

Report & Financial Statements

For the year ended 31 December 2014

The Benevolent Fund of the Institution of Civil Engineers



Registered Office:

5 Mill Hill Close
Haywards Heath
West Sussex RH16 1NY

Limited Company Registered in England No. 6708655

Charity Registered in England & Wales No. 1126595

The Benevolent Fund of the Institution of Civil Engineers

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The Benevolent Fund of the Institution of Civil Engineers Charity Information

Charity Registration Number: 1126595

Company Registration Number: 6708655

**Chief Executive
and Principal Office:**

K L Barnett
5 Mill Hill Close
Haywards Heath
West Sussex
RH16 1NY

Bankers:

National Westminster Bank plc.
Charing Cross
London
WC2H 0PD

Auditors:

Mazars LLP
Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Investment Managers:

Rathbone Investment Management Limited
1 Curzon Street
London
W1J 5FB

Solicitors:

Stone King
16 St John's Lane
London
EC1M 4BS

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014

Executive Summary

- Provided 168 instances of financial help and advice to eligible individuals (of these, 69 were new this year)
- Provided charitable accommodation to 14 beneficiaries
- Provided financial assistance totalling £610,146
- Provided an outplacement service to 27 individuals
- Ran a helpline, which gave 86 items of advice on issues such as redundancy, employment law, stress, debt
- Ran a series of pre-retirement workshops throughout the UK for over 120 engineers who are due to retire in the next five years

Financial Position for the Period

Assets as at 31 December 2014

• Investments and tangible fixed assets	£ 15,169,385
• Net Current Assets	£ 178,518
• Total	£ 15,347,903

Income

• Dividends and interest	£ 380,877
• Donations via ICE subscriptions miscellaneous donations & legacies	£ 488,887
• Rental and Event income	£ 333,970
Total	£ 1,203,734

Expenditure (including overheads)

• Grants	£ 610,146
• Outplacement, Helpline, Workshops and Casework	£ 163,393
• Estate costs	£ 312,580
• Administration & Investment Management fee	£ 197,321
Total	£ 1,283,440

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

The Benevolent Fund (unincorporated charity) was established on 20 December 1864 and was registered as a Charity in 1962. On 1 January 2009, the Benevolent Fund incorporated to a charitable company limited by guarantee. The incorporated charity's governing documents are the Memorandum & Articles of Association of the Benevolent Fund of the Institution of Civil Engineers ("ICE Benevolent Fund"). They were approved at a Trustee meeting held on 2 April 2008 and are available for inspection from the ICE Benevolent Fund registered address or at website, www.icebenfund.com.

The Committee of Management, who are the Trustees ('Trustees') and the Directors of the Charitable Company, present their report together with the financial statements of ICE Benevolent Fund for the year ended 31 December 2014. The financial statements have been prepared under the accounting policies set out on pages 16 and 17 of the financial statements and comply with the current statutory requirements, applicable law and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005.

Structure, Governance and Management

ICE BENEVOLENT FUND Members

The ICE Benevolent Fund operates a register of members, all of whom have applied for and been accepted by the Trustees into membership. ICE Benevolent Fund members must make a minimum annual contribution to the Fund - paid with their Institution of Civil Engineers (ICE) subscription. Membership allows the individual to attend and vote at the Fund's AGM and apply for Trusteeship. At the end of 2014, ICE Benevolent Fund had 184 members.

ICE BENEVOLENT FUND Friends

ICE members who donate to the Benevolent Fund but do not apply for membership are classified as "Friends" of the Benevolent Fund. These individuals can attend, but not place a vote at, the AGM. They are not entitled to apply for Trusteeship.

Staff

A Chief Executive Officer is employed to manage the day to day operation of the Charity with a small staff team.

Volunteers

The Benevolent Fund has a number of volunteers who work throughout the UK and beyond visiting beneficiaries and new applicants and witnessing at first hand the problems encountered by individuals we help. Volunteers report back to Trustees on their findings and make recommendations for help, if appropriate.

