

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Charity Registration Number: 1013292
Scottish Charity Registration Number: SCO48726

Company Number: 2733932

REGISTERED ADDRESS 3 Arlington Square
Downshire Way
Bracknell
Berkshire
RG12 1WA

DIRECTORS

Alan Vowler
Caroline Gumble (ex officio)
Christine Williams (resigned 28th February)
Dean Burgess
Kye Gbangbola
Michael Smith (appointed 23rd July)
Paul Bayley
Peter Smith
Robert Mawson
Roger Gillespie
Sally Hill (appointed 23rd July)
Trevor Patterson (appointed 23rd July)

COMPANY SECRETARY Emma McKay

ADVISERS:

AUDITORS HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

BANKERS HSBC Bank plc
69 Pall Mall
London
SW1Y 5EY

INVESTMENT MANAGERS Brewin Dolphin
12 Smithfield Street
London
EC1A 9LA

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Report of the Directors and Trustees for the year ended 31 December 2024

The Directors, who are also the Trustees of the Company, present their report and the audited financial statements for the year ended 31 December 2023. The audited financial statements which form part of this report, comply with the Charities Act Accounting Rules, Financial Reporting Standard (FRS) 102 and Charities Statement of Recommended Practice (SORP) Accounting & Reporting by Charities (Second Edition, effective 1 January 2019).

Governing Document

The Chartered Institute of Building Benevolent Fund (The Benevolent Fund) which operates as CIOB Assist is a Company Limited by Guarantee, registered in England and Wales number 2733932, and governed by Articles of Association incorporated 23 July 1992, as amended and adopted by a special resolution passed 26 June 2018. It is a registered charity in England & Wales number 1013292, and a Registered Charity in Scotland number 048726.

CIOB Assist has been established to continue and develop the charitable work and provide for those that may fall within the classes of beneficiaries covered by the objects of this Association which are:
The gratuitous relief by means of financial or other assistance of necessitous persons who are from time to time or have been Fellows, Members, Honorary Fellows, Licentiates, Incorporates, Associates, Graduates, Students or affiliates of The Chartered Institute of Building (CIOB) as the same are defined in the byelaws thereof.

Organisation & Management

The Board of Directors who are also its Trustees manage CIOB Assist; the names of those who served in 2024 are shown on page 1. They are normally elected at the Annual General Meeting; each year a proportion may retire by rotation in accordance with the Articles but are eligible for re-election.

The Board meets in April, July and October of each year.

Trustees Induction and Training

The Board will consider and initiate appropriate Induction and Training programmes in accord with its conduct of CIOB Assist. Trustees will undertake periodic training in order to be adequately informed regarding their responsibilities and to maintain best practice governance.

CIOB Assists Trustees receive no remuneration in connection with their duties but they are eligible for and do claim reimbursement from time to time for reasonable travel expenses.

The Trustees maintain overall responsibility for stewardship. Day-to-day responsibility for the management of the service is delegated to the Secretary.

Connected Charities

There were no connected charities although CIOB provides administrative support. The majority of donors are members of CIOB.

Report of the Directors and Trustees for the year ended 31 December 2024 (continued)

Principal Aims and Objectives

Our charity's purposes are as set out in the objects contained in the company's Memorandum of Association and are:

- To continue to develop the charitable work for the Beneficiaries who are covered by the objects of the Association
- To provide gratuitous relief by way of financial and other assistance to Beneficiaries

Mission Statement

Our mission is to provide advice, practical assistance and financial support to CIOB members, their families and members of CIOB staff who seek the services of CIOB Assist during times of need.

We aim to achieve our mission by:

- Being explicit and pro-active by informing and encouraging potential beneficiaries who might benefit to access and use the service
- Providing all possible advice, support and assistance to those who approach CIOB Assist for help and guidance

Principal Activities

The principal activities embrace provision of advice, practical support and financial support to CIOB members, their families and CIOB staff members. This activity is managed by way of a telephone advisory service augmented by information and further support delivered by way of email communication, internet-based publicity and publications.

Financial assistance to help with day-to-day household costs as well as one-off expenditure is provided by welfare grants. The service is 'demand-led', with resources being utilised to reflect the variable demands upon the service. This flexibility ensures resources are sufficient to meet the needs of beneficiaries at all times.

Public Benefit

Trustees of CIOB Assist are cognisant of the Charity Commission guidance regarding charities and public benefit. The Trustees consider that its charitable purpose is as defined by the Charities Act 2011 (as amended), for the relief of hardship. It demonstrates public benefit by providing financial and other assistance to past and present CIOB members, their families (and former members of organisations that have merged with the CIOB) and members of CIOB staff that have encountered difficulties during their lives.

There is potential for over 40,000 people to seek the services of CIOB Assist. Financial assistance is provided at the discretion of Trustees in accord with specific parameters and by reference to the needs and circumstances of individual applicants.

Report of the Directors and Trustees for the year ended 31 December 2024 (continued)

Principal Funding Sources

CIOB Assist is mainly dependent upon funding by voluntary donations and locally based fundraising events from members and other supporters in the construction industry.

Additional income by way of Gift Aid is reclaimed within the legal framework of HMRC Reliefs for registered charities as well as investment income.

Review of Activities & Achievements in 2024

CIOB Assist received a record number of enquiries in 2024 as a direct result of reaching out to members who had applied for the concessionary rate, and an increase in unemployment and the cost of living impacting more of our members and their families.

CIOB Assist received 1,221 enquiries in 2024 (2023:1,018). In most cases, enquiries were received from members facing financial difficulties due to ill health or unemployment. Support and financial help for members struggling with day-to-day living costs was provided, and debt and benefit advice where appropriate was signposted as well as other relevant support agencies.

Direct financial support of £113,938 was provided to beneficiaries worldwide (2023: £133,262). The Trustees reviewed applications and supporting evidence and considered each on a case-by-case basis and by reference to broad criteria set out within the Grant Assistance Policy.

CIOB Assist also offers members, staff and their families access to support for their mental health and wellbeing. This vital support offers personalised assessments and tailored counselling, therapies and resources, all of which is provided by AnxietyUK and financed by CIOB Assist. In 2024 £14,663 was provided towards mental health and wellbeing support and resources. (2023: £28,429).

The CIOB Assist website sets out detailed information regarding the service available to members and their families. In 2024 the website was reviewed and updated to ensure the process for seeking financial assistance or therapy is accessible and clear to navigate. There is a new contact us section and assistance is offered for anyone requiring support to complete the application. Visits to the website, and downloads of application forms continue to increase each month.

A Suicide Awareness group formed by CIOB staff and members from Wales piloted stickers with a QR code to encourage people across the construction industry to seek support if they are struggling. The QR code links to the 'Get support' page of CIOB Assist highlighting crisis helpline numbers. It also signposts other emergency helpline telephone numbers and links to charities and specialised support for issues such as debt, abuse, and addiction.

CIOB Assist also processes the applications for the CIOB concessionary rate of membership, allowing any relevant additional support to be offered based on the applicants' reason for applying.

In 2024 we welcomed 12 new CIOB Assist Ambassadors within the local hubs. Ambassadors promote and provide updates and information on CIOB Assist at their local hub committee meetings and events. They are provided with a monthly report to enable them to do this, which has been a great success, helping raise awareness and donations.

The local hub staff and members have been supporting CIOB Assist by raising awareness and fundraising at events.

Income is generated primarily from donations from members when paying their renewal fees via the membership portal and there is also a donation platform to enable members to donate or create fundraising pages and donate in memory of a loved one. In 2024 £47,209 was received in donations (2023: £40,762).

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Future Plans & Developments

The Board of Trustees will continue to review and broaden the range of support offered in line with member needs. We have improved and streamlined our processes and reporting so we can easily identify trends and react to the demand in enquiries.

CIOB Assist will introduce a new service to support members in gaining employment following redundancy by helping to review CVs and training on interview skills. This professional service is offered at a significant discount and the fee is covered by CIOB Assist.

We will continue to improve our marketing and digital presence to promote the support available by exploring opportunities such as the CIOB mobile app and QR codes to encourage donations at events. We will continue our investment in tools to provide current, quality assured information on welfare issues such as employment, benefits, housing, and debt.

