Equity funds – UK	1,269
Equity funds – outside the UK	8,672
Bonds	2,904
Alternatives	1,600
Waverton Cautious Portfolio	1,352
Royal London Cash Plus Fund	1,141
Cash	129
	17,067

Historical cost:

Restricted fund	2,476
Endowment fund	13,068
	15,544

10 Debtors

	2023 £'000	2022 £'000
Amounts owed by group and related undertakings	14	12
Prepayments and accrued income	174	266
	188	278

13 Summary of 2023 fund movements by trust and prior year comparison:

Unrestricted funds

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
Foundation	152	81	(183)	150	(17)	183
Total	152	81	(183)	150	(17)	183

	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2023 £'000
Foundation	183	86	(203)	150	28	244
Total	183	86	(203)	150	28	244

Restricted funds

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
CAPET	889	113	(56)	(150)	(56)	740
PDLT	798	151	(79)	-	(29)	841
CATER	819	714	(739)	-	(59)	735
FOUNDATION	-	-	-	-	-	-
Total	2,506	978	(874)	(150)	(144)	2,316

	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2023 £'000
CAPET	740	121	(70)	(150)	33	674
PDLT	841	161	(93)	-	34	943
CATER	735	715	(660)	-	43	833
FOUNDATION	-	-	(11)	-	-	(11)
Total	2,316	997	(834)	(150)	110	2,439

The above restricted funds are trust income that must be spent on that specific charity's general purposes at the discretion of the trustee as detailed on page 5. During the year, the trustees approved a transfer from CAPET of £150,000 to the Foundation to fund bursaries. This is in line with the secondary objectives of CAPET.

Endowment funds

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
CAPET	4,815	-	(24)	-	(411)	4,380
PDLT	6,895	-	(34)	-	(588)	6,273
Foundation	2,430	4	(9)	-	(181)	2,244
Total	14,140	4	(67)	-	(1,180)	12,897

	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2023 £'000
CAPET	4,380	2	(25)	-	489	4,846
PDLT	6,273	3	(35)	-	700	6,941
Foundation	2,244	14	(11)	-	215	2,462
Total	12,897	19	(71)	-	1,404	14,249

CAPET and PDLT's endowment funds are permanent but the Foundation endowment is expendable for general purposes at the discretion of the trustee in furtherance of the objects of that charity as set out in the trustee's report on page 5. During the year no transfers were made from the expendable endowment (2022:nil).

14 Library book stock

The working stock of the Library was originally donated by ICAEW to CATER and is currently valued for insurance purposes at £900,000 (2022: £900,000). The stock is not included on the balance sheet but Library expenditure includes the cost of maintaining and adding to it. The aggregate cost and depreciation of the Library stock is not known and cannot be estimated with any reasonable degree of accuracy. Additions during the year are expensed as incurred and included within Library expenditure as they are below the capitalisation threshold.

15 Related party transactions

There is an agreement between CAT and ICAEW to provide administrative services to the Foundation and linked charities. The total of the transactions amounted to £221,000 (2022: £221,000), in addition to the costs of the Library. At the year end £8,000 (2022: £42,000) was owed to ICAEW. Management and miscellaneous support costs include direct costs and related charges on a time spent basis and an allocation of overheads split between CATER, PDLT, CAPET and the Foundation.

ICAEW provide gift aid to support the running of the Library. This amounted to £0.7m for 2023 (2022: £0.7m). CATER make an annual charge to the ICAEW for staff use of Library services; this amounted to £25,000 (2022: £25,000).

All Library staff are employees of ICAEW who are seconded to the Library and the related employment costs are charged to the charity. This amounted to £215,000 for 2023 (2022: £241,000).

There were no transactions with CAT or its directors in the year and prior year other than the reimbursement of expenses as set out in Note 6 to the accounts.

16 Group financial statements

ICAEW is the beneficial owner of the shares in CAT, the sole trustee of the Foundation. ICAEW is a body incorporated by Royal Charter in the United Kingdom (Company registration no. RC000246).

Under International Financial Reporting Standards ICAEW has prepared group financial statements which include the results and net assets of the Foundation and linked charities as well as any non-UK charities CAT administers. You can read the group financial statements online at www.icaew.com/review, or you can request a copy from the Chief Financial Officer, The Institute of Chartered Accountants in England and Wales, Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ.

ADVISERS, AGENTS AND ADMINISTRATOR

Investment managers:	Royal London Asset Management 55 Gracechurch Street London EC3V ORL
	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH
Independent auditor:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Solicitors:	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
Bankers:	National Westminster plc 501 Silbury Boulevard Saxon Gate East Milton Keynes MK9 3ER
Administrator	Jennifer Smith Governance Manager ICAEW Chartered Accountants' Hall 1 Moorgate Place London EC2R 6EA

ICAEW FOUNDATION

England & Wales - Charity number 313983

Accounts



Registered Charity No. 313983

ICAEW FOUNDATION

and its linked charities

TRUSTEE'S ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2022

ICAEW FOUNDATION

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THE LINKED CHARITABLE TRUSTS AND THEIR SOLE CORPORATE TRUSTEE

The names and registration numbers of the ICAEW's charitable trusts linked with the Foundation on the Charity Commission website, and which although separately administered are accounted for as if they and the Foundation were a single charity, under the authority of a uniting direction from the Charity Commission, are as set out below:-

313983-001	The Chartered Accountants' Charities Investment Pool (CACIP)
313983-002	P D Leake Trust (PDLT)
313983-003	Chartered Accountants' Trust for Education and Research (CATER)
313983-009	Chartered Accountants' Permanent Education Trust (CAPET)

The sole trustee of all these charities is Chartered Accountants' Trustees Limited (CAT). The directors of the Trustee company at present and those in office during the period covered by this report are:

William Arthur Bailey	Chairman
Shauna Bevan	
Susan Smith	
Andrew Wauchope	
Michael Hicks	
Andrew Ratcliffe	

Further administrative information will be found on page 44.

The registered office of the trustee and principal office of each of the charities is:

Chartered Accountants' Hall
1 Moorgate Place
London EC2R 6EA UK

PUBLIC BENEFIT AIMS

The trustee presents its annual report and financial statements for ICAEW Foundation (the Foundation) which include its linked charities for the year ended 31 December 2022.

The aim of the Foundation is to support and provide donations to bodies, charitable trusts or funds for the public benefit in areas which are of particular interest to the Institute of Chartered Accountants in England and Wales (ICAEW).

The aims of the linked charities (apart from CACIP which is CAT's collective investment vehicle) are as follows:

- CATER: the advancement of education, particularly in accounting and related subjects, by maintaining and operating the ICAEW library and by supporting qualifying education and research projects initiated by the ICAEW and others;
- CAPET: the advancement of education, particularly in accounting and related subjects, by funding the prizes awarded through ICAEW's examinations and funding bursaries in accordance with the secondary objectives of the trust;
- PDLT: the advancement of the sciences of accounting and political economy, including public finance and taxation, by funding academic research projects and events.

When pursuing these public benefit aims and when setting annual objectives and planning future activities, the trustee has given due consideration to the Charity Commission's general and sub-sector guidance on public benefit.

STRUCTURE, ORGANISATION AND MANAGEMENT

The Foundation is governed by a Deed of Trust last updated on 18 May 2007.

CATER is governed by an administrative scheme of December 1971 made by the Secretary of State for Education and Science. Chartered Accountants' Library Limited (CALL) is a wholly-owned subsidiary trading company of CATER which became dormant at the end of 2018.

CAPET is governed by a Charity Commission scheme of October 1975.

PDLT (the 1952 will trust of the late Percy Dewe Leake) is governed by an October 1975 Charity Commission scheme.

CACIP, the investment pooling charity, is established and governed by a Charity Commission scheme of December 1996.

ICAEW is the beneficial owner of the shares of CAT, which has no corporate assets and is active only as sole trustee of the charities and so is dormant for accounting under company law. In accordance with IFRS10, however, the financial statements of all the charities administered by CAT are consolidated in ICAEW's financial statements.

Details of the charities' transactions with related parties are shown in the notes to the financial statements.

Appointment of trustee's directors

The directors of CAT are proposed by ICAEW's nominating committee and are appointed to CAT by CAT's Board of Directors.

Term of appointment as a director of CAT

The Articles of Association of CAT do not limit the term of appointment. However, by agreement with ICAEW, the trustee directors normally hold office for eight years at a maximum, and the chairman for five years maximum, having served at least one year as a trustee director before becoming chairman.

Induction and training

As part of their induction, new directors of CAT are given a briefing pack which includes information relating to the powers and responsibilities of CAT as a corporate trustee, copies of papers and minutes of board meetings, copies of annual reports and financial statements of the trusts and information relating to the work of the charitable trusts it administers. An opportunity is offered to new trustee directors to meet with the chair and existing trustee directors and members involved in managing the trusts to obtain briefing on the grant making process.

The trustee directors consider periodically whether further training on their role and responsibilities as directors is needed as part of their terms of appointment. Where it is considered appropriate, regular updates and training are provided in conjunction with the charities' investment, other advisers and other external sources.

Directors' Meetings

The trustee directors meet at least three times a year, in order to manage the charities, to review investment and financial performance, to assess new grant applications and to consider feedback and reports on previous grant awards.

The trustee directors have appropriate policies and procedures in place for managing any conflicts of interest arising in the course of its trusteeship.

Key management personnel remuneration

The CAT Board considers the trustee's directors and the Head of the Library & Information Services (LIS) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The trustee's directors give their time freely. Details of expenses claimed and related party transactions are disclosed in notes 6 and 15 to the financial statements.

The pay of the head of LIS is borne by ICAEW and reviewed annually in accordance with the ICAEW remuneration policy.

STRATEGY FOR ACHIEVING OBJECTIVES

Foundation

The trustee's strategy is to make grants for selected initiatives where the contribution made by the trust can make a positive difference to the outcome.

The initiatives supported within the trustee's ongoing aims and objectives can be summarised as follows:

- **Bursaries**
Offering life-changing opportunities to talented individuals who may not otherwise have the opportunity to join the next generation of finance professionals.
- **Prizes**
Rewarding academic excellence and outstanding contributions to society as an inspiration to others.
- **Research and PhD fellowships**
Supporting high quality research that challenges perceptions of the future of accounting and finance.
- **Teaching fellowships**
Fostering change in education, bringing to academic tuition the practical insight for which the profession is renowned.
- **Library services and heritage**
Preserving and enhancing through CATER (see below) ICAEW's heritage that symbolises its position as a most highly respected professional body.

GRANTMAKING AND POLICY

Foundation

Any applications for grants and bursaries are put to the CAT Board for approval via the Foundation office. If a bursary to a university is approved then a Memorandum of Understanding is signed by both parties.

CATER & PDLT

The trustee has a process for the review of grant applications. The Research Advisory Board (RAB) considers all grant applications for research projects and events and makes its recommendations to the trustee. Each grant application includes details of the purpose and contribution of the research project or event and a summary of expected expenditure under such headings as:

- staff costs
- travel costs
- research instruments and access to data sources
- other relevant specified costs

The RAB also commissions leading academics, from both the UK and around the world, to write papers and present on issues of key importance to the accountancy profession, particularly on aspects of financial reporting. An annual conference and lecture are both held at which these papers are presented before they appear in a special issue of the journal *Accounting and Business Research*. Requests for funding for the papers and events are put to the trustees in the usual way.

The RAB meets three times a year. It includes senior academics from various universities, including at least one overseas university, as well as other practitioner members. Where appropriate, members of the RAB personally interview the person or team making the grant application, and always obtain independent academic and practitioner reviews.

The trustee may at its own discretion accept or reject any grant application which has been considered by the RAB.

The charitable trusts are committed only to reimburse qualifying research expenditure incurred, together with buyout replacement teaching if appropriate.

The trustee encourages the publication and distribution of the grantees' research findings to the widest possible audience. This may be through ICAEW to its members and others or by other academic journals and external publishers.

The trustee gratefully acknowledges the assistance of ICAEW and its help in publicising the work of the charitable trusts.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

CATER's budget for the ICAEW Library is formally reviewed with the Head of the LIS each year to review progress against budget, progress with ongoing development of the LIS and to agree priorities for the year ahead. The resources spent on this service in 2022 amounted to £729,000 (2021: £690,000).

CAPET

The trustee's policy is to:

- assist with the general professional education of suitable persons who are preparing for, entering or engaged in the profession of accountancy, such as by providing books or paying fees, subject to applicants meeting the trustee's criteria for grant eligibility
- award prizes in connection with ICAEW's examinations

CACIP

This charity exists only to manage the pooled investments of the above charities administered by CAT.

FUNDRAISING

Foundation

The Foundation launched in 2007.

Actual donations totalling £36,142 (including gift aid and accrued income) were received during 2022. Total pledges since the launch of the Foundation, including legacies, donations and gift aid, stood at £2,875,848 at the end of the year.

Since the launch of the Foundation, actual donations (which mainly accrued to expendable endowment capital) received up to 31 December 2022, including gift aid, were £2,225,848 before investment returns, and can be categorised as follows:

	£
Funds to be used at the trustee's discretion	1,416,770
Bursaries	208,992
Prizes	110,378
Research	2,141
Library services and heritage	2,078
PhD fellowships	8,846
CABA awards	70,000
Combined Code Research Fund	104,783
PwC Flying Start Programme	100,000
Ernst & Young Smart Futures	36,000
Challenge 10 Initiative	38,140
Legacies	127,720
Total	2,225,848

The table below details the number of bursaries awarded by country to date:

COUNTRY	NUMBER OF BURSARIES AWARDED
UK	64
MALAWI	49
SRI LANKA	20
GHANA	19
CAMBODIA	10
LESOTHO	6
HONG KONG	6
ZIMBABWE	5
CYPRUS	2
TOTAL	181

2022 ACTIVITIES AND ACHIEVEMENTS

FOUNDATION

Grant funded activities

Grants were made during the year to Humentum of £6,000 (2021: £6,000) The Foundation gives to Humentum to fund bursaries for its charitable training in accountancy to individuals working in non-governmental organisations.

Grants awarded

The main strategic focus of the Foundation is the creation and granting of bursaries. New bursaries will be funded from the income generated on the investment of current donations or the release of expendable endowment. Total bursaries awarded during the year (net of write backs) were £164,000 (2021: £140,000). UK bursaries are usually awarded for a period of three or four years and are accrued in the accounts for the whole period in the first year when the bursary is approved. Therefore, the awards payable to UK universities shown in note 6 are for new bursaries, including amounts payable over future years.

The ICAEW Foundation Changing Futures Bursary Programme

To date, the ICAEW Foundation *Changing Futures* bursary programme has supported seventy-two undergraduate students of accountancy and finance in universities across the UK, and in Hong Kong and Cyprus.

- ICAEW members can see how their donations to the Foundation are making a real difference and having a positive impact. They may also be encouraged to engage with their local student.
- ICAEW Foundation is immensely proud of our work with students through the bursary programmes but we do need the support of our members to continue to grow our impact and reach.

Here are some of our student bursary recipient stories from this past year. You can read about the difference the bursary has made to these talented and ambitious individuals and how the educational experience has already nurtured and developed them.

Taylor Loveridge - University of Gloucestershire

Words cannot express my gratitude to the ICAEW and its members for providing me with the foundation bursary. It has allowed me to excel in my academic studies without financial barriers. This can be seen in my grades, with being on track to finish with over 80% in the second year of my degree. However, this year has had its challenges with trying to secure a 12-month industry placement and the step-up from level 4 to level 5 in my degree. Modules this year that have been stretching but exciting are Forensic Accounting and Audit. This is because they require an extensive application of a plethora of knowledge and skills, from finance to tax.

Audit is a topic I am very too keen to learn as it is what I wish to pursue. In the audit module, I wrote an essay called the 'purpose of a financial statement audit and the challenges auditors face'. Forensic accounting is a topic many undergraduates do not have the option to study in their degrees. This is a shame as I thought this topic really stretches the students' ability to apply appropriate financial and non-financial techniques to real-life cases. In this module, I produced an expert witness report for the shareholders of Patisserie Valerie regarding the financial misstatement caused by management and the professional negligence of Grant Thornton auditors. These modules complement themselves very well, and I am proud to say I received a 95 and 91 in these essays/reports, respectively.

Wanting to develop my soft skills further and apply what I have learnt in my degree, I joined Threesixty consultancy as a consultant specialising in financial reporting, management accounts, and taxation. I was able to help SMEs to grow and improve. To mention one of my clients, I gave bespoke advice on financial reporting, measuring costs, setting prices, and taxation planning. This allowed them to measure their

financials accurately and efficiently utilise their tax allowances. I also undertook a short internship at Blackfriars Wealth management. This taught me skills in financial portfolio risk, managing client relationships, and the office dynamic of a financial service firm. Although this is not an industry I plan to pursue, I can see why an individual would, as the work they do truly impacts the lives of their clients. These experiences have better prepared me for the future of work in a way I could not achieve without doing them.

To conclude, this bursary has put me in a better position than I would be without it. As the academic year is coming to an end, I have connected with some outstanding industry and practice professionals and developed skills that will stick with me forever. I am also hoping to secure an industry placement soon with Mazars LLP in Audit and Assurance.

Holly Swift – University of Manchester

Over the past academic year, I feel like I have grown in confidence and immensely extended my knowledge in my subject area. Before university I was slightly lost in terms of where I wanted to go and who I was, but over my first year I have become more ambitious in what I can achieve. This allowed me to conduct further research and confirm the pathway I want to take within my second and third year, which is finance-based course units.

My favourite course units this year have been the finance ones, which was Financial and Digital Innovations in International Business in semester 1, and Financial Decision-Making in semester 2. Both of these modules piqued my interests and led to me doing further research to advance my understanding. Overall, the highlight of my year is achieving an average of over 60% for my course units, despite finding this semester difficult, as it took some time for me to adapt to university life, living away from home and living in a new city. I'm proud that I was still able to work hard to get good grades even though I was dealing with lots of change, causing me to feel a little anxious at times. By achieving a strong overall average, it boosted my morale and I now feel reassured I am capable of doing well and deserve to be here.

Outside of my studies, I joined the ski society to see what it was like and the cocktail society as I love to drink cocktails and socialise. I also plan to join the women in business society in second year as I follow their pages on social media and I feel it would be great for me to connect with likeminded people. This is something I am excited for next year, alongside joining the football team, as I used to play before university and now feel ready to return to playing.

I am also excited to pick my optional modules over the summer; I am planning to take Investment Analysis, Macroeconomics 2, Financial Markets, a Fintech based module and Business Law 1. Hopefully, they won't clash with each other in terms of timetables. These course units are something I'm looking forward to as it will further my knowledge in the subject areas I am interested in – such as investment analysis as I am interested in investment banking as a potential career path.

Through receiving my ICAEW bursary this year, it has enabled me to purchase a new laptop alongside study materials (books, stationary etc) which I would not have been able to afford if it wasn't for the funding, you provided me. My new laptop has enabled me to complete virtually all my work this year, and without it, I would have struggled to learn as efficiently as I would have had to travel to use computers provided by the university. It has also hugely helped me with my living costs, as I was able to contribute some of the funding to pay for my rent, allowing me to concentrate time on my studies rather than doing additional part-time work. I am extremely appreciative of this as I know it helped improve my grades.

I cannot express how grateful I am to receive this prestigious ICAEW Foundation bursary, it has helped me in so many ways and reduced the financial stress of living and studying at university. Without this, I am unsure how I would have coped during my first year - it has not only helped me to buy study materials and contribute to my accommodation costs, but it has also allowed me to enjoy my first-year extracurricular experiences, even more! So, thank you again for your support and generosity, I really hope you are all well and look forward to writing to you again in my second year.

Ben Cawley - Lancaster University Management School

As a third year student at Lancaster University, I have come to appreciate the freedom that the ICAEW scholarship has given me allowing me to focus on the aspects of university that not only benefit my academic career. The ICAEW scholarship has really enhanced my university experience, as despite still working throughout the academic year, I am able to effectively divide up my time to work perfectly between my academic studies, employment, social activities and sports. During my second year at Lancaster University, with the relaxation of Covid laws coming at the end of the prior academic year, I was really able to experience university in a way I was not able to in my first year as a result of Covid and the ICAEW bursary meant that I was fully able to utilize everything that was available to me. For my Final year at Lancaster University the bursary really incentivises doing the work and making sure that my studies are at the level that they should be and leads to a greater feeling of accomplishment at what I have been able to do at university as a result of the bursary provided by ICAEW. As a result of the bursary I will have more time this year to prepare for and apply for post graduate employment and to really plan and look forward to my future career. To conclude the ICAEW bursary has made my studies a much more enjoyable, less stressful and overall a more beneficial experience in relation to growing as a person and an academic, for which I could not be more grateful.

Muhammed Ali - Aston Business School

I have just completed my placement year, which was a success, and I am now studying for my final year. I took on the placement at Aston University, and it was a flexible placement, not only in the work I did, but also because I was able to work remotely.

I learnt a lot in this placement about working in a team, as well as how to lead a team when working through difficult situations where there is a lack of experience throughout the whole group. Additionally, I also learnt how to use key software like Excel and Microsoft teams, which could be very important since more and more business are adapting to allow more remote work to be completed. This placement was extremely valuable to me, and I was able to land it thanks to the support that I received from my mentor that the ICAEW provided for me. This is because he helped me realise that if I get valuable experience the placement does not have to be accounting related for me to get an accounting graduate job, which allowed me to broaden my horizons and apply for all jobs that interested me rather than just accounting and finance related jobs. Additionally, I was helped by the mentor because after applying to some jobs I realised I would be successful in the application and strength assessment processes for most jobs however I would not be able to progress after the interview stage. After speaking with my mentor, he helped me realise how to prepare for an interview, what questions to expect and what answers the employer will be happy with and I was then able to progress after the interview and land a placement, which would have been much more difficult without the help of my mentor.

Moreover, the placement I completed was an unpaid placement where I was only reimbursed for the expenses I incurred. Although this was not ideal, since everyone would prefer to get paid, however I was comfortable with taking this placement on since I know I would be receiving my £4,000 bursary for the duration of the final year. This meant I did not have to worry about how I will be paying for any food when going to university for the final year or how I would meet my travel expenses since I know the money, I will receive through my bursary will be able to cover any costs I incur. This also meant that when finding my placement, the salary was a secondary thought and I was more able to focus on things like flexibility in working hours and the work I will complete, as well as looking at the duration of my placement. This gave me increased job satisfaction. My placement was only 20 weeks, which was perfect for me because it meant I had some free time to research potential business ventures for the future as well as having ample time to prepare myself for my final year, which has given me a bit of a head start in my studies for the year. This meant that the placement I completed was the perfect style of placement for me.

Without having the ICAEW bursary and mentoring scheme it is unlikely I would have been able to find a placement that suited me so well.

Danish Ahmed - Birmingham City University

Being in receipt of this generous bursary has had an impact of great enormity on my personal and professional development. I will always be grateful for how these funds have given me the real opportunity to differentiate myself in an increasingly competitive graduate job market.

Recognising the potential of what I could achieve with the bursary, I was keen on acquiring well-known accountancy qualifications that would complement my university degree. My search led me to take on a traineeship with the ACCA-approved KBM Training and Recruitment. Being a branch of the main KBM Chartered Certified Accountants and Registered Auditors, they were in the unique position to offer practical accounting software training using real-life client files.

I am currently undertaking their IFA accredited Accounts Assistant traineeship that involves practical experience with bookkeeping and payroll software, as well as accounts preparation. I will be issued with the appropriate certification for Sage, QuickBooks, and Xero upon completion and none of this would be possible if I didn't have access to this bursary from the ICAEW Foundation. Because of it, I was able to afford the fees to enrol onto the traineeship, and am starting to develop respectable technical skills as a result.

I have also been able to use the funds to invest in quality online courses related to IT and computing. They say that we are going through the fourth industrial revolution. Therefore, to keep up with technological advances and boost employability, I have specifically invested in courses that allow you to build up a portfolio of projects as you learn. Python and web development are the main ones I have invested in for now.

The bursary has also had a considerable impact on my personal life, too. For instance, it has made travelling a lot easier, as I can now afford to pay for a monthly bus pass and appropriate taxi rides. At a time where we are currently going through a cost-of-living crisis, I really appreciate how helpful the bursary can be when it comes to paying for day-to-day expenses. It also means that I do not have to work as many hours, allowing me to focus more on my studies - I was the best performing student in the first-year Introduction to Management Accounting module.

Approaching the time in my university career where I am applying for a placement year, I find that the improvements I have been able to make to my CV because of this bursary have been totally transformative. It has helped me greatly in tackling challenging application processes with confidence and resilience.

My main goal is to qualify as a chartered accountant, thus equipping myself with the relevant technical expertise, and all the opportunities that brings with it. I sincerely believe that the ICAEW Foundation's bursary will go a very long way into turning this goal of mine into a reality. I would like to take this opportunity to thank the ICAEW Foundation, and its patrons, for this hugely impactful bursary.

Thomas Hill – Cardiff University

I am pursuing a career in the Financial Sector, a line of work which I took an interest in from an early age, all the way to secondary school where I began to study Economics at both GCSE and A Level. My studies helped shape my current view of the economy and gave me valuable insight into what a Finance degree may look like. I was captivated, and hungry to broaden my knowledge on the matter.

At University, I have been exposed to new concepts, such as Double Entry Bookkeeping in Accounting. I have grown to appreciate the profession, and I am enjoying my time, as I currently study for my January exams. Despite all of this, I have found some difficulty, particularly with my shared caring duties of my father, who is a Paraplegic. Currently my mother and I need to help him with a range of activities, and this responsibility has made it so I have to spend more time away from University than I would ideally like.

In light of this, I truly appreciate the help I am receiving from you. You've made it easier to travel back and forth between home and School, and given me the financial support I need to support my family. It is particularly valuable to me because I also come from a low socioeconomic household, so my support isn't up to the standards of some, although my family have always given me everything they can. Your donation has motivated me to work even harder and I greatly appreciate everything you have done for me.

Philip Gerakyyan – City University London

Thanks to the bursary, the first year was a lot easier for me to complete.

Starting first year was a bit daunting, as I'm introduced to many new environments; different people, new locations, and a new style of learning. On top of this, there were certain requirements for me to complete to stay on top of it all, such as a laptop, textbooks, study guides, etc. The bursary allowed me to comfortably make these necessary purchases, allowing me to improve my studying ability and my learning, and overall, improving my learning experience at university. The bursary also helped me with my leisure time, as I had more options with what I can do during my off time to wind down and take time away from my studies. For example, I was able to obtain a gym membership, and I could buy myself new basketball shoes, so certainly my overall mental and physical health and fitness improved as a result from the bursary. It also helped alleviate some financial stress when travelling to and from campus during first year, as paying for fares from TfL became much easier.

As I am living at home during term time, the bursary has also helped me and my mother at home with living costs. When paying for gas, water and electric bills, the bursary allowed me to help my mother a tremendous amount, and we were able to stay comfortable all year round. It also helped when paying for food, and general necessities around the house when needed.

I would like to thank the ICAEW Foundation for helping me in the way that they have. They have helped both me and my mother with everything, and their assistance has not gone unnoticed!

Ben Avila Ulloa – City University London

My first year of university was extremely enjoyable for me for several reasons, had I not received the funds from the Foundation I am afraid I would not be able to say the same. I was able to purchase the textbooks and study material required for my modules without worrying about the cost; this allowed me to focus on my studies and led to me achieving a first-year percentage of 68%. I do not want to think of what I would have achieved without the bursary, and I am entirely grateful for this.

Not only was I able to afford the study material, but I was also able to cover my train and bus fares to get to university. This let me interact with lecturers and other students for a better quality of learning, this was not a condition as I was allowed to attend the lectures online, however this is an option I would have likely opted for fear of financial worry. It allowed me to form friendships and participate in leisurely activities with these people to unwind from any academic stress, this really allowed me to be persistent in my studies. I have indulged in a subscription to Spotify premium which I never thought I would have done as the expense was seen as unnecessary, but now I can appreciate how it facilitates my lifestyle outside of education. I also signed up to my local gym as I believe a healthy body is a healthy mind, the benefits this has had on me are endless.

Furthermore, this allowed me to take financial burdens away from my parents. This has allowed me to gain much more independence and freedom in my life and I am extremely appreciative of this luxury that has been made accessible to me by the Foundation. I am unsure if I can convey my gratitude in words, but I just would like the Foundation to understand that this money has made opportunities available to me that I never would have expected. I hope that all students that are in the position I was in, get the opportunity to enjoy the generosity I have been lucky enough to receive. My quality of living has been enhanced substantially and I would like to thank the Foundation once again.

Ronan Cupeva – Bristol University

I am honoured and grateful to have been a recipient of this award which has had a hugely positive impact on me and my studies.

My first year was successful in receiving an average of a high 2.1 across my modules. After adapting to the language which is accounting during 'Fundamentals of Accounting & Finance 1'; I managed to consolidate this further in my second term achieving 80% in my 'Fundamentals of Accounting & Finance 2' module.