Trustees

The Board of Trustees, which meets quarterly, governs the affairs of the Charity. There are sub-committees covering finance and estate maintenance.

The Board of Trustees can consist of up to fifteen ICE members and comprises:

- Three members of the Council of ICE to be appointed by ICE Council
- Nine ICE Benevolent Fund members who are elected by other members of ICE Benevolent Fund
- Up to three additional ICE members, who can be co-opted to serve up to three years in office. These individuals do not need to be ICE Benevolent Fund members
- The ICE President, for the year that he is in office, is invited to become the Patron of ICE Benevolent Fund. The Patron is entitled to attend, but not vote, at all Trustee meetings.

The Charity actively seeks to encourage new individuals to become involved and nominations to serve on the Benevolent Fund's Trustee Board are invited annually from all ICE Benevolent Fund members. Voting papers are circulated and the selected candidates are announced at the AGM. Each ICE Benevolent Fund Member is able to vote for up to three individuals.

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

When appointed, Trustees are sent copies of the Charity's governing documents and past copies of board papers. They are also asked to review and sign a copy of ICE Benevolent Fund's Data Protection Policy, the Ben Fund's Register of Member interests, the ICE's Bribery Policy and the Charity Commission's suitability Declaration form for newly appointed Trustees. New Trustees are also required to attend an annual training session on the operation of ICE Benevolent Fund and its activities and their role and responsibilities.

Each year, the Charity organises a full training day for its Trustees and volunteers. The Trustees who served during the period were:

Chairman:

W R Kemp MBE (term of office complete 31 December 2014)

ICE President as Patron:

G H French * (term of appointment complete 31 October 2014)

D J Balmforth * (appointed 1 November 2014)

Council Nominees:

M D Burnett * (term of appointment complete 31 December 2014)

M B Field * (term of appointment complete 31 December 2014)

B Taylor * (term of appointment complete 31 December 2014)

Elected Members:

T Frost

D Gallear

C Hillary (appointed 1 January 2014)

E J S Hiscocks (term of appointment complete 31 December 2014)

D Oakervee CBE

P H Oliver (term of appointment complete 31 December 2014)

D M Orr CBE (appointed 1 January 2014)

A D Scrimgeour (appointed 1 January 2014)

Co-opted Member:

A Griffiths OBE

* Member of the Council of the Institution of Civil Engineers during 2014

Company Secretary:

K L Barnett

All Trustees gave their time voluntarily and received no benefits from the Charity. Any reclaimed expenses are set out in note 10 to the accounts.

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

Objectives and Activities

The object of ICE Benevolent Fund, as set out in our Memorandum & Articles of Association, is to afford assistance to members and former members of The Institution of Civil Engineers and to the dependants of such members where any of these people are in need.

ICE Benevolent Fund's aims fully reflect the purposes for which the charity was set up. The aim that underpins all our work is to help as many eligible individuals as possible. Assistance is provided in many ways and varies according to specific requirements. The main types of help include:

- Advice, information, specialist counselling and support, both face to face and on-line
- Financial assistance for ICE members struggling to make ends meet
- Accommodation for individuals on low incomes seeking affordable homes

The Fund also helps with employment training, job search support, pre-retirement planning, lifetime financial planning and personal development and wellbeing

This report looks at what we achieved and the outcomes of our work in the previous 12 months and sets out our targets for the following year. Under **Achievements and Performance** (page 7) we report on the benefits we have brought to the groups of people we are set up to help.

Preparing this report helps Trustees ensure that ICE Benevolent Fund's aims, objectives and activities remain focused on our stated purposes.

How Our Activities Deliver Public Benefit

The Charity's Trustees have complied with the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charities Commission.

Our objects and funding allow us to provide services not only to members, but also former members, of the Institution of Civil Engineers as well as to the dependant families of these groups. This represents a sizeable number of individuals worldwide, any of whom can come forward for help at any time. Further, the range and depth of service we provide means that it is not just the individual who benefits. The impact of ICE Benevolent Fund's work goes far beyond those people we assist directly. By helping an individual at a difficult time, we also help his or her family and close friends, and our proactive support also means the individual is less likely to rely on the state, whether in terms of welfare or healthcare. In these ways we greatly extend the range of our support beyond simply the members of the Institution.