Financial Results

The activities of CIOB Assist for the year ended 31 December 2024 resulted in net expenditure of £122,276 (2023: £163,781). This was a planned budget deficit to use the unrestricted fund for the purpose for which they were raised to support members.

Voluntary income from Members increased from £44,713 in 2023 to £47,209 in 2024 an increase of 5%.

Direct charitable expenditure has decreased from £211,453 in 2023 to £128,602 in 2024, a decrease of 39%. Despite extensive promotion resulting in 19% more enquiries than 2023, every effort has been made to ensure all state benefits and other avenues of support available to the member has been exhausted before providing grants.

While the services of CIOB Assist are to a great extent 'demand led', with members encouraged to apply for support if they are facing circumstances of difficulty or hardship, the service is now much more proactive in reaching out to members who have indicated signs that they may be struggling in their concessionary application form or indeed at any time while in contact with CIOB staff at an event for example.

Provision of financial assistance is determined by the Board of Trustees by email in accordance with the Grant Review document and guidance.

Overall, the value of investments held decreased from £948,042 in 2023 to £817,714 in 2024. This was comprised of a withdrawal from the funds to continue supporting our members through 2024 and into 2025 of £200,000 offset by a market value increase of £54,538 and income of £15,134.

Key management personnel remuneration

The trustees consider the board of trustees 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. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 8 to the accounts.

Grant making Policy

Potential beneficiaries of CIOB Assist are past and present CIOB members and affiliates, their dependent families and members of CIOB Staff in financial hardship.

Potential beneficiaries must complete an application form which is assessed against standard criteria to enable the Trustees to evaluate their eligibility for financial assistance.

Reserves Policy

The Trustees have reviewed the reserves policy in line with the risk management process and assessed the level of reserves required. The financial risks have been reviewed and the Trustees have identified the main likely calls on reserves to be as follows:

- A significant increase in demand for financial assistance
- A shortfall in donations
- Cover CIOB Assists long-term financial assistance commitments
- Enable expenditure to be reduced through restructuring to deal with the fall of income if the need arises
- Invest in CIOB Assists strategic objectives for the coming year
- Cover a fall in investment values

They have concluded that an appropriate level of reserves to deal with these scenarios is £500k. Total funds held by CIOB Assist at 31 December 2024 were £895k (2023: £961k).

The current level of reserves therefore exceeds the reserves policy. CIOB Assist plans to continue to invest these funds in developing CIOB Assist, finding new ways to support beneficiaries and broadening engagement.

Investment Policy

The Trustees have agreed with Epoch Fund Managers the following investment strategy:

“Balanced in nature with a remit to pursue a growth policy, as market conditions may allow. Investments in gambling, tobacco and armament stocks are specifically prohibited as a matter of ethical investment policy”.

Risk Management

Periodically, the Trustees assess the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity. The trustees are satisfied that provisions and safeguards are in place to minimise exposure to risks. Significant risks include the following:

- The evolving economic cycle could have an adverse impact on the volume of donations to CIOB Assist just as demands on its resources are maximised. The strategy is to continue to ensure that members are made aware of the benefits available and are encouraged to support it. Trustees also continue to monitor the criteria by which grant provision is made available, to ensure a prudent approach is maintained.
- The performance of financial investments might fall below acceptable levels. The Trustees review the investment strategy on a regular basis, to ensure it remains fit for purpose.

In addition, there are a variety of conditions or significant events which may occur, either within or outside of the control of CIOB Assist, such as:

- A sudden economic shock, with immediate adverse impact on both donations and applications
- Interrupted availability of the IT and support services, which are provided by CIOB. Reliance is currently placed on the adequacy of their back up and disaster recovery facilities, including breakdown of the communications environment between Falkirk and Bracknell, with consequent disruption.
- Higher than usual demand for general financial support, either at membership renewal time or at other times of the year.

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Action to mitigate the main risks has been taken as follows:

- The Trustees continue to review and to assess the financial position as regards donated income, with particular reference to ensuring members are made aware of CIOB Assist and are encouraged to both support it and to utilise it.
- Trustees monitor expenditure by way of grants of financial assistance monthly to ensure a prudent approach to provision of assistance is maintained, whilst ensuring that sufficient resources are retained for the future.
- The Trustees review the financial position as regards the performance of invested resources on a regular basis, at which time they also review their investment strategy.

Trustees' Responsibilities Statement

The trustees (who are also directors of The Chartered Institute of Building Benevolent Fund Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

On behalf of the Board

RG Mawson

Chairman of Trustees

Date: 10 April 2025

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Independent auditor's report to the members and trustees of The Chartered Institute of Building Benevolent Fund

Opinion

We have audited the financial statements of The Chartered Institute of Building Benevolent Fund for the year ended 31 December 2024 which comprise Statement of Financial Activities, the Balance Sheet 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the requirements of 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 Companies Act 2006 and the Charities Act 2011.

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

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 recognition of voluntary income and grant expenditure. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- 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
- Substantive testing of revenue and expenditure, including cut-off tests; 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kathryn Burton (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors
Date:

10 Queen Street Place
London
EC4R 1AG

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2024

**Profit and Loss Account for the year ended:
31 December 2024**

	Notes	2024	2023
		£	£
		Unrestricted	Unrestricted
Income from:			
Donations	3	57,025	44,713
Investments	4	22,715	<u>22,082</u>
Total		<u>79,740</u>	<u>66,795</u>
Expenditure on:			
Charitable activities	5	182,595	211,453
Raising funds	6	<u>18,204</u>	<u>19,123</u>
Total		<u>200,799</u>	<u>230,576</u>
Net expenditure before investment gains		<u>(121,059)</u>	<u>(163,781)</u>
Net gain on investment	8	<u>54,538</u>	<u>72,660</u>
Net Expenditure		(66,521)	(91,121)
Reconciliation of funds			
Total funds brought forward		<u>961,292</u>	<u>1,052,413</u>
Total funds carried forward		<u>894,771</u>	<u>961,292</u>

All amounts relate to the continuing activities and there are no restricted, designated or endowment funds.

All recognised gains and losses are included in the Financial Statement of Activities.

The notes on pages 13 to 16 form part of these financial statements

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

BALANCE SHEET AT 31 DECEMBER 2024

Company Number: 2733932

		2024	2023
		£	£
	Notes	Unrestricted	Unrestricted
FIXED ASSETS			
Investments	8	817,714	948,042
Current Assets			
Debtors	9	82,409	19,053
Cash at bank		<u>10,260</u>	<u>37,851</u>
		92,669	56,904
Creditors			
Amounts falling due within one year	10	(15,612)	<u>(43,654)</u>
Net current assets		<u>77,057</u>	<u>13,250</u>
Total assets		<u>894,771</u>	<u>961,292</u>
The funds of the charity			
Unrestricted Funds		<u>894,771</u>	<u>961,292</u>

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Board of Directors on 10th April 2025.

RG Mawson

Robert Mawson
Chairman of Trustees

NOTES TO THE FINANCIAL STATEMENTS

1. Incorporation

The Benevolent Fund is limited by guarantee and does not have a share capital. In the event of The Fund being wound up, the liability of each member to contribute to any deficiency is £1.

2. Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 2 October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Chartered Institute of Building Benevolent Fund Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Income

Donations are received from members of CIOB in conjunction with their 2024 subscriptions. In addition, the amounts received in the fourth quarter of 2024 as an additional amount alongside CIOB 2025 subscriptions, are recognised in the year of receipt. Investment Income is recognised when receivable.

Expenditure

Expenditure related to the furtherance of the charity's objects is shown as charitable activity. Governance costs are the costs related to the governance of the charity including Trustee expenses and the cost of audit. Support costs are directly apportioned to either charitable activities or raising funds as most appropriate. Grants are recognised when paid.

Investments

The Benevolent Fund's investment portfolio is managed by external investment managers and is stated at market value. Gains and losses on individual investments are treated as unrealised as the proceeds remain within the managed fund.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Estimates and judgements

Management are required to make judgements and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on both historic experience and current factors that are believed to be reasonable under the circumstances. The results form the basis of current judgements about, for example, any impairment to the carrying values of assets that are not readily apparent from other sources. This also applies to the implementation of reserves policy.