A module which stood out to me in particular was 'Accounting & Finance in Context' which connected students with a mentor in the world of accounting and finance. It was an extremely valuable opportunity to

speak to a professional in so much detail and has inspired me significantly on my search for a summer internship. This sparked a curiosity to explore every opportunity available to me – during the summer after my first year at university, I became a candidate of SEO London (Sponsor for Educational Opportunity), an organisation dedicated to providing opportunity to underrepresented backgrounds. I relished the chance to participate in their Step into Consulting, Step into Insurance (at Lloyds of London) and Step into Corporates programmes, the latter two being selective.

The bursary has allowed me to fund equipment towards my studies such as desks, chairs, monitors etc. which have all hugely contributed to a more efficient workflow and greater productivity. It's a huge privilege to be able to undergo my studies with substantially less financial stress. It also allows me to continue dedicating time to my active lifestyle such as playing futsal and going to the gym regularly. I hope many other students too will be able to have access to this generous scheme which has been hugely influential to my university experience and allowed me to be even more ambitious in search of a future career.

Rebecca Callaghan – Queen's University, Belfast

Having concluded my second year at Queen's University Belfast, on reflection I can easily say that it was one of the best years of my life so far. Not only was I provided with life changing opportunities with regards to my future career and study, but I also got to enjoy the social aspect that university life has to offer and make lifelong friendships. Many of these opportunities have been made possible thanks to this generous scholarship and I cannot put into words how grateful I am.

This scholarship has enabled me to work less in my part-time job, allowing me to devote more time to my studies, which was particularly important this year, as due to timetabling issues associated with studying accounting and a language, I had to complete two thirds of my modules in the first semester alone. It also provided me with extra motivation when undertaking my five January final exams, despite having Covid and lacking energy a mere two weeks prior.

In addition, this scholarship has also instilled in me a great deal of confidence, which proved to help in interviews for summer internships, which is highlighted by the fact that I was offered three internships with Deloitte, KPMG, and PwC. This sense of confidence has also enabled me to participate in events such as the Insight into Management programme, which provided me with an array of skills that will be extremely beneficial throughout my life and career, such as time management and teamwork, while also providing me with networking opportunities.

As I study accounting with Spanish it is a compulsory element of my degree to spend the third year abroad. I really wanted to be placed in the region of Valencia under the British Council scheme as an English Language Assistant, however it was stated that the payments in Valencia are unreliable and often don't come when expected. Consequently, it was advised to only submit Valencia as your region of preference when applying for the scheme if you had sufficient savings to help with living costs. Therefore, this scholarship has enabled me to live in my dream area of Spain as I was allocated to the city of Alicante. Furthermore, this scholarship has helped me with the setup costs of moving abroad, as well as other essential costs, such as my child protection certificate.

I have also been extremely fortunate to participate in many of the social events that university life has to offer, which has provided me with an all-round enriching student experience and has greatly contributed to my personal development and social skills, which I believe are extremely important to have as an accountant. This year I have attended both the Queen's Management formal, as well as the Modern Languages formal, which has allowed me to make connections, network with my classmates and fully participate in all aspects of university life. Additionally, after completing my exams in May, myself and three of my friends from my course travelled to Budapest. This experience has provided me with a global mindset and has strengthened my relationships with my peers.

Most notably, in June I completed a summer internship with KPMG in their audit department. As aforementioned this scholarship has allowed me to have the choice between three different highly regarded accounting firms to gain experience with, due to my interview skills which stem from the confidence I now have because of this scholarship. I also did an internship over the summer with KPMG last year in their deal advisory department, which helped me decide which firm I wanted to go to, as I thoroughly enjoyed my time here and was eager to return. At the start of July when finishing my internship I completed an interview for a graduate role in the company's audit department. I was successful and hence

I was offered a graduate job with them to train to become a chartered accountant and they also are sponsoring my master's degree in accounting to gain extra exemptions from the exams. I have now accepted this offer and I strongly believe that this scholarship has paved the way for this opportunity.

Therefore, I would like to conclude by thanking you for your generosity as it has facilitated my dream of becoming a chartered accountant and has ensured that I have had the best university experience possible.

Huang Xuanrong - The Chinese University Of Hong Kong

Programme: Professional Accountancy

Year of Study: Year 1

University life is very different from secondary school life. I was overwhelmed and distressed. When I adapted to the university life gradually, I felt that things were getting better. When it comes to academic achievement, my GPA for the first semester was 3.165, this equates to Grade B. I reflect on myself that I still have a lot of deficiencies compared to others. The academic pressure of undergraduate study is no less than that of secondary school, and the people who enter the University are excellent with a variety of skills, which means that there are more pressure and competitions from peers. Furthermore, after entering university, time turns to be more flexible, which also tests my time management ability. I find that I still cannot balance work and life well. In the future, I will spend more time studying and strive to further improve my GPA, which is also a small goal I set for myself. I also participated in the university-level business case competition for the first time. Although I didn't win the award in the end, I learned a lot, such as how to put the financial theory learned in the book into practice when making the proposal. I also got a chance to see

some good examples of proposals, which helped me better understand my shortcomings and strive to perform better in the next business competition. These competition experiences and reflections are invaluable to me.

In terms of community activities, I was the treasurer of a student society. In the process of participating, communicating and running-in with others, I understand the importance of team spirit. A society with strong cohesion and good team communication will have higher work efficiency. In my position, I learned to apply some basic accounting knowledge, such as understanding how to keep accounts effectively and correctly, how to avoid financial chaos and to make good use of the financial resources in Ice-breaking day with MSing members. The 2022 Residents Association of Theological Building was established. Consultation Day of resident association society. I believe these gains will be beneficial for my studies and internships. All in all, although I am not an outstanding student with lots of achievements now, I will work hard to improve and make myself better. Thank you for offering me the ICAEW Foundation Bursary.

The ICAEW Foundation Building Futures Bursary Programme

Our Building Futures bursary programme, for students of new professional accountancy qualifications across Africa and Asia has allocated funds for 109 bursaries since its launch in 2015.

MALAWI (ICAM)

Ten bursaries to the value of £16,250 to cover two years were approved in 2020 but postponed due to the Covid 19 pandemic. The final payment of £8,250 was made during the year and this bursary is now fully paid up.

During the year the new Professional Qualification (PQ) administered by ICAM was launched. The overall vision of the PQ is for an increase in qualified accountants and for it to be a locally focused qualification but one that maintains internationally accepted standards as this is an essential part of improving investor confidence and the climate for investment. During the year, Trustees approved £5,178 to support 6 students with the cost of registration, tuition and exam fees and study manuals for the Level 1 exam.

GHANA (ICAG)

Six bursaries to the value of £16,250 to cover two years were approved in 2020 but postponed due to the Covid 19 pandemic. The final payment of £8,250 was made during the year and this bursary is now fully paid up.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

During the year additional support of £2,000 was awarded to Khadijah Iddris. An element of her PhD is physical attendance and presentation at a conference. Khadijah was scheduled to present her research paper at the World Finance Conference in Turin but, due to unforeseen circumstances, was unable to attend. She did however present her paper virtually at a Chicago Conference held during October.

Khadijah was previously featured in our foundation video in 2018 and has received support from the ICAEW Foundation throughout her PhD studies in finance, her ultimate ambition being that of becoming a lecturer in the subject.

CAMBODIA (KICPAA)

The first ever Cambodian professional accountancy qualification (ATQ), due to launch in 2020, was delayed predominantly due to the impact of Covid 19. Nearly all students have been heavily impacted over the past two years as not only were they unable to get the usual part-time jobs to fund their studies but in addition, all universities/colleges remained closed throughout 2020 and until the final quarter of 2021.

£25,500 was approved in 2020 to support forty students over 2 years studying the new ATQ. This finally launched and the first instalment of £12,750 was paid in January 2022.

ZIMBABWE (ICAZ)

In 2010 ICAEW signed a reciprocal membership agreement (RMA) with ICAZ which was renewed in 2012 and again in 2022.

Education is free in Zimbabwe and the Government invests heavily in it to help increase participation and retention of students. People from rural areas while having a good base education do not have the opportunities to pursue higher or professional qualifications. This is due in most part to a barrier of cost of study and relocation to study.

In July 2015 the Vimbiso Scholarship Trust was set up in partnership between ICAZ and the Chartered Accountants Student Body, in response to many CA students not progressing due to lack of resources. The aim of the Scholarship is to support students through the required degree program then place students within training offices which will cover the cost of the CA qualification. The trust currently supports 32 students and looks to bring on an additional 8 students a year. Due to increasing costs of university fees ICAZ is unable to continue to solely fund the trust.

During the year, trustees approved provision to support five bursaries for Vimbiso Scholarship Students. This will support them through the entry Accounting Degree at a cost of £830.62 per student per year for 2 years at total cost of £8,306.20. The first year instalment of £4,153 was paid during the year.

SRI LANKA (CASL)

ICAEW has worked with CA Sri Lanka (CASL) for more than 20 years and signed the first recognition agreement with them in 2010 which set out an expedited route to membership for appropriately qualified members of both bodies. This was renewed in 2014, 2018 and again in 2022.

In 2020 a new route was launched for students to obtain dual membership of both ICAEW and CASL simultaneously (Joint Student Scheme). Interest directly from students remains high, however the country's economy has been hit hard by the pandemic and rising energy prices.

To ensure the ICAEW route is affordable in Sri Lanka, it was agreed to waive all registration fees for students joining this scheme however, considering the recent economic difficulties, and with the local currency decreasing rapidly, ICAEW fees are still very high.

Trustees approved £34,360 during the year to support 20 students for two years on the Joint Student Scheme. Providing good graduates in economic hardship an opportunity to become ICAEW Members thus providing them with international employment opportunities, provide an important milestone in the ICAEW-CASL partnership and raise ICAEW's and the ICAEW Foundation's profile in Sri Lanka. The start of this scheme will commence later than anticipated and will now start early in 2023.

UN Sustainable Development Goals

As the world increasingly focuses on the importance of the UN Sustainable Development Goals (SDG's), we too continue to collaborate and work together with our partners to help contribute to their own achievement aims.



We are conscious of how the objectives and work of the ICAEW Foundation contributes to achieving Goals 3, 4, 5, 8, 10 and 13.

As a member of the Association of Corporate Foundations and 60th signatory to their Funders' Commitment on Climate Change, we continue to play our part for climate action by launching our essay competition to motivate students and recently qualified members to consider how the profession can act on the climate crisis. The winner of the 2022/23 competition will be presented with their prize at ICAEW's Annual Dinner on 28 March 2023.

Our Building Futures bursary programme, for students of new professional accountancy qualifications across Africa and Asia helps to promote and assist in social mobility and gender balance.

CATER LIBRARY AND INFORMATION SERVICE

The Library & Information Service (LIS or 'Library') supports the current and future research needs of the accountancy profession by collating and preserving information and by providing an enquiry and research service. LIS also supports ICAEW by delivering a quality benefit to ICAEW Members.

For 150 years the ICAEW Library has been the only library in the United Kingdom to have comprehensively collected material in this sector, effectively creating a national library of accountancy, including plenty of material not held by The British Library. The library remains one of the world's largest and most important collections of material for the accountancy profession.

In 2022 the ICAEW Library has continued its recovery from the effects of the pandemic and the lockdowns that followed. The year has produced its own challenges, notably the impact of staff sickness (Covid and long Covid) on the teams; a switch in CRM systems; and the departure of four long serving members of staff with all the experience they carried.

Despite these challenges the library teams have worked together to ensure that enquiry channels remained open, access points to the service have been staffed and critical back-room operations continued. The result has been growth in book loans and footfall.

Publishers are continuing to switch from print to digital, but some key resources are still published in print. The ICAEW Library continues to balance the growth of its digital offering with the need to maintain its important print collection. At present 88% of the resources budget is spent on digital resources and 12% on print.

Alongside the day-to-day enquiry service and collection management operations, good progress has been made with the development of ICAEW's digital archive of publications, which now holds over 18,000 ICAEW publications and content.

LIS management and structure

The Library collection (including third party digital information resources), and supporting software system and catalogue, are maintained and operated by CATER on behalf of ICAEW and the wider public. There are currently 5.3 full time equivalent staff posts funded by CATER for this purpose.

Library staff operating the Enquiry Service are currently funded by ICAEW rather than CATER. ICAEW funded staff report to Directors in Belonging & Supporting. CATER staff continue to contribute to the answering of enquiries, gaining valuable knowledge that feeds into stock selection and cataloguing.

The Rare Books collection, an asset owned by ICAEW, falls outside the remit of CATER. However, the Library team help to manage and support this collection.

Enquiry, Document Delivery and Loan Services

The LIS information professionals provide a valuable business information research service to members and the profession.

The enquiry service remains a popular point-of-contact for members. The team handled 9,611 enquiries during 2022. Commonly occurring enquiry topics remain in line with those of previous years with wide-ranging queries on taxation, model documents, company information and industry data. We've also seen an increase in firm history research as more firms approach their centenary celebrations.

The Business Centre at Chartered Accountants Hall has remained open to members continuously this year as Covid restrictions were removed. The active on-site presence of the enquiry service team has helped

contribute to a 186% increase in book loans on last year and member activity in the Business Centre continues to increase although still below pre-pandemic levels.

There were 507 book loans in 2022. The monthly average for book loans in 2022 was around 40% of pre-pandemic levels. This is primarily due to decreased expenditure on print material as discussed in the CATER collection section below, combined with less physical visits to library to browse the collection due to changing working patterns.

A total of 1,762 document items were supplied to enquirers, enhancing the information available on the ICAEW website. Document delivery (excluding client screenings) in 2022 was down 36% on the previous year's figure. This is mainly attributable to the withdrawal of several key titles from one of the databases which our Technical Team used to direct members to. Based on past usage patterns it is likely that the total volume of enquiries would have roughly equalled last year had it not been for this loss. Contracts are currently being negotiated to reinstate library supply access to this resource.

Client screening requests continue to increase; we have seen a 19% growth for 2022 compared to 2021. The service attracted 341 new users in 2022, bringing the total of unique users to 1,890.

ICAEW implemented Dynamics 365 as its replacement contact management system and membership database system at the end of April 2022. This has helped improve efficiency when dealing with enquiries and provides improved management information.

2022 also saw the departure of two long standing members of Enquiry team staff. The interim period saw delays to enquiry response times but no notable complaints were received from members. Fiona Axe was promoted to Enquiry Service Manager and the Supervisor position backfilled. Two new enquiry team members have also been recruited.

Customer satisfaction surveys for 2022 showed that 93% of Library & Information Service users found the service was easy or fairly easy to use which echoed the results from 2021. The appreciation for the service provided by the enquiry team is reflected in 80 exceptional compliments received by the team across 2022.

The theme running through all the exceptional compliments is an appreciation for the valuable content provided and the excellent service and effort put in by the enquiry team to go 'above and beyond'.

CATER collection and digital resources

The ICAEW Library is a modern, hybrid service comprising of a physical collection of loan and reference material, and a suite of online, third-party resources to support user needs. Most of the physical collection is held at an offsite warehouse in Milton Keynes.

The resources team manage the life cycle of resources in the Library collection from acquisition to disposal, covering both print to digital. The majority of ICAEW publications are now captured in digital format rather than added physically to the collection, reducing the resources needed to process and shelve them.

Print books are purchased to support the demand from the Library loan service, and we continue to subscribe to print journal titles. However, expenditure on print resources is continuing to fall as publishers cease to produce print material. The current split in the resources budget is 88% digital and 12% print (compared to 72% digital and 28% print pre-pandemic).

Members room

The Member's Room is no longer used as a repository for Library materials but a full audit was undertaken this year of the old legal volumes that were used to fill the shelves following its refurbishment.

Warehouse store

The future of the ICAEW warehouse, where the majority of the library collection is stored, was reviewed by ICAEW this year. The lease has been renewed for five years.

There are no plans for Library staff to be based at Milton Keynes, in order to be able to access the Warehouse collection. Monthly visits to the warehouse are being arranged to retrieve items for enquiry requests and undertake shelving, but there is currently no staffing resource to undertake collection management tasks there. Visits have to be co-ordinated, in advance, with the Facilities team.

Usage and development of online resources

Third party online resources are a key component of our hybrid collection and account for 88% of our annual budget. All licences were renewed in 2022, and we plan to renew them again for 2023. In addition, we now have over 610 licenced eBooks, allowing members to access information remotely. These has generated over 14,700 views via the ICAEW website. Usage remains buoyant.

Work to increase the visibility of third-party resources licensed by the Library on the ICAEW website has been ongoing throughout 2022. A key project, started in November 2021 and completed in July 2022, saw approximately 130 hub pages on business and management topics redesigned to integrate and highlight links to online resources.

Linked to this, there is an ongoing project to use third party resources licensed by the Library to update articles from the Business and Management Faculty magazine with the latest developments. By the end of the year 128 articles (out of 715) had been updated. This project will continue in 2023.

Stock cataloguing

The library catalogue provides detailed records of the electronic and print resources held by the library, including all ICAEW-produced documents, and abstracts of relevant journal articles.

The catalogue can be accessed remotely by users at <https://libcat.icaew.com> and is linked up from the website, allowing users easy access to the detail of material held in the collection. This searchable, comprehensive database of holdings supports the Library enquiry service by allowing users to find and request publications and is used by the library staff to manage the collection.

The team welcomed Niki Wilson back after maternity leave and she has since taken up the position of Cataloguing and Taxonomy Manager following the departure of Alice Laird.

We have successfully catalogued a total of 1,096 volumes in 2022, including ICAEW digital items. The team also added 479 abstracts of selected journal articles to the catalogue.

In addition to cataloguing items added to the library, the team have expanded the catalogue records for the accounting firm histories; improved the descriptions for books on inflation accounting which are now of interest again; started work on individually cataloguing each ICAEW press release; and continued working on a project to review the catalogue records for tax books held in the business centre. The team have also been actively involved in working with our digital archive platform, Preservica, to ensure consistency between the cataloguing and digital archive systems.

CATER stock valuation

It was agreed that the CATER collection will be insured for £900,000. In practice, the unique nature of the collection means that many of the books would not be replaceable.

Digital Preservation

The Digital Archive Project is a project to build a digital archive that will hold any born digital material that is released by ICAEW into the public domain (e.g., help sheets, technical releases, press releases and AGM papers), regular snapshots of the ICAEW website and digitised material from the library's print collection.

Project progress

There are currently two main strands to the project – preservation of publications and document on the Preservica platform and website captures using the Archive-IT platform.

Digital publications preservation and storage – Preservica

Digital content is extremely vulnerable– due to software and hardware changes and data that can easily be corrupted. Preservica ensures that content is migrated to new accessible platforms with checks for corruption and migration paths from older versions to ensure continuity of access.

In 2022 we have continued to focus on ICAEW's preservation priorities when adding publications to Preservica. This work has included:

- Linked archived webinars in Preservica to ICAEW's website to facilitate easy access.
- Started work to add the vast collection of archived ICAEW help sheets to the digital archive, carefully capturing full version histories for each title. A set of help sheets withdrawn by TAS in 2022 are now archived in Preservica alongside all previous versions.
- Filled gaps in our collection of ICAEW Representations and Technical Releases on Preservica. This means that the full sets published from 1997 onwards are now available digitally (3,464 representations and 856 Technical Releases).
- Added several Faculty collections to Preservica
- Added ICAEW Annual Reviews and Financial statements to Preservica for 2002 onwards (37 files)
- Added ICAEW Press releases to Preservica for 2006 onwards (2,072 files).

The Digital Archive project continues to progress well but there are many more publications to be added. While Preservica now holds over 18,000 assets, a recent estimation is that another 10,000 assets still need to be ingested from the G drive/digital repository alone. Its value as a massive digital resource for future researchers only continues to grow as more material is added for long-term preservation.

Usage of the digital archive through the Preservica platform has seen 9,927 views of archived content from outside ICAEW in 2022, with a further 15,866 views from staff using the platform to answer member enquiries or as part of work to help grow the digital archive.

Website captures – Archive-IT

As more content is being offered by ICAEW through the website, rather than in portable document formats (e.g., word and pdf), the website captures are essential to our ability to offer future researchers access to the full array of ICAEW output.

Captures of the complete ICAEW website are being carried out every six months. The process of selection and capture is technical and complex. A large website capture can take several weeks.

Captures are now routinely made before sections of the website are redeveloped to ensure that this content will be available to future researchers.

In 2022, two full crawls of the ICAEW.com site were completed with the crawler capturing approximately 17,000 pages of HTML content per crawl. In addition, the crawls feature a complete backup of the site's media library - consisting of PDFs, Word documents, Excel files, MP3 files etc. A crawl of ICAEW's primary Twitter account was also performed, which captured over 23,000 Tweets from the account since 2009.

Library website

The Library microsite is an important channel for providing information about our services, promoting the Library, and as an entry point for digital resources acquired and managed by LIS.

The Content Curation team is responsible for creating, updating, and maintaining these web pages, as well as highlighting relevant eBook titles, chapters, and online articles on technical topic pages across icaew.com.

A project to redesign the Library web pages at icaew.com/library has been taking place in 2022 and will continue in 2023. All pages will eventually move to new templates which have been designed with improved user experience in mind. As well as offering a refreshed look and feel, this project is an opportunity to update and reorganise Library web pages to best promote our resources and services.

Promotion

We continue to promote the Library and the enquiry service through ICAEW's website, social media channels and email newsletters.

Ukraine

The ICAEW Content Curation team (formerly the Library web team) helped to develop a hub for the Ukraine crisis and promoted the Library's client screening service through the website, email communications and social media.

The promotion of ICAEW services through the hub and in the boards at the end of each article on the Ukraine crisis has been highly effective in reaching members and getting them to engage. The Client Screening service offered by the Library is a good example of this.

This promotion of the client screening service as a tool to help members assess connections to Russia among their clients generated a 49% increase in client screenings in March.

First time users identified the Insights content on the crisis as the way they found out about the service.

	January	February	March	April	May
2021	389	416	520	417	457
2022	469	500	744	525	551

This increase in service awareness saw a record 744 screenings carried out for members across March, including many Russian individuals/entities. Usage levels dropped back in April and May but are still in line with expected growth.

Melekh Manuscript

The library team look after the ICAEW collection of rare books on behalf of the organisation.

May 2022 marked fifty years since the full reveal of one of the most unusual items in the collection – a Jewish manuscript with a devotional poem from the 15th century that had been used as a binding for one of the ICAEW copies of Pacioli's Summa de Arithmetica.

To help commemorate the anniversary an article was published in Insights. Alice Laird commented "Library staff at ICAEW have always taken great pride in the Melekh manuscript – it holds a special place as one of the unexpected highlights of our collection." New photographs of the manuscript were taken and shared on the website at <https://www.icaew.com/melekh>

Key performance indicators

KPIs in 2022 show continued recovery, but still reflect the impact of changes to services and operations brought about by the coronavirus pandemic.

2022 key performance indicators

	2022	2021	2020	2019
Enquiries ¹	9,611	9,912	9,670	10,597
WebChat enquiries ²	327	1,087	1,218	1,001
Book loans, excluding renewals	507	273	341	1,155
Document Delivery (excl. client screenings) ^{3,4}	1,762	2,780	2,842	3,424
Client screenings (total reports requested)	6,498	5,455	4,850	3,424
Items (vols and eBooks) acquired and catalogued	1,096	1,513	303	1,064
Journal articles abstracted and indexed on LibCat	479	334	55	282
Total number of journal articles on LibCat	69,741	69,291	68,964	68,904
eBook views and downloads	14,718	14,500	15,062	14,458
Files added to the Digital Archive ⁵	5,768	10,610	2,050	N/A
Total files in the Digital Archive	18,428	12,660	2,050	N/A

¹ Enquiry statistics exclude quick Business Centre enquiries

² The launch of the new CRM platform in April 2022 introduced a new WebChat system which has been offered through fewer library pages and functions in a different way, allowing users to choose which team to contact. This has seen more enquiries routed to the service centre in Milton Keynes.

³ The number of electronic documents supplied saw a significant drop in 2022 following the withdrawal of some key titles from one of the online databases we subscribe to.

⁴ The way in which these statistics are collected was reviewed and streamlined in 2022 which may account for a small degree of variation in the numbers reported.

⁵ The slower pace of additions to the Digital Archive in 2022 is due to a combination of the team moving onto more complex series of documents that need more work and staff departures at the end of the year.

Review of KPIs

A review of the KPIs shows good recovery across the service, but has highlighted three key areas that merited action.

Webchat. The launch of the new CRM platform in April 2022 introduced a new WebChat system which has been offered on fewer library pages and functions in a different way. The old system automatically started a webchat with the most appropriate team for a page, whereas the new system asks users to choose which team to contact. The top option offered is 'General enquiries' with the Library given as the last option. This has seen more enquiries routed to the service centre in Milton Keynes and a 70% drop in webchats for the library.

It seems likely that many visitors to the website are unaware of the breadth of enquiries that the Library can answer and do not realise the Library can assist with their questions. To help address this, the labels in webchat have been revised and the team are revising the page about the type of enquiries the team can answer and will promote this. Further analysis will be carried out to better understand what has happened to the type of enquiries previously answered by the Library.

Enquiries and document delivery. The KPIs for enquiries and document delivery have been impacted by the withdrawal of some key titles from one of the databases (such as the Deloitte manuals of accounting and preparing company accounts series) which accounted for 1,454 document delivery requests in 2021. Based on past usage patterns it is likely that the volume of enquiries would have roughly equalled last year's totals had it not been for this loss.

Negotiations are taking place with a new supplier to try and remedy one of the most significant losses from our digital portfolio.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Digital archive. The staff departures at the end of the year have highlighted the need for more resource for digital archiving. A digital archive assistant will be recruited in 2023.

CAPET

CAPET's primary objective is the advancement of education, particularly in accounting and related subjects, by funding various district society prizes, holding the ICAEW International ACA annual prize giving ceremony and to award prizes to those students who have achieved.

The top performing ICAEW students from around the world celebrated their exam success at a virtual prizegiving ceremony, held on Thursday 12 May 2022. The ceremony recognised the achievements of students who studied for the ICAEW CFAB and ACA Certificate Level, Level 4 Accounting Technician Apprenticeship and the ACA Advanced and Professional Level exams in 2021. In total, 109 students received awards, representing the UK, Cyprus, Malaysia and Vietnam.

The ceremony was hosted by ICAEW President, William Brooks and included a keynote speech from ICAEW member Jackie Crane. Hilary Lindsay, Almoner and Chair of the Charity of the Worshipful Company of Chartered Accountants in England and Wales, presented the Level 4 Apprenticeship prizes.

In addition to the virtual ceremony an article on ['What it's like to be an ICAEW prize winner'](#) was released in April as part of the Student Insights hub, and a [video](#) was released to meet some of the 2021 prize winners in May (this video was also played during the virtual ceremony). We also started to follow new member, Chris Chung, in a new Student Insight series, ['My membership journey'](#), Chris achieved first place and the Peat prize at the Advanced Level Annual Order of Merit 2021, and we will continue to follow Chris's journey in 2023.

Total prizes awarded during 2022 amounted to £34,000 (2021: £67,000).

In association with ICAEW, during November, the trustees launched an essay competition to motivate students and recently qualified members to consider how the profession can act on the climate crisis. Entrants were asked to submit a 5,000-word essay, video, podcast or other media format in answer to the question 'The Great Transition: what we need to do and what role does the accountancy profession have?'. Human induced climate change is affecting the world now and the focus of the essay should be on action needed to adapt to the impacts already being felt, and to mitigate further damage. The winner will receive a prize of £5,000 at the ICAEW Annual Dinner on 28 March 2023 and have their essay published on the ICAEW website.

PDLT

The following new academic research projects and event funding requests were approved in 2022:

	Institution/Host	Funding Approved £
Events		
Management and Accounting Research Group (MARG) Conference (Nov 2022)	Aston	5,400
Tax Research Network Conference (Sept 2022)	Edinburgh	2,500
Information for Better Markets 2022: The Covid 19 Pandemic (Dec 22)	ICAEW	39,255
European Financial Reporting (EUFIN) Workshop (Sept 2022)	Lisbon Business School	2,000
Management Control Association (MCA) Doctoral Colloquium (June 2023)	MCA	4,300
BAFA Doctoral Colloquium (April 2023)	BAFA	4,400
BAFA Audit and Assurance SIG Conference (May 2022)	BAFA	1,750
Behavioural Finance Working Group Conference (9-10 June 2022)	Queen Mary's	3,000
Total 2022:		62,605
Total 2021 for comparison:		103,305

The reduction in grant expenditure compared to the prior year is predominantly due to the disappointing quality or relevance of the research proposals received. We are committed to ensuring that only the highest quality and most relevant projects are approved for funding and have turned down several projects. We are considering a different approach going forward, including possible calls for particular research, in the hope of attracting projects which more directly reflect ICAEW's current strategic themes and member interests.