Individuals do not need to have contributed to ICE Benevolent Fund to benefit from its services.

ICE Benevolent Fund always endeavours to provide the most appropriate help in every circumstance. The Ben Fund continues to provide financial help where required, but the emphasis now is on providing preventative help and practical support. For ICE members of working age, ICE Benevolent Fund wants benevolent assistance to be viewed as short term until the individual is able to support him/herself and family.

Equal access to our service is an important issue for the Ben Fund. ICE members living in poverty and need are sought out and actively encouraged to apply for help. All new applicants are means tested and anyone coming below our thresholds is awarded some form of financial help. By applying this measure, we ensure that people living in need form the focus of our activity.

The Trustees have reviewed whether any of the help we provide could possibly cause any detriment or harm and cannot think of any example where this might be the case.

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

Objectives for 2014

In 2014, the Benevolent Fund celebrated its 150th anniversary. The Trustees of the Ben Fund wanted to mark the occasion and use the landmark year as an opportunity to launch a new brand for the Ben Fund (new logo/image/styling) and develop new services as appropriate. The ICE Benevolent Fund's Patron also hosted a gala dinner in October for Benevolent Fund visitors and members, which was attended by over 250 individuals.

To support existing staff with this increased workload, Trustees agreed a budget, at the end of 2013, to appoint a marketing executive on a 1 year fixed term contract to commence in 2014.

Benevolence and marketing objectives

- Continue to provide the most appropriate form of assistance to as many eligible beneficiary applicants as possible
- Continue to fund as many places on the Outplacement/Back to Work scheme as is possible given current market conditions
- Promote the disabled / disadvantaged Student Scheme so that ICE accredited students continue to apply for ICE Benevolent Fund help
- Assist as many ICE members and their families as required through the ICE Ben Fund's independent helpline and through the money management/financial health check service
- Pilot new services to support ICE members and their families as they face the challenges and opportunities presented by longer life. Workshops were planned on:
 - pre-retirement support
 - financial planning (mid career)
 - financial planning (early career)

Continue with profile raising activities and fundraising – staff were present at both ICE Certificate Presentation Ceremonies for new ICE members, making contact with members and distributing marketing material about ICE Benevolent Fund. Articles were placed in ICE newsletters and New Civil Engineer (NCE) magazine about the ICE Benevolent Fund and staff also contacted the next of kin of every ICE member who had died in the year to offer condolences and support should it be needed.

- Another Golf day was held in the year to raise funds for the ICE Benevolent Fund. This was in addition to the gala dinner.
- Launch a re-brand for ICE Benevolent Fund, including a new website and on-line portal to coincide with the Fund's celebratory year
- Hold an official "opening" of the new office and commercial development of fourteen flats at the Ben Fund's charitable estate at Haywards Heath

Governance objectives

- Continue with efforts to reduce costs at MHC, whilst continuing with the essential window replacement programme
- Continue with Trustee and Visitor training
- Continue with annual review of Risk, Investment and Financial Reserves Policy and continued adoption of the ICE's Bribery policy
- Complete the new build project in Haywards Heath on time and within budget and commence commercial lettings to secure a sustainable future income stream for the Benevolent Fund

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

- Complete the Benevolent Fund office move in the year and the conversion of current office space back to rental accommodation

Achievements and Performance for 2014

The Trustees established a small marketing group in the year to plan and implement the new brand, website/on-line portal and gala dinner. The group was supported by the new marketing executive.

The group established a new "look and feel" for the ICE Benevolent Fund – new logo, new colour scheme and new website, all of which were formally "launched" to ICE Benevolent Fund members and supporters at the Gala dinner.