3. Voluntary Income

	2024	2023
	£	£
Donations from Members	47,940	40,762
Gift Aid	9,085	3,951
	<u>57,025</u>	<u>44,713</u>

4. Investments Income

	2024	2023
	£	£
Brewin Dolphin Portfolio	<u>22,715</u>	<u>22,082</u>

5. Charitable activities

	2024	2023
	£	£
Welfare grants	113,939	131,762
Support cost for advice and help given by Fund Manager	37,489	35,848
Anxiety UK	14,663	28,429
Other expenses	2,202	2,371
Governance Costs	<u>14,302</u>	<u>13,043</u>
	<u>182,595</u>	<u>211,453</u>

Welfare grants are awarded to eligible individuals on the basis of financial hardship. Eligible individuals include members and staff of CIOB and their dependents. There were 51 grants awarded in 2024 and 61 in 2023.

The Fund Manager costs are apportioned across charitable activities, raising funds and governance costs based on time spent on each area. In 2024 the appointment of the Manager's time to charitable activities was 70% (2023 70%)

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2024	2023
	£	£
6. Raising Funds		
Direct costs	6,067	7,701
Fund Manager costs	10,711	10,242
Governance costs	1,426	1,180
	18,204	19,123
6.a Governance costs		
Governance related costs of Fund Manager	5,356	5,121
Audit and Professional Fees	7,713	7,986
Trustee and Fund Manager's expenses	2,657	1,116
	15,726	14,223

Governance costs are apportioned across the activities to which they relate on the basis of overall direct cost.

Auditor's remuneration

Included in Audit and Professional Fees expenditure is Audit Fee of £5,790 (2023 £5,520).

7. Directors and staff

None of the trustees receive any emoluments for their services to the Benevolent Fund. Four trustees claimed £990.90 in 2024 (Two trustees claimed £164.40 in 2023)

The Benevolent Fund has no staff and the Fund Manager is seconded by the CIOB, her employer.

8. Fixed asset investments

	Managed Investment (BD) £
At market value	
1-Jan-2024	948,042
Additions	15,134
Disposals	-
Increase in market value	54,538
Withdrawals	<u>(200,000)</u>
31-Dec-24	<u>817,714</u>
At cost	
31-Dec-24	<u>659,979</u>
31-Dec-23	<u>774,163</u>

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

There are no individual investments representing more than 5% of the managed investment portfolio as at 31 December 2024, which was invested as follows:

	Market value £	Cost £
UK Bonds	105,766	103,788
Overseas Bonds	42,585	44,292
UK Equities	131,890	106,950
Overseas Investments	382,826	256,335
Commodities	25,900	15,882
Other Investments	61,804	65,790
Cash	66,942	66,942
	<u>817,713</u>	<u>659,979</u>

The Fund views the portfolio as a single class of investments, albeit that the composition of the portfolio at the balance sheet date is as set out in the market value analysis table above.

9. Debtors

	2024 £	2023 £
Accrued income	9,023	3,951
Prepayments and Accrued Income	7,170	15,102
Amounts owed by CIOB	<u>66,216</u>	<u>-</u>
	<u>82,409</u>	<u>19,053</u>

10. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade Creditors	9,822	20,815
Accruals	5,790	7,843
Owed to CIOB	<u>-</u>	<u>14,996</u>
	<u>15,612</u>	<u>43,654</u>

11. Commitments

The Benevolent Fund has no commitments other than those shown in the financial statements.

12. Cash flow statement

The Benevolent Fund has taken advantage of the exemption to not prepare a cash flow statement on the grounds that it is a small company.

13. Related party transactions

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

There were no related party transactions to disclose in 2024 (2023:none)

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Charity Registration Number: 1013292
Scottish Charity Registration Number: SCO48726

Company Number: 2733932

REGISTERED ADDRESS 3 Arlington Square
Downshire Way
Bracknell
Berkshire
RG12 1WA

DIRECTORS

Alan Vowler
Caroline Gumble (ex officio)
Christine Williams (resigned 28th February)
Dean Burgess
Kye Gbangbola
Michael Smith (appointed 23rd July)
Paul Bayley
Peter Smith
Robert Mawson
Roger Gillespie
Sally Hill (appointed 23rd July)
Trevor Patterson (appointed 23rd July)

COMPANY SECRETARY Emma McKay

ADVISERS:

AUDITORS HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

BANKERS HSBC Bank plc
69 Pall Mall
London
SW1Y 5EY

INVESTMENT MANAGERS Brewin Dolphin
12 Smithfield Street
London
EC1A 9LA

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Report of the Directors and Trustees for the year ended 31 December 2024

The Directors, who are also the Trustees of the Company, present their report and the audited financial statements for the year ended 31 December 2023. The audited financial statements which form part of this report, comply with the Charities Act Accounting Rules, Financial Reporting Standard (FRS) 102 and Charities Statement of Recommended Practice (SORP) Accounting & Reporting by Charities (Second Edition, effective 1 January 2019).

Governing Document

The Chartered Institute of Building Benevolent Fund (The Benevolent Fund) which operates as CIOB Assist is a Company Limited by Guarantee, registered in England and Wales number 2733932, and governed by Articles of Association incorporated 23 July 1992, as amended and adopted by a special resolution passed 26 June 2018. It is a registered charity in England & Wales number 1013292, and a Registered Charity in Scotland number 048726.

CIOB Assist has been established to continue and develop the charitable work and provide for those that may fall within the classes of beneficiaries covered by the objects of this Association which are:
The gratuitous relief by means of financial or other assistance of necessitous persons who are from time to time or have been Fellows, Members, Honorary Fellows, Licentiates, Incorporates, Associates, Graduates, Students or affiliates of The Chartered Institute of Building (CIOB) as the same are defined in the byelaws thereof.

Organisation & Management

The Board of Directors who are also its Trustees manage CIOB Assist; the names of those who served in 2024 are shown on page 1. They are normally elected at the Annual General Meeting; each year a proportion may retire by rotation in accordance with the Articles but are eligible for re-election.

The Board meets in April, July and October of each year.

Trustees Induction and Training

The Board will consider and initiate appropriate Induction and Training programmes in accord with its conduct of CIOB Assist. Trustees will undertake periodic training in order to be adequately informed regarding their responsibilities and to maintain best practice governance.

CIOB Assists Trustees receive no remuneration in connection with their duties but they are eligible for and do claim reimbursement from time to time for reasonable travel expenses.

The Trustees maintain overall responsibility for stewardship. Day-to-day responsibility for the management of the service is delegated to the Secretary.

Connected Charities

There were no connected charities although CIOB provides administrative support. The majority of donors are members of CIOB.

Report of the Directors and Trustees for the year ended 31 December 2024 (continued)

Principal Aims and Objectives

Our charity's purposes are as set out in the objects contained in the company's Memorandum of Association and are:

- To continue to develop the charitable work for the Beneficiaries who are covered by the objects of the Association
- To provide gratuitous relief by way of financial and other assistance to Beneficiaries

Mission Statement

Our mission is to provide advice, practical assistance and financial support to CIOB members, their families and members of CIOB staff who seek the services of CIOB Assist during times of need.

We aim to achieve our mission by:

- Being explicit and pro-active by informing and encouraging potential beneficiaries who might benefit to access and use the service
- Providing all possible advice, support and assistance to those who approach CIOB Assist for help and guidance

Principal Activities

The principal activities embrace provision of advice, practical support and financial support to CIOB members, their families and CIOB staff members. This activity is managed by way of a telephone advisory service augmented by information and further support delivered by way of email communication, internet-based publicity and publications.

Financial assistance to help with day-to-day household costs as well as one-off expenditure is provided by welfare grants. The service is 'demand-led', with resources being utilised to reflect the variable demands upon the service. This flexibility ensures resources are sufficient to meet the needs of beneficiaries at all times.

Public Benefit

Trustees of CIOB Assist are cognisant of the Charity Commission guidance regarding charities and public benefit. The Trustees consider that its charitable purpose is as defined by the Charities Act 2011 (as amended), for the relief of hardship. It demonstrates public benefit by providing financial and other assistance to past and present CIOB members, their families (and former members of organisations that have merged with the CIOB) and members of CIOB staff that have encountered difficulties during their lives.