Achievements

In 2022 universities began to emerge from the worst effects of the pandemic and more events were held in person again, or as a hybrid mix of in-person with the option to join online. Some events which had been postponed since 2019 finally took place. And researchers had more time to give to delayed projects and to finally complete them.

Events which included an online option for joining continued to benefit from wider global participation as people have become increasingly used to attending online events.

In 2022 PDLT grants continued to support one of the key ICAEW academic events, the annual Information for Better Markets conference, which was held exclusively online again, following the success of the online approach in 2020. The conference, held in December 2022, looked at The Covid-19 pandemic: lessons for the theory and practice of accounting. We had academic speakers from the UK and Germany speaking at the event and practitioners from the big firms, including KPMG and PwC. Despite the success of previous years, numbers were much lower than expected and might indicate an overload of online events at the end of the calendar year. The lectures were recorded and are available to view on the ICAEW website. The papers from both the Information for Better Markets conference are published in an annual special issue of Accounting and Business Research. The trust now covers the cost of Open Access to these papers, and they continue to be some of the most viewed and downloaded of any papers in Accounting and Business Research. Other associated costs in running the event are significantly less than when it was held in-person. There was no PD Leake Lecture in 2022 but plans for a lecture in 2023 are underway.

Both the annual Tax Research Network (TRN) and Management Accounting Research Group (MARG) conferences were again held successfully as hybrid events, with the advantage that those who attended on campus were able to enjoy the benefits of meeting others face to face, while those attending online were able to contribute without the need to incur the time and expense of travel, so both groups were catered for.

Completed projects produced outputs including conference papers and presentations, articles on the ICAEW website, academic papers in leading journals and ICAEW research briefings. An ICAEW briefing entitled Accounting Practices in the Extractive Industry: an international investigation (distinguishing between mining and oil & gas companies) was published in August.

A series of papers from the Information for Better Markets conference 2021 looking at the financial reporting system were published in a special issue of Accounting and Business Research in June 2022, and videos of the presentations are available on the ICAEW website by following this link <https://www.icaew.com/technical/financial-reporting/information-for-better-markets/information-for-better-markets-webcasts>

Some research projects and other events will continue or take place beyond 2022. At 31 December 2022 a total of three research projects were in progress and eleven events funded by PDLT were still to take place in the coming months and their achievements will be reported on subsequently. All these activities and events, whether held in-person or online, allow both members of the public and ICAEW members to engage with world-class research and hear from academics from the UK and beyond. The PD Leake lecture and Information for Better Markets conference in particular continue to attract high-quality international audiences and produce research aimed at practitioners and the wider business community. Regular engagement with academics encourages policy-relevant academic research and findings from projects funded by PDLT are made available free of charge.

PLANS FOR THE FUTURE

Foundation

The trustee intends to continue to identify and support relevant initiatives where the grant given by the Foundation has a definable outcome and where the contribution made can make an appreciable difference to the recipient.

PDLT

The trustee intends to continue to support funding academic research and events as proposed by the RAB, with further grants of up to £150,000 per year in total approved within PDLT using the same processes which currently apply.

Following a review of PD Leake's Will and the Charity Commission Register, in which the objects of the PDLT were defined as, 'The advancement of the Science of Accounting and knowledge of Political Economy, including the subject of Public Finance and Taxation', it was assessed that in addition to current applications, PDLT funds can be used to provide educational bursaries to postgraduate students. The Board therefore agreed that bids for post graduate educational bursaries be considered in future funding rounds from 2023. The Board also discussed the amount of funding to award to postgraduate students and from which universities those students should be selected and agreed that funding should be at the same level as for undergraduate bursary students and that bursaries should be awarded, initially, to postgraduate students at the universities at which undergraduate students are currently being supported.

CATER

The trustee intends to promote and support the on-going development of a world-class library and information service for the accountancy profession as well as the advancement of an education and training programme. This will include further development of the library collection, digitising the resources, developing the library management system and promoting LIS services.

CAPET

The Trustee intends to continue to award prizes in connection with ICAEW's examinations.

At the November 2021 CAT meeting, the trustees unanimously supported the proposal to allocate £150k per annum from 2022 onwards for the duration of two to three years from CAPET reserves to fund new UK bursaries. This is in line with the secondary objects of CAPET.

RESERVES LEVELS AND POLICY

All the charities administered by the trustee depend on investment income for the funding of their annual charitable expenditure. Only the Foundation's unrestricted income reserves (augmented from time to time by drawing down from its discretionary expendable endowment to cover exceptional spending) are expendable entirely at the trustee's own discretion. Therefore, the unrestricted income of the educational trusts is all accounted for in these combined accounts as restricted income. However, the trustee's reserves policy for each of the charities is separately determined and reported as below.

Foundation

The trustee believes that the trust should aim to have free reserves of at least the existing commitments and one year's prospective commitments plus one year's administrative expenses. At 2021 levels this would imply carrying free reserves of £308,000. However, the current level of unrestricted funds is felt to be sufficient as the trust also holds the discretionary expendable endowment. The trustee monitors and reviews the level of income reserves taking into account this endowment at each Board meeting.

As at 31 December 2022 unrestricted reserves stood at £183,000 (2021: £152,000) and an expendable endowment of over £2.2m.

The Foundation depends on investment income from the discretionary endowment resulting from its ongoing Foundation Campaign appeal, whose terms of trust have created an expendable endowment for the funding of the Foundation's charitable activities contemplated by the donor. Any unused donations and their investment returns are expendable at the trustee's own discretion.

CATER

CATER mainly depends on voluntary income for the funding of its charitable expenditure on educational purposes. With this in mind, the trustee's reserves policy requires a minimum of six months and a maximum of 12 months' of CATER expenditure as freely available income reserves. As at 31 December 2022 CATER's undesignated free reserves were £735,000 equating to 12 months' expenditure, as per the maximum level under this policy (2021: 14 months).

PDLT

The trustee believes it is prudent to keep a balance of at least the existing and one year's prospective commitments and one year's administrative expenses in unrestricted PDLT reserves against the risk of a sustained decline in investment income. This is based on an average of the last three years results and would require maximum income reserves of £195,000. Unrestricted reserves as at 31 December 2022 amounted to £841,000, which equated to 52 months total expenditure (2021: £798,000). The cumulative increase in reserves over the past few years is as a result of the following factors:-

- we have had some significant write-backs over the past few years from some projects and events.
- the quality or relevance of the research proposals received has been disappointing. We are committed to ensuring that only the highest quality and most relevant projects are approved for funding and we have turned down a number of projects.
- In 2022 the continued changes brought about the global Covid-19 pandemic continued to affect research activities and events alike. Many events moved to a hybrid arrangement resulting in increased participation and a reduction in costs.

Following a review of PD Leake's Will and the Charity Commission Register it was assessed that in addition to current applications, from 2023, PDLT funds can be used to provide educational bursaries to postgraduate students. This decision will reduce reserves over the long term.

CAPET

The trustee believes it is prudent to keep a minimum of two years' forecast examination prize expenditure and a maximum of three times forecast total expenditure in unrestricted income reserves against the risk of a sustained decline in investment income. That would indicate income reserves of between £64,000 and £168,000. The reserves of £740,000 as at 31 December 2022 are in excess of the reserves policy (2021: £889,000: in excess of policy). In line with Capet's secondary objectives, the trustees approved additional annual expenditure of £75,000 for 2020-2021 to fund student bursaries. This was reviewed again at the November 2021 board meeting and approval given to increase this to £150,000 for 2022-2024, this will bring reserves below the maximum level over the medium term.

The trustee monitors and reviews the level of reserves for all of the charities above at each meeting of its directors.

MAJOR RISKS

The principal risks faced by the charitable trusts as identified by the trustee lie in the performance of investments and operational risks from ineffective grant making and, more fundamentally, major incidents such as fluctuations in interest rates, inflation, cyber-attacks, global pandemics, political unrest and the effects of terrorist activity.

The trustee considers the volatility of investment returns and long-term losses on the permanent endowment fund to be the charity's major financial risk. It accepts some short-term variability as part of its long-term investment strategy. This is mitigated by retaining the appropriate expertise from the investment managers and by having a diversified investment portfolio.

The reputational risk from making inappropriate grants is managed by a reporting and review process. This assists us in keeping track of developments and to focus on the public benefit derived from our funding of their work.

Major incidents could disrupt Library operations and result in loss of property, data and staff. The Library participates in ICAEW's business continuity plans which are subject to regular review.

The trustee has an established risk analysis process which identifies the major risks to which the charitable trusts are exposed and the ways in which those risks can be mitigated. The risk analysis is reviewed on a regular basis.

The Directors regularly review current practice against the charity governance code.

INVESTMENT POLICY AND PERFORMANCE

All the charitable trusts' investments are pooled in CACIP.

The trustee regularly reviews its Investment Policy to ensure the suitability of investments for the participating charitable trusts, in line with the Trustee Act 2000, adequate diversification and adherence to the internationally recognised Principles of Responsible Investment (PRI).

Waverton Investment Management Limited manage the endowment and part of the cash fund. These were previously managed by Cazenove Capital Management until September 2021.

Royal London Asset Management also manage part of the trusts cash fund.

The trustee's aim for the endowment funds is to generate resources on a recurring basis for spending on the objectives of the Foundation and other charities at a sustainable rate, while seeking sufficient capital growth over the long term to ensure that the endowment's real spending power is maintained.

Endowment funds are invested to provide an optimal mix of income returns and long-term capital growth. Distributable funds are invested to provide a secure income and to reduce the risk of substantial fluctuations in capital values.

The endowment investments are managed via a discretionary fund manager for long term capital growth and the short-term investments are also managed on a discretionary basis for the best income return at minimal risk to capital, in both cases within policy guidelines set by the trustee.

The trustee receives regular investment performance reports and reviews them against industry benchmarks as detailed in the table below.

Endowment Funds

Total Return Net of Fees	1 Month	3 Month	6 Month	Inception 02/03/2021
Portfolio Percentage Return	-3.97%	1.42%	0.46%	6.55%
Balanced Index	-3.73%	2.88%	0.17%	-0.79%
ARC Steady Growth Index	-1.58%	2.62%	0.95%	-1.41%
CPI + 3.0%	0.61%	3.39%	5.79%	22.56%

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Liquid Funds

Total Return Net of Fees	1 Month	3 Month	6 Month	Inception 30/04/2021
Portfolio Percentage Return	-1.75%	1.31%	-1.27%	-3.39%
Balanced Index	-3.32%	3.26%	-1.09%	-6.83%
ARC Steady Growth Index	-1.15%	2.24%	0.24%	-4.97%
CPI + 3.0%	0.58%	3.28%	5.57%	19.98%

Combined investments at the end of 2022 stood at £15.4m (2021: £16.8m), comprising of £13.2m in the endowment fund and £2.2m of liquid assets as detailed in the table below. This decrease in value of the portfolio is mainly attributable to unrealised market losses of £1.3m (2020: £1.6m gain). The overall decline in global stock markets can be attributed to the fallout from the conflict between Russia and Ukraine, recovery from the Covid 19 pandemic and increased inflation due to increased energy costs and shortages of some goods.

Income generated was £0.32m (2021: £0.27m).

£'000	YTD movement in					
	funds	Dec 22	Sept 22	June 22	Mar 22	Dec 21
Equity Funds (Waverton)	(1,245)	13,224	13,115	13,269	14,079	14,469
Total Equity Funds	(1,245)	13,224	13,115	13,269	14,079	14,469
Liquid Funds (Royal London)	6	916	1,225	1,002	966	910
Liquid Funds (Waverton)	(172)	1,280	1,273	1,316	1,416	1,452
Total Liquid Funds	(166)	2,196	2,498	2,318	2,382	2,362
Total Funds	(1,411)	15,420	15,613	15,587	16,461	16,831

The rise and fall of inflation was the main economic story of 2022. The financial boom of 2021, caused by the reopening of the global economy following the pandemic, gave way to something of a bust last year as a mismatch between supply and demand led to a rise in inflation to multi-decade highs. This inflation has brought about a rapid central bank tightening cycle and has had a significant impact on both the economy and financial markets. The perceived wisdom is that bonds and equities are negatively correlated: fixed income has traditionally offered a degree of portfolio protection during periods of equity market stress, hence the popularity of the traditional 60:40 portfolio.

Last year saw both bonds and equities fall, leaving few places to hide. The fourth quarter of the year did, however, present a chink of light as a series of months saw progressively lower headline inflation, leading the markets to believe that an end to monetary tightening will be upon us after just a few more rate rises. This greater confidence that the worst is behind us on the inflation front contributed to a fall in bond yields in November.

CUSTODY OF INVESTMENTS

All cash and investments managed by the investment managers are held on CACIP's behalf at independent custodians, in the name of the custodian's nominee company. Cash awaiting investment is held by the investment manager as clients' money according to the rules of the Financial Conduct Authority and is deposited to earn interest with the custodian or a wholly owned subsidiary of the custodian.

As at 31 December 2022, the trustee has received and relied upon confirmations from the investment managers as to proper custodianship of investments. It has also received and relied upon confirmation from their respective auditors that, in their opinion, the internal controls and systems of each organisation are sufficient to prevent or detect material errors or irregularities.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee prepares the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charities and of the incoming resources and application of resources, including the income and expenditure, of the charities for that period. In preparing these financial statements, the trustee is required to:

- select the most suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation or a linked charity will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities' transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deeds or other governing documents. The trustee is also responsible for safeguarding the assets of the Foundation and its linked charities and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditor to the ICAEW Foundation, Haysmacintyre LLP is proposed for reappointment.

Approved by the trustee's board of directors on 27 July 2023 and signed on their behalf by



William Arthur Bailey
Chairman

ICAEW FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF ICAEW FOUNDATION

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF ICAEW FOUNDATION

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee for the financial statements

As explained more fully in the trustee's responsibilities statement set out on page 28, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of the meeting minutes of the trustee's directors;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions or in seldom used accounts and those that significantly impact on the result or financial position of the charity; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather

ICAEW FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF ICAEW FOUNDATION

than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustee, for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditor
10 Queen Street Place
London
EC4R 1AG

Date: **18th August 2023**

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 20

ICAEW FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted income funds 2022 £'000	Restricted income funds 2022 £'000	Endowment funds 2022 £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from:						
Donations and legacies	3	33	703	4	740	754
Income from investments	4	48	275	-	323	269
Total income		81	978	4	1,063	1,023
Expenditure on:						
Charitable Activities						
Grant funded and direct	6	(183)	(145)	-	(328)	(353)
Library	7	-	(729)	-	(729)	(690)
Raising funds						
Investment management fees	5	-	-	(67)	(67)	(66)
Total expenditure		(183)	(874)	(67)	(1,124)	(1,109)
Net (losses)/gains on investments	8	(17)	(144)	(1,180)	(1,341)	1,708
Transfer between funds	13	150	(150)	-	-	-
Net income and movement of endowed funds for the year		31	(190)	(1,243)	(1,402)	1,622
Reconciliation of funds:						
Fund balance brought forward at 1 January	13	152	2,506	14,140	16,798	15,176
Fund balance carried forward at 31 December	1	183	2,316	12,897	15,396	16,798

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

BALANCE SHEET AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Fixed assets	8/9	15,420	16,832
Current assets			
Debtors	10	278	280
Cash and cash equivalents		142	90
		420	370
Creditors: amounts falling due within one year	11	(381)	(337)
Net current assets		39	33
Total assets less current liabilities		15,459	16,865
Creditors: amounts falling due after more than one year	11	(63)	(67)
Total net assets		15,396	16,798
The funds of the charitable trusts:			
Endowment capital (permanent & expendable)	13	12,897	14,140
Restricted income	13	2,316	2,506
Unrestricted income	13	183	152
Total funds	12	15,396	16,798

Approved and authorised for issue by the trustee's board of directors on 27 July 2023 and signed on their behalf by:



William Arthur Bailey
Chairman

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £'000	2021 £'000
Net movement in funds	(1,402)	1,622
Cash flows from operating activities		
Deduct gains/add back losses on investments	1,341	(1,708)
Decrease/(increase) in debtors	2	(106)
Increase in creditors	40	54
Net cash used in operating activities	(19)	(138)
Cash flows from investing activities		
Purchase of investments	(3,612)	(16,464)
Proceeds of sales of investments	3,735	16,590
Net movement in cash held not yet invested	(52)	36
Net cash provided by investing activities	71	162
Change in cash and cash equivalents in the year	52	24
Cash and cash equivalents brought forward	90	66
Cash and cash equivalents carried forward	142	90

No separate analysis of changes in net funds has been presented as the charity has no borrowings in the current and prior year.

The accompanying notes form part of these financial statements

1 Accounting policies

Accounting convention and basis of preparation

- a. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

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

- b. The trust constitutes a public benefit entity as defined by FRS 102.
- c. The financial statements of the Foundation aggregate a number of charitable trusts under the authority of a uniting direction from The Charity Commission as set out in the Trustees' Annual Report. These separate trusts are presented as restricted funds within these financial statements.
- d. The investments of The Foundation and its linked charitable trusts are subject to a pooling arrangement under CACIP. The underlying investment additions, purchases and movements in cash held not yet reinvested are all reported in the Statement of Cash Flows under cash flows from investing activities.

Going concern

- e. After reviewing the forecasts, projections and giving consideration to the current position of the world economy with regard to inflation, interest rates and market fluctuations as a result of the unfolding crisis in Ukraine, the trustee has a reasonable expectation that the Foundation and each linked charity has adequate resources to continue in operational existence for the foreseeable future. Careful management of grant liabilities and the availability of cash presented within fixed asset investments are considered when reviewing our year end results which present net current assets. The trustee therefore continues to adopt the going concern basis in preparing its financial statements for the charities.

Income recognition

- f. All income is recognised once the charity has an entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- g. Gift aid is allocated between the restricted and unrestricted funds of each charitable trust in line with the qualifying donations accruing thereto.
- h. Investment income is taken into account on entitlement.
- i. Voluntary income is recognised when receivable. Donations in kind reflect governance costs directly funded by ICAEW.
- j. The surplus or deficit on a partial investment sale is calculated pro rata to the cost of the investment.

Expenditure recognition

- k. Grant making includes grants payable and the associated support costs. Grants are accounted for in the year they are approved, irrespective of the period they cover except for performance-related grants, which are accounted for only when the beneficiary has met the performance conditions. Grants awarded but not yet paid are recorded as grant commitments in the balance sheet.
- l. Governance costs. ICAEW holds a blanket indemnity insurance policy for all employees and directors. The amount allocated to the charitable trusts is estimated based on the number of people covered by the scheme. Governance costs also include annual external audit fees and any costs reimbursed in respect of out-of-pocket expenses of the trustee's directors. The trustee does not receive any remuneration or other benefits for its services.

- m. Costs of raising funds. The costs of generating funds consist of investment management costs and applicable legal fees.
- n. Expenditure on charitable activities. Costs of charitable activities include grants made, governance costs and support costs as applicable.

Other

Taxation

- o. The Foundation and constituent charities are exempt from corporation tax on income and gains applied in furtherance of their charitable objects so there is no liability in respect of its activities.

Tangible fixed assets

- p. Tangible fixed assets are stated at cost. The Foundation only capitalises items costing more than £1,000 or where groups of assets are collectively worth more than this threshold at the time of purchase. Depreciation is charged on a straight line basis over the estimated useful economic lives of the assets, set at three years.

Fixed asset investments

- q. Listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. The Statement of Financial Activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals during the year.

Cash and cash equivalents

- r. Cash and cash equivalents includes cash in hand, deposits held in banks and other short-term highly liquid investments with original maturity of three months or less.

Fund accounting

- s. Endowment funds consist of both permanent endowment funds and expendable endowment funds. Permanent endowment funds represent amounts for which the capital must be retained. Expendable endowment funds are considered to be those unused donations which have been invested alongside the charity's permanent endowment funds in order to generate investment returns. They remain expendable for the furtherance of the charity's objectives. Restricted funds are funds which are subject to restrictions imposed by donors or have been raised by the charity for particular purposes.
- t. The trustee identifies those funds which are expendable in full alongside those generated through investment returns as set out in the Investment Policy and Performance section of the annual report.

2 Statement of financial activities 2021 comparison by fund

	Unrestricted income funds 2021 £'000	Restricted income funds 2021 £'000	Endowment funds 2021 £'000	Total 2021 £'000
Income and endowments from:				
Donations and legacies	47	703	4	754
Income from investments	41	228	-	269
Total income	88	931	4	1,023
Expenditure on:				
Charitable Activities				
Grant funded and direct	(159)	(194)	-	(353)
Library	-	(690)	-	(690)
Raising funds				
Investment management fees	-	(2)	(64)	(66)
Total expenditure	(159)	(886)	(64)	(1,109)
Net gains/(losses) on investments	11	77	1,620	1,708
Transfer between funds	78	(78)	-	-
Net income and movement of endowed funds for the year	18	44	1,560	1,622
Reconciliation of funds:				
Fund balance brought forward at 1 January	134	2,462	12,580	15,176
Fund balance carried forward at 31 December	152	2,506	14,140	16,798

3 Donations and legacies

Unrestricted fund

Foundation donations
Gift aid tax relief on foundation donations
Donations in kind

Restricted Fund

Gift aid donations from ICAEW
Voluntary Foundation Income
Donations in kind

Endowment Fund

Foundation donations

	2022 £'000	2021 £'000
	32	44
	-	2
	1	1
	33	47
	700	700
	-	-
	3	3
	703	703
	4	4
	740	754

4 Income from investments	2022 £'000	2021 £'000
Unrestricted Funds		
Index trusts	48	41
	48	41
Restricted Funds		
Fixed interest securities	32	16
Index trusts	243	212
	275	228
	323	269

5 Cost of raising funds	2022 £'000	2021 £'000
Investment managers fees	67	66
	67	66

6 Expenditure on grant funded and charitable activities undertaken directly	Unrestricted £'000	Restricted £'000	Endowment	2022 £'000
Grant making activities				
Humentum	6	-	-	6
Sub-total grants	6	-	-	6
Foundation grants approved	170	-	-	170
PDLT grants approved	-	63	-	63
Grants written back (no longer required)	(12)	(7)	-	(19)
Total grants	164	56	-	220
Activities undertaken directly				
Exam prizes	-	34	-	34
Support and governance costs				
Management and support costs	19	42	-	61
Audit fee	-	11	-	11
Indemnity insurance and other trustee director's expenses	-	2	-	2
Total Expenditure on grant funded and charitable activities undertaken directly	183	145	-	328

6 Expenditure on grant funded and charitable activities undertaken directly - 2021 comparison	Unrestricted £'000	Restricted £'000	Endowment	2021 £'000
Grant making activities				
Humentum	6	-	-	6
	6	-	-	6
Sub-total grants				
Foundation grants approved	133	1	-	134
PDLT grants approved	-	103	-	103
Grants written back (no longer required)	-	(23)	-	(23)
Total grants	139	81	-	220
Activities undertaken directly				
Exam prizes	-	67	-	67
Support and governance costs				
Management and support costs	20	34	-	54
Audit fee	-	10	-	10
Indemnity insurance and other trustee director's expenses	-	2	-	2
Total Expenditure on grant funded and charitable activities undertaken directly	159	194	-	353

Trustee expenses reimbursed during 2022 in relation to travel costs were £1k (2021: £nil). The trustee directors did not receive any remuneration or other benefits for their services during the year (2021: £nil).

7 Library expenditure

	2022 £'000	2021 £'000
Cost of ICAEW seconded staff	241	232
Books and journals	255	214
Accommodation and facility costs	221	222
Office services and computer costs	12	22
	488	458
Total	729	690

The ICAEW Foundation has no employees. All library staff are employees of ICAEW who are seconded to the library and the related employment costs are met by the charity. An average of 5.7 employees were seconded from ICAEW for the year (2021: 5.0 employees).

8 Movements in participating charities' interests in pooled investments

	Balance at 1 January 2022 £'000	New money invested £'000	Amounts withdrawn £'000	Investment income £'000	(Losses)/ Gains on investments £'000	Balance at 31 December 2022 £'000	Note: Fees not yet debited £'000
CAPET	5,704	-	(219)	112	(467)	5,130	(6)
PDLT	7,779	-	(124)	150	(617)	7,188	(8)
Foundation	2,698	150	(160)	48	(198)	2,538	(3)
CATER	651	700	(741)	13	(59)	564	-
Total	16,832	850	(1,244)	323	(1,341)	15,420	(17)

9 Investments

	2022 £'000
Market value at 1 January	16,832
Additions	3,612
Net cash movement in year not yet invested	52
Disposal proceeds	(3,735)
Losses on investment	(1,341)
Market value at 31 December	15,420

Investments at market value comprised:

Equity funds – UK	1,370
Equity Funds – outside the UK	7,340
Bonds	2,235
Alternatives	1,992
Waverton Cautious Portfolio	1,268
Royal London Cash Plus Fund	916
Cash	299
	15,420

Historical cost:

Restricted fund	2,250
Endowment fund	12,900
	15,150

10 Debtors

	2022 £'000	2021 £'000
Amounts owed by group and related undertakings	12	15
Prepayments and accrued income	266	265
	278	280

11 Creditors

Due within one year:

Grants payable	258	257
Accruals	64	53
Tax and social security	5	5
Amounts owed to group and related undertakings	54	22
	381	337

Due after one year:

Grants

	2022	2021
	£'000	£'000
	258	257
	64	53
	5	5
	54	22
	381	337
	63	67
	444	404

12 Analysis of net assets between funds

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2022 Total £'000	2021 Total £'000
Investments at market rate	512	1,684	13,224	15,420	16,832
Other net (liabilities)/assets	(329)	632	(327)	(24)	(34)
Total value of the fund	183	2,316	12,897	15,396	16,798

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2022 Total £'000	2021 Total £'000
CAPET	-	740	4,380	5,120	5,704
PDLT	-	841	6,273	7,114	7,693
Foundation	183	-	2,244	2,427	2,582
CATER	-	735	-	735	819
	183	2,316	12,897	15,396	16,798

Analysis of net assets between funds - 2021 comparison

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2021 Total £'000
Investments at market rate	481	1,882	14,469	16,832
Other net (liabilities)/assets	(329)	624	(329)	(34)
Total value of the fund	152	2,506	14,140	16,798

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2021 Total £'000
CAPET	-	889	4,815	5,704
PDLT	-	798	6,895	7,693
Foundation	152	-	2,430	2,582
CATER	-	819	-	819
	152	2,506	14,140	16,798

13 Summary of 2022 fund movements by trust and prior year comparison:

Unrestricted funds

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2021 £'000
Foundation	134	88	(159)	78	11	152
Total	134	88	(159)	78	11	152

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
Foundation	152	81	(183)	150	(17)	183
Total	152	81	(183)	150	(17)	183

Restricted funds

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2021 £'000
CAPET	932	94	(88)	(78)	29	889
PDLT	750	130	(99)	-	17	798
CATER	780	707	(699)	-	31	819
Total	2,462	931	(886)	(78)	77	2,506

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
CAPET	889	113	(56)	(150)	(56)	740
PDLT	798	151	(79)	-	(29)	841
CATER	819	714	(739)	-	(59)	735
Total	2,506	978	(874)	(150)	(144)	2,316

The above restricted funds are trust income that must be spent on that specific charity's general purposes at the discretion of the trustee as detailed on page 5. During the year, the trustees approved a transfer from CAPET of £150,000 to the Foundation to fund bursaries. This is in line with the secondary objectives of CAPET.

Endowment funds

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2021 £'000
CAPET	4,273	-	(22)	-	564	4,815
PDLT	6,119	-	(32)	-	808	6,895
Foundation	2,188	4	(10)	-	248	2,430
Total	12,580	4	(64)	-	1,620	14,140

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
CAPET	4,815	-	(24)	-	(411)	4,380
PDLT	6,895	-	(34)	-	(588)	6,273
Foundation	2,430	4	(9)	-	(181)	2,244
Total	14,140	4	(67)	-	(1,180)	12,897

CAPET and PDLT's endowment funds are permanent but the Foundation endowment is expendable for general purposes at the discretion of the trustee in furtherance of the objects of that charity as set out in the trustee's report on page 5. During the year no transfers were made from the expendable endowment (2021:nil).

14 Library book stock

The working stock of the library was originally donated by ICAEW to CATER and is currently valued for insurance purposes at £900,000 (2021: £1,000,000). The stock is not included on the balance sheet but library expenditure includes the cost of maintaining and adding to it. The aggregate cost and depreciation of the library stock is not known and cannot be estimated with any reasonable degree of accuracy. Additions during the year are expensed as incurred and included within library expenditure as they are below the capitalisation threshold.

15 Related party transactions

There is an agreement between CAT and ICAEW to provide administrative services to the Foundation and linked charities. The total of the transactions amounted to £221,000 (2021: £221,000), in addition to the costs of the library. At the year end £42,000 (2021: £7,000) was owed to ICAEW. Management and miscellaneous support costs include direct costs and related charges on a time spent basis and an allocation of overheads split between CATER, PDLT, CAPET and the Foundation.