The dinner was held to celebrate 150 years of the ICE Benevolent Fund in the Great Hall at One Great George Street on Friday 24 October 2014. All ICE Ben Fund visitors and members were invited. The event was hosted by the Benevolent Fund's Patron and ICE President, Geoff French, and the guest speaker was comedienne, actress, and author Helen Lederer who had a clear link to the ICE as her father, Peter Lederer, was a Civil Engineer and Fellow of ICE. The event was sold out with 250 guests joining the Patron and Trustees of the Fund. The new brand and logo for the ICE Benevolent Fund was evident at the event, with branded balloons and table decorations and a new suite of marketing materials available to each guest. A full programme for the evening, including a historic timeline of the ICE Benevolent Fund, was also available. On departure, each guest was presented with a keepsake branded bag and contents.

Trustees and staff received many notes of appreciation after the event and it was deemed to be a great success.

Benevolence and marketing outcomes

The Trustees were pleased to note that the number of instances of benevolence support remained steady at 168 in 2014 (2013: 157)

The Outplacement scheme achieved success, with 26 members availing themselves of the service to assist their return to work.

The Fund gave charitable assistance to 9 students who applied for funding through the disabled / disadvantaged student scheme. The Fund received many applications for help, following a targeted e mail through UCAS to all students studying on ICE accredited courses at UK universities. However only 9 of the applications received met the full eligibility criteria.

The number of ICE members and family members who sought help from the independent advice line remained steady, with 86 members availing themselves of the service. 11 individuals benefited further from face to face sessions with the Fund's Independent Financial Adviser (IFA).

The new series of personal development workshops established in the year achieved great success with over 120 members attending the workshops and providing feedback, all of which was positive. 10 workshops providing support to those pre-retirement were run throughout the UK. The Ben Fund also piloted workshops in London on financial planning for ICE members in both their early and mid career.

A fundraising Golf day was organised on June 11th at Brocket Hall golf club in Welwyn. It was well supported by twenty two teams of golfers and £4,000 was raised to support the ICE Benevolent Fund. While useful in raising awareness, the Trustees decided not to continue the event because of the considerable organisation required for the day and the limited income secured.

A major new development has been the ICE Benevolent Fund's new website, which is available for all computer formats – PC, mobile and tablet devices. It features the new branding and a new on-line portal. It has attracted many positive comments and Trustees are confident it will encourage more ICE members to use the Ben Fund service.

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

The Benevolent Fund has continued with other profile raising and fundraising activities in the year. The annual appeal was hosted by the Benevolent Fund's Patron in the summer, which raised over £10,000. Further smaller donations have been received as a result of the continued "Thank You for donating" campaign.

The Ben Fund completed its new development at its estate in Haywards Heath (see below) and new office for staff. The Chairman of Trustees, William Kemp, formally opened the new office on 10 November with an official ceremony attended by the ICE President and local dignitaries.

Governance outcomes

The Trustees continued with efforts to reduce on-going maintenance costs at the ICE Benevolent Fund's estate in Haywards Heath. The programme to install new double glazed units at the existing properties continued. The aim of the exercise is not only to replace existing rotten units, but also to increase comfort for tenants, improve the energy efficiency rating of the properties and importantly reduce **future** maintenance costs. The level of beneficiary occupancy at Mill Hill Close remained stable.

Visitor and Trustee training was well received in the year. Prior to the gala dinner, staff organised a half day training session for visitors and Trustees, with an update on Welfare Reform and progress with the implementation of Universal Credit and the changes associated with "pension freedom", which will effect the Benevolent Fund's beneficiaries. Other speakers included representation from "Powell Allen", the graphic design agency employed by the Ben Fund to advise on the new brand.

Trustees reviewed the ICE Benevolent Fund Risk, Investment Policy and Reserves Policies in the year and new volunteer Visitors and Trustees were asked to review and adopt the ICE's Bribery Policy.