There is potential for over 40,000 people to seek the services of CIOB Assist. Financial assistance is provided at the discretion of Trustees in accord with specific parameters and by reference to the needs and circumstances of individual applicants.

Report of the Directors and Trustees for the year ended 31 December 2024 (continued)

Principal Funding Sources

CIOB Assist is mainly dependent upon funding by voluntary donations and locally based fundraising events from members and other supporters in the construction industry.

Additional income by way of Gift Aid is reclaimed within the legal framework of HMRC Reliefs for registered charities as well as investment income.

Review of Activities & Achievements in 2024

CIOB Assist received a record number of enquiries in 2024 as a direct result of reaching out to members who had applied for the concessionary rate, and an increase in unemployment and the cost of living impacting more of our members and their families.

CIOB Assist received 1,221 enquiries in 2024 (2023:1,018). In most cases, enquiries were received from members facing financial difficulties due to ill health or unemployment. Support and financial help for members struggling with day-to-day living costs was provided, and debt and benefit advice where appropriate was signposted as well as other relevant support agencies.

Direct financial support of £113,938 was provided to beneficiaries worldwide (2023: £133,262). The Trustees reviewed applications and supporting evidence and considered each on a case-by-case basis and by reference to broad criteria set out within the Grant Assistance Policy.

CIOB Assist also offers members, staff and their families access to support for their mental health and wellbeing. This vital support offers personalised assessments and tailored counselling, therapies and resources, all of which is provided by AnxietyUK and financed by CIOB Assist. In 2024 £14,663 was provided towards mental health and wellbeing support and resources. (2023: £28,429).

The CIOB Assist website sets out detailed information regarding the service available to members and their families. In 2024 the website was reviewed and updated to ensure the process for seeking financial assistance or therapy is accessible and clear to navigate. There is a new contact us section and assistance is offered for anyone requiring support to complete the application. Visits to the website, and downloads of application forms continue to increase each month.

A Suicide Awareness group formed by CIOB staff and members from Wales piloted stickers with a QR code to encourage people across the construction industry to seek support if they are struggling. The QR code links to the 'Get support' page of CIOB Assist highlighting crisis helpline numbers. It also signposts other emergency helpline telephone numbers and links to charities and specialised support for issues such as debt, abuse, and addiction.

CIOB Assist also processes the applications for the CIOB concessionary rate of membership, allowing any relevant additional support to be offered based on the applicants' reason for applying.

In 2024 we welcomed 12 new CIOB Assist Ambassadors within the local hubs. Ambassadors promote and provide updates and information on CIOB Assist at their local hub committee meetings and events. They are provided with a monthly report to enable them to do this, which has been a great success, helping raise awareness and donations.

The local hub staff and members have been supporting CIOB Assist by raising awareness and fundraising at events.

Income is generated primarily from donations from members when paying their renewal fees via the membership portal and there is also a donation platform to enable members to donate or create fundraising pages and donate in memory of a loved one. In 2024 £47,209 was received in donations (2023: £40,762).

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Future Plans & Developments

The Board of Trustees will continue to review and broaden the range of support offered in line with member needs. We have improved and streamlined our processes and reporting so we can easily identify trends and react to the demand in enquiries.

CIOB Assist will introduce a new service to support members in gaining employment following redundancy by helping to review CVs and training on interview skills. This professional service is offered at a significant discount and the fee is covered by CIOB Assist.

We will continue to improve our marketing and digital presence to promote the support available by exploring opportunities such as the CIOB mobile app and QR codes to encourage donations at events. We will continue our investment in tools to provide current, quality assured information on welfare issues such as employment, benefits, housing, and debt.

Financial Results

The activities of CIOB Assist for the year ended 31 December 2024 resulted in net expenditure of £122,276 (2023: £163,781). This was a planned budget deficit to use the unrestricted fund for the purpose for which they were raised to support members.

Voluntary income from Members increased from £44,713 in 2023 to £47,209 in 2024 an increase of 5%.

Direct charitable expenditure has decreased from £211,453 in 2023 to £128,602 in 2024, a decrease of 39%. Despite extensive promotion resulting in 19% more enquiries than 2023, every effort has been made to ensure all state benefits and other avenues of support available to the member has been exhausted before providing grants.

While the services of CIOB Assist are to a great extent 'demand led', with members encouraged to apply for support if they are facing circumstances of difficulty or hardship, the service is now much more proactive in reaching out to members who have indicated signs that they may be struggling in their concessionary application form or indeed at any time while in contact with CIOB staff at an event for example.

Provision of financial assistance is determined by the Board of Trustees by email in accordance with the Grant Review document and guidance.

Overall, the value of investments held decreased from £948,042 in 2023 to £817,714 in 2024. This was comprised of a withdrawal from the funds to continue supporting our members through 2024 and into 2025 of £200,000 offset by a market value increase of £54,538 and income of £15,134.

Key management personnel remuneration

The trustees consider the board of trustees 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. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 8 to the accounts.

Grant making Policy

Potential beneficiaries of CIOB Assist are past and present CIOB members and affiliates, their dependent families and members of CIOB Staff in financial hardship.

Potential beneficiaries must complete an application form which is assessed against standard criteria to enable the Trustees to evaluate their eligibility for financial assistance.

Reserves Policy

The Trustees have reviewed the reserves policy in line with the risk management process and assessed the level of reserves required. The financial risks have been reviewed and the Trustees have identified the main likely calls on reserves to be as follows:

- A significant increase in demand for financial assistance
- A shortfall in donations
- Cover CIOB Assists long-term financial assistance commitments
- Enable expenditure to be reduced through restructuring to deal with the fall of income if the need arises
- Invest in CIOB Assists strategic objectives for the coming year
- Cover a fall in investment values

They have concluded that an appropriate level of reserves to deal with these scenarios is £500k. Total funds held by CIOB Assist at 31 December 2024 were £895k (2023: £961k).

The current level of reserves therefore exceeds the reserves policy. CIOB Assist plans to continue to invest these funds in developing CIOB Assist, finding new ways to support beneficiaries and broadening engagement.

Investment Policy

The Trustees have agreed with Epoch Fund Managers the following investment strategy:

“Balanced in nature with a remit to pursue a growth policy, as market conditions may allow. Investments in gambling, tobacco and armament stocks are specifically prohibited as a matter of ethical investment policy”.

Risk Management

Periodically, the Trustees assess the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity. The trustees are satisfied that provisions and safeguards are in place to minimise exposure to risks. Significant risks include the following:

- The evolving economic cycle could have an adverse impact on the volume of donations to CIOB Assist just as demands on its resources are maximised. The strategy is to continue to ensure that members are made aware of the benefits available and are encouraged to support it. Trustees also continue to monitor the criteria by which grant provision is made available, to ensure a prudent approach is maintained.
- The performance of financial investments might fall below acceptable levels. The Trustees review the investment strategy on a regular basis, to ensure it remains fit for purpose.

In addition, there are a variety of conditions or significant events which may occur, either within or outside of the control of CIOB Assist, such as:

- A sudden economic shock, with immediate adverse impact on both donations and applications
- Interrupted availability of the IT and support services, which are provided by CIOB. Reliance is currently placed on the adequacy of their back up and disaster recovery facilities, including breakdown of the communications environment between Falkirk and Bracknell, with consequent disruption.
- Higher than usual demand for general financial support, either at membership renewal time or at other times of the year.

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Action to mitigate the main risks has been taken as follows:

- The Trustees continue to review and to assess the financial position as regards donated income, with particular reference to ensuring members are made aware of CIOB Assist and are encouraged to both support it and to utilise it.
- Trustees monitor expenditure by way of grants of financial assistance monthly to ensure a prudent approach to provision of assistance is maintained, whilst ensuring that sufficient resources are retained for the future.
- The Trustees review the financial position as regards the performance of invested resources on a regular basis, at which time they also review their investment strategy.

Trustees' Responsibilities Statement

The trustees (who are also directors of The Chartered Institute of Building Benevolent Fund Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

On behalf of the Board

RG Mawson

Chairman of Trustees

Date: 10 April 2025

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Independent auditor's report to the members and trustees of The Chartered Institute of Building Benevolent Fund

Opinion

We have audited the financial statements of The Chartered Institute of Building Benevolent Fund for the year ended 31 December 2024 which comprise Statement of Financial Activities, the Balance Sheet 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the requirements of 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 Companies Act 2006 and the Charities Act 2011.