In addition, the trust awards grant funding to the ICAEW to support the Information for Better Markets programme. ICAEW members provide financial knowledge and guidance based on the highest professional, technical and ethical standards. They develop and support individuals, organisations and communities to help them achieve long-term, sustainable economic value. The total awarded in 2022 was £39,000 (2021: £41,000).

ICAEW provide gift aid to support the running of the Library. This amounted to £0.7m for 2022 (2021: £0.7m). CATER make an annual charge to the ICAEW for staff use of Library services; this amounted to £25,000 (2021: £17,000).

All library staff are employees of ICAEW who are seconded to the library and the related employment costs are charged to the charity. This amounted to £241,000 for 2022 (2021: £232,000).

There were no transactions with CAT or its directors in the year and prior year other than the reimbursement of expenses as set out in Note 6 to the accounts.

16 Group financial statements

ICAEW is the beneficial owner of the shares in CAT, the sole trustee of the Foundation. ICAEW is a body incorporated by Royal Charter in the United Kingdom (Company registration no. RC000246).

Under International Financial Reporting Standards ICAEW has prepared group financial statements which include the results and net assets of the Foundation and linked charities as well as any non-UK charities CAT administers. You can read the group financial statements online at www.icaew.com/review, or you can request a copy from the Chief Financial Officer, The Institute of Chartered Accountants in England and Wales, Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ.

ADVISERS, AGENTS AND ADMINISTRATOR

Investment managers:	Royal London Asset Management 55 Gracechurch Street London EC3V ORL
	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH
Independent auditor:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Solicitors:	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
Bankers:	National Westminster plc 501 Silbury Boulevard Saxon Gate East Milton Keynes MK9 3ER
Administrator	Jennifer Smith Governance Manager ICAEW Chartered Accountants' Hall 1 Moorgate Place London EC2R 6EA

ICAEW FOUNDATION

England & Wales - Charity number 313983

Accounts



Registered Charity No. 313983

ICAEW FOUNDATION

and its linked charities

TRUSTEE'S ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2021

ICAEW FOUNDATION

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THE LINKED CHARITABLE TRUSTS AND THEIR SOLE CORPORATE TRUSTEE

The names and registration numbers of the ICAEW's charitable trusts linked with the Foundation on the Charity Commission website, and which although separately administered are accounted for as if they and the Foundation were a single charity, under the authority of a uniting direction from the Charity Commission, are as set out below:-

313983-001	The Chartered Accountants' Charities Investment Pool (CACIP)
313983-002	P D Leake Trust (PDLT)
313983-003	Chartered Accountants' Trust for Education and Research (CATER)
313983-009	Chartered Accountants' Permanent Education Trust (CAPET)

The sole trustee of all these charities is Chartered Accountants' Trustees Limited (CAT). The directors of the Trustee company at present and those in office during the period covered by this report are:

William Arthur Bailey	Chairman
Shauna Bevan	
Susan Smith	
Andrew Wauchope	
Michael Hicks	
Andrew Ratcliffe	

Further administrative information will be found on page 41.

The registered office of the trustee and principal office of each of the charities is:

Chartered Accountants' Hall
1 Moorgate Place
London EC2R 6EA UK

PUBLIC BENEFIT AIMS

The trustee presents its annual report and financial statements for ICAEW Foundation (the Foundation) which include its linked charities for the year ended 31 December 2021.

The aim of the Foundation is to support and provide donations to bodies, charitable trusts or funds for the public benefit in areas which are of particular interest to the Institute of Chartered Accountants in England and Wales (ICAEW).

The aims of the linked charities (apart from CACIP which is CAT's collective investment vehicle) are as follows:

- CATER: the advancement of education, particularly in accounting and related subjects, by maintaining and operating the ICAEW library and by supporting qualifying education and research projects initiated by the ICAEW and others;
- CAPET: the advancement of education, particularly in accounting and related subjects, by funding the prizes awarded through ICAEW's examinations and funding bursaries in accordance with the secondary objectives of the trust;
- PDLT: the advancement of the sciences of accounting and political economy, including public finance and taxation, by funding academic research projects and events.

When pursuing these public benefit aims and when setting annual objectives and planning future activities, the trustee has given due consideration to the Charity Commission's general and sub-sector guidance on public benefit.

STRUCTURE, ORGANISATION AND MANAGEMENT

The Foundation is governed by a Deed of Trust last updated on 18 May 2007.

CATER is governed by an administrative scheme of December 1971 made by the Secretary of State for Education and Science. Chartered Accountants' Library Limited (CALL) is a wholly-owned subsidiary trading company of CATER.

CAPET is governed by a Charity Commission scheme of October 1975.

PDLT (the 1952 will trust of the late Percy Dewe Leake) is governed by an October 1975 Charity Commission scheme.

CACIP, the investment pooling charity, is established and governed by a Charity Commission scheme of December 1996.

ICAEW is the beneficial owner of the shares of CAT, which has no corporate assets and is active only as sole trustee of the charities and so is dormant for accounting under company law. In accordance with IFRS10, however, the financial statements of all the charities administered by CAT are consolidated in ICAEW's financial statements.

Details of the charities' transactions with related parties are shown in the notes to the financial statements.

Appointment of trustee's directors

The directors of CAT are proposed by ICAEW's nominating committee and are appointed to CAT by CAT's Board of Directors.

Term of appointment as a director of CAT

The Articles of Association of CAT do not limit the term of appointment. However, by agreement with ICAEW, the trustee directors normally hold office for eight years at a maximum, and the chairman for five years maximum, having served at least one year as a trustee director before becoming chairman.

Induction and training

As part of their induction, new directors of CAT are given a briefing pack which includes information relating to the powers and responsibilities of CAT as a corporate trustee, copies of papers and minutes of board meetings, copies of annual reports and financial statements of the trusts and information relating to the work of the charitable trusts it administers. An opportunity is offered to new trustee directors to meet with the chair and existing trustee directors and members involved in managing the trusts to obtain briefing on the grant making process.

The trustee directors consider periodically whether further training on their role and responsibilities as directors is needed as part of their terms of appointment. Where it is considered appropriate, regular updates and training are provided in conjunction with the charities' investment, other advisers and other external sources.

Directors' Meetings

The trustee directors meet at least three times a year, in order to manage the charities, to review investment and financial performance, to assess new grant applications and to consider feedback and reports on previous grant awards.

The trustee directors have appropriate policies and procedures in place for managing any conflicts of interest arising in the course of its trusteeship.

Key management personnel remuneration

The CAT Board considers the trustee's directors and the Head of the Library & Information Services (LIS) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The trustee's directors give their time freely. Details of expenses claimed and related party transactions are disclosed in notes 7 and 17 to the financial statements.

The pay of the head of LIS is borne by ICAEW and reviewed annually in accordance with the ICAEW remuneration policy.

STRATEGY FOR ACHIEVING OBJECTIVES

Foundation

The trustee's strategy is to make grants for selected initiatives where the contribution made by the trust can make a positive difference to the outcome.

The initiatives supported within the trustee's ongoing aims and objectives can be summarised as follows:

- **Bursaries**
Offering life-changing opportunities to talented individuals who may not otherwise have the opportunity to join the next generation of finance professionals.
- **Prizes**
Rewarding academic excellence and outstanding contributions to society as an inspiration to others.
- **Research and PhD fellowships**
Supporting high quality research that challenges perceptions of the future of accounting and finance.
- **Teaching fellowships**
Fostering change in education, bringing to academic tuition the practical insight for which the profession is renowned.
- **Library services and heritage**
Preserving and enhancing through CATER (see below) ICAEW's heritage that symbolises its position as a most highly respected professional body.

GRANTMAKING AND POLICY

Foundation

Any applications for grants and bursaries are put to the CAT Board for approval via the Foundation office. If a bursary to a university is approved then a Memorandum of Understanding is signed by both parties. As the volume of grants increases a panel of advisors may be established to assist the CAT Board in the process of making grants.

CATER & PDLT

The trustee has a process for the review of grant applications. The Research Advisory Board (RAB) considers all grant applications for research projects and events and makes its recommendations to the trustee. Each grant application includes details of the purpose and contribution of the research project or event and a summary of expected expenditure under such headings as:

- staff costs
- travel costs
- research instruments and access to data sources
- other relevant specified costs.

The RAB also commissions leading academics, from both the UK and around the world, to write papers and present on issues of key importance to the accountancy profession, particularly on aspects of financial reporting. An annual conference and lecture are both held at which these papers are presented before they appear in a special issue of the journal *Accounting and Business Research*. Requests for funding for the papers and events are put to the trustees in the usual way.

The RAB meets three times a year. It includes senior academics from various universities, including at least one overseas university, as well as other practitioner members. Where appropriate, members of the RAB personally interview the person or team making the grant application, and always obtain independent academic and practitioner reviews.

The trustee may at its own discretion accept or reject any grant application which has been considered by the RAB.

The charitable trusts are committed only to reimburse qualifying research expenditure incurred, together with buyout replacement teaching if appropriate.

The trustee encourages the publication and distribution of the grantees' research findings to the widest possible audience. This may be through ICAEW to its members and others or by other academic journals and external publishers.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The trustee gratefully acknowledges the assistance of ICAEW and its help in publicising the work of the charitable trusts.

CATER's budget for the ICAEW Library is formally reviewed with the Head of the LIS each year to review progress against budget, progress with ongoing development of the LIS and to agree priorities for the year ahead. The resources spent on this service in 2021 amounted to £690,000 (2020: £684,000).

CAPET

The trustee's policy is to:

- assist with the general professional education of suitable persons who are preparing for, entering or engaged in the profession of accountancy, such as by providing books or paying fees, subject to applicants meeting the trustee's criteria for grant eligibility.
- award prizes in connection with ICAEW's examinations.

CACIP

This charity exists only to manage the pooled investments of the above charities administered by CAT.

FUNDRAISING

Foundation

The Foundation launched in 2007. In 2009, professional fundraisers 'Compton's' were appointed by the ICAEW to help raise funds to build the endowment portfolio. All professional fees in relation to Compton's were borne by the ICAEW.

Actual donations totalling £49,752 (including gift aid and accrued income) were received during 2021. Total pledges since the start of the campaign, including legacies, donations and gift aid, stood at £2,864,706 at the end of the year.

Since the beginning of the Foundation campaign, actual donations (which mainly accrued to expendable endowment capital) received up to 31 December 2021, including gift aid, were £2,189,706 before investment returns, and can be categorised as follows:

	£
Funds to be used at the trustee's discretion	1,382,178
Bursaries	207,492
Prizes	110,378
Research	2,091
Library services and heritage	2,078
PhD fellowships	8,846
CABA awards	70,000
Combined Code Research Fund	104,783
PwC Flying Start Programme	100,000
Ernst & Young Smart Futures	36,000
Challenge 10 Initiative	38,140
Legacies	127,720
Total	2,189,706

The table below details the number of bursaries awarded by country to date:

COUNTRY	NUMBER OF BURSARIES AWARDED
UK	55
MALAWI	38
GHANA	18
CAMBODIA	10
SOUTH AFRICA	6
HONG KONG	6
CYPRUS	2
TOTAL	135

2021 ACTIVITIES AND ACHIEVEMENTS

FOUNDATION

Grant funded activities

Grants were made during the year to Humentum of £6,000 (2020: £6,000) The Foundation gives to Humentum to fund bursaries for its charitable training in accountancy to individuals working in non-governmental organisations.

Grants awarded

The main strategic focus of the Foundation is the creation and granting of bursaries. New bursaries will be funded from the income generated on the investment of current donations or the release of expendable endowment. Total bursaries awarded during the year were £140,000 (2020: £137,000). UK bursaries are usually awarded for a period of three or four years and are accrued in the accounts for the whole period in the first year when the bursary is approved. Therefore, the awards payable to UK universities shown in note 6 are for new bursaries, including amounts payable over future years.

The ICAEW Foundation Changing Futures Bursary Programme

To date, the ICAEW Foundation *Changing Futures* bursary programme has supported 63 undergraduate students of accountancy and finance in universities across the UK, and in Hong Kong and Cyprus.

- ICAEW members can see how their donations to the Foundation are making a real difference and having a positive impact. They may also be encouraged to engage with their local student.
- ICAEW Foundation is immensely proud of our work with students through the bursary programmes but we do need the support of our members to continue to grow our impact and reach.

Here are some of our student bursary recipient stories from this past year. You can read about the difference the bursary has made to these talented and ambitious individuals and how the educational experience has already nurtured and developed them.

Josephine Osei, Manchester Business School



I've always been grateful to receive the ICAEW bursary, and with the continuation of the pandemic this year, the funding has been even more beneficial. My final year has been very challenging and coupled with the Covid pandemic, there has been a lot of changes and adaptations but overall, it has been a very enlightening year. Throughout my third year I have learnt how to become more flexible and to remain resilient regardless of the changes that occur.

Studying from home was harder at first but got easier as the months progressed. One of the courses that I especially enjoyed was Business Law; I was able to learn through interactive teaching about current changes that are happening in the UK and other countries, broadening my

commercial awareness, as well as my knowledge in business and accountancy. Excitingly, I achieved an 85% result from my assignment.

One of the things that I am proud of completing this year, was becoming the student representative for third year accounting students on my course. This has been a great experience as I was able to liaise with the Head of the programme and the students. I was responsible for raising any issues, to create positive changes, that allowed my course mates to have a better learning experience. One of the changes I made was to restructure the layout of our student platform. I made it easier for students to identify which materials were relevant for specific lectures, and to clearly follow timetabling. As a result of the changes that I have been able to initiate and the fact that I was always willing to help, I was nominated for the most deserving of an award in the final year. These experiences have been very valuable for me and something that I will continue to cherish and be proud of.

In addition, I have been working towards the stellify award. This award is one of the most esteemed awards that is available for undergraduates at the University of Manchester. As part of this journey, I have completed over 100 hours of volunteering work as well as step into positions where I was leading extra-curricular activities. I believe through these and my other activities I am becoming a well-rounded individual who can adapt, take initiative, and lead in different situations that I'm presented with.

After I graduate, I aim to start completing my accounting professional exams. Through research, I found that I can get up to six exemptions from these exams thus I will be focusing on completing the remainder of the exams while working in an accountancy practice to build up my experience. I hope to become a qualified accountant at the end of my training.

The funding you've provided has been immensely helpful, particularly for travel as I had to go between Manchester and Milton Keynes (where my family are) throughout the pandemic. Therefore, the funding not only enabled me to buy study materials and concentrate on my final year, but it has also enabled me to be closer to my family during a really difficult year.

I would like to thank the ICAEW foundation for sponsoring me, and others like myself, to be able to continue our education, regardless of any challenges and difficulties that we face. I hope that I will be a successful accountant who is able to add value to the professional body, and additionally extend a helping hand to others in the future. Thank you once again for all for the support you've given me. I wish you the very best in all your endeavours.

Owen Bailie, Queens University, Belfast



As I come to the end of my undergraduate course, I was able to reflect upon my student experience that was made possible by the generous funding from the ICAEW Foundation. This scholarship allowed me to gain a lot more experiences during my time at university. The scholarship allowed me to reduce the amount of part time work that I was undertaking; this meant that I was able to focus more on my studies, which allowed me to attain my 2:1 degree classification. Thanks to the ICAEW Foundation I was able to gain a lot more understanding out of my degree and I am happy to say that I will be able to continue my studies as I have been accepted on to the MSc Advanced Accounting course at Ulster University which is being kindly sponsored by Deloitte.

The bursary also allowed me to travel home more often. This was very important as it meant that I was able to support my parents by looking after my younger siblings when it was needed. This allowed me to take the pressure of my parents especially during this difficult time. I was also able to develop more free time that allowed me to play rugby for my local team more often than I was able to previously. This allowed me to develop new skills, such as teamwork, and build new relationships with new people. This is something that I would not have been able to do without the support from the bursary, as this time would have been spent working in my part time job, to enable me to afford my university expenses.

In conclusion, I would like to thank the ICAEW Foundation for this amazing opportunity, which allowed me to make the most of my university experience without having to worry about the financial impact it would have on me. I find it difficult to put into words how thankful I am for this wonderful bursary. Without this support, I am certain that I would not have been able to gain so much out of my time at university.

I have just finished my second year of university. I am currently studying accounting at Queen's University Belfast.

I have also had the opportunity to apply for summer internships while at university. I was lucky enough to be selected for two programmes with two different companies. However, due to the unforeseen circumstances of the pandemic, one company has cancelled the programme for this year. I am looking forward to taking part in the other programme and I am hoping that this will give me a greater insight in what it would be like to work for a big 4 accounting firm.

In terms of future aspirations, my plan is to find work in an accounting firm as soon as I graduate. I also have the intentions of applying for a training contract with the view of qualifying as a Chartered Accountant.

Abdiraman Mohammed, recipient of The Beckingham Bursary, Manchester Business



This past year has been challenging. I was not able to acquire a placement at a firm as the lockdown continued into what would have been my year in industry. Although not ideal, I still had the motivation and drive to achieve my goal of securing a graduate role at an accounting firm.

The final year modules have been challenging because the topics were complex and required a higher level of critical analysis. However, I was passionate to learn more about specific areas in accounting and finance. For example, the Corporate Communication and Valuation module covered a more practical element of finance. I was required to produce a 30-page stock recommendation report, a personal essay regarding retail investors and institutional investors and an individual 32-page report on a company case study. With some hard work, I managed to receive a First grade.

Another module that I found interesting was Business Law 2. The module had a final exam and a group assignment in which 3 students are required to produce a video to explain a legal issue. I decided to produce a video on deferred prosecution agreements and whether it is practical for UK companies, because it is relatively a new concept in the UK. Again, I received a First and the video was named by the assessors as having the best reconstructions, notably the reconstruction regarding the Airbus case.

I've always enjoyed learning about new technologies, so I decided to participate in a program to improve my skills. I applied for a 12-week fast futures program organised by Avado in Sep 2020 and was pleased to be accepted. I learned about different IT programs over 12 weeks with other students in the program. It was great to collaborate and network with students from other universities. In addition, I had the amazing opportunity to collaborate with other firms such as BT and AstraZeneca. My mentor from the program was a manager at AstraZeneca and he has massively supported me in preparing for life after university.

I also worked with The North West Tax Clinic which is a charity that provides free personal tax advice to individuals with a low income, who have problems with their tax payments. The University of Manchester has started to collaborate with the charity, so I volunteered at the charity once a week.

Despite having some challenges this year, I am pleased to say that I managed to acquire an audit and assurance graduate role at Deloitte. I'm looking forward to working at the largest accounting and consulting firm in the world, later in the summer. Furthermore, when I start, I have an aim to inspire other individuals from disadvantaged backgrounds to achieve their career goals. Income inequality has been increasing and the effects can be seen from the reduction in living standards. My goal is to use my resources to contribute to local communities. I look forward to a future that is prosperous for the young generation.

Finally, I would like to thank you for your support - It's difficult to express your impact with words but I'm very grateful. The bursary enabled me to purchase a laptop and other IT demands, that were essential during the pandemic when everything went digital. I also have a part time job to support my family's essential needs such as food, Wi-Fi and utility bills. Therefore, the financial support from yourselves allowed me to solely purchase the necessary resources for my academic studies. It would be amazing if we had the opportunity to meet in the future and I thank you again for your drive to help change the lives of students. Thank you, I will forever be grateful.

Rebecca Callaghan, Queen's University, Belfast

In the face of much uncertainty and many challenges, 2020 was an unforgettable year. Adapting to a different way of life proved to be quite difficult, especially due to the move of university life online. However, I believe that this scholarship has provided me with a sense of security and has enabled me to adapt more easily to this new reality.

This scholarship has enabled me to dedicate more time to my studies and work less in my part-time job, which has consequently had a significant impact on my grades in my first year of university, as I have achieved all Firsts in my six modules throughout the year. In addition, due to the numerous lockdowns, as I work part-time in the hospitality industry it has been more difficult to have a steady monthly income. Therefore, this scholarship has helped me greatly financially and has helped me to afford everything necessary for a successful year at university including an iPad, printer, and textbooks.

I recently completed a summer internship with KPMG, and I have completed a short course with PwC's Talent Academy. These opportunities have allowed me to gain more knowledge and experience in the world of accounting and have enabled me to network and gain contacts for future job opportunities. It also motivated me to work my hardest at university to achieve my dream of becoming a Chartered Accountant. I strongly believe that this scholarship has given me the confidence to apply for these programmes and has helped me reach my full potential at university.

Despite learning online for the academic year, I was determined not to let this impact my wider student experience and I achieved my goal of learning Italian by attending Queens' online night classes. These classes have helped me further develop my communication and teamwork skills and have ensured that I am more culturally aware. This would not have been possible without the scholarship, as it required a lot of time and dedication, which I did not previously have as I worked more hours in my part-time job and as a result had less time to dedicate to extracurricular activities. Therefore, this scholarship has given me access to the range of opportunities that my university has to offer.

As I share a room with my sister, learning from home has proved to be quite challenging. However, this scholarship has enabled me financially to apply for accommodation for the next academic year. Consequently, this will minimise my distractions at home and prove to be very beneficial to my learning, while motivating me further as I will be surrounded by more young students.

In addition, this scholarship has allowed me to learn to drive which I think is one of the best investments that can be made. As it is quite costly, it has been something that I have been putting off for a few years, therefore I am extremely grateful to have been able to learn throughout my first year of university and hence this scholarship has helped me to invest in my future. Moreover, I have also been able to save a bit of money for my placement year in Spain. I have also been able to travel a bit over the summer to England, which would not have been possible without the scholarship. Hence, this scholarship has not only benefitted my education, but it has also enabled me to broaden my horizons and adopt a global mind-set. I would like to conclude by thanking you for all the opportunities I have been able to avail of due to this scholarship. I am extremely grateful for your generosity and the financial support you have provided me. I believe that this scholarship has aided me in affording the education that will help me achieve my long-term goal of becoming a Chartered Accountant – to which I am forever indebted.

Charlotte Douglas, University of Sussex



My time at the University of Sussex has now come to an end. I have made some brilliant memories and lifelong friends during my time at university and will sorely miss this chapter of my life.

I am thrilled to have achieved a First, scoring 80% in my degree overall. Whilst the last year and half has been very difficult due to the pandemic, the support and positivity from my fellow classmates and family helped me enormously through these hard times. I also recently got the news that I was in the top 5% in my year on the BSc Accounting and Finance course, which I couldn't believe! Unfortunately, there will be no graduation ceremonies for Sussex students this year, but I am looking forward to celebrating in 2022 at the graduation festival.

Whilst I am very happy with the results of my degree, I am even more proud and excited about my new job, which I secured during my exams. However, I did not give myself much time to celebrate – I started my job just three days after my last exam. I now work full-time as a trainee finance associate at RiverStone, which is part of the Lloyds of London Market. I am extremely happy working here. Everyone I have met so far has been very friendly and welcoming. I haven't had the chance to meet everyone in person yet because a lot of staff are still working from home, but more are slowly returning to the office as we are regaining a sense of normality again! I work in the Treasury Department and some of my responsibilities include making payments, GL analysis and bank reconciliations.

It is also amazing that the office is just a 10-minute walk through the beautiful Preston Park near my home in Brighton, where I am planning on living for the foreseeable future. I am really enjoying working full-time – I love having a routine and a goal to work towards. Additionally, once my 6 month probation has come to an end, I am going to start working towards completing my ACA exams with the ICAEW to become a qualified accountant.

The opportunities at RiverStone are very exciting – the company is growing and has been successful during the pandemic so I am really looking forward to where my career here will take me! I have loved my time studying at Sussex and am really happy to have secured the perfect job, especially under such difficult circumstances.

I would like to take this opportunity to say a final thank you for your continued support throughout my time at university. I have no doubt that the effects of your support will continue to help me succeed well into the future.

The ICAEW Foundation Building Futures Bursary Programme

Our Building Futures bursary programme, for students of new professional accountancy qualifications in Malawi, Ghana and Cambodia has allocated funds for 120 bursaries since its launch in 2015.

MALAWI (ICAM)

Ten bursaries to the value of £8,250 approved in 2020 but postponed due to the Covid 19 pandemic, were paid during the year. Funding of £3,000 was also approved and paid in the year to ICA Malawi to purchase 4 laptops for students studying its Level 2 ACA qualification.

GHANA (ICAG)

Six bursaries to the value of £8,250 approved in 2020 but postponed due to the Covid 19 pandemic were paid during the year.

During the year an additional £3,000 was awarded to Khadijah Iddris to assist in her PhD studies, helping her to realise her ambition of becoming a lecturer in finance. Khadijah previously featured in our foundation video in 2018.

CAMBODIA (KICPAA)

The first ever Cambodian professional accountancy qualification was delayed in its launch predominantly due to the impact of Covid 19. Nearly all students have been heavily impacted over the past two years as not only were they unable to get the usual part-time jobs to fund their studies but in addition, all universities/colleges remained closed throughout 2020 and most of 2021.

ICAEW International Capacity Building alongside the Foundation, continued to engage throughout the year with the national accountancy body KICPAA (Cambodia) (Kampuchea Institute of CPAs and Auditors) and ascertained that schools and universities re-opened during the final quarter of the year. £25,500 was approved in 2020 to support forty students over 2 years studying the new ATQ (Accounting Technician Qualification). The first instalment of £12,750 will be paid in January 2022.

UN Sustainable Development Goals

As the world increasingly focuses on the importance of the UN Sustainable Development Goals (SDG's), we too continue to collaborate and work together with our partners to help contribute to their own achievement aims.

We are conscious of how the objectives and work of the ICAEW Foundation contributes to achieving Goals 3, 4 and 10. During 2021, the ICAEW Foundation became a member of the Association of Corporate Foundations and became the 60th signatory to their Funders Commitment on Climate Change, pledging to play our part towards Goal 13 too.



Our refreshed website now highlights the SDGs we work to support. We were delighted that the University of Manchester was ranked first in the world in the Times Higher Education Impact Rankings and our long-standing bursary relationship was acknowledged as playing a part in this achievement.

Our bursary programmes reach a diverse group of students but to ensure we measure this, during 2021 we devised and released a Diversity & Inclusion questionnaire which asked all bursary recipients to anonymously complete. This will be common practice going forward.

CATER LIBRARY AND INFORMATION SERVICE

The Library & Information Service (LIS or 'Library') supports the current and future research needs of the accountancy profession by collating and preserving information and by providing an enquiry and research service. LIS also supports ICAEW by delivering a quality benefit to ICAEW Members.

The ICAEW Library reached its 150th anniversary in 2021. The original library was set up by the Institute of Accountants in 1871 and sold to ICAEW for £400 at the first meeting. The Library moved into purpose-built space in Chartered Accountants' Hall in 1893 and subsequently to a new space in the extension, now part of the Business Centre.

For 150 years the ICAEW Library has been the only Library to have comprehensively collected material in this sector, effectively creating a national Library of accountancy. The accountancy profession in the UK has come to depend upon the comprehensiveness of the ICAEW Library collection. Much of the material in the collection is not held by The British Library.

The collection currently holds around 48,000 books and runs of around 1,000 journal titles. It stands as one of the world's largest and most important collections of material for the accountancy profession (as well as the largest in Europe, with the other two largest collections based at the University of Illinois and University of Mississippi).

The Library holds the world's best collection of ICAEW publications. At least a quarter of the titles and journals in the collection were published by ICAEW, many with extensive runs/multiple parts.

Today, the collection is used for a wide variety of purposes that includes research on past developments in recurring topics; to provide evidence in legal cases and tax disputes; to research old topics that gain new significance in the digital age; to research the rules and guidance in place at a particular time; as a source for technical writers from the major publishing houses and to research interpretations of accounting standards. Although the collection is a remarkable source for research, the ICAEW Library continues to function as a practical working collection serving the everyday needs of the Chartered Accountants of today.

LIS management and structure

The Library collection (including third party digital information resources), and supporting software system and catalogue, are maintained and operated by CATER on behalf of ICAEW and the wider public. There are currently 5.5 full time equivalent staff posts funded by CATER for this purpose.

Library staff operating the Enquiry Service are currently funded by ICAEW rather than CATER. ICAEW funded staff report to Directors in Belonging & Supporting. CATER staff continue to contribute to the answering of enquiries, gaining valuable knowledge that feeds into stock selection and cataloguing.

The Rare Books collection, an asset owned by ICAEW and managed by ICAEW staff, falls outside the remit of CATER.

Enquiry, Document Delivery and Loan Services

The LIS information professionals provide a valuable business information research service to members and the profession.

The Library Enquiry Service has been providing its service remotely during lockdown primarily responding to member requests via email and webchat. This included a limited postal loan service. In August 2021, using the capabilities of a new telephone system, we reintroduced the telephone helpline which was able to be delivered remotely for the first time.

From September 2021 the Library Enquiry team has resumed in-person service delivery from Chartered Accountants' Hall. This is the first time that members have been able to access the physical collection and online databases from the Business Centre since March 2020.