The 2011 Annual Report reported in full on the Trustees plans to commence a new build project on spare land at its estate in Haywards Heath. The ICE Benevolent Fund received planning permission for the development of 14 apartments plus purpose built office in September 2012. Construction work started in June 2013 and continued until completion in August 2014. Severe weather conditions in October and November 2014 hampered progress but the project was completed in budget, albeit three months behind the anticipated finish time. The properties – 11 two bed roomed and 3 one bed roomed apartments were all let by mid November 2014, with rents of £725 (1 bed) and £995 (2 bed) secured. The new development will provide the Benevolent Fund with an additional £150,000 income each year. The value of the land will also increase.

Staff moved in to the new offices in September 2014 and work began to convert the old office back to two one-bedroomed flats. The aim is to release these additional two flats for rental early in 2015.

Objectives for 2015

Benevolence and marketing

- Provide the most appropriate form of assistance to as many eligible beneficiary applicants as possible
- Seek beneficiary feedback, by way of questionnaire, on the service provided to inform performance and future service delivery
- Fund as many places on the Back to Work Scheme as required
- Promote the disabled / disadvantaged Student Scheme so that ICE accredited students continue to apply for ICE Benevolent Fund help
- Assist as many ICE members and their families as required through ICE Benevolent Fund's independent helpline, on-line resource portal and through the money management/debt advice service

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

- Roll out a programme of personal development workshops across the UK to support ICE members and their families. Trustees are currently considering:
 - pre-retirement support
 - financial planning, mid and early career
 - personal resilience and stress management
- With a target of achieving at least 50% take up of the workshops and 80% satisfaction level from feedback
- Investigate opportunities for further workshop topics and implement a service development plan to ensure current topics meet the needs of ICE members
 - Increase awareness of the ICE Benevolent Fund through traditional and digital marketing channels. The following will be adopted throughout 2015:
 - Regular presentations by staff to ICE members on the services offered by the ICE Benevolent Fund. This will include attendance at Certificate Presentation Ceremonies for new ICE members, attendance at ICE regional meetings and presentations to ICE Council
 - Printed advertising in New Civil Engineer (NCE) and NCEI
 - Printed inserts in NCE promoting ICE Ben Fund
 - Digital advertising on NCE website
 - Creation of the ICE Benevolent Fund's quarterly e-newsletter, to include case studies and impact reports
 - Targeted e mails to ICE members to promote workshops and other services
 - Tracking of "hits" to website to inform future service delivery
 - Use of social media channels – Twitter, Facebook and linkedIn - to direct ICE members to the Ben Fund's website

The aim is to increase awareness of the ICE Benevolent Fund amongst ICE members from the current low level of 33% to 50%.

Governance

- Continue with efforts to reduce overall costs at Mill Hill Close, whilst continuing with essential window replacement. The Trustees intend to complete the double glazing programme in 2015
- Complete the conversion of the former office at Mill Hill Close to two flats
- Continue with Trustee and Visitor training
- Continue with the annual review of the ICE Benevolent Fund's Risk, Investment and Financial Reserves Policy and adoption of the ICE's Bribery policy
- Complete a review of the ICE Benevolent Fund's Memorandum and Articles of Association to ensure that they are consistent with the Charities Act 2011 and those provisions within the Companies Act 2006 which were delayed in their implementation but have since come into force

Financial Review

Approximately 30,500 ICE members (2013: 32,500, 2012: 34,500) donated to the ICE Benevolent Fund in 2014. This continued drop in donors over the last two years is disappointing.

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

With a full time marketing executive in post to increase and strengthen staff numbers, Trustees will be putting in place a specific initiative to encourage lapsed donors to return to the ICE Benevolent Fund. A targeted postal campaign aimed at this audience (circa 10,000 ICE members) will be put in place in 2015.

Trustees and Staff have set a target this year to pursue a 10% increase in membership donations via subscriptions and over 20% increase in donations via Just Giving.

Notwithstanding the drop in donors, in total (donations made with ICE subs **and** irregular donations) the Ben Fund collected £375,710 (2013: £350,785). This is due to more ICE members donating through the year (not just with their subs) and increased legacy donations.