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

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 recognition of voluntary income and grant expenditure. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- 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
- Substantive testing of revenue and expenditure, including cut-off tests; 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kathryn Burton (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors
Date:

10 Queen Street Place
London
EC4R 1AG

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2024

**Profit and Loss Account for the year ended:
31 December 2024**

	Notes	2024	2023
		£	£
		Unrestricted	Unrestricted
Income from:			
Donations	3	57,025	44,713
Investments	4	22,715	<u>22,082</u>
Total		<u>79,740</u>	<u>66,795</u>
Expenditure on:			
Charitable activities	5	182,595	211,453
Raising funds	6	<u>18,204</u>	<u>19,123</u>
Total		<u>200,799</u>	<u>230,576</u>
Net expenditure before investment gains		<u>(121,059)</u>	<u>(163,781)</u>
Net gain on investment	8	<u>54,538</u>	<u>72,660</u>
Net Expenditure		(66,521)	(91,121)
Reconciliation of funds			
Total funds brought forward		<u>961,292</u>	<u>1,052,413</u>
Total funds carried forward		<u>894,771</u>	<u>961,292</u>

All amounts relate to the continuing activities and there are no restricted, designated or endowment funds.

All recognised gains and losses are included in the Financial Statement of Activities.

The notes on pages 13 to 16 form part of these financial statements

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

BALANCE SHEET AT 31 DECEMBER 2024

Company Number: 2733932

		2024	2023
		£	£
	Notes	Unrestricted	Unrestricted
FIXED ASSETS			
Investments	8	817,714	948,042
Current Assets			
Debtors	9	82,409	19,053
Cash at bank		<u>10,260</u>	<u>37,851</u>
		92,669	56,904
Creditors			
Amounts falling due within one year	10	(15,612)	<u>(43,654)</u>
Net current assets		<u>77,057</u>	<u>13,250</u>
Total assets		<u>894,771</u>	<u>961,292</u>
The funds of the charity			
Unrestricted Funds		<u>894,771</u>	<u>961,292</u>

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Board of Directors on 10th April 2025.

RG Mawson

Robert Mawson
Chairman of Trustees

NOTES TO THE FINANCIAL STATEMENTS

1. Incorporation

The Benevolent Fund is limited by guarantee and does not have a share capital. In the event of The Fund being wound up, the liability of each member to contribute to any deficiency is £1.

2. Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 2 October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Chartered Institute of Building Benevolent Fund Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Income

Donations are received from members of CIOB in conjunction with their 2024 subscriptions. In addition, the amounts received in the fourth quarter of 2024 as an additional amount alongside CIOB 2025 subscriptions, are recognised in the year of receipt. Investment Income is recognised when receivable.

Expenditure

Expenditure related to the furtherance of the charity's objects is shown as charitable activity. Governance costs are the costs related to the governance of the charity including Trustee expenses and the cost of audit. Support costs are directly apportioned to either charitable activities or raising funds as most appropriate. Grants are recognised when paid.

Investments

The Benevolent Fund's investment portfolio is managed by external investment managers and is stated at market value. Gains and losses on individual investments are treated as unrealised as the proceeds remain within the managed fund.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Estimates and judgements

Management are required to make judgements and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on both historic experience and current factors that are believed to be reasonable under the circumstances. The results form the basis of current judgements about, for example, any impairment to the carrying values of assets that are not readily apparent from other sources. This also applies to the implementation of reserves policy.

3. Voluntary Income

	2024	2023
	£	£
Donations from Members	47,940	40,762
Gift Aid	9,085	3,951
	<u>57,025</u>	<u>44,713</u>

4. Investments Income

	2024	2023
	£	£
Brewin Dolphin Portfolio	<u>22,715</u>	<u>22,082</u>

5. Charitable activities

	2024	2023
	£	£
Welfare grants	113,939	131,762
Support cost for advice and help given by Fund Manager	37,489	35,848
Anxiety UK	14,663	28,429
Other expenses	2,202	2,371
Governance Costs	<u>14,302</u>	<u>13,043</u>
	<u>182,595</u>	<u>211,453</u>

Welfare grants are awarded to eligible individuals on the basis of financial hardship. Eligible individuals include members and staff of CIOB and their dependents. There were 51 grants awarded in 2024 and 61 in 2023.

The Fund Manager costs are apportioned across charitable activities, raising funds and governance costs based on time spent on each area. In 2024 the appointment of the Manager's time to charitable activities was 70% (2023 70%)

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2024	2023
	£	£
6. Raising Funds		
Direct costs	6,067	7,701
Fund Manager costs	10,711	10,242
Governance costs	1,426	1,180
	18,204	19,123
6.a Governance costs		
Governance related costs of Fund Manager	5,356	5,121
Audit and Professional Fees	7,713	7,986
Trustee and Fund Manager's expenses	2,657	1,116
	15,726	14,223

Governance costs are apportioned across the activities to which they relate on the basis of overall direct cost.

Auditor's remuneration

Included in Audit and Professional Fees expenditure is Audit Fee of £5,790 (2023 £5,520).

7. Directors and staff

None of the trustees receive any emoluments for their services to the Benevolent Fund. Four trustees claimed £990.90 in 2024 (Two trustees claimed £164.40 in 2023)

The Benevolent Fund has no staff and the Fund Manager is seconded by the CIOB, her employer.

8. Fixed asset investments

	Managed Investment (BD) £
At market value	
1-Jan-2024	948,042
Additions	15,134
Disposals	-
Increase in market value	54,538
Withdrawals	<u>(200,000)</u>
31-Dec-24	<u>817,714</u>
At cost	
31-Dec-24	<u>659,979</u>
31-Dec-23	<u>774,163</u>

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

There are no individual investments representing more than 5% of the managed investment portfolio as at 31 December 2024, which was invested as follows:

	Market value	Cost
	£	£
UK Bonds	105,766	103,788
Overseas Bonds	42,585	44,292
UK Equities	131,890	106,950
Overseas Investments	382,826	256,335
Commodities	25,900	15,882
Other Investments	61,804	65,790
Cash	66,942	66,942
	<u>817,713</u>	<u>659,979</u>

The Fund views the portfolio as a single class of investments, albeit that the composition of the portfolio at the balance sheet date is as set out in the market value analysis table above.

9. Debtors

	2024	2023
	£	£
Accrued income	9,023	3,951
Prepayments and Accrued Income	7,170	15,102
Amounts owed by CIOB	<u>66,216</u>	<u>-</u>
	<u>82,409</u>	<u>19,053</u>

10. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade Creditors	9,822	20,815
Accruals	5,790	7,843
Owed to CIOB	<u>-</u>	<u>14,996</u>
	<u>15,612</u>	<u>43,654</u>

11. Commitments

The Benevolent Fund has no commitments other than those shown in the financial statements.

12. Cash flow statement

The Benevolent Fund has taken advantage of the exemption to not prepare a cash flow statement on the grounds that it is a small company.

13. Related party transactions

THE CHARTERED INSTITUTE OF BUILDING BENEVOLENT FUND
(A Company Limited by Guarantee not having a share capital)

There were no related party transactions to disclose in 2024 (2023:none)

CIOB Benevolent Fund

Audit Findings Report

For the Year Ended 31 December 2024

HaysMac[★]



Table of Contents

1.	Introduction and Executive Summary	1
2.	Significant audit risks, and other focus areas identified during audit planning	2
3.	Accounting and Audit Matters	3
4.	Detailed control points.....	5
5.	Emerging issues.....	6

1. Introduction and Executive Summary

This report summarises our key findings in connection with the audit of the financial statements of Chartered Institute of Building Assist (Benevolent Fund) for the period ended 31 December 2024.

Our audit approach

Our work was planned and performed in order to issue an audit opinion on the financial statements in accordance with International Standards on Auditing (UK) (“ISAs”) and the terms of our letter of engagement. Our audit approach is a risk-based approach founded on us gaining a thorough understanding of the entity and its business in order to allow us to identify the risks of material misstatement within the financial statements. To do this, we consider both the risk inherent in the financial statements themselves and the control environment in which the entity operates. We then use this assessment to develop an effective and efficient approach to the audit.