During September and October 2021 there has been a successful drive to reclaim books borrowed by members before the pandemic.

There were 273 book loans in 2021. The re-opening of the Business Centre in September helped drive book loans to their highest monthly totals since the pandemic began, with almost twice as many books borrowed in September than in the next busiest month for loan activity. However, loan activity dropped back as new government guidance advising working from home was announced in December. Difficulties accessing stock from our warehouse in Wolverton were also a factor in the reduced level of book loans. The monthly average for book loans in 2021 was around 24% of pre-pandemic levels.

The enquiry service remains a popular point-of-contact for members. The team handled 9,912 enquiries during 2021, drawing on their expertise across a broad range of subjects. This was an increase of 2.5% on the previous year. Enquiry topics have been in line with those seen pre-pandemic, with members asking wide-ranging queries on taxation, model documents, company information and industry data. With the extensive self-service resources available online on the Covid-hub we have received fewer covid related enquiries.

A total of 2,780 document items were supplied to enquirers, enhancing the information available on the ICAEW website. Document delivery (excluding client screenings) in 2021 was comparable to the previous year's figure, with a decrease of 2.2% in the number of items supplied. Again, access to warehouse stock may have contributed to this slight drop.

Client screening requests continue to increase; reporting a 12% growth for 2021 compared to 2020. The service attracted 266 new users in 2021, bringing the total of unique users to 1,563.

Customer satisfaction surveys showed that 93% of Library & Information Service users found the service was easy or fairly easy to use. The appreciation for the service provided by the enquiry team is reflected in 59 exceptional compliments received by the team across 2021, such as:

"It is so good to know that the ICAEW has expertise available for prompt and in-depth expertise when all other options have drawn a blank"

"I didn't know about the library service as had previously used the Technical line only, but this is absolutely incredible."

"I'm so grateful for your support. If there is a nomination for The Best Library Service Award, I'll certainly nominate you guys!"

"I would like to commend the Library team at ICAEW for the remarkable level of service they are offering the members."

The theme running through all the exceptional compliments is an appreciation for the valuable collection of material offered by the Library and for the in-depth help and assistance of the enquiry team over the past year.

CATER collection and digital resources

The ICAEW Library is a modern, hybrid service comprising of a physical collection of loan and reference material, and a suite of online, third-party resources to support user needs. Most of the physical collection is held at an offsite warehouse in Milton Keynes.

The Resources team manage the life cycle of resources in the Library collection from acquisition to disposal, covering both print to digital. The majority of ICAEW publications are now captured in digital format rather than added physically to the collection, reducing the resources needed to process and shelve them.

Print material selection is largely demand-driven and expenditure continues to fall as resources are focused on online products. In addition, less print material was purchased due to the closure of Chartered Accountants' Hall and economic uncertainty during 2021. The team successfully tackled the backlogs of print material that needed to be processed upon the re-opening of the Business Centre.

Popular titles continue to be purchased in print format, although some publishers, such as Croucher and Bloomsbury, have reduced or removed their print offering. Journal publishers are continuing to move from print subscription models, resulting in falling print journal holdings. Some, but not all, are accessible to members digitally. For example, the key title International Accounting Bulletin will no longer be available in print, and nor can we offer digital access.

Members room

During 2021 the Members Room was refurbished and Library stock that had resided there was transferred to the Warehouse store and replaced with old legal volumes.

Warehouse store

The future of the ICAEW warehouse, where the majority of the library collection is stored, is currently under review as part of a wider ICAEW Property Review.

Usage and development of online resources

Third party online resources are a key component of our hybrid collection and account for three-quarters of our annual budget. They have played a vital role during the lockdowns, allowing staff working remotely to answer Library requests for data. All remaining licences were renewed in 2021, and we plan to renew them again for 2022. In addition, we now have over 570 licenced ebooks, allowing members to access information remotely.

Cataloguing

The library catalogue provides a record of electronic and print resources held by the library - books, rare books, articles, serials held by the library, as well as all ICAEW-produced documents. The catalogue supports the Library enquiry service and the website.

Two new staff members have joined the Cataloguing team this year and have contributed to the work of the team, cataloguing and indexing every acquisition. This vital work ensures that relevant, reliable and accurate information can be found quickly and easily.

Since full staff access to Chartered Accountants Hall was resumed and the vacant post within the team was filled, we have had a successful year for cataloguing and have catalogued a total of 1,513 volumes in 2021, including new purchases, ICAEW digital items and stock from the backlog that had built up during lockdown.

We have started new processes for acquiring and cataloguing ICAEW publications in digital format only – now that we have the digital archive platform, Preservica to safely store the documents for the long term. The new processes are working well, the cataloguing workflow is more efficient, and we catalogued 482 digital ICAEW items in 2021.

Since the return to the office, we have resumed adding abstracts of selected journal articles to the catalogue.

CATER stock valuation

It was agreed that the CATER collection will be insured for £1,000,000. In practice, the unique nature of the collection means that many of the books would not be replaceable.

Digital Preservation

The Digital Archive Project is a project to build a digital archive that will hold any born digital material that is released by ICAEW into the public domain (e.g., helpsheets, technical releases, press releases and AGM papers), regular snapshots of the ICAEW website and digitised material from the library's print collection.

Project progress

There are currently two main strands to the project – preservation of publications and document on the Preservica platform and website captures using the Archive-IT platform.

Digital publications preservation and storage – Preservica

Digital content is extremely vulnerable due to software/hardware changes and data that can easily be corrupted. Preservica ensures that content is checked for file corruption and migrated from older versions to ensure continuity of access.

The Digital Archive project is progressing well. In 2021 we have continued to focus on ICAEW's preservation priorities when adding publications to Preservica, as well as identifying and preserving any digital content likely to be lost through platform changes.

One of the largest projects this year saw the team work on the preservation of an extensive back catalogue of ICAEW webinars prior to a move away from the ON24 platform in December. The project involved numerous members of staff working across various departments – including the creation of a short-term role to download the webinars from the ON24 platform. Extensive work was carried out to quality check the webinars, remove duplicates, ingest the content into Preservica (along with metadata creation), and to amend the ON24 webinar links across ICAEW.com to Preservica links. The work also involved consultation with various faculties to ascertain a priority list of webinars that needed to be ingested.

Preservica now holds approximately 12,500 items. The following collections have been added in 2021:

- Business Confidence Monitor (2007-) (512 items)
- ICAEW Faculty serials (1998-) (1,362 items)
- ICAEW Tax Representations (1999-2017) (1,443 items)
- ICAEW Technical Releases (1996-) (529 items)
- ICAEW YouTube videos (502 items)
- ICAEW podcasts (56 items)
- ICAEW webinars and supporting material (2,327 items)
- Preservation copies of WARC files created from the website capture process (3,124 items)

Where there are gaps in the digital collection, we are taking steps to fill them by working with the relevant ICAEW departments to identify copies in their own collections or by digitising items from ICAEW Library's physical collection (which will include OCRing to enhance discovery and usability).

Website captures – Archive-IT

Progress on website capture has continued throughout the year, running in tandem with ICAEW website development. The process of selection and capture is technical and complex. A large website capture can take several weeks. The 2021 captures included:

- Captures every six months of the complete ICAEW website
- Monthly captures of ICAEW Coronavirus hub
- Weekly captures of Insights – Daily Summary
- Capture of the ICAEW Business Finance Guide

Captures are now routinely made before sections of the website are redeveloped to ensure that this content will be available to future researchers.

In 2021, approximately 120 GB of data was captured. This data includes a complete snapshot of all the HTML content and media library content (such as PDFs, Word document, Excel files, MP3 files etc.) at the time of the various captures.

Library website

The Library microsite is an important channel for providing information about our services, promoting the Library, and as an entry point for digital resources acquired and managed by LIS. The Content Curation team is responsible for creating, updating, and maintaining these web pages, as well highlighting relevant eBook titles, chapters, and online articles on technical topic pages across icaew.com.

Promotion

We continue to promote the Library and the enquiry service through ICAEW's website, social media channels and email newsletters. There were no tours or presentations due to the difficulties posed by the pandemic, but we expect these will resume in 2022.

A short video was filmed to help celebrate the library's 150th anniversary and promoted through multiple channels with a good level of engagement. The video can be accessed at icaew.com/library150 along with articles about the history of the Library.

Key performance indicators

All KPIs in 2021 were affected by changes to services and operations brought about by the coronavirus pandemic.

2021 key performance indicators

	2021	2020	2019	2018
Enquiries ¹	9,912	9,670	10,597	10,981
WebChat enquiries ²	1,087	1,218	1,001	1,290
Book loans, excluding renewals	273	341	1,155	1,328
Document Delivery (excl. client screenings) ³	2,780	2,842	3,424	4,748
Client screenings (total reports requested)	5,455	4,850	3,424	2,336
Items (vols and ebooks) acquired and catalogued	1,513	303	1,064	1,149
Journal articles abstracted and indexed on LibCat ⁴	334	55	282	396
Total number of journal articles on LibCat	69,291	68,964	68,904	68,599
Ebook views and downloads	14,500	15,062	14,458	14,699
Files added to the Digital Archive	10,610	2,050	N/A	N/A
Total files in the Digital Archive	12,660	2,050	N/A	N/A

¹ Enquiry statistics exclude quick Business Centre enquiries

² Large scale changes to the ICAEW website in 2019 resulted in a substantial reduction of webchat enquiries from old or out of date content

³ The number of electronic documents supplied saw a significant drop in 2019 following restrictions imposed by one of our suppliers on some of the most popular content.

⁴ The reduction in articles abstracted in 2019 is mostly due to Accountancy becoming an online only publication.

CAPET

CAPET's primary objective is the advancement of education, particularly in accounting and related subjects, by funding various district society prizes, holding the ICAEW International ACA annual prize giving ceremony and to award prizes to those students who have achieved.

The annual prizegiving ceremony was held on the 26th of May as a virtual event that remained high quality and celebratory and included all 2019 and 2020 prize winners. The ceremony held the main parts of the face-to-face ceremony, opening and welcome address by the president and a keynote address from a member. The president announced the winners and closed the event. Brochures, recording of the event and press release can be found at www.icaew.com/prizegiving. At the November 2020 meeting, the Board agreed to support the request for additional support of £4,000. This supported the production of certificates, prize fulfilment and promotional assets that will enable each prize winner to display their award online.

Education and Training worked with publishers, Sunday, during the year to create content that will showcase prizewinners as part of the Student Insights hub. This went live in June 2021.

In partnership with London South Bank University, trustees approved a one-off prize of £6,000 from CAPET funds to celebrate a high achieving student who had completed their degree in accounting.

Total prizes awarded during 2021 amounted to £67,000 (2020: £35,000).

PDLT

The following new academic research projects and event funding requests were approved in 2021:

	Institution/Host	Funding Approved £
Events		
Management and Accounting Research Group (MARG) Event (Nov 2021)	Aston	5,400
Tax Research Network Conference (Sept 2021)	Aston	2,500
Information for Better Markets 2021: Accounting Standards	ICAEW	41,455
Edward I in Wales: wardrobe and household records 1282-1284	Aberystwyth	5,182
The use, functions and characteristics of financial statement information	Bocconi/WHU	25,000
BAFA Doctoral Masterclass	BAFA	4,000
Audit and Assurance SIG Conference (May 2021)	Cardiff	450
EMAN & CSEAR Conference (May 2021)	Audencia	2,463
ICAEW Symposium at EAA Annual Congress (May 2021)	EAA	4,355
Academic support for China Fellowship Programme	Independent	10,000
Pacioli, ethics and the preventative briefing	ICAEW	2,500
Total 2021:		103,305
Total 2020 for comparison:		96,297

Achievements

In 2021 the on-going impact of the global Covid-19 pandemic continued to affect research activities and events alike. Some ongoing research projects were delayed as researchers spent more time managing a mixed in-person and online teaching workload. However, more events went ahead and event organisers dealt well with both online and hybrid events. Such events continued to benefit from wider global participation and some reduction in costs, although they require significant effort and involve other new costs to set up and manage. A few events have continued to be postponed with funds now being carried forward to 2022.

In 2021 PDLT grants continued to support two key ICAEW academic events, the annual Information for Better Markets conference and the PD Leake Lecture which were both held exclusively online again, following the success of the online approach in 2020. The Information for Better Markets conference in December 2021 looked at *Accounting Standards: the 'too difficult' box*. We had two of the world's leading accounting academics, Professor Katherine Schipper and Professor Mary Barth, speaking at the event. Viewers joined us from 23 different countries around the world, including from Africa, SE Asia and North America in addition to Europe. The papers from both the Information for Better Markets conference and the PD Leake Lecture are published in an annual special issue of Accounting and Business Research. The trust now covers the cost of Open Access to these papers, and they are some of the most viewed and downloaded of any papers in Accounting and Business Research. Other associated costs in running both events are significantly less than when they were held in-person.

Both the annual Tax Research Network (TRN) and Management Accounting Research Group (MARG) conferences were held successfully as hybrid events, with the advantage that those who attended on campus were able to enjoy the benefits of meeting others again face to face, while those attending online were pleased to be able to contribute without the need to incur the time and expense of travel, so both groups were catered for.

Completed projects produced outputs including conference papers and presentations, articles on the ICAEW website, academic papers in leading journals and ICAEW research briefings. An ICAEW briefing *EU audit reforms: analysing different impacts in the UK and Italy* was published in June. In October a report looking at *Small company reporting: a focus on China with UK comparisons* published as a result of a new research fellowship funded by the Chinese Ministry of Finance. The PD Leake trust funded an academic adviser from a UK university to support and guide this important project which has allowed us exceptional insight.

A series of papers from the Information for Better Markets conference 2020 looking at the financial reporting system were published in a special issue of Accounting and Business Research in June 2021, and videos of the presentations are available on the ICAEW website.

Some research projects and other events will continue or take place beyond 2021. At 31 December 2021 a total of three research projects were in progress and eleven events funded by PDLT were still to take place in the coming months and their achievements will be reported on subsequently. All these activities and events, whether held in-person or online, allow both members of the public and ICAEW members to engage with world-class research and hear from academics from the UK and beyond. The PD Leake lecture and Information for Better Markets conference in particular continue to attract high-quality international audiences and produce research aimed at practitioners and the wider business community. Regular engagement with academics encourages policy-relevant academic research and findings from projects funded by PDLT are made available free of charge.

Gillian Knight, PDLT Research Manager, was awarded the British Accounting and Finance Association's (BAFA) Distinguished Contribution Award for 2020. The award recognises individuals who have made a significant contribution to the profession and to BAFA (in this case through our support of academic research). The award was formally presented at the virtual BAFA annual conference which took place in April 2021.

There is more information about BAFA and the awards at <https://www.bafa.ac.uk/about/bafa-awards/distinguished-contribution-award.html>

PLANS FOR THE FUTURE

Foundation

The trustee intends to continue to identify and support relevant initiatives where the grant given by the Foundation has a definable outcome and where the contribution made can make an appreciable difference to the recipient.

PDLT

The trustee intends to continue to support funding academic research and events as proposed by the RAB, with further grants of up to £150,000 per year in total approved within PDLT using the same processes which currently apply.

CATER

The trustee intends to provide support to a programme of accountancy research, promote and support the on-going development of a world-class library and information service for the accountancy profession as well as the advancement of an education and training programme. This will include further development of the library collection, digitising the resources, developing the library management system and promoting LIS services.

CAPET

The Trustee intends to continue to award prizes in connection with ICAEW's examinations. At the November 2021 CAT meeting, the trustees unanimously supported the proposal to allocate £150k per annum from 2022 onwards for the duration of two to three years from CAPET reserves to fund new UK bursaries. This is in line with the secondary objects of CAPET.

RESERVES LEVELS AND POLICY

All the charities administered by the trustee depend on investment income for the funding of their annual charitable expenditure. Only the Foundation's unrestricted income reserves (augmented from time to time by drawing down from its discretionary expendable endowment to cover exceptional spending) are expendable entirely at the trustee's own discretion. Therefore, the unrestricted income of the educational trusts is all accounted for in these combined accounts as restricted income. However, the trustee's reserves policy for each of the charities is separately determined and reported as below.

Foundation

The trustee believes that the trust should aim to have free reserves of at least the existing commitments and one year's prospective commitments plus one year's administrative expenses. At 2021 levels this would imply carrying free reserves of £297,000. However, the current level of unrestricted funds is felt to be sufficient as the trust also holds the discretionary expendable endowment resulting from the ongoing Foundation campaign. The trustee monitors and reviews the level of income reserves taking into account this endowment at each Board meeting.

As at 31 December 2021 unrestricted reserves stood at £152,000 (2020: £134,000) and an expendable endowment of over £2.0m.

The Foundation depends on investment income from the discretionary endowment resulting from its ongoing Foundation Campaign appeal, whose terms of trust have created an expendable endowment for the funding of the Foundation's charitable activities contemplated by the donor. Any unused donations and their investment returns are expendable at the trustee's own discretion.

CATER

CATER mainly depends on voluntary income for the funding of its charitable expenditure on educational purposes. With this in mind, the trustee's reserves policy requires a minimum of six months and a maximum of 12 months' of CATER expenditure as freely available income reserves. As at 31 December 2021 CATER's undesignated free reserves were £819,000 equating to 14 months' expenditure, as per the maximum level under this policy (2020: 13 months). The slight increase in reserves in the year is attributable to decreased expenditure as a continued direct consequence of the Covid 19 pandemic.

PDLT

The trustee believes it is prudent to keep a balance of at least the existing and one year's prospective commitments and one year's administrative expenses in unrestricted PDLT reserves against the risk of a sustained decline in investment income. This is based on an average of the last three years results and would require maximum income reserves of £184,000. Reserves of unspent income as at 31 December 2021 amounted to £798,000, which equated to 52 months total expenditure (2020: £750,000). The cumulative increase in reserves over the past few years is as a result of the following factors:-

- we have had some significant write-backs from some projects and events.
- the quality or relevance of the research proposals received has been disappointing. We are committed to ensuring that only the highest quality and most relevant projects are approved for funding and we have turned down a number of projects.
- In 2021 the continued changes brought about the global Covid-19 pandemic affected research activities and events alike. Many events moved to a hybrid arrangement resulting in increased participation and a reduction in costs.

We shall be considering a different approach going forward, with some possible calls for particular research, in the hope of attracting more directly relevant projects. Adjusting the level of reserves in line with current policy is likely to take a number of years.

CAPET

The trustee believes it is prudent to keep a minimum of two years' forecast examination prize expenditure and a maximum of three times forecast total expenditure in unrestricted income reserves against the risk of a sustained decline in investment income. That would indicate income reserves of between £134,000 and £263,000. The reserves of £889,000 as at 31 December 2021 are in excess of the reserves policy (2020: £932,000: in excess of policy). In line with Capet's secondary objectives, the trustees approved additional annual expenditure of £75,000 for 2020-2021 to fund student bursaries. This was reviewed again at the November 2021 board meeting and approval given to increase this to £150,000 for 2022-2024, this will bring reserves below the maximum level over the medium term.

The trustee monitors and reviews the level of reserves for all of the charities above at each meeting of its directors.

MAJOR RISKS

The principal risks faced by the charitable trusts as identified by the trustee lie in the performance of investments and operational risks from ineffective grant making and, more fundamentally, major incidents such as cyber-attacks, global pandemics, political unrest and the effects of terrorist activity.

The trustee considers the volatility of investment returns and long-term losses on the permanent endowment fund to be the charity's major financial risk. It accepts some short-term variability as part of its long-term investment strategy. This is mitigated by retaining the appropriate expertise from the investment managers and by having a diversified investment portfolio.

The reputational risk from making inappropriate grants is managed by a reporting and review process. This assists us in keeping track of developments and to focus on the public benefit derived from our funding of their work.

Major incidents could disrupt Library operations and result in loss of property, data and staff. The Library participates in ICAEW's business continuity plans which are subject to regular review.

During 2021, the coronavirus (or COVID-19) pandemic continued to present some challenges for the Trusts. Investment markets stabilised resulting in more usual levels of investment income and gains. Government guidance on homeworking has now relaxed but the impact on the wellbeing of staff working from home continues to be monitored and support offered. New variants of COVID-19 continue to emerge, although the vaccination programme has increased resilience. The trustee continues to monitor the situation closely to make sure it can respond with agility in securing continuing operations and minimise the negative consequences to the objects of the trusts.

The trustee has an established risk analysis process which identifies the major risks to which the charitable trusts are exposed and the ways in which those risks can be mitigated. The risk analysis is reviewed on a regular basis.

During the year, the Directors conducted a further review of current practice against the charity governance code. The key principles of the code are largely met with a few areas requiring further consideration and these will be addressed throughout 2022.

INVESTMENT POLICY AND PERFORMANCE

All the charitable trusts' investments are pooled in CACIP.

The trustee regularly reviews its Investment Policy to ensure the suitability of investments for the participating charitable trusts, in line with the Trustee Act 2000, adequate diversification and adherence to the internationally recognised Principles of Responsible Investment (PRI).

Towards the end of 2020, the Trustees decided to undertake a review of investment managers. Waverton Investment Management Limited were appointed to manage the endowment and cash fund previously managed by Cazenove Capital Management. All assets were moved across to Waverton Investment Management Limited by the end of September 2021.

Royal London Asset Management also manage part of the trusts cash fund.

The trustee's aim for the endowment funds is to generate resources on a recurring basis for spending on the objectives of the Foundation and other charities at a sustainable rate, while seeking sufficient capital growth over the long term to ensure that the endowment's real spending power is maintained.

Endowment funds are invested to provide an optimal mix of income returns and long-term capital growth. Distributable funds are invested to provide a secure income and to reduce the risk of substantial fluctuations in capital values.

The endowment investments are managed via a discretionary fund manager for long term capital growth and the short-term investments are also managed on a discretionary basis for the best income return at minimal risk to capital, in both cases within policy guidelines set by the trustee.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The trustee receives regular investment performance reports and reviews them against industry benchmarks as detailed in the table below.

TOTAL RETURN NET OF FEES				INCEPTION	INCEPTION
	1 MONTH	3 MONTH	6 MONTH	02/03/2021	30/04/2021
ICAEW Foundation	1.46	4.84	7.33	14.43	-
Balanced Index	0.49	4.11	4.60	10.77	-
CPI + 3%	0.75	3.08	4.84	7.97	-
ARC Steady Growth Charity Index	1.57	2.75	3.98	9.83	-
ICAEW Foundation Cautious Portfolio	0.93	3.13	5.22	-	6.62
Cautious Index	0.07	3.32	3.45	-	5.35
CPI + 2.5%	0.71	2.97	4.60	-	6.16
ARC Cautious Charity Index	2.13	3.72	5.16	-	6.91

During the year, markets stabilised resulting in an increase in combined investment value to £16.8m (2020: £15.3m), comprising of £14.4m in the endowment fund and £2.4m of liquid assets as detailed in the table below. This was mainly attributable to unrealised market gains of £1.6m (2020: £0.2m loss). Income generated was £0.27m (2020: £0.35m).

£'000	YTD movement					
	in funds	Dec 21	Sept 21	Jun 21	Mar 21	Dec 20
Equity Funds (Cazenove)		-	-	2	677	12,918
Equity Funds (Waverton)		14,470	13,851	13,609	12,394	-
Total Equity Funds	1,552	14,470	13,851	13,611	13,071	12,918
Liquid Funds (Cazenove/Royal London)		910	1,191	1,004	1,335	2,368
Liquid Funds (Waverton)		1,452	1,417	1,395	1,075	-
Total Liquid Funds	(6)	2,362	2,608	2,399	2,410	2,368
Total Funds	1,546	16,832	16,459	16,010	15,481	15,286

Waverton Investment Management Limited's view is that to achieve a real return, real assets need to dominate the allocation in the portfolio. To this end, equities should form the core of both portfolios. While this introduces volatility risk, so long as the Institute maintains a long-term approach volatility should not be of concern relative to the risk of inflation, which equities will help to mitigate.

The exposure to alternatives should also be focused on real assets (property, infrastructure and gold). Within the bond element, they would hope that through active management to produce a positive return from these assets, but the current situation of rising interest rates and inflation makes the outlook for this asset class challenged. Nevertheless, an exposure to this asset class, primarily in the form of corporate bonds, is desirable for both their income generating properties and for the low or negative correlation to equities.

Markets have grown a little more cautious in recent months, which predated the crisis in Ukraine. This has been prompted by the increase in inflation and interest rates, which will continue well into 2022. This has serious consequences for bonds, but also for equities, especially high growth companies. These are likely to struggle in share price terms as investors tussle with the problem of valuing earnings today which are only to be received in many years' time. Given that many of these companies are highly valued currently, there may be some dramatic share price falls if inflation surges higher than expected, or if growth in these companies falters.

Having said that, the Portfolios have a low exposure to such companies. It is true that if inflation settles at a materially higher rate than expected then many companies will struggle, but this is not expected to be the new reality. Rather, it is expected that an orderly outcome will emerge as the world economy adjusts to the new way of working forced upon us by the health crisis. Waverton Investment Management have been very selective in the equities which they own, which as a rule have modest borrowings and are well positioned to flourish providing confidence that the current make-up of the portfolios supports their inflation-plus objectives. They have also confirmed that the companies we are invested in will see little if any direct impact from the events unfolding in Ukraine to their earnings and have not had to make any changes to the portfolio since the commencement of hostilities.

CUSTODY OF INVESTMENTS

All cash and investments managed by the investment managers are held on CACIP's behalf at independent custodians, in the name of the custodian's nominee company. Cash awaiting investment is held by the investment manager as clients' money according to the rules of the Financial Conduct Authority and is deposited to earn interest with the custodian or a wholly owned subsidiary of the custodian.

As at 31 December 2021, the trustee has received and relied upon confirmations from the investment managers as to proper custodianship of investments. It has also received and relied upon confirmation from their respective auditors that, in their opinion, the internal controls and systems of each organisation are sufficient to prevent or detect material errors or irregularities.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee prepares the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charities and of the incoming resources and application of resources, including the income and expenditure, of the charities for that period. In preparing these financial statements, the trustee is required to:

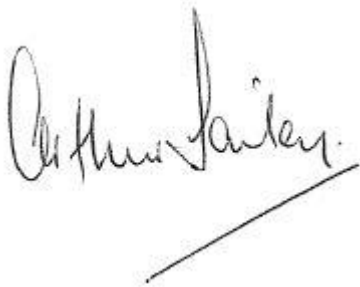
- select the most suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation or a linked charity will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities' transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deeds or other governing documents. The trustee is also responsible for safeguarding the assets of the Foundation and its linked charities and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditor to the ICAEW Foundation, Haysmacintyre LLP is proposed for reappointment.

Approved by the trustee's board of directors on 21 June 2022 and signed on their behalf by



William Arthur Bailey
Chairman

Opinion

We have audited the financial statements of ICAEW Foundation for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee for the financial statements

As explained more fully in the trustee's responsibilities statement set out on page 24, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of the meeting minutes of the trustee's directors;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions or in seldom used accounts and those that significantly impact on the result or financial position of the charity; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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. This description forms part of our auditor's report.

ICAEW FOUNDATION

Use of our report

This report is made solely to the charity's trustee in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustee, for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP.

Haysmacintyre LLP
Statutory Auditor
10 Queen Street Place
London
EC4R 1AG

Date: 22 June 2022

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

ICAEW FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted income funds 2021 £'000	Restricted income funds 2021 £'000	Endowment funds 2021 £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:						
Donations and legacies	3	47	703	4	754	748
Income from investments	4	41	228	-	269	354
Total income		88	931	4	1,023	1,102
Expenditure on:						
Charitable Activities						
Grant funded and direct	6	(159)	(194)	-	(353)	(308)
Library	7	-	(690)	-	(690)	(684)
Raising funds						
Investment management fees	5	-	(2)	(64)	(66)	(81)
Total expenditure		(159)	(886)	(64)	(1,109)	(1,073)
Net gains/(losses) on investments	8	11	77	1,620	1,708	(235)
Transfer between funds	14	78	(78)	-	-	-
Net income and movement of endowed funds for the year		18	44	1,560	1,622	(206)
Reconciliation of funds:						
Fund balance brought forward at 1 January	14	134	2,462	12,580	15,176	15,382
Fund balance carried forward at 31 December	14	152	2,506	14,140	16,798	15,176

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

BALANCE SHEET AT 31 DECEMBER 2021

		2021	2020
	Note	£'000	£'000
Fixed assets	8/9	16,832	15,286
Current assets			
Debtors	11	280	174
Cash and cash equivalents		90	66
		370	240
Creditors: amounts falling due within one year	12	(337)	(287)
Net current liabilities		33	(47)
Total assets less current liabilities		16,865	15,239
Creditors: amounts falling due after more than one year	12	(67)	(63)
Total net assets		16,798	15,176
The funds of the charitable trusts:			
Endowment capital (permanent & expendable)	14	14,140	12,580
Restricted income	14	2,506	2,462
Unrestricted income	14	152	134
Total funds	13	16,798	15,176

Approved and authorised for issue by the trustee's board of directors on 21 June 2022 and signed on their behalf by:



William Arthur Bailey
Chairman

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £'000	2020 £'000
Net movement in funds	1,622	(206)
Cash flows from operating activities		
Deduct gains/add back losses on investments	(1,708)	235
(Increase) in debtors	(106)	(115)
Increase in creditors	54	61
Net cash used in operating activities	(138)	(25)
Cash flows from investing activities		
Purchase of investments	(16,464)	(6,152)
Proceeds of sales of investments	16,590	6,328
Net movement in cash held not yet invested	36	(239)
Net cash provided by/ (used in) investing activities	162	(63)
Change in cash and cash equivalents in the year	24	(88)
Cash and cash equivalents brought forward	66	154
Cash and cash equivalents carried forward	90	66

No separate analysis of changes in net funds has been presented as the charity has no borrowings.

The accompanying notes form part of these financial statements

1 Accounting policies

Accounting convention and basis of preparation

- a. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

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

- b. The trust constitutes a public benefit entity as defined by FRS 102.
- c. The financial statements of the Foundation aggregate a number of charitable trusts under the authority of a uniting direction from The Charity Commission as set out in the Trustees' Annual Report. These separate trusts are presented as restricted funds within these financial statements.
- d. The investments of The Foundation and its linked charitable trusts are subject to a pooling arrangement under CACIP. The underlying investment additions, purchases and movements in cash held not yet reinvested are all reported in the Statement of Cash Flows under cash flows from investing activities.

Going concern

- e. After reviewing the forecasts, projections and giving consideration of the continued impact of the Coronavirus (COVID-19) and market fluctuations as a result of the unfolding crisis in Ukraine, the trustee has a reasonable expectation that the Foundation and each linked charity has adequate resources to continue in operational existence for the foreseeable future. Careful management of grant liabilities and the availability of cash presented within fixed asset investments are considered when reviewing our year end results which present net current liabilities. The trustee therefore continues to adopt the going concern basis in preparing its financial statements for the charities.

Income recognition

- f. All income is recognised once the charity has an entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- g. Gift aid is allocated between the restricted and unrestricted funds of each charitable trust in line with the qualifying donations accruing thereto.
- h. Investment income is taken into account on entitlement.
- i. Voluntary income is recognised when receivable. Donations in kind reflect governance costs directly funded by ICAEW.
- j. The surplus or deficit on a partial investment sale is calculated pro rata to the cost of the investment.

Expenditure recognition

- k. Grant making includes grants payable and the associated support costs. Grants are accounted for in the year they are approved, irrespective of the period they cover except for performance-related grants, which are accounted for only when the beneficiary has met the performance conditions. Grants awarded but not yet paid are recorded as grant commitments in the balance sheet.
- l. Governance costs. ICAEW holds a blanket indemnity insurance policy for all employees and directors. The amount allocated to the charitable trusts is estimated based on the number of people covered by the scheme. Governance costs also include annual external audit fees and any costs reimbursed in respect of out-of-pocket expenses of the trustee's directors. The trustee does not receive any remuneration or other benefits for its services.

- m. Costs of raising funds. The costs of generating funds consist of investment management costs and applicable legal fees.
- n. Expenditure on charitable activities. Costs of charitable activities include grants made, governance costs and support costs as applicable.

Other

Taxation

- o. The Foundation and constituent charities are exempt from corporation tax on income and gains applied in furtherance of their charitable objects so there is no liability in respect of its activities.

Tangible fixed assets

- p. Tangible fixed assets are stated at cost. The Foundation only capitalises items costing more than £1,000 or where groups of assets are collectively worth more than this threshold at the time of purchase. Depreciation is charged on a straight line basis over the estimated useful economic lives of the assets, set at three years.

Fixed asset investments

- q. Listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. The Statement of Financial Activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals during the year.

Cash and cash equivalents

- r. Cash and cash equivalents includes cash in hand, deposits held in banks and other short-term highly liquid investments with original maturity of three months or less.

Fund accounting

- s. Endowment funds consist of both permanent endowment funds and expendable endowment funds. Permanent endowment funds represent amounts for which the capital must be retained. Expendable endowment funds are considered to be those unused donations which have been invested alongside the charity's permanent endowment funds in order to generate investment returns. They remain expendable for the furtherance of the charity's objectives. Restricted funds are funds which are subject to restrictions imposed by donors or have been raised by the charity for particular purposes.
- t. The trustee identifies those funds which are expendable in full alongside those generated through investment returns as set out in the Investment Policy and Performance section of the annual report.

2 Statement of financial activities 2020 comparison by fund

	Note	Unrestricted income funds 2020 £'000	Restricted income funds 2020 £'000	Endowment funds 2020 £'000	Total 2020 £'000
Income and endowments from:					
Donations and legacies	3	38	705	5	748
Income from investments	4	53	301	-	354
Total income		91	1,006	5	1,102
Expenditure on:					
Charitable Activities					
Grant funded and direct	6	(133)	(175)	-	(308)
Library	7	-	(684)	-	(684)
Raising funds					
Investment management fees	5	(1)	(8)	(72)	(81)
Total expenditure		(134)	(867)	(72)	(1,073)
Net gains/(losses) on investments	8	6	29	(270)	(235)
Transfer between funds	14	72	(72)	-	-
Net income and movement of endowed funds for the year		35	96	(337)	(206)
Reconciliation of funds:					
Fund balance brought forward at 1 January	14	99	2,366	12,917	15,382
Fund balance carried forward at 31 December	14	134	2,462	12,580	15,176

3 Donations and legacies

Unrestricted fund

Foundation donations	44	36
Gift aid tax relief on foundation donations	2	1
Donations in kind	1	1
	47	38

Restricted Fund

Gift aid donations from ICAEW	700	700
Voluntary Foundation Income	-	2
Donations in kind	3	3
	703	705

Endowment Fund

Foundation donations	4	5
	754	748

	2021 £'000	2020 £'000
	44	36
	2	1
	1	1
	47	38
	700	700
	-	2
	3	3
	703	705
	4	5
	754	748

4 Income from investments	2021 £'000	2020 £'000
Unrestricted Funds		
interest securities	-	3
Index trusts	41	50
	41	53
Restricted Funds		
Fixed interest securities	16	24
Index trusts	212	277
	228	301
	269	354

5 Cost of raising funds	2021 £'000	2020 £'000
Investment managers fees	66	81
	66	81

6 Expenditure on charitable activities	Unrestricted £'000	Restricted £'000	Endowment	2021 £'000
Grant making activities				
Humentum	6	-	-	6
The Church of St Margaret Lothbury	-	-	-	-
Sub-total grants	6	-	-	6
Challenge 10 Initiative	-	-	-	-
Foundation grants approved	133	1	-	134
PDLT grants approved	-	103	-	103
Grants written back (no longer required)	-	(23)	-	(23)
Total grants	139	81	-	220
Activities undertaken directly				
Exam prizes	-	67	-	67
Support and governance costs				
Management and support costs	20	34	-	54
Audit fee	-	10	-	10
Indemnity insurance and other trustee director's expenses	-	2	-	2
Total expenditure on charitable activities	159	194	-	353

ICAEW FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6 Expenditure on charitable activities - 2020 comparison	Unrestricted £'000	Restricted £'000	Endowment	2020 £'000
Grant making activities				
Humentum	6	-	-	6
The Church of St Margaret Lothbury	1	-	-	1
Sub-total grants	7	-	-	7
Challenge 10 Initiative	-	28	-	28
Foundation grants approved	101	1	-	102
PDLT grants approved	-	96	-	96
Grants written back (no longer required)	-	(31)	-	(31)
Total grants	108	94	-	202
Activities undertaken directly				
Exam prizes	-	35	-	35
Support and governance costs				
Management and support costs	25	36	-	61
Audit fee	-	8	-	8
Indemnity insurance and other trustee director's expenses	-	2	-	2
Total expenditure on charitable activities	133	175	-	308

No trustee expenses were reimbursed during 2021 (2020: one, £913, for personal travel expenses). The trustee directors did not receive any remuneration or other benefits for their services (2020: £nil).

7 Library expenditure	2021 £'000	2020 £'000
Cost of ICAEW seconded staff	232	199
Books and journals	214	235
Accommodation and facility costs	222	211
Office services and computer costs	22	39
	458	485
Total	690	684

The ICAEW Foundation has no employees. All library staff are employees of ICAEW who are seconded to the library and the related employment costs are met by the charity. An average of 5.0 employees were seconded from ICAEW for the year (2020: 4.5 employees).

8 Movements in participating charities' interests in pooled investments

	Balance at 1 January 2021 £'000	New money invested £'000	Amounts withdrawn £'000	Investment income £'000	(Losses)/ Gains on investments £'000	Balance at 31 December 2021 £'000	Note: Fees not yet debited £'000
CAPET	5,226	-	(208)	93	593	5,704	(6)
PDLT	6,970	-	(145)	129	825	7,779	(8)
Foundation	2,462	78	(142)	41	259	2,698	(2)
CATER	628	700	(714)	6	31	651	-
Total	15,286	778	(1,209)	269	1,708	16,832	(16)

9 Investments

	2021 £'000
Market value at 1 January	15,286
Additions	16,464
Net cash movement in year not yet invested	(36)
Disposal proceeds	(16,590)
Gains on investment	1,708
Market value at 31 December	16,832

Investments at market value comprised:

Equity funds – UK	1,449
Equity Funds – outside the UK	8,384
Bonds	2,039
Alternatives	2,363
Waverton Cautious Portfolio	1,440
Royal London Cash Plus Fund	910
Cash	247
	16,832

Historical cost:

Restricted fund	2,274
Endowment fund	12,812
	15,086

10 Computer equipment

	2021 £'000	2020 £'000
Cost at 1 January	-	27
Additions	-	-
Disposals	-	(27)
Cost at 31 December	-	-
Accumulated depreciation at 1 January	-	(27)
Depreciation for the year	-	-
Disposal	-	27
Accumulated depreciation at 31 December	-	-
Net book value at 31 December	-	-

11 Debtors

Amounts owed by group and related undertakings
Prepayments and accrued income

	2021 £'000	2020 £'000
	15	12
	265	162
	280	174

12 Creditors

Due within one year:

Grants payable
Accruals
Tax and social security
Amounts owed to group and related undertakings

Due after one year:

Grants

	2021 £'000	2020 £'000
	257	196
	53	65
	5	4
	22	22
	337	287
	67	63
	404	350

13 Analysis of net assets between funds

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2021 Total £'000	2020 Total £'000
Investments at market rate	481	1,882	14,469	16,832	15,286
Other net (liabilities)/assets	(329)	624	(329)	(34)	(110)
Total value of the fund	152	2,506	14,140	16,798	15,176

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2021 Total £'000	2020 Total £'000
CAPET	-	889	4,815	5,704	5,205
PDLT	-	798	6,895	7,693	6,869
Foundation	152	-	2,430	2,582	2,322
CATER	-	819	-	819	780
	152	2,506	14,140	16,798	15,176

Analysis of net assets between funds - 2020 comparison

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2020 Total £'000
Investments at market rate	483	1,886	12,917	15,286
Other net (liabilities)/assets	(349)	576	(337)	(110)
Total value of the fund	134	2,462	12,580	15,176

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2020 Total £'000
CAPET	-	932	4,273	5,205
PDLT	-	750	6,119	6,869
Foundation	134	-	2,188	2,322
CATER	-	780	-	780
	134	2,462	12,580	15,176

14 Summary of 2021 fund movements by trust and prior year comparison:

Unrestricted funds

	Balance at 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2020 £'000
Foundation	99	91	(134)	72	6	134
Total	99	91	(134)	72	6	134

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2021 £'000
Foundation	134	88	(159)	78	11	152
Total	134	88	(159)	78	11	152

Restricted funds

	Balance at 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2020 £'000
CAPET	925	124	(56)	(72)	11	932
PDLT	661	169	(87)	-	7	750
Foundation	26	2	(28)	-	-	-
CATER	754	711	(696)	-	11	780
Total	2,366	1,006	(867)	(72)	29	2,462

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2021 £'000
CAPET	932	94	(88)	(78)	29	889
PDLT	750	130	(99)	-	17	798
Foundation	-	-	-	-	-	-
CATER	780	707	(699)	-	31	819
Total	2,462	931	(886)	(78)	77	2,506

The above restricted funds are trust income that must be spent on that specific charity's general purposes at the discretion of the trustee as detailed on page 5. During the year, the trustees approved a transfer from CAPET of £78,000 to the Foundation to fund bursaries. This is in line with the secondary objectives of CAPET.

Endowment funds

	Balance at 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2020 £'000
CAPET	4,392	-	(25)	-	(94)	4,273
PDLT	6,289	-	(36)	-	(134)	6,119
Foundation	2,236	5	(11)	-	(42)	2,188
Total	12,917	5	(72)	-	(270)	12,580

	Balance at 1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2021 £'000
CAPET	4,273	-	(22)	-	564	4,815
PDLT	6,119	-	(32)	-	808	6,895
Foundation	2,188	4	(10)	-	248	2,430
Total	12,580	4	(64)	-	1,620	14,140

CAPET and PDLT's endowment funds are permanent but the Foundation endowment is expendable for general purposes at the discretion of the trustee in furtherance of the objects of that charity as set out in the trustee's report on page 5. During the year no transfers were made from the expendable endowment (2020:nil).

15 Library book stock

The working stock of the library was originally donated by ICAEW to CATER and is currently valued for insurance purposes at £1,000,000 (2020: £1,000,000). The stock is not included on the balance sheet but library expenditure includes the cost of maintaining and adding to it. The aggregate cost and depreciation of the library stock is not known and cannot be estimated with any reasonable degree of accuracy. Additions during the year are expensed as incurred and included within library expenditure as they are below the capitalisation threshold.

16 Related party transactions

There is an agreement between CAT and ICAEW to provide administrative services to the Foundation and linked charities. The total of the transactions amounted to £221,000 (2020: £213,000), in addition to the costs of the library. At the year end £7,000 (2020: £10,000) was owed to ICAEW. Management and miscellaneous support costs include direct costs and related charges on a time spent basis and an allocation of overheads split between CATER, PDLT, CAPET and the Foundation.

In addition, the trust awards grant funding to the ICAEW to support the Information for Better Markets programme. ICAEW members provide financial knowledge and guidance based on the highest professional, technical and ethical standards. They develop and support individuals, organisations and communities to help them achieve long-term, sustainable economic value. The total awarded in 2021 was £41,000 (2020: £54,000).

ICAEW provide gift aid to support the running of the Library. This amounted to £0.7m for 2021 (2020: £0.7m). CATER make an annual charge to the ICAEW for staff use of Library services; this amounted to £17,000 (2020: £18,000).

All library staff are employees of ICAEW who are seconded to the library and the related employment costs are charged to the charity. This amounted to £232,000 for 2021 (2020: £199,000).

There were no transactions with CAT or its directors in the year other than the reimbursement of expenses as set out in Note 6 to the accounts.

17 Group financial statements

ICAEW is the beneficial owner of the shares in CAT, the sole trustee of the Foundation. ICAEW is a body incorporated by Royal Charter in the United Kingdom (Company registration no. RC000246).

Under International Financial Reporting Standards ICAEW has prepared group financial statements which include the results and net assets of the Foundation and linked charities as well as any non-UK charities CAT administers. You can read the group financial statements online at www.icaew.com/review, or you can request a copy from The Finance Director, The Institute of Chartered Accountants in England and Wales, Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ.

ADVISERS, AGENTS AND ADMINISTRATOR

Investment managers:	Royal London Cash Management Limited 55 Gracechurch Street London EC3V ORL
	Royal London Asset Management 55 Gracechurch Street London EC3V ORL
	Cazenove Capital Management Schroder & Co. Limited 12 Moorgate London EC2R 6DA
	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH
Independent auditor:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Solicitors:	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
Bankers:	National Westminster plc 501 Silbury Boulevard Saxon Gate East Milton Keynes MK9 3ER
Administrator	Jennifer Smith Governance Manager ICAEW Chartered Accountants' Hall 1 Moorgate Place London EC2R 6EA

A change in investment managers from Cazenove Capital Management to Waverton Investment Management Limited Investment Management was approved in November 2020. All funds had transitioned by the end September 2021.

ICAEW FOUNDATION

England & Wales - Charity number 313983

Accounts



Registered Charity No. 313983

ICAEW FOUNDATION

and its linked charities

TRUSTEE'S ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

ICAEW FOUNDATION

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THE LINKED CHARITABLE TRUSTS AND THEIR SOLE CORPORATE TRUSTEE

The names and registration numbers of the ICAEW's charitable trusts linked with the Foundation on the Charity Commission website, and which although separately administered are accounted for as if they and the Foundation were a single charity, under the authority of a uniting direction from the Charity Commission, are as set out below:-

313983-001	The Chartered Accountants' Charities Investment Pool (CACIP)
313983-002	P D Leake Trust (PDLT)
313983-003	Chartered Accountants' Trust for Education and Research (CATER)
313983-009	Chartered Accountants' Permanent Education Trust (CAPET)

The sole trustee of all these charities is Chartered Accountants' Trustees Limited (CAT). The directors of the Trustee company at present and those in office during the period covered by this report are:

William Arthur Bailey	Chairman
Shauna Bevan	
Susan Smith	
Andrew Wauchope	
Michael Hicks	
Andrew Ratcliffe	

Further administrative information will be found on page 40.

The registered office of the trustee and principal office of each of the charities is:

Chartered Accountants' Hall
1 Moorgate Place
London EC2R 6EA UK

PUBLIC BENEFIT AIMS

The trustee presents its annual report and financial statements for ICAEW Foundation (the Foundation) which include its linked charities for the year ended 31 December 2020.

The aim of the Foundation is to support and provide donations to bodies, charitable trusts or funds for the public benefit in areas which are of particular interest to the Institute of Chartered Accountants in England and Wales (ICAEW).

The aims of the linked charities (apart from CACIP which is CAT's collective investment vehicle) are as follows:

- CATER: the advancement of education, particularly in accounting and related subjects, by maintaining and operating the ICAEW library and by supporting qualifying education and research projects initiated by the ICAEW and others;
- CAPET: the advancement of education, particularly in accounting and related subjects, by funding the prizes awarded through ICAEW's examinations and funding bursaries in accordance with the secondary objectives of the trust;
- PDLT: the advancement of the sciences of accounting and political economy, including public finance and taxation, by funding academic research projects and events.

When pursuing these public benefit aims and when setting annual objectives and planning future activities, the trustee has given due consideration to the Charity Commission's general and sub-sector guidance on public benefit.

STRUCTURE, ORGANISATION AND MANAGEMENT

The Foundation is governed by a Deed of Trust last updated on 18 May 2007.

CATER is governed by an administrative scheme of December 1971 made by the Secretary of State for Education and Science. Chartered Accountants' Library Limited (CALL) is a wholly-owned subsidiary trading company of CATER.

CAPET is governed by a Charity Commission scheme of October 1975.

PDLT (the 1952 will trust of the late Percy Dewe Leake) is governed by an October 1975 Charity Commission scheme.

CACIP, the investment pooling charity, is established and governed by a Charity Commission scheme of December 1996.

ICAEW is the beneficial owner of the shares of CAT, which has no corporate assets and is active only as sole trustee of the charities and so is dormant for accounting under company law. In accordance with IFRS10, however, the financial statements of all the charities administered by CAT are consolidated in ICAEW's financial statements.

Details of the charities' transactions with related parties are shown in the notes to the financial statements.

Appointment of trustee's directors

The directors of CAT are proposed by ICAEW's nominating committee and are appointed to CAT by CAT's Board of Directors.

Term of appointment as a director of CAT

The Articles of Association of CAT do not limit the term of appointment. However, by agreement with ICAEW, the trustee directors normally hold office for eight years at a maximum, and the chairman for five years maximum, having served at least one year as a trustee director before becoming chairman.

Induction and training

As part of their induction, new directors of CAT are given a briefing pack which includes information relating to the powers and responsibilities of CAT as a corporate trustee, copies of papers and minutes of board meetings, copies of annual reports and financial statements of the trusts and information relating to the work of the charitable trusts it administers. An opportunity is offered to new trustee directors to meet with the chair and existing trustee directors and members involved in managing the trusts to obtain briefing on the grant making process.

The trustee directors consider periodically whether further training on their role and responsibilities as directors is needed as part of their terms of appointment. Where it is considered appropriate, regular updates and training are provided in conjunction with the charities' investment, other advisers and other external sources.

Directors' Meetings

The trustee directors meet at least three times a year, in order to manage the charities, to review investment and financial performance, to assess new grant applications and to consider feedback and reports on previous grant awards.

The trustee directors have appropriate policies and procedures in place for managing any conflicts of interest arising in the course of its trusteeship.

Key management personnel remuneration

The CAT Board considers the trustee's directors and the Head of the Library & Information Services (LIS) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The trustee's directors give their time freely. Details of expenses claimed and related party transactions are disclosed in notes 7 and 17 to the financial statements.

The pay of the head of LIS is borne by ICAEW and reviewed annually in accordance with the ICAEW remuneration policy.

STRATEGY FOR ACHIEVING OBJECTIVES

Foundation

The trustee's strategy is to make grants for selected initiatives where the contribution made by the trust can make a positive difference to the outcome.

The initiatives supported within the trustee's ongoing aims and objectives can be summarised as follows:

- **Bursaries**
Offering life-changing opportunities to talented individuals who may not otherwise have the opportunity to join the next generation of finance professionals.
- **Prizes**
Rewarding academic excellence and outstanding contributions to society as an inspiration to others.
- **Research and PhD fellowships**
Supporting high quality research that challenges perceptions of the future of accounting and finance.
- **Teaching fellowships**
Fostering change in education, bringing to academic tuition the practical insight for which the profession is renowned.
- **Library services and heritage**
Preserving and enhancing through CATER (see below) ICAEW's heritage that symbolises its position as a most highly respected professional body.

GRANTMAKING AND POLICY

Foundation

Any applications for grants and bursaries are put to the CAT Board for approval via the Foundation office. If a bursary to a university is approved then a Memorandum of Understanding is signed by both parties. As the volume of grants increases a panel of advisors may be established to assist the CAT Board in the process of making grants.

CATER & PDLT

The trustee has a process for the review of grant applications. The Research Advisory Board (RAB) considers all grant applications for research projects and events and makes its recommendations to the trustee. Each grant application includes details of the purpose and contribution of the research project or event and a summary of expected expenditure under such headings as:

- staff costs
- travel costs
- research instruments and access to data sources
- other relevant specified costs.

The RAB also commissions leading academics to write papers and present on issues of key importance to the accountancy profession, particularly on aspects of financial reporting. An annual conference and lecture are both held at which these papers are presented before they appear in a special issue of the journal *Accounting and Business Research*. Requests for funding for the papers and events are put to the trustees in the usual way.

The RAB meets three times a year. It includes senior academics from various universities, including at least one overseas university, as well as other practitioner members. Where appropriate, members of the RAB personally interview the person or team making the grant application, and always obtain independent academic and practitioner reviews.

The trustee may at its own discretion accept or reject any grant application which has been considered by the RAB.

The charitable trusts are committed only to reimburse qualifying research expenditure incurred, together with buyout replacement teaching if appropriate.

The trustee encourages the publication and distribution of the grantees' research findings to the widest possible audience. This may be through ICAEW to its members and others or by other academic journals and external publishers.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The trustee gratefully acknowledges the assistance of ICAEW and its help in publicising the work of the charitable trusts.

CATER's budget for the ICAEW Library is formally reviewed with the Head of the LIS each year to review progress against budget, progress with ongoing development of the LIS and to agree priorities for the year ahead. The resources spent on this service in 2020 amounted to £684,000 (2019: £713,000).

CAPET

The trustee's policy is to:

- assist with the general professional education of suitable persons who are preparing for, entering or engaged in the profession of accountancy, such as by providing books or paying fees, subject to applicants meeting the trustee's criteria for grant eligibility.
- award prizes in connection with ICAEW's examinations.

CACIP

This charity exists only to manage the pooled investments of the above charities administered by CAT.

FUNDRAISING

Foundation

The Foundation launched in 2007. In 2009, professional fundraisers 'Compton's' were appointed by the ICAEW to help raise funds to build the endowment portfolio. All professional fees in relation to Compton's were borne by the ICAEW.

Actual donations totalling £44,287 (including gift aid and accrued income) were received during 2020. Total pledges since the start of the campaign, including legacies, donations and gift aid, stood at £2,814,954 at the end of the year.

Since the beginning of the Foundation campaign, actual donations (which mainly accrued to expendable endowment capital) received up to 31 December 2020, including gift aid, were £2,139,954 before investment returns, and can be categorised as follows:

	£
Funds to be used at the trustee's discretion	1,333,976
Bursaries	205,992
Prizes	110,378
Research	2,041
Library services and heritage	2,078
PhD fellowships	8,846
CABA awards	70,000
Combined Code Research Fund	104,783
PwC Flying Start Programme	100,000
Ernst & Young Smart Futures	36,000
Challenge 10 Initiative	38,140
Legacies	127,720
Total	2,139,954

2020 ACTIVITIES AND ACHIEVEMENTS

FOUNDATION

Grant funded activities

Grants were made during the year to Humentum of £6,000 (2019: £6,000) and St Margaret Lothbury £600 (2019: £600). The Foundation gives to Humentum to fund bursaries for its charitable training in accountancy to individuals working in non-governmental organisations and to St Margaret Lothbury to assist in the maintenance of the grade 1 listed building, to ensure parish affairs are efficiently run and the

worship services continue to the highest standards. From 2021 the donation to St Margaret Lothbury will be paid by ICAEW to enable the church to claim gift aid on the donation.

Grants awarded

The main strategic focus of the Foundation is the creation and granting of bursaries. New bursaries will be funded from the income generated on the investment of current donations or the release of expendable endowment. Total bursaries awarded during the year were £137,000 (2019: £41,000). UK bursaries are usually awarded for a period of three or four years and are accrued in the accounts for the whole period in the first year when the bursary is approved. Therefore, the awards payable to UK universities shown in note 6 are for new bursaries, including amounts payable over future years.

The ICAEW Foundation Changing Futures Bursary Programme

To date, the ICAEW Foundation *Changing Futures* bursary programme has supported 52 undergraduate students of accountancy and finance in universities across the UK, and in Hong Kong and Cyprus.

- ICAEW members can see how their donations to the Foundation are making a real difference and having a positive impact. They may also be encouraged to engage with their local student.
- ICAEW Foundation is immensely proud of our work with students through the bursary and mentoring programmes but we do need the support of our members to continue to grow our impact and reach.

Mentoring Matters

Was designed and launched in the 2019 academic year for our UK bursary students and was rolled out in conjunction with Deloitte. The programme aims to support each individual student's wellbeing and assist them on their study journey, as well as offering them future career advice and guidance. Students have let us know how valuable and important mentoring has become to them and we are most grateful to the mentors who give generously of their time. This year an additional 14 mentors have volunteered, and we have extended the programme to students who applied for but were unsuccessful in obtaining one of our bursaries.

Here are some of our student bursary recipient stories from this past year. You can read about the difference the bursary and mentoring has made to these talented and ambitious individuals and how the educational experience has already nurtured and developed them.

Josephine Osei, Manchester Business School



After a successful first year, I wanted to challenge myself further in my ability to cope with a higher workload, so I decided to split my modules for the second year into seventy units in the first semester and fifty units in the second. Normally the split is required to be sixty-sixty, but with the peace of mind I had from the funding I receive through this scholarship, I knew I could stretch myself further. Although it was a challenging semester, I was pleasantly surprised and proud of the outcome I received when our exam results came out. In one of the modules I had been struggling with the most ('Financial Reporting and Accountability'), I got a 90% on the exam, and with my other six modules I got First in four and a high Second in the other two. I believe I was able to concentrate and focus on my studies to this degree as a result of having the ICAEW Foundation Bursary, and for that I am very grateful.

Furthermore, thanks to the Foundation providing a mentor for their students, I was able to learn many things that have been pivotal in my career development and direction. From communication and discussions with my mentor I was able to learn about some of the different routes and positions in the field of accounting, and although I was aware of these roles before it was very beneficial to get a higher level of depth and understanding.

Additionally, with the advice I received from my mentor I have also been able to get more work experience with GCC Accountants, where I am learning about other roles in accounting including how to prepare financial reports for businesses, administering payroll and providing tax services to clients. This work

experience is also helping me to understand the material I am learning at university much better, as I am being exposed to how materials learnt are put into practice in the workplace.

Isaac Farrell, University of Lancaster

The past year has been a very successful one, all things considered. Despite everything going on in the world, I finished my degree at Lancaster University and graduated with first class honours. I also managed to pass my driving test and secure a graduate role at Mazars. All of these achievements were made possible with the help of ICAEW foundation.