Limitations

Our audit procedures, which have been designed to enable us to express an opinion on the financial statements, have included an examination of the transactions and the controls thereon.

Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

We have included in this report only those matters that have come to our attention as a result of our normal audit procedures and, consequently, our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Overall conclusion and opinion

At the time of issuing this report we anticipate issuing an unqualified opinion on the financial statements.

2. Significant audit risks, and other focus areas identified during audit planning

We set out below the significant audit risks identified at the planning stage and the conclusions of our audit work:

SIGNIFICANT AUDIT RISK AREA	HOW WE ADDRESSED THIS	COMMENTARY
<p>Presumed risk in revenue recognition Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. We are required to consider and respond to the risks of improper revenue recognition.</p> <p>We consider the significant risk be that income may be incorrectly classified with respect to restrictions imposed by the donor, and income may be recognised in the wrong accounting period.</p>	<p>We reviewed the Charity’s income recognition policies to confirm they are in line with the requirements of FRS102 and the Charity Statement of Recommended Practice (SORP). We will plan and perform specific tests to ensure income is recognised in line with these policies.</p> <p>We have undertaken the following procedures to verify the appropriateness of revenue recognition:</p> <ul style="list-style-type: none"> • tested a sample of receipts, invoices, and other transactions around the year end to ensure recognised in the correct period. • further specifically assessed the appropriateness of the recognition of receivables and accrued and deferred income on a sample basis. • sample based substantive test of detail, including agreed correct fund accounting had been applied. <p>Our testing covered all material income streams.</p>	<p>Our audit work on revenue did not identify any material issues.</p>
<p>Presumed risk of management override The risk of misappropriation of assets and the risks of misrepresentation of financial information.</p>	<p>We reviewed the accounting estimates and judgements and considered their reasonableness.</p> <p>We have analysed the journals made in the year and determined the risk criteria for identifying higher risk journals. Subsequently significant, unusual or unexpected journal postings have been investigated and verified.</p>	<p>Planned audit work considered to be satisfactory in this area. We have not identified any evidence of material management override.</p>

3. Accounting and Audit Matters

i. Key accounting estimates

Accounting estimates are defined by ISA 540 as monetary amounts for which the measurement, in accordance with the requirements of UK GAAP, is subject to estimation uncertainty. We consider that there are no key accounting estimates affecting CIOB Assist financial statements for the current year.

ii. Key judgements

Management exercises judgement in application of accounting policies while preparing the financial statements. By their nature, judgements are subjective and could be subject to bias, which affects the presentation of the CIOB Assist's performance or financial position. We consider that there are no key judgements affecting CIOB Assist's financial statements for the current year.

iii. Summary of adjusted and unadjusted misstatements

There were no adjustments to the financial statements and there were no unadjusted misstatements arising from our audit work.

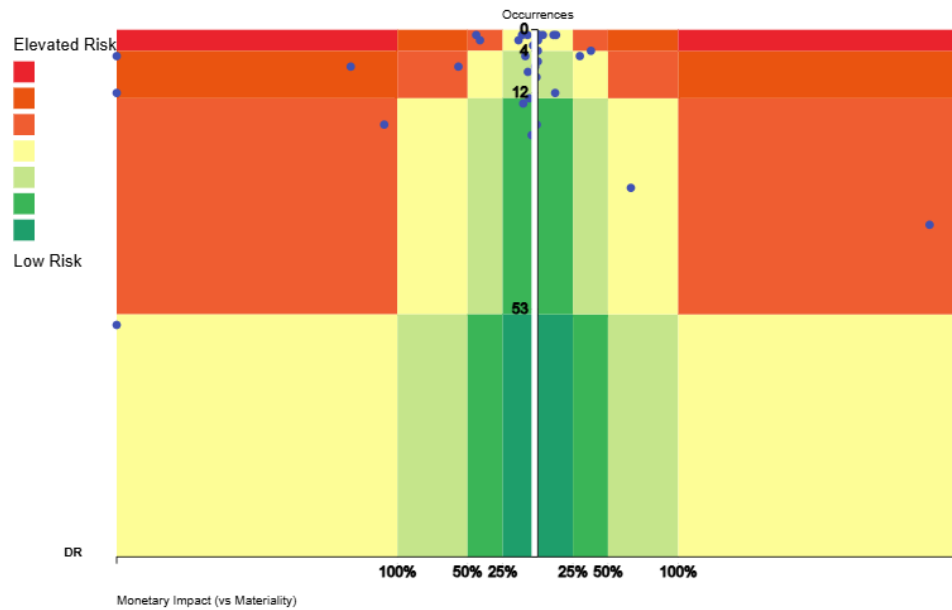
iv. Letter of representation

International Standards on Auditing require us to obtain written representations from the directors when you approve the financial statements. The letter contains only standard matters with no additional items specific to the Chartered Institute of Building Benevolent Fund.

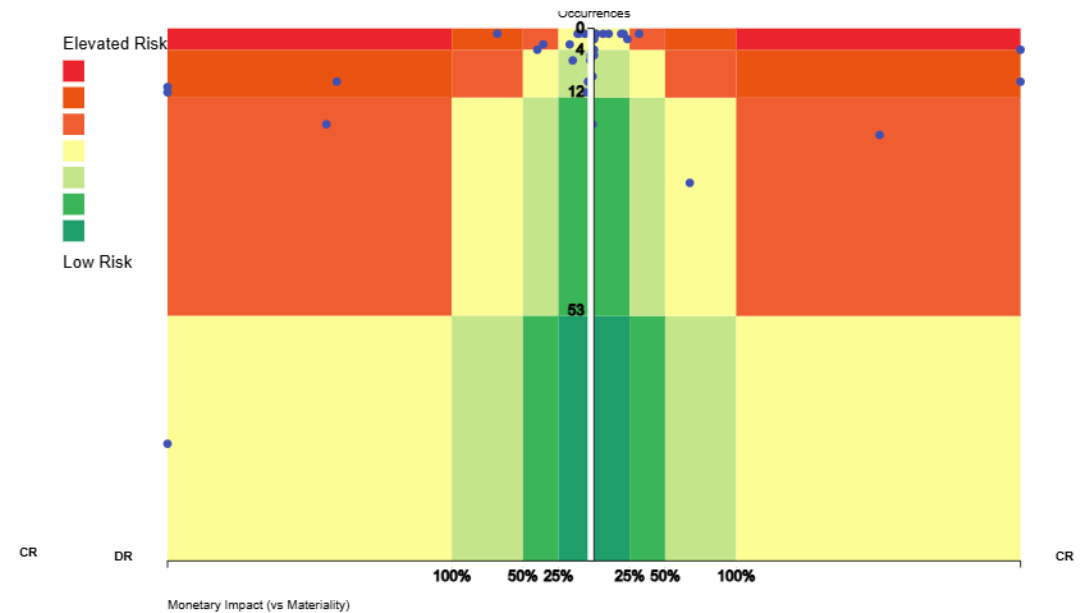
v. Data Analytics

In addition to our usual audit tests, we have used our data analytics software to interrogate transactions making up the financial statements. We extracted the full transactional listing from your accounting system. By then reconciling on a line-by-line basis the aggregate impact of the transactions made during the period we were able to confirm the completeness of the population. We then used characteristic based data analytics and a multi-dimension risk scoring logic which analysed every transaction in the population against a set of potential risk identifiers, highlighting the transactions we deemed to pose a heightened risk of fraud, error or misstatement.

2024 Heat Map of Financial Transactions



2023 Heat Map of Financial Transactions



During the period there were a total of 612 transactions (2023: 557 transactions) within The Chartered Institute Of Building Benevolent Fund's accounting system. There were 12 transactions which were flagged as higher risk transactions. These related to the charity corporation tax return, investment revaluations, gift-aid reclaims, prepayment of insurance, intercompany journals. We agreed these journals to supporting documentation and also reviewed the approvals. We are satisfied that there was no evidence of error, fraud or management override in controls in the testing that was performed.

4. Detailed control points

During the course of our audit we identify detailed control points that we feel need to be brought to the attention of the Trustees and certain recommendations for improvements and/or corrective action. Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation. The matters and detailed control points that we have identified are graded within the following framework to assist the Trustees in assessing their impact.