With student life becoming more and more expensive, I would have needed a part time job if it wasn't for the support I received from the ICAEW. With money issues no longer at the forefront of my mind, I was able to dedicate a lot more time to my studies. This was particularly valuable when I needed to spend so much time writing my dissertation!

The bursary also allowed me to set money aside for driving lessons. This is something I am really appreciative of, especially with the amount of travel involved in audit work. Alongside the bursary, ICAEW also provided me with a career mentor. The support I received from my mentor helped me through the graduate role application processes and I ended up at one of the firms that he recommended.

I am now at Mazars as an audit trainee, beginning my life in the world of accounting. I am currently working my way through the certificate level exams and cannot wait to become a fully qualified ICAEW chartered accountant in the future. I would like to thank the ICAEW Foundation for everything that they have done for me over the past 3 years.

Owen Bailie, Queens University, Belfast



I have just finished my second year of university. I am currently studying accounting at Queen's University Belfast.

I am very lucky to have received the ICAEW bursary. This bursary has had an amazing impact on my time at Queen's. By having this bursary, I have had the opportunity to reduce the number of hours working at my part time job. This meant that I was able to dedicate more time to my studies. It also allowed me to travel back home more frequently to help my parents around the house. This has made life less stressful and has allowed me to enjoy my time at university.

I have also had the opportunity to apply for summer internships while at university. I was lucky enough to be selected for two programmes with two different companies. However, due to the unforeseen circumstances of the pandemic, one company has cancelled the programme for this year. I am looking forward to taking part in the other programme and I am hoping that this will give me a greater insight in what it would be like to work for a big 4 accounting firm.

In terms of future aspirations, my plan is to find work in an accounting firm as soon as I graduate. I also have the intentions of applying for a training contract with the view of qualifying as a Chartered Accountant.

Scott Mclean, Cardiff University

My academic year for 2019/20 has gone as expected; I did well on all my exams and I will finish the year with a 2.1 grade to progress into my final year.

I have just started my final year of studying Accounting and Finance, at Cardiff University which I started in 2018 I have had the most exciting time, from the overall university experience to learning everything there is to know about accounting, I have met so many people who I'm sure will become life-long friends and I hopefully have a bright future ahead of me.

The financial security provided to me by the ICAEW Foundation Bursary has been an excellent support during my degree. I am very grateful for this financial support and I would like to thank the ICAEW for providing this to me.

Coming from a less financially stable background this bursary has allowed me to worry less about my finances and allow myself to fully absorb university life. By securing the Bursary, I have been able to take the time to look into a variety of opportunities within Cardiff University to broaden my future horizons.

Unfortunately, due to Covid-19 I was unable to secure a placement in time for this academic year. However, I now plan to stay on at Cardiff University to study a masters in Accounting and Finance, which I believe will allow me to further my skillset that will help me fulfil my future career ambition to become a Chartered Accountant and with the continued support from ICAEW, I will hopefully achieve my ambition in the near future.

Aminah Ali, City University of London, BSc Accounting & Finance – 3rd year

I would like to first start by saying thank you for the ICAEW bursary. It helped me hugely this year as unfortunately due to the consequences of the pandemic, I was released from my job.

The pandemic has affected all of us, either at work or university. Most of our lecturers gave us access to recorded lectures for each of the modules which made the transition to online teaching slightly less stressful. However, that was only the case for lectures and not tutorials which could not take place as the University was closed. I feel that I benefit more from tutorials as the group is smaller and it allows you to ask more questions and link more of your knowledge to practical questions.

I have had four modules this term: corporate finance, corporate strategy, business strategy & management and business strategy. I have also picked up another module to learn – Arabic - to develop my skills and to assist in future jobs, I feel like having more than one language is very useful.

I have applied for several graduate jobs in the field of taxation and consulting for firms such as EY, Goldman Sachs, KPMG & Barclays. However, when applying for these jobs they had stated they would train you up for ACCA, I would like to explore the option of doing the ICAEW training too.

Abdiraman Mohammed, recipient of The Beckingham Bursary, Manchester Business



A new year will always lead to new challenges, and I can conclude that this year has been more challenging compared to last year. Current global events have led to even more uncertainty and challenges. However, these challenging moments have persuaded me to be more innovative – whether it is in my academic projects or in my part time work.

Upon reflecting on my academic studies, I am satisfied with the grades I have achieved. I found the 'Principles of Taxation' module interesting, and I particularly enjoyed the opportunity to participate in the UK tax system analysis group project. The project enabled me to advance my research on the UK tax system since discussing this topic at the PwC citizenship workshop last year, when I visited their Manchester office with the whole class and our lecturers.

In the group project, the debate on ethics in the tax system was interesting and especially notable with regard to how tax rates affect the living standards of the country. I was satisfied with the grade I achieved for that project: 88%, which is a high First. The 'Foundation of Finance B' module was also notable as it has enabled me to learn how to effectively analyse investments. The assignment required me to approximate the risks and returns of portfolios through the use of databases such as Capital IQ and Fama French, and the skills and knowledge acquired from this project will enable me to understand how to effectively invest in. Additionally, this volunteer opportunity enables me to apply for the HEA Associate Fellowship, which involves sending a detailed self-reflection on my experience coaching first year students. This qualification will be useful for me if I ever consider having a career in the education sector.

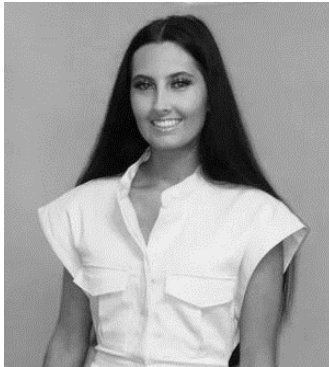
Fortunately, I managed to join the Deloitte mentoring scheme through the ICAEW Foundation and have been paired with a mentor who is an assistant manager at the Deloitte London Office. Being in contact with an ACA accountant has been really helpful, and I have managed to discuss many practical elements of accounting with my mentor. I am grateful to be able to participate in this scheme.

In terms of my long-term career objectives, I am currently aiming to acquire a position on a placement programme. Unfortunately, one of the work placements I was in process of acquiring got cancelled due to the current global event. However, there are still opportunities available that may enable me to acquire a role, so I am hopeful. Ultimately, I am still aiming to become an ACA accountant.

I would like to end by thanking the ICAEW Foundation for the support and financial aid it has provided. It is difficult to express your impact in words. The scholarship funds have enabled me to acquire resources that I need for my studies, such as books and a laptop. Furthermore, the funds have been essential for me to support my family during these difficult times.

Outside my studies, I have decided to support first year students and guide them with any issues they are facing. That's why I have decided to participate in the new BSc Accounting volunteer programme which enables second year students to coach first year students. My objective is to help them make the most out of their academic year, and especially to ensure they feel comfortable and motivated by understanding their perspective and being sympathetic. Currently, this communication is being done remotely due to the lockdown, but this has not been an issue since we are all comfortable communicating online.

Emma Massingham, University of Liverpool



I have just completed my first year at University of Liverpool studying Accounting and Finance with a year in industry. I started University in 2019 and have really enjoyed my course, although it has been challenging at times, it has also been very rewarding through learning new concepts and meeting lots of new people. I think I settled into University very well and adapted to the new way of learning very quickly.

I feel one reason why my first year at university has gone well is due to not having any financial pressures. This is due to the financial security I have received from the ICAEW Foundation Accounting and Finance bursary. This has been an excellent support to me during my first year of studies as I have been able to focus and concentrate on my studies without having the pressure to find part time employment. This bursary enabled me to purchase a laptop which has supported me with my studies and proven to be very useful and beneficial especially since university has moved to being online due to COVID-19 restrictions. Having the laptop has meant I have been able to carry on with my studies without any added pressure of trying to borrow a laptop from the library or having to use a relative's. I also feel by securing this bursary, it has allowed me to maintain my visual learner approach to my studies by being able to afford to print off work when I need to without having the financial stress.

As well as the bursary relieving financial pressures, it has also allowed me to gain support and advice from a manager at Deloitte. I have monthly calls with my mentor from Deloitte who is called Rebecca, this has helped me to gain support and advice on various situations such as industrial placements, CV, and cover letter preparation as well as general university advice. It is useful to gain support from someone that has been in my position in a similar course at university. This mentoring scheme gives me much more confidence through company application processes.

My future career ambition and aspirations are to become a successful Chartered Accountant with the continued support from the ICAEW Foundation. I hope to complete the ACA qualification after university to become an auditor in the future. I hope to achieve my aspirations and ambitions in the near future, I am very determined to ensure I do so.

Charlotte Douglas, University of Sussex



I am pleased to inform you that I am now well into the first semester of my final year at the University of Sussex. This term I am studying Advanced Taxation, Advanced Management Accounting, Financial Accounting & Analysis and Valuation of Companies. So far, I have particularly enjoyed building my knowledge in Advanced Taxation. I am optimistic about this final year.

I was very pleased with my achievements in my second year, with an average of 84%, which will considerably boost my chances of getting a First in my final year. In addition, I was awarded CIMA Student of the Year 2020 for outstanding performance in Management Accounting. This is an award I am very proud of because I have found management accounting one of the most challenging modules.

Over the summer, before university began again, I continued to work part-time in my local ASDA store during the pandemic. In addition, I set up a small business, selling handmade crochet clothing and accessories. I started by setting up an Instagram page and I have received amazing support, with now over 2,700 followers. I sell a range of items, including jumpers, cardigans, bandanas, hats, earrings, bags and much more! My most popular pieces are my cosy winter jumpers. This is something I have continued to run while I'm at university – it has helped me gain valuable time-management and organisational skills to ensure I find a good balance between crocheting and university work. I have expanded my selling platforms to include Etsy and Depop as well. The entire experience of running a small business has taught me many valuable lessons and it is something I very much enjoy and hope to continue.

Despite the difficult situation that COVID-19 has put all of us in, I hope to do well this year and am determined to work very hard to achieve a First. It has been a very strange learning experience, switching to online lectures/seminars, which I have found difficult to adapt to. However, the support I have received from the ICAEW Foundation Bursary has helped substantially, so I would like to take this opportunity to thank you again for your continued support.

Will Horsnell, University of Bristol



ICAEW Foundation bursary recipient and university graduate, Will Horsnell, has secured a role at the Department of Business of Business, Energy and Industrial Strategy (BEIS).

Will was the recipient of an ICAEW Foundation bursary in 2016, supporting him to undertake a BSc in Economics and Accounting degree at Bristol University.

We're very pleased to report that he graduated last year with a 2:1 and has joined BEIS as an economist.

Professor Clatworthy, Will's Accountancy professor, got in touch to let us know how much Will had benefited from the bursary and how excited he is about commencing employment as an Economist with BEIS at the Government Economics Society (GES):

'Like Will, we at the University of Bristol would like to say an enormous thank you to ICAEW Foundation for supporting our students in this way'. 'Will tells us that the bursary was especially beneficial to his studies because it allowed him to focus on his course work during term time rather than having to find a part-time job.'

'I am especially grateful to the University of Bristol and ICAEW Foundation for providing me with the skills and the support that have enabled me to undertake postgraduate studies and to successfully complete the almost year-long selection process required to gain entry to the Civil Service Fast Stream'.

Caroline Kearns, Head of ICAEW Foundation said: 'We are absolutely delighted to hear about Will's exciting new career with BEIS, an important stakeholder for ICAEW and at a really interesting time for our economy.'

The ICAEW Foundation Building Futures Bursary Programme

In recent years, ICAEW Foundation has grown its geographical reach via the *Building Futures* programme with bursaries for students of new professional accountancy qualifications in Malawi, Ghana and Lesotho and Cambodia.

MALAWI (ICAM)

Due to the Covid 19 pandemic and closure of Universities, bursaries earmarked to support 10 students during 2020 were postponed and will now be carried forward into 2021/2022.

GHANA (ICAG)

Six bursaries to the value of £1,375 for the duration of 2 years were approved during 2020 and will commence early in 2021.

CAMBODIA (KICPAA)

The first ever Cambodian professional accountancy qualification has been delayed in its launch predominantly due to the impact of Covid 19. Nearly all students were heavily impacted throughout the year as not only were they unable to get the usual part-time jobs to fund their studies but in addition, all universities/colleges remained closed throughout 2020.

£25,500 over two years has been earmarked for student support, now due to commence during 2021.

UN Sustainable Development Goals

We are conscious and very proud of the role of the work of ICAEW Foundation in contributing to achieving Goal 3 and 4 of the UN sustainable development goals as detailed below.



CATER LIBRARY AND INFORMATION SERVICE

The Library & Information Service (LIS or 'Library') supports the current and future research needs of the accountancy profession by collating and preserving information and by providing an enquiry and research service. LIS also supports ICAEW by delivering a quality benefit to ICAEW Members.

The ICAEW Library has continued to follow the roadmap towards a more digitally oriented collection through 2020 while managing the ongoing need for items in the print collection, many of which are unique to the ICAEW collection. The collection remains one of the world's most important collections of material on or for the accountancy profession.

The Covid-19 pandemic has disrupted the functions and services of the Library teams but throughout the crisis the teams have adapted to the changes, demonstrating a resourcefulness that has ensured the continuation of a high level of service to members and ongoing drive forward on our digital projects. The team have shown great resilience, especially in diversifying their roles to help keep operations running.

LIS management and structure

The Library collection (including third party digital information resources), and supporting software system and catalogue, are maintained and operated by CATER on behalf of ICAEW and the wider public. There are currently 5.5 full time equivalent staff posts funded by CATER for this purpose. One post in Cataloguing remains unfilled following a freeze on recruitment during the pandemic.

Library staff operating the Enquiry Service are currently funded by ICAEW rather than CATER. LIS staff report to Directors in Members, Commercial & Shared Services. CATER staff continue to contribute to the answering of enquiries, gaining valuable knowledge that feeds into stock selection and cataloguing.

The Rare Books collection, an asset owned by ICAEW and managed by ICAEW staff, falls outside the remit of CATER.

Enquiry, Document Delivery and Loan Services

The LIS information professionals provide a valuable business information research service to Members and the profession.

The service has operated remotely throughout the coronavirus pandemic. There has been little variation in enquiries received this year compared to previous years: company information, tax guidance, model documents and client screenings remain popular. These were largely fulfilled by electronic supply. We had 56 enquiries directly relating to coronavirus: a very small proportion of our overall numbers.

We drew upon our electronic resources (ebooks and subscription platforms) to support members when during the earlier stages of the pandemic the book loan service was not available. From early August a weekly postal loan service was available for members and returned loans have been processed. We also offered a callback service.

The team handled 9,670 enquiries during 2020, building on their expertise across a broad range of subjects. A total of 2,842 document items were supplied to enquirers, enhancing the information available on the ICAEW website.

The enquiry service saw an 8.7% drop in traffic over 2020 from the previous year. The total was nevertheless high given the circumstances: The Business Centre was closed to members from the end of March, precluding queries from visitors passing through, and fewer loan requests were made, perhaps owing to the 5-month suspension of the loan service and members' shifting priorities during the pandemic.

Document delivery (excluding client screenings) was down 17% in 2020 having been impacted by access to stock during the pandemic. With no access to the Business Centre for four months and limitations on supply from the offsite store, supply of copyright-licensed print copies from hard-copy decreased by 74%.

The popular client screening service has shown substantial growth following promotion of this membership benefit. A total of 4,850 requests were recorded across the year, with demand during the summer months far exceeding previous years. The service attracted 275 new users in 2020, bringing the total of unique users to 1,357.

Customer satisfaction surveys showed that 85% of Library & Information Service users found the service was easy or fairly easy to use.

CATER collection and digital resources

The ICAEW Library is a modern, hybrid service comprising of a physical collection of loan and reference material, and a suite of online, third-party resources to support user needs. Most of the physical collection is offsite and accessibility is dependent upon staff based at Milton Keynes.

Print material selection is largely demand-driven and expenditure continues to fall as resources are focused on online products. In addition, less print material was purchased due to the closure of Chartered Accountants' Hall and the economic uncertainty during 2020. The publishing market is also changing, with several publishers withdrawing subscriptions to print material. This trend emphasises the growing reliance on database licences to maintain access to content. Certain stock management tasks have not been possible during the pandemic, which will create a backlog of work for 2021.

Usage and development of online resources

Our online resources have played an important part in the continued provision of services during the crisis. Apart from a small number of cancellations, we have maintained expenditure on digital resources for members. The majority of vendors have kept their prices at or close to zero inflation. Some of our suppliers have also provided additional free access, or have agreed to remove usage limits, to support our users working remotely. We now hold over 540 ebooks, adding 26 titles in 2020. Overall, there was a 4.2% rise in usage year on year. At the height of the UK coronavirus lockdown, ebook usage rose 35%. Third party online resources are promoted through the ICAEW website. In 2020, some of these featured in the ICAEW's coronavirus and redundancy support hubs.

Cataloguing

The skilled Cataloguing team catalogue and index every acquisition and maintain the online catalogue of resources held. Their work is vital to ensuring that relevant, reliable and accurate information can be found quickly and easily.

The library catalogue provides a record of electronic and print resources held by the library - books, rare books, articles, serials held by the library, as well as all ICAEW-produced documents. The catalogue supports the Library enquiry service and the website.

Beyond their regular cataloguing activities, the team play a vital role in the development and maintenance of the taxonomy and handle the transfer of ICAEW archival material to the London Metropolitan Archives (LMA) on behalf of ICAEW.

No hard copy cataloguing or abstracting took place while Chartered Accountants Hall was closed but re-started following the resumption of the postal loans service and book purchasing, through regular team member visits to Chartered Accountants' Hall when this was permitted. This has resulted in a big reduction in cataloguing and abstracting figures compared to last year.

One member of the team moved to a new Digital Archive role and could not be replaced due to a recruitment freeze during the shift to home working and this has also had a huge impact on cataloguing output in 2020.

During the remote-only working period, the team completed a long-needed project to replace subject headings in catalogue records for 2500 of the most recent and most used resources (and for everything added to the collection in the future) with ICAEW taxonomy terms. The result will be that the library collection will be using the same subjects as ICAEW's website providing consistency and making the most of synergies between the two systems. In a follow-up to this project 2,063 links to catalogue searches on the website were updated.

In 2021 we are looking at ways of working alongside the Digital Archive project to produce catalogue records for ICAEW publications stored digitally rather than in hard copy and to resume some journal abstracting – again from digital sources.

Valuation - CATER book collection

It was agreed that the CATER collection will be insured for £1,000,000 (2019: £1,000,000).

Digital Preservation

The Library has long recognised the challenge that the move to online publishing presents to the ongoing effort to keep a permanent archive of all ICAEW publishing and the threat of a digital 'black hole in the knowledge base of the 21st Century' which the British Library has warned about.

A project to build a digital archive began in 2019. Once complete, the digital archive will hold any born digital material that is released by ICAEW into the public domain (e.g., helpsheets, technical releases, press releases and AGM papers) and regular snapshots of the ICAEW website. At a later stage digitised material from the library's print collection could be added to this.

This project is an important way of strengthening the part that the library plays in capturing and sharing organisational knowledge for the benefit of researchers.

To help us meet this challenge, Craig McCarthy was appointed to the role of Digital Archivist in January 2020 and ICAEW's Digital & Publishing department have provided funding for archive platforms from Archive-it and Preservica. Using these platforms, the team will preserve copies of born digital publications and websites produced by teams across the organisation.

The team has all the tools needed for working on the project remotely due to Covid-19 restrictions. Team members with work affected by the pandemic have also been able to take on Digital Archive project work.

In addition to the online training offered by the digital archiving platform providers, have successfully completed the National Archives Digital Preservation Coalition Novice to Know-how training course.

Project progress

There are currently two main strands to the project – preservation of publications and document on the Preservica platform and website captures using the Archive-IT platform.

Digital publications

Digital content is extremely vulnerable– due to software and hardware changes and data that can easily be corrupted. Preservica ensures that content is migrated to new accessible platforms with checks for corruption and migration paths from older versions to ensure continuity of access.

The initial phase of the project focused on the set-up and workflow options for ICAEW, followed by consultation with ICAEW colleagues on the preservation priorities. The first collections can now be freely accessed and downloaded:

- All issues of *Economia* magazine
- All ICAEW Representations from 2005

The project is still in the early stages but should be a massive digital resource for future researchers when the first wave of work is complete, with early estimates of over 30,000 documents. In the longer term all born digital ICAEW publications will be added and in a second stage hard copy ICAEW publications will be digitalised and added.

Website captures

Progress on website capture has been intense this year due to ICAEW website redevelopment. The process of selection and capture is technical and complex. A large website capture can take several weeks. In addition to ICAEW.com captures of other ICAEW websites were taken:

- The *Economia* website was captured before closure in January 2020.
- ICAEW's blogs and discussions website, ION, was captured prior to closure of the platform in October 2020.

- All pre-2018 articles from London Accountant have been captured before the website was streamlined

Captures are now routinely made before sections of the website are redeveloped to ensure that this content will be available to future researchers.

Promotion

We continue to promote the Library and the enquiry service on ICAEW's website, general member newsletters and newsletters aimed at specific audience groups such as Practicewire.

Tours and presentations

LIS promotes resources and services via a range of media, including presentations. In 2020 this included a 'Maximising your member benefits' session for the Northern Society and an online presentation to the Sheffield & District Society and their guests.

Key performance indicators

All KPIs in 2020 were affected by changes to services and operations brought about by the coronavirus pandemic.

2020 key performance indicators

	2020	2019	2018	2017
Enquiries ¹	9,670	10,597	10,981	10,436
WebChat enquiries ²	1,218	1,001	1,290	1,516
Book loans, excluding renewals	341	1,155	1,328	1,336
Document Delivery (excl. client screenings) ³	2,842	3,424	4,748	4,179
Client screenings (total reports requested)	4,850	3,424	2,336	1,473
Items (vols and ebooks) acquired and catalogued	303	1,064	1,149	1,683
Journal articles abstracted and indexed on LibCat ⁴	55	282	396	375
Total number of journal articles on LibCat	68,964	68,904	68,599	68,016
Ebook views and downloads ⁵	15,062	14,458	14,699	42,700
Documents added to the Digital Archive	2,119	N/A	N/A	N/A

¹ Enquiry statistics from 2017 onwards exclude quick Business Centre enquiries

² Large scale changes to the ICAEW website in 2019 resulted in a substantial reduction of webchat enquiries

from old or out of date content

³ The number of electronic documents supplied saw a significant drop in 2019 following restrictions imposed by one of our suppliers on some of the most popular content.

⁴ The reduction in articles abstracted in 2019 is mostly due to Accountancy becoming an online only publication.

⁵ Removal of a small number of popular ebooks caused a drop in usage from 2017, masking improved engagement with our main eBook platforms between 2017 and 2018

CAPET

CAPET's primary objective is the advancement of education, particularly in accounting and related subjects, by funding various district society prizes, holding the ICAEW International ACA annual prize giving ceremony and to award prizes to those students who have achieved. The prizegiving ceremony is usually held at Chartered Accountants' Hall. Total prize costs relating to the 2020 examinations amounted to £35,000 (2019: £37,000).

Due to the continued Covid 19 restrictions, the 2020 prizegiving ceremony was cancelled and will now be held in April 2021 as a virtual event that remains both high quality and celebratory. This virtual event will award the 2019 and 2020 prizewinners. The virtual event will replicate the main parts of the face-to-face ceremony and will include an opening and welcome address by our President, a keynote address from a member and the President will also announce the winners and close the event.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Learning and Professional Development are working with publishers, Sunday, to create content that will showcase prizewinners as part of the Student Insights hub. This will go live in Q1 2021.

PDLT

The following new academic research projects and event funding requests were approved in 2020:

	Institution/Host	Funding approved
Events		
Management and Accounting Research Group (MARG) Event (Nov 2020)	Aston	5,000
Tax Research Network Conference (Sept 2020)	Cambridge	3,000
PD Leake Lecture: the extended audit report	ICAEW	16,042
PD Leake Lecture: Accounting in the Anthropocene	ICAEW	10,800
Information for better Markets 2020: the financial reporting system	ICAEW	46,785
European Financial Reporting Workshop (Sept 2021)	Glasgow	1,500
Behavioural Finance Working Group Conference (June 2021)	Queen Mary's	3,000
Accounting History Review Conference (June 2021)	Edge Hill	3,000
Information for better Markets 2019 Open Access	Accounting Business Research	7,170
Total 2020:		96,297
Total 2019 for comparison:		104,602

Achievements

In 2020 the huge changes brought about by the global Covid-19 pandemic affected research activities and events alike. Ongoing research projects slowed down as researchers dedicated their time to moving all teaching online. Many events were postponed but some event organisers rose successfully to the challenge of holding events exclusively online and found new benefits in terms of wider global participation and reduction in costs. Such events seem unlikely to return to being held exclusively in-person again. Other event funds already allocated but postponed were carried forward to 2021.

In 2020 PDLT grants supported key ICAEW academic events, the annual Information for Better Markets conference and the PD Leake lecture which were both held exclusively online for the first time. In addition to attracting academic speakers of international repute, the audiences were larger than usual with delegates from practice, business, policy makers and standard setters as well as leading academics all viewing. The Information for Better Markets conference had delegates from over 30 countries and the PD Leake lecture had a record 350 viewers. At the same time associated costs in running both events were significantly less than usual.

Several PDLT funded external events were postponed but the annual Tax Research Network (TRN) and Management Accounting Research (MARG) conferences both went ahead successfully. The TRN event had over 300 delegates compared with the usual 80-100 delegates and their use of pre-recorded videos, while increasing the amount of preparation needed, raised the quality of speeches and created a legacy for future viewers. The MARG conference organisers reported similar benefits and even added a social interaction element through the use of wonder.me software. Again, overall costs were far lower than usual.

Completed projects produced outputs including conference papers and presentations, articles on the ICAEW website, academic papers in leading journals and ICAEW research briefings. Two ICAEW briefings were published in 2020: *Fair value measurement by listed private equity funds: do they capture the fundamentals of investee companies?* and *Performance measurement and target-setting: Achieving balance in a Chinese State-Owned Enterprise*. A series of papers from the Information for Better Markets conference 2019 looking at the real effects of financial reporting were published in a special issue of *Accounting and Business Research* in June 2020, videos of the presentations are available on the ICAEW website. Requests for open access for research papers from the Information for Better Markets conference

and PD Leake lecture have resulted in a significant increase in downloads for these papers, making them available to a far wider audience.

Some research projects and other events will continue or take place beyond 2020. At 31 December 2020 a total of four research projects were in progress and nine events funded by PDLT were still to take place in the coming months and their achievements will be reported on subsequently. All these activities and events, whether held in-person or online, allow both members of the public and ICAEW members to engage with world-class research and hear from academics from the UK and beyond. The PD Leake lecture and Information for Better Markets conference in particular attract high-quality international audiences and produce research aimed at practitioners. Regular engagement with academics encourages policy-relevant academic research and findings from projects funded by PDLT are made available free of charge.

PLANS FOR THE FUTURE

Foundation

The trustee intends to continue to identify and support relevant initiatives where the grant given by the Foundation has a definable outcome and where the contribution made can make an appreciable difference to the recipient.

PDLT

The trustee intends to continue to support funding academic research and events as proposed by the RAB, with further grants of up to £150,000 per year in total approved within PDLT using the same processes which currently apply.

CATER

The trustee intends to provide support to a programme of accountancy research, promote and support the on-going development of a world-class library and information service for the accountancy profession as well as the advancement of an education and training programme. This will include further development of the library collection, digitising the resources, developing the library management system and promoting LIS services.

CAPET

The Trustee intends to continue to award prizes in connection with ICAEW's examinations. At the November 2019 CAT meeting, the trustees unanimously supported the proposal to allocate £75k per annum from 2020 onwards for the duration of two to three years from CAPET reserves to fund new UK bursaries. This is in line with the secondary objects of CAPET.

RESERVES LEVELS AND POLICY

All the charities administered by the trustee depend on investment income for the funding of their annual charitable expenditure. Only the Foundation's unrestricted income reserves (augmented from time to time by drawing down from its discretionary expendable endowment to cover exceptional spending) are expendable entirely at the trustee's own discretion. Therefore, the unrestricted income of the educational trusts is all accounted for in these combined accounts as restricted income. However, the trustee's reserves policy for each of the charities is separately determined and reported as below.

None of the charitable trusts administered by CAT has long-term or on-going obligations.

Foundation

The trustee believes that the trust needs cover of at least the existing commitments and one year's prospective commitments plus one year's administrative expenses in its unrestricted funds. At 2020 levels this would imply carrying free reserves of £233,000 were it not for the discretionary expendable endowment resulting from the ongoing Foundation campaign. The trustee monitors and reviews the level of income reserves against this endowment at each Board meeting.

As at 31 December 2020 unrestricted reserves stood at £134,000 (2019: £99,000) against an endowment of over £2.0m.

The Foundation depends on investment income from the discretionary endowment resulting from its ongoing Foundation Campaign appeal, whose terms of trust have created an expendable endowment for the funding

of the Foundation's charitable activities contemplated by the donor. Any unused donations and their investment returns are expendable at the trustee's own discretion. The trustee's directors therefore decided at a meeting in May 2008 to invest all such unused donations as general-purpose endowment monies, the income from which, as long as all special-purpose donations have already been utilised for their intended purposes, accrues to the unrestricted income fund for such purposes at the trustee's discretion as may be determined from time to time.

At the November 2019 CAT meeting the Board considered some alternatives to the current policy relating to the expendable endowment so that it is less sensitive to short-term movements. In so doing it considered whether a longer-term view to investment return should be taken, which is more in keeping with the investment approach. The Board unanimously supported the option to attribute the average of the excess returns on investment generated over the previous three years. The current method of calculating the excess returns has already been applied to 2016-2017 resulting in the returns from 2020 being the first which could be available. Losses during the year however, have resulted in no funds being available from the expendable endowment in 2021.

CATER

CATER mainly depends on voluntary income for the funding of its charitable expenditure on educational purposes. With this in mind, the trustee's reserves policy requires a minimum of six months and a maximum of 12 months' of CATER expenditure as freely available income reserves. As at 31 December 2020 CATER's undesignated free reserves were £780,000, equating to 13 months' expenditure, as per the maximum level under this policy (2019: 12 months). The slight increase in reserves in the year is attributable to decreased expenditure as a direct consequence of the Covid 19 pandemic.

PDLT

The trustee believes it is prudent to keep a balance of at least the existing and one year's prospective commitments and one year's administrative expenses in unrestricted PDLT reserves against the risk of a sustained decline in investment income. This is based on an average of the last three years results and would require maximum income reserves of £233,000. Reserves of unspent income as at 31 December 2020 amounted to £750,000, which equated to 39 months total expenditure (2019: £661,000). The cumulative increase in reserves over the past few years is as a result of the following factors:-

- we have had some significant write-backs from some projects and events.
- the quality or relevance of the research proposals received has been disappointing. We are committed to ensuring that only the highest quality and most relevant projects are approved for funding and we have turned down a number of projects
- In 2020 the huge changes brought about by the global Covid-19 pandemic affected research activities and events alike. Ongoing research projects slowed down as researchers dedicated their time to moving all teaching online.

We shall be considering a different approach going forward, with some possible calls for particular research, in the hope of attracting more directly relevant projects.

CAPET

The trustee believes it is prudent to keep a minimum of two years' forecast examination prize expenditure and a maximum of three times forecast total expenditure in unrestricted income reserves against the risk of a sustained decline in investment income. That would indicate income reserves of between £70,000 and £167,000. The reserves of £932,000 as at 31 December 2020 are in excess of the reserves policy (2019: £925,000: in excess of policy). In line with Capet's secondary objectives, the trustees approved additional annual expenditure of £75,000 for 2020-2023 to fund student bursaries, this will bring reserves below the maximum level over the medium term.

The trustee monitors and reviews the level of reserves for all of the charities above at each meeting of its directors.

MAJOR RISKS

The principal risks faced by the charitable trusts as identified by the trustee lie in the performance of investments and operational risks from ineffective grant making and, more fundamentally, major incidents such as cyber-attacks, global pandemics and the effects of terrorist activity.

The trustee considers the volatility of investment returns and long term losses on the permanent endowment fund to be the charity's major financial risk. It accepts some short-term variability as part of its long-term investment strategy. This is mitigated by retaining the appropriate expertise from the investment managers and by having a diversified investment portfolio.

The reputational risk from making inappropriate grants is managed by a reporting and review process. This assists us in keeping track of developments and to focus on the public benefit derived from our funding of their work.

During 2020 an exercise was carried out to determine the risk of CAT suffering reputational damage in the event that any historical links to racism, slavery etc. were identified. No links were established.

Major incidents could disrupt Library operations and result in loss of property, data and staff. The Library participates in ICAEW's business continuity plans which are subject to regular review.

During 2019 a new risk emerged in the shape of a global pandemic, coronavirus (or COVID-19) this has presented significant challenges for the Trusts this year and will continue to do so into 2021. The financial impact has predominantly been in the form of reduced investment income and unrealised losses. The major impact has been not only operationally but also the potential impact on the wellbeing of staff from working from home for prolonged periods. The spread of the virus, its complexity and economic impact evolved at unprecedented speed resulting in numerous easing and tightening of lockdown restrictions throughout the year and beyond. It will be some time before the full effects are felt and understood. The trustee continues to monitor the situation closely to make sure it can respond with agility in securing continuing operations and minimise the negative consequences to the objects of the trusts.

The trustee has an established risk analysis process which identifies the major risks to which the charitable trusts are exposed and the ways in which those risks can be mitigated. The risk analysis is reviewed on a regular basis.

During November, the Directors conducted a review of current practice against the charity governance code. The key principles of the code are largely met with a few areas requiring further consideration and these will be addressed throughout 2021.

INVESTMENT POLICY AND PERFORMANCE

All the charitable trusts' investments are pooled in CACIP. Cazenove Capital Management managed CACIP's endowment portfolio throughout 2020. Our liquid assets during the year were held within Royal London Asset Management (RLAM) cash plus fund and Cazenove Capital management cash fund.

The trustee regularly reviews its Investment Policy to ensure the suitability of investments for the participating charitable trusts, in line with the Trustee Act 2000, adequate diversification and adherence to the internationally recognised Principles of Responsible Investment (PRI).

A formal review of investment managers will be conducted by the CAT sub-investment committee on occurrence of any of the following events:-

- Change in ownership of the manager
- Change in fund manager
- Adverse performance against benchmark over a 3-year period

During 2020, the Trustees decided to undertake a review of investment managers. The investment committee appointed Asset Risk Consultants (ARC) to conduct a review and potential managers were short-listed. Interviews were held and Waverton Investment Management Limited have been appointed to manage the endowment and cash fund previously managed by Cazenove Capital Management. All take

on forms and required documentation has been submitted. Both portfolios at Waverton Investment Management Limited have been set up and transition of funds commenced in March 2021.

The trustee's aim for the endowment funds is to generate resources on a recurring basis for spending on the objectives of the Foundation and other charities at a sustainable rate, while seeking sufficient capital growth over the long term to ensure that the endowment's real spending power is maintained.

Endowment funds are invested to provide an optimal mix of income returns and long-term capital growth. Distributable funds are invested to provide a secure income and to reduce the risk of substantial fluctuations in capital values.

The endowment investments are managed via a discretionary fund manager for long term capital growth and the short-term investments are also managed on a discretionary basis for the best income return at minimal risk to capital, in both cases within policy guidelines set by the trustee. The trustee receives and reviews regular investment performance reports from the investment managers and reviews them against industry benchmarks.

Endowment Fund Assets by Class

	£'000	% of fund
Equities	9,619	74.5%
Bonds	714	5.5%
Multi-Asset Funds	585	4.5%
Alternatives	1,777	13.8%
Cash	223	1.7%
Total Funds	12,918	100.0%

The endowment portfolio's investment income performance of £327k was a 0.1% positive total return compared to the target of 4.2% and benchmark of 3.5% for the Asset Risk Consultants (ARC) sterling steady growth charity index. The indices incorporate portfolio performance data from over 30 leading charity investment managers encompassing more than 1,500 discretionary portfolios. This index allows charity portfolio performance to be compared versus a realistic group of charities whose portfolios exhibit similar behavioural characteristics. The investment managers have been given a target return of RPI +3% over the medium term. Since inception the portfolio has returned a positive 38.4% over a target of 29.0%.

At the November 2019 CAT meeting the Board considered some alternatives to the current policy relating to the use of the expendable endowment element of the Foundation endowment funds so that it is less sensitive to short-term movements. In so doing it considered whether a longer-term view to investment return should be taken, which is more in keeping with the investment approach. The Board unanimously supported the option to attribute the average of the excess returns on investment generated over the previous three years. The current method of calculating the excess returns has already been applied to 2016-2017 and although the returns from 2020 were the first ones available for consideration, losses in the year have resulted in no funds being available from the expendable endowment during 2021.

The ongoing effect of Covid 19 on the economy has resulted in a decrease in combined investment value mainly due to unrealised market losses to £15.3m (2019: £15.5m), comprising of £12.9m in the endowment fund and £2.4m of liquid assets. This figure includes market losses of £0.2k (2019: £1.3m gain). Income generated was £0.35m (2019: £0.40m).

CUSTODY OF INVESTMENTS

All cash and investments managed by the investment managers are held on CACIP's behalf at independent custodians, in the name of the custodian's nominee company. Cash awaiting investment is held by the investment manager as clients' money according to the rules of the Financial Conduct Authority and is deposited to earn interest with the custodian or a wholly owned subsidiary of the custodian.

ICAEW FOUNDATION

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

As at 31 December 2020, the trustee has received and relied upon confirmations from the investment managers as to proper custodianship of investments. It has also received and relied upon confirmation from their respective auditors that, in their opinion, the internal controls and systems of each organisation are sufficient to prevent or detect material errors or irregularities.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee prepares the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charities and of the incoming resources and application of resources, including the income and expenditure, of the charities for that period. In preparing these financial statements, the trustee is required to:

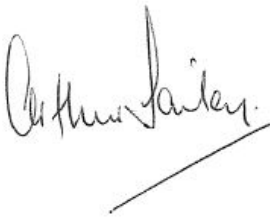
- select the most suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation or a linked charity will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities' transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deeds or other governing documents. The trustee is also responsible for safeguarding the assets of the Foundation and its linked charities and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditor to the ICAEW Foundation, Haysmacintyre LLP is proposed for reappointment.

Approved by the trustee's board of directors on 21 April 2021 and signed on their behalf by



William Arthur Bailey
Chairman

Opinion

We have audited the financial statements of ICAEW Foundation for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee for the financial statements

As explained more fully in the trustee's responsibilities statement set out on page 23, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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. This description forms part of our auditor's report.

ICAEW FOUNDATION

Use of our report

This report is made solely to the charity's trustee in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustee, for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP.

Haysmacintyre LLP
Statutory Auditor
10 Queen Street Place
London
EC4R 1AG

Dated: 14 May 2021

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

ICAEW FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted income funds 2020 £'000	Restricted income funds 2020 £'000	Endowment funds 2020 £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and legacies	3	38	705	5	748	555
Income from investments	4	53	301	-	354	434
Total income		91	1,006	5	1,102	989
Expenditure on:						
Charitable Activities						
Grant funded and direct	6	(133)	(175)	-	(308)	(229)
Library	7	-	(684)	-	(684)	(713)
Raising funds						
Investment management fees	5	(1)	(8)	(72)	(81)	(86)
Total expenditure		(134)	(867)	(72)	(1,073)	(1,028)
Net gains/(losses) on investments	8	6	29	(270)	(235)	1,255
Transfer between funds – expendable endowment	14	72	(72)	-	-	-
Net income and movement of endowed funds for the year		35	96	(337)	(206)	1,216
Reconciliation of funds:						
Fund balance brought forward at 1 January	14	99	2,366	12,917	15,382	14,166
Fund balance carried forward at 31 December	14	134	2,462	12,580	15,176	15,382


The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

BALANCE SHEET AT 31 DECEMBER 2020

	Note	2020 £'000	2019 £'000
Fixed assets			
Equipment	10	-	-
Fixed asset investments	8	15,286	15,458
Sub-total assets		15,286	15,458
Current assets			
Debtors	11	174	59
Cash and cash equivalents		66	154
		240	213
Creditors: amounts failing due within one year	12	(287)	(266)
Net current liabilities		(47)	(53)
Total assets less current liabilities		15,239	15,405
Creditors: amounts falling due after more than one year	12	(63)	(23)
Total net assets		15,176	15,382
The funds of the charitable trusts:			
Endowment capital (permanent & expendable)	14	12,580	12,917
Restricted income	14	2,462	2,366
Unrestricted income	14	134	99
Total funds	13	15,176	15,382

Approved and authorised for issue by the trustee's board of directors on 21 April 2021 and signed on their behalf by:



William Arthur Bailey
Chairman

The accompanying notes form part of these financial statements.

ICAEW FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £'000	2019 £'000
Net movement in funds	(206)	1,216
Cash flows from operating activities		
Deduct gains/add back losses on investments	235	(1,255)
(Increase)/decrease in debtors	(115)	49
Increase/(decrease) in creditors	61	(82)
Net cash used in operating activities	(25)	(72)
Cash flows from investing activities		
Purchase of investments	(6,152)	(4,197)
Proceeds of sales of investments	6,328	4,295
Net movement in cash held not yet invested	(239)	61
Net cash (used in)/provided by investing activities	(63)	159
Change in cash and cash equivalents in the year	(88)	87
Cash and cash equivalents brought forward	154	67
Cash and cash equivalents carried forward	66	154

There has been a change in presentation of the cash flows of the Foundation's investing activities as set out in Note 1(d) to these accounts.

The accompanying notes form part of these financial statements

1 Accounting policies**Accounting convention and basis of preparation**

- a. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

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

- b. The trust constitutes a public benefit entity as defined by FRS 102.
- c. The financial statements of the Foundation aggregate a number of charitable trusts under the authority of a uniting direction from The Charity Commission as set out in the Trustees' Annual Report. These separate trusts are presented as restricted funds within these financial statements.
- d. The investments of The Foundation and its linked charitable trusts are subject to a pooling arrangement under CACIP. Previously, only the cash added and withdrawn from the CACIP pool were reported within these accounts and the transactions undertaken within CACIP were not aggregated and presented within the Statement of Cash Flows and investments note. This has been corrected in the current year accounts and the 2019 comparative figures have therefore been restated to fall in line with this change in reporting. This restatement has resulted in the presentation of the underlying investment additions, purchases and movements in cash held not yet reinvested but has not resulted in a change in the net cash provided by investing activities reporting in the Statement of Cash Flows. There has been no impact on the net movement of funds or net assets held in the Charity in the current or previous year as a result of this change.

Going concern

- e. After reviewing the forecasts, projections and giving consideration of the continued impact of the Coronavirus (COVID-19), the trustee has a reasonable expectation that the Foundation and each linked charity has adequate resources to continue in operational existence for the foreseeable future. Careful management of grant liabilities and the availability of cash presented within fixed asset investments are considered when reviewing our year end results which present net current liabilities. The trustee therefore continues to adopt the going concern basis in preparing its financial statements for the charities.

Income recognition

- f. All income is recognised once the charity has an entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- g. Gift aid is allocated between the restricted and unrestricted funds of each charitable trust in line with the qualifying donations accruing thereto.
- h. Investment income is taken into account on entitlement.
- i. Voluntary income is recognised when receivable. Donations in kind reflect governance costs directly funded by ICAEW.
- j. The surplus or deficit on a partial investment sale is calculated pro rata to the cost of the investment.

Expenditure recognition

- k. Grant making includes grants payable and the associated support costs. Grants are accounted for in the year they are approved, irrespective of the period they cover except for performance-related grants, which are accounted for only when the beneficiary has met the performance conditions. Grants awarded but not yet paid are recorded as grant commitments in the balance sheet.
- l. Governance costs. ICAEW holds a blanket indemnity insurance policy for all employees and directors. The amount allocated to the charitable trusts is estimated based on the number of people covered by the scheme. Governance costs also include annual external audit fees and any costs reimbursed in respect of out-of-pocket expenses of the trustee's directors. The trustee does not receive any remuneration or other benefits for its services.
- m. Costs of raising funds. The costs of generating funds consist of investment management costs and applicable legal fees.
- n. Expenditure on charitable activities. Costs of charitable activities include grants made, governance costs and support costs as applicable.

Other

Taxation

- o. The Foundation and constituent charities are exempt from corporation tax on income and gains applied in furtherance of their charitable objects so there is no liability in respect of its activities.

Tangible fixed assets

- p. Tangible fixed assets are stated at cost. The Foundation only capitalises items costing more than £1,000 or where groups of assets are collectively worth more than this threshold at the time of purchase. Depreciation is charged on a straight line basis over the estimated useful economic lives of the assets, set at three years.

Fixed asset investments

- q. Listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. The Statement of Financial Activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals during the year.

Cash and cash equivalents

- r. Cash and cash equivalents includes cash in hand, deposits held in banks and other short-term highly liquid investments with original maturity of three months or less.

Fund accounting

- s. Endowment funds consist of both permanent endowment funds and expendable endowment funds. Permanent endowment funds represent amounts for which the capital must be retained. Expendable endowment funds are considered to be those unused donations which have been invested alongside the charity's permanent endowment funds in order to generate investment returns. They remain expendable for the furtherance of the charity's objectives. Restricted funds are funds which are subject to restrictions imposed by donors or have been raised by the charity for particular purposes.
- t. The trustee identifies those funds which are expendable in full alongside those generated through investment returns as set out in the Investment Policy and Performance section of the annual report.

2 Statement of financial activities 2019 comparison by fund

	Unrestricted income funds 2019 £'000	Restricted income funds 2019 £'000	Endowment funds 2019 £'000	Total 2019 £'000
Income and endowments from:				
Donations and legacies	1	529	25	555
Income from investments	66	368	-	434
Total income	67	897	25	989
Expenditure on:				
Charitable activities				
Grant funded and direct	(27)	(202)	-	(229)
Library expenditure	-	(713)	-	(713)
Raising funds				
Investment management fees	(1)	(8)	(77)	(86)
Total expenditure	(28)	(923)	(77)	(1,028)
Net gains on investments	9	56	1,190	1,255
Transfer between funds – expendable endowment	14	-	(14)	-
Reconciliation of funds	62	30	1,124	1,216
Fund balance brought forward at 1 January	37	2,336	11,793	14,166
Fund balance carried forward at 31 December	99	2,366	12,917	15,382

3 Donations and legacies

Unrestricted fund

Foundation donations	36	-
Gift aid tax relief on foundation donations	1	-
Donations in kind	1	1
	38	1

Restricted Fund

Gift aid donations from ICAEW	700	500
Voluntary Foundation Income	2	26
Donations in kind	3	3
	705	529

Endowment Fund

Foundation donations	5	25
	5	25

	2020 £'000	2019 £'000
Unrestricted fund		
Foundation donations	36	-
Gift aid tax relief on foundation donations	1	-
Donations in kind	1	1
	38	1
Restricted Fund		
Gift aid donations from ICAEW	700	500
Voluntary Foundation Income	2	26
Donations in kind	3	3
	705	529
Endowment Fund		
Foundation donations	5	25
	5	25
	748	555

4 Income from investments	2020 £'000	2019 £'000
Unrestricted Funds		
interest securities	3	4
Index trusts	50	62
	53	66
Restricted Funds		
Fixed interest securities	24	25
Index trusts	277	343
	301	368
	354	434

5 Cost of raising funds	2020 £'000	2019 £'000
Investment managers fees	81	86
	81	86

6 Expenditure on charitable activities	Unrestricted £'000	Restricted £'000	Endowment	2020 £'000
Grant making activities				
Humentum	6	-	-	6
The Church of St Margaret Lothbury	1	-	-	1
Sub-total grants	7	-	-	7
Challenge 10 Initiative	-	28	-	28
Foundation grants approved	101	1	-	102
PDLT grants approved	-	96	-	96
Grants written back (no longer required)	-	(31)	-	(31)
Total grants	108	94	-	202
Activities undertaken directly				
Exam prizes	-	35	-	35
Support and governance costs				
Management and support costs	25	36	-	61
Audit fee	-	8	-	8
Indemnity insurance and other trustee directors expenses	-	2	-	2
Total expenditure on charitable activities	133	175	-	308

ICAEW FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Expenditure on charitable activities – 2019 comparison	Unrestricted £'000	Restricted £'000	Endowment	2019 £'000
Grant making activities				
Humentum	6	-	-	6
The Church of St Margaret Lothbury	1	-	-	1
Sub-total grants	7	-	-	7
Challenge 10 Initiative	-	10	-	10
Liverpool University	-	12	-	12
Aston University	2	10	-	12
PDLT grants approved	-	104	-	104
Grants written back (no longer required)	-	(18)	-	(18)
Total grants	9	118	-	127
Activities undertaken directly				
Exam prizes	-	37	-	37
Support and governance costs				
Management and support costs	18	38	-	56
Audit fee	-	8	-	8
Indemnity insurance and other trustee directors expenses	-	1	-	1
Total expenditure on charitable activities	27	202	-	229

The trustee expenses comprise the costs of two trustee directors who were reimbursed for personal travel expenses during 2020 (2019: one). This amounted to £913 (2019: £63). The trustee directors did not receive any remuneration or other benefits for their services (2019: £nil).

7 Library expenditure	2020 £'000	2019 £'000
Cost of ICAEW seconded staff	199	193
Books and journals	235	294
Accommodation and facility costs	211	190
Office services and computer costs	39	36
	485	520
Total	684	713

The ICAEW Foundation has no employees. All library staff are employees of ICAEW who are seconded to the library and the related employment costs are met by the charity. An average of 4.5 employees were seconded from ICAEW for the year (2019: 4.5 employees).

8 Movements in participating charities' interests in pooled investments

	Balance at 1 January 2020 £'000	New money invested £'000	Amounts withdrawn £'000	Investment income £'000	(Losses)/ Gains on investments £'000	Balance at 31 December 2020 £'000	Note: Fees not yet debited £'000
CAPET	5,326	-	(140)	123	(83)	5,226	(7)
PDLT	7,052	-	(123)	168	(127)	6,970	(10)
Foundation	2,439	72	(66)	53	(36)	2,462	(3)
CATER	641	700	(734)	10	11	628	(1)
Total	15,458	772	(1,063)	354	(235)	15,286	(21)

9 Investments

	2020 £'000
Market value at 1 January	15,458
Additions	6,152
Net cash movement in year not yet invested	239
Disposal proceeds	(6,328)
Losses on investment	(235)
Market value at 31 December	15,286

Investments at market value comprised:

Equity funds – UK	2,242
Equity funds – outside the UK	7,377
Multi asset funds	585
Bonds	714
Property	1,523
Hedge funds	-
Alternatives	253
Royal London Cash Plus Fund	968
Cazenove Cash Plus Fund	1,401
Cash	223
	15,286

Historical cost:

Restricted fund	2,258
Endowment fund	10,949
	13,207

10 Computer equipment

	2020 £'000	2019 £'000
Cost at 1 January	27	27
Additions	-	-
Disposals	(27)	-
Cost at 31 December	-	27
Accumulated depreciation at 1 January	(27)	(25)
Depreciation for the year	-	(2)
Disposal	27	-
Accumulated depreciation at 31 December	-	(27)
Net book value at 31 December	-	-

11 Debtors

Amounts owed by group and related undertakings
Prepayments and accrued income

	2020 £'000	2019 £'000
	12	16
	162	43
	174	59

12 Creditors

Due within one year:

Grants payable
Accruals
Tax and social security
Amounts owed to group and related undertakings

Due after one year:

Grants

	2020 £'000	2019 £'000
	196	168
	65	51
	4	5
	22	42
	287	266
	63	23
	350	289

13 Analysis of net assets between funds

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2020 Total £'000	2019 Total £'000
Investments at market rate	483	1,886	12,917	15,286	15,458
Other net (liabilities)/assets	(349)	576	(337)	(110)	(76)
Total value of the fund	134	2,462	12,580	15,176	15,382

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2020 Total £'000	2019 Total £'000
CAPET	-	932	4,273	5,205	5,317
PDLT	-	750	6,119	6,869	6,950
Foundation	134	-	2,188	2,322	2,361
CATER	-	780	-	780	754
	134	2,462	12,580	15,176	15,382

Analysis of net assets between funds - 2019 comparison

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2019 Total £'000
Investments at market rate	417	1,841	13,200	15,458
Other net (liabilities)/assets	(318)	525	(283)	(76)
Total value of the fund	99	2,366	12,917	15,382

Analysis by trust is shown below:

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	2019 Total £'000
CAPET	-	925	4,392	5,317
PDLT	-	661	6,289	6,950
Foundation	99	26	2,236	2,361
CATER	-	754	-	754
	99	2,366	12,917	15,382

14 Summary of 2020 fund movements by trust and prior year comparison:

Unrestricted funds

	Balance at 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2019 £'000
Foundation	37	67	(28)	14	9	99
Total	37	67	(28)	14	9	99

	Balance at 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2020 £'000
Foundation	99	91	(134)	72	6	134
Total	99	91	(134)	72	6	134

Restricted funds

	Balance at 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2019 £'000
CAPET	813	151	(58)	-	19	925
PDLT	549	208	(107)	-	11	661
Foundation	32	26	(32)	-	-	26
CATER	942	512	(726)	-	26	754
Total	2,336	897	(923)	-	56	2,366

	Balance at 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2019 £'000
CAPET	925	124	(56)	(72)	11	932
PDLT	661	169	(87)	-	7	750
Foundation	26	2	(28)	-	-	-
CATER	754	711	(696)	-	11	780
Total	2,366	1,006	(867)	(72)	29	2,462

The above restricted funds are trust income that must be spent on that specific charity's general purposes at the discretion of the trustee as detailed on page 5. During the year, the trustees approved a transfer from CAPET of £72,000 to the Foundation to fund bursaries. This is in line with the secondary objectives of CAPET.

Endowment funds

	Balance at 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	Balance at 31 December 2019 £'000
CAPET	4,005	-	(27)	-	414	4,392
PDLT	5,734	-	(38)	-	593	6,289
Foundation	2,054	25	(12)	(14)	183	2,236
Total	11,793	25	(77)	(14)	1,190	12,917

	Balance at 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	losses £'000	Balance at 31 December 2020 £'000
CAPET	4,392	-	(25)	-	(94)	4,273
PDLT	6,289	-	(36)	-	(134)	6,119
Foundation	2,236	5	(11)	-	(42)	2,188
Total	12,917	5	(72)	-	(270)	12,580

CAPET and PDLT's endowment funds are permanent but the Foundation endowment is expendable for general purposes at the discretion of the trustee in furtherance of the objects of that charity as set out in the trustee's report on page 5. During the year no transfers were made from the expendable endowment. (2019: the trustees approved the transfer of £14,000 from the expendable endowment to unrestricted funds to better reflect the Foundation's available free reserves).

15 Library book stock

The working stock of the library was originally donated by ICAEW to CATER and is currently valued for insurance purposes at £1,000,000 (2019: £1,000,000). The stock is not included on the balance sheet but library expenditure includes the cost of maintaining and adding to it. The aggregate cost and depreciation of the library stock is not known and cannot be estimated with any reasonable degree of accuracy. Additions during the year are expensed as incurred and included within library expenditure as they are below the capitalisation threshold.

16 Related party transactions

There is an agreement between CAT and ICAEW to provide administrative services to the Foundation and linked charities. The total of the transactions amounted to £213,000 (2019: £213,000), in addition to the costs of the library. At the year end £10,000 (2019: £26,000) was owed to ICAEW. Management and miscellaneous support costs include direct costs and related charges on a time spent basis and an allocation of overheads split between CATER, PDLT, CAPET and the Foundation.

In addition, the trust awards grant funding to the ICAEW to support the Information For Better Markets programme. ICAEW members provide financial knowledge and guidance based on the highest professional, technical and ethical standards. They develop and support individuals, organisations and communities to help them achieve long-term, sustainable economic value. The total awarded in 2020 was £54,000 (2019: £46,000).

ICAEW provide gift aid to support the running of the Library. This amounted to £0.7m for 2020 (2019: £0.5m). CATER make an annual charge to the ICAEW for staff use of Library services; this amounted to £18,000 (2019: £21,000).

All library staff are employees of ICAEW who are seconded to the library and the related employment costs are charged to the charity. This amounted to £199,000 for 2020 (2019: £193,000).

There were no transactions with CAT or its directors in the year other than the reimbursement of expenses as set out in Note 6 to the accounts.

17 Group financial statements

ICAEW is the beneficial owner of the shares in CAT, the sole trustee of the Foundation. ICAEW is a body incorporated by Royal Charter in the United Kingdom (Company registration no. RC000246).

Under International Financial Reporting Standards ICAEW has prepared group financial statements which include the results and net assets of the Foundation and linked charities as well as any non-UK charities CAT administers. You can read the group financial statements online at www.icaew.com/review, or you can request a copy from The Finance Director, The Institute of Chartered Accountants in England and Wales, Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ.

ADVISERS, AGENTS AND ADMINISTRATOR

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	Cazenove Capital Management Schroder & Co. Limited 12 Moorgate London EC2R 6DA
	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH
Independent auditor:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Solicitors:	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
Bankers:	National Westminster plc 501 Silbury Boulevard Saxon Gate East Milton Keynes MK9 3ER
Administrator	Jennifer Smith Governance Manager ICAEW Chartered Accountants' Hall 1 Moorgate Place London EC2R 6EA

A change in investment managers from Cazenove Capital Management to Waverton Investment Management Limited Investment Management was approved in November 2020. Both portfolios at Waverton Investment Management Limited have now been set up and the transition of funds commenced in March 2021.