RATING	RATING TYPE	CHARACTERISTICS OF RATING TYPE
Significant	These findings are considered to be significant to the management of risk in the business. The finding represents a serious weakness in systems and controls currently in place or a potentially fundamental control that has been omitted from the risk management systems as currently in operation.	<ul style="list-style-type: none"> • Key control omitted • Key control not designed or operating effectively, for example as indicated by multiple exceptions found during our review work • Evidence of override of controls in place with significant or potentially fraudulent outcomes • Non-compliance with laws and regulations
Important	Important findings that should be reviewed by management, pending corrective action and or updates to systems and controls.	<ul style="list-style-type: none"> • Errors and exceptions noted during our testing that had corrected retrospectively during the year by management. • Potential improvement to existing control noted • Possibility for override of controls exists • Our review noted numerous exceptions but not in key controls
Limited	Findings that identify non-compliance with established systems and controls.	<ul style="list-style-type: none"> • Minor control weakness, for example limited exceptions noted during our review work
Advisory	Items requiring no immediate action but which may be of interest to management or best practice advice.	<ul style="list-style-type: none"> • Information for department management • Control operating but scope for efficiency and/or effectiveness improvements exist • Control operating but not necessarily in accordance with best practice • Recent or anticipated developments may necessitate new controls.

We are pleased to report that we have not identified any control points in the current or prior year.

5. Emerging issues

Charity reporting and governance matters

Charities Act 2022

The Charities Act 2022 (the Act) made amendments to the Charities Act 2011 (the 2011 Act) in a number of specific areas, largely in response to the recent Law Commission review of charity legislation and with the overarching objective of making life simpler for charity trustees, as well as harmonising certain procedures, such as making amendments to a charity's objects, across the various different corporate structures within which charities operate. The majority of changes are now in force, with the most recent changes adopted on 7 March 2024 relating to:

1. Making changes to governing documents
2. Selling, leasing or otherwise disposing of charity land
3. Charity mergers
4. Authorisation of certain trustee payments
5. Defective or potentially defective trustee appointments

Because the Act is an amending act, the form and content of charity financial reporting will continue to be governed by the Charities Act 2011. However, all relevant Charity Commission guidance has now been updated to reflect these changes.

For further information about the changes resulting from the Charities Act 2022, including those that came into force on 31 October 2022 and 14 June 2023, can be [found here](#).

Charity Commission guidance on the impact of the cost of living crisis

The Charity Commission has published guidance on managing financial difficulties arising from the cost of living crisis, covering the following main subject areas:

1. Trustees' duties and decision making
2. What to do if you experience financial difficulties
3. What to do if your charity cannot continue to operate
4. Reporting a serious incident to the Charity Commission

The new page emphasises various existing guidance for Trustees, but with a specific focus on the impact of the current economic climate, and it can be [found here](#).

Charity Commission guidance on social media use

On 18 September 2023, the Charity Commission published new guidance concerning charities' use of social media. The guidance addresses both charities' own use of social media and Trustees' responsibilities in this regard, and the potential risks surrounding charity employees' use of social media. The guidance is clear that charities using social media should have a social media policy in place and should ensure that it is followed. A checklist for developing a social media policy has also been created by the commission.

The Commission is clear that employees should be free to use social media in their own right but notes the potential for private posts to be interpreted as the views of the charity, with the risk to the charity's reputation that this could bring, and the consequent need for charities to consider setting guidelines to govern their employees' use of media and to set policies concerning how the charity would respond to any negative exposure.

The guidance can be [found here](#).

Charity commission guidance for charities facing decisions about donations

On 4 March 2024 the Charity Commission published guidance to help charities when deciding to accept, refuse or return a donation. Whilst the default position should be accepting donations to further a charities objectives, the Commission appreciates that there are times when this will be difficult for a charity and has set out an approach to support trustees when making difficult decisions. The guidance is set out in a way to ensure that the law, trustee duties and charity's powers are all considered.

The guidance sets out examples of when donations must be refused or returned, donations that are likely to be refused/returned, additional considerations and how to document the decision made by trustees.

The guidance can be [found here](#).

Collaborative working and mergers: an introduction (CC34)

Following the changes as a result of the implementation of Charities Act 2022, the Charity Commission has produced new guidance on working in collaboration with other charities either as:

- working as two separate organisations on a joint project
- merging two legally separate charities to form one charity

The guidance considered in more detail the definitions of the above, key thoughts, legal considerations, practical implications in terms of when to get the Commission involved and different structures.

The guidance can be [found here](#).

Fundraising levy review

In April 2024 the Fundraising Regulator announced plans to increase their yearly fundraising levy for the first time since its introduction in 2016. Each year there are around 2,000 charities covered by the levy, which is charged to charities who are registered with the Fundraising Regulator. The levy will increase for everyone, but the more you as a charity spend on fundraising, the higher that percentage increase will be. Conversely, the less you spend on fundraising, the lower it will be.

The revised rates take effect from September 2024, with further increases from September 2025. Details of the rate changes can be [found here](#).

Charity Commission report on public trust in charities and the role and experience of trustees

On 18 January 2024, the Charity Commission released a report which contained ten years' worth of research into the public views of charities and about charity trustees. Increasing public trust is a key focus for the Charity Commission and this report will help steer future guidance and support for charities. Key findings from the research programme include:

- Public trust is complex and impacted by a number of factors from regulation to negative actions, however everyone has different views based on personal circumstances
- Public trust is stabilising
- Responsible use of funds remains a key factor in trust of charities
- People believe charities are making an impact
- Trustees understanding the role and responsibilities is good but there is more to be done. For example 1 in 5 trustees did not fully appreciate that they had a collective responsibility for critical functions e.g. financial oversight and the charity's annual accounts

The full report can be [found here](#).

Charity Commission guidance for trustees on investment policies

The Charity Commission has updated its guidance on charities and investments following its call for information and consultation on financial investments. The updated guidance reflects the judgment of the Chancery Division in *Butler-Sloss & Ors v The Charity Commission for England and Wales & Anor*, and is known as CC14.

As a reminder, the verdict clarifies that where trustees are of the reasonable view that particular investments (or classes of investments) potentially conflict with the charitable purposes, the trustees have the discretion to exclude such investments. They should exercise that discretion by reasonably balancing all relevant factors including the likelihood and seriousness of the potential conflict, and the likelihood and seriousness of any potential financial effect from the exclusion of such investments.

The guidance can be [found here](#).

Updated guidance on decision-making for charity trustees (CC27)

In September 2024 the Charity Commission published updates to its guidance on making trustee decisions. The aim of these updates is to make the guidance more accessible and easier to use, however the backbone of the guidance remains the seven principles developed by the courts when they reviewed decisions made by trustees, which we have set out below.

When making decisions, trustees must:

- act within their powers
- act in good faith
- be sufficiently informed
- take into account all relevant factors
- identify and disregard any irrelevant factors
- manage conflicts of interest
- ensure their decision is within the range of decisions that a reasonable trustee body could make

The revised guidance can be [found here](#).

Updated guidance on “improving your charity’s finances” (CC12)

In September 2024 the Charity Commission published updates to its guidance on “improving your charity’s finance”. These updates are aimed at making the guidance more accessible and provide advice on actions that can protect charities against financial difficulties, as well as understanding what to do if a charity is insolvent, or at risk of insolvency.

The updated guidance, which is separated depending on the legal structure of the charity, can be [found here](#).

Charity Commission guidance for charity meetings

The charity commission guidance on charity meetings was also updated in July 2024 to make it more accessible and easier to use. The guidance covers how meetings should be planned, run and recorded, and sets out the ways in which meetings can be held (face to face, virtual or hybrid). The guidance emphasises that you must check your governing document to ensure that you are acting in accordance with its rules about meetings, to ensure that decisions are not invalidated.

The guidance can be [found here](#).

Charity Commission guidance on appointment of trustees

The Charity Commission updated its guidance on recruitment of trustees in March 2024, surrounding when the Commission can confirm trustee appointments.

Where an appointment is defective, or potentially defective, the Commission can confirm the appointment by making an order where the person consents to their appointment. Whilst making the order, the Commission can also validate a past act of the person concerned. This will only be undertaken where the charity is unable to confirm the appointment or validate the past act itself via its governing document, the Trustee Act 1925 or the Companies Act 2006.

Further guidance can be [found here](#).

Charity Commission guidance on Charity Banking

In July 2024 the charity commission published information on charity banking and the support available to charities who are struggling with accessing adequate banking services. This follows on from an open letter which the Commission wrote to the Chief Executives of UK banks, requesting their urgent action on issues that charities are facing with their banks which include:

- Having accounts closed or suspended suddenly for long periods of time
- Facing a reduction in bespoke banking services
- Experiencing poor customer service and administrative delays
- Finding that online banking is not designed to match the way charities operate

The guidance can be [found here](#).

Volunteers

The Social Purposes sector relies heavily on its volunteers. Typically, these are unpaid and may in certain circumstances be paid out of pocket expenses. This is usually limited to food, drink, travel or any equipment they need to buy to undertake their duties. Normally, there are no employment taxes implications for reimbursement of these out of pocket expenses as long as they are reasonable.

If the volunteers are paid expenses that do more than reimburse the costs incurred then HMRC may contend that they are receiving remuneration for their services. In which case, the payments will be taxable as employment income if it can be shown that they either hold an office or employment. If they do not hold an office or employment, the payments may be Miscellaneous Income.

In a recent Employment tribunal case *M Groom v Maritime and Coast Guard Agency*, the volunteer was judged to be a worker which confers employment rights such as holiday pay, National Minimum/Living wage etc. It is therefore imperative that the correct policies, controls and governance are in place to avoid any possible successful employment status challenge by HMRC.

Financial Reporting

Financial reporting framework

UK GAAP Developments – FRS 102

Following the recent Periodic Review and other amendments to UK and Ireland accounting standards, the Financial Reporting Council (FRC) has issued now revised versions of FRSs 100, 101, 102, 103, 104 and 105. The FRC has also revised the “Overview of the financial reporting framework”.

The changes to FRS 102 include the significant revisions made to leasing and revenue recognition which arose from the Periodic Review 2024. Most of these amendments are effective for accounting periods beginning on or after 1 January 2026, although those changes that relate to “supplier finance arrangements” have an earlier effective date of accounting periods beginning on or after 1 January 2025.

These amendments seek to provide greater consistency and more (but not total) alignment to international accounting standards including:

- A new 5 step model for revenue recognition, which is aligned to IFRS 15: Revenue from Contracts with Customers, (with some simplifications);
- On balance sheet lease accounting for lessees, aligned to IFRS 16: Leases, (with certain practical exemptions); and
- Other modifications to fair value measurement, uncertain tax positions, business combinations, and a revised Section 2 aligned with IASB’s Conceptual Framework.

The effective date for most amendments is periods beginning on or after 1 January 2026, with early adoption permitted. The new standard sets out the requirements for the restatement of comparative amounts. There are choices available in some areas of change but others are more prescriptive so you will need to take care to ensure that you have complied with each relevant requirement and made the appropriate disclosures.

The transition to the new requirements will take careful planning for many organisations currently following FRS 102. For instance, many organisations will see leases (and debt) hit their balance sheets for the first time. For some this will seem strange and for most will require careful planning to ensure, amongst other things, that all leases are captured, the financial effects are known, effects on reporting requirements e.g covenants are understood.

The new accounting standards are available on the [FRC website here](#). Note that despite the effective dates in the future, the new versions are described as the “current edition” with versions that are still in use described as “superseded editions”.

With the changes to FRS 102, there will also be changes to the Charities SORP, which had its last major revision in 2015 along with amendments in 2019. We are expecting its release in 2025, with an effective date from 1 January 2026 in line with the changes in FRS 102. Along with the changes noted above, we are expecting it to also introduce a third tier of charity as well as revisiting the allocation of overhead expenditure.”.

FRC issues reporting expectations

The Financial Reporting Council (FRC) has published its Annual Review of Corporate Reporting together with its expectations for the coming reporting season. The FRC reviewed 263 company reports, raised queries with 112 companies and required 25 companies to restate their accounts. Issues on impairment, judgements and estimates were the most frequent areas of query, although the FRC continued to find significant issues with cashflows. The FRC said its key disclosure expectations for 2023/24 include: uncertainties and the approach to them to be sufficiently clear to users; a clear description of the business risks in the strategic report; transparency on the material risks from financial instruments; clarity on climate; and critically reviewing the annual report and accounts before issue.

FRC consults on enhancing auditor reporting of laws and regulation breaches

The FRC has opened a consultation on strengthening the requirements of ISA (UK) 250 on auditors to detect and report material misstatements from non-compliance with laws and regulations. It also seeks to clarify instances where auditors should report such breaches, and other significant matters, to the relevant regulators. The FRC proposes a more robust risk assessment to help auditors identify those laws and regulations that have, or may potentially have, a material effect on the financial statements. The consultation closed on 12 January 2024 and is proposed to be effective for accounting periods beginning on or after 15 December 2024.

UK Corporation Tax

Intra-group arrangements

Charities must ensure that records and documentation are kept for all transactions with group companies. This includes management charges, service level agreements, licences for use of space, loan arrangements and calculations of recharged amounts.

In particular, any loans or investments that are made to group companies, should only be made as a result of a full financial investment assessment, as for any other investments made. There are no specific concessions or exemptions available for loans and investments made within a group and we are increasingly seeing HMRC show an interest in this area.

Corporation Tax self-assessment

As a reminder, every charity is required to perform a self-assessment each year to determine whether it is liable to pay corporation tax. This is regardless of whether HMRC have issued a formal notice to file a corporation tax return (usually issued periodically for charities registered with HMRC).

A return should therefore be prepared and filed with HMRC if either:

- a return has been formally requested; OR
- it has been established that the charity has a corporation tax liability.

In most circumstances a charity will not be liable to pay any corporation tax, as there are a number of charitable exemptions which cover the majority of the typical income streams that charities receive. Please note that all the exemptions only apply so far as the income is applied for charitable purposes only.

The main exemptions include:

- profits from trading that directly furthers the charity's objects;
- rental income from land and buildings
- investment income
- income from VAT exempt fundraising events
- miscellaneous and other non-charitable trading where the total turnover does not exceed £80k per annum

If you have any concerns about a possible liability to corporation tax or are unsure whether a particular stream of income falls within the exemptions noted above, please get in touch with your normal HaysMac contact for advice.

Auditing developments

[IAASB proposes increased auditor responsibility on fraud](#)

IAASB proposes increased auditor responsibility on fraud The International Auditing and Assurance Standards Board (IAASB) has issued an Exposure Draft to revise ISA 240 "The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements". The main change is to clarify the auditor's role in identifying fraud during an audit and reminds auditors of the need to maintain professional scepticism. The Exposure Draft includes, inter alia, the need to strengthen the identification and assessment of material misstatement due to fraud, increased audit documentation, increased communication with management and those charged with governance regarding fraud and increased transparency on the auditor's responsibility on fraud in the audit report. Comment is open until 5 June 2024.

[Materiality in practice](#)

The FRC has published "Materiality in practice: applying a materiality mindset", a report looking at how companies can improve their reporting by being more focused and strategic when assessing materiality. The report, in four sections, recognises that removing irrelevant information strengthens the value of an entity's reporting and encourages preparers to think about investors' needs and decision making and take a holistic approach towards materiality. It also encourages preparers to focus on the key issues that management and the board are prioritising across the short, medium and long-term. Read more [here](#).

HaysMac[✦]

10 Queen Street Place
London EC4R 1AG

T 020 7969 5500

haysmac.com

© Copyright 2025 HaysMac LLP. All rights reserved.

HaysMac is the trading name of HaysMac LLP, a limited liability partnership. Registered number: OC423459. Registered in England and Wales. Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. A list of members' names is available for inspection at 10 Queen Street Place, London EC4R 1AG. A member of the ICAEW Practice Assurance Scheme.

Disclaimer: This publication has been produced by the partners of HaysMac LLP and is for private circulation only. Whilst every care has been taken in preparation of this document, it may contain errors for which we cannot be held responsible. In the case of a specific problem, it is recommended that professional advice be sought. The material contained in this publication may not be reproduced in whole or in part by any means, without prior permission from HaysMac LLP.