The excess of expenditure over income for the year ended 31 December 2014 was £79,706. This expenditure reflects the continuing diversity and complexity in many of the cases supported and the increased demand by ICE members and their families. Importantly, the ICE Benevolent Fund was able to fund the deficit in income from capital but it cannot afford to eat into reserves each year and maintain the same level of support to beneficiaries. Importantly, the Trustees have put in place two important initiatives to increase income:

- a) Increased marketing campaigns to encourage further donations
- b) New apartments at Mill Hill Close to improve rental yield

Investment Policy

ICE Benevolent Fund's current Investment Policy states that Investment Managers shall endeavour to achieve an absolute net return of at least CPI+4.5% per annum over the longer term, together with a risk tolerance of 75% of world equity volatility annualised on a rolling three year basis. Implicit in this objective is the desire at least to maintain the long term value of the portfolio in real terms.

During 2014, the return was 5.2%. The value of investments fell from £12,314,285 at the beginning of the year to £11,053,848 at the year end. This is due to £1,408,671 being drawn down from investments to cover the cost of the new build in Haywards Heath. However, despite this drawdown, total investment gains in the value of the fund, realised and unrealised, were £196,726. This reflects a period of good returns in the investment markets.

The Investment Policy Statement is reviewed annually at a meeting of the Investments Panel of the ICE Benevolent Fund and its professional advisors. The Statement is approved by the Trustees.

Reserves Policy

The ICE Benevolent Fund has no guaranteed income and is heavily reliant on the unpredictable and voluntary contributions of members of the ICE and generously donated bequests. It is the policy of the ICE Benevolent Fund to spend all donations and other monies received on benevolence in the year it is received.

Trustees seek to maintain a level of reserves which will produce an income sufficient to provide circa 25 - 30% benevolence needs of the present level of benevolence and day to day running costs of the Ben Fund.

The Reserves Policy and the level of reserves required is reviewed annually by the Investments Panel of the ICE Benevolent Fund and approved by the Committee of Management.

Free reserves were £11,314,439 (2013 : £12,686,601) at the year end.

Risk Management

In 2014, the Trustees reviewed the ICE Benevolent Fund's risk survey. An updated document was produced and approved by the Trustee Board.

To coincide with the staff office move, ICE Benevolent Fund staff put in place a Business Continuity Plan in 2014 to be reviewed each year.

The Benevolent Fund of the Institution of Civil Engineers

Trustees' Report for the year ended 31 December 2014 (continued)

Grant Making Policy

The Benevolent Fund invites applications for grants from ICE members, former members and their dependants. All applications are treated sympathetically and are means tested. All grants are approved by the Trustees and are reviewed annually. The ICE Benevolent Fund operates worldwide. In 2014 the Benevolent Fund provided financial assistance to 148 (2013:139) beneficiaries in the UK and 20 (2013:18) overseas.

Trustees' Responsibilities for the Financial Statements

Law applicable to charities in England and Wales requires the Trustees (who are also the Directors for the purposes of company law) to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity as at the balance sheet date and of its incoming resources and application of resources for the financial period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

We have taken all the necessary steps to make ourselves, as Trustees, aware of any relevant audit information and to establish that the auditors are aware of that information. As far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware.

Mazars LLP were appointed auditors at the Annual General Meeting held on 21 July 2014. They offer themselves for reappointment as auditors for the coming year.

This report has been prepared in accordance with the special provisions of section 414 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD OF TRUSTEES

D M Orr
Chairman

27 April 2015

Independent Auditor's Report to the Members of

The Benevolent Fund of the Institution of Civil Engineers

We have audited the financial statements of The Benevolent Fund of the Institution of Civil Engineers Limited for the year ended 31 December 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 11 the trustees (who are also the directors of the charity 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the charity's affairs as at 31 December 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of The Benevolent Fund of the Institution of Civil Engineers

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
 - the financial statements are not in agreement with the accounting records and returns; or
 - certain disclosures of trustees' remuneration specified by law are not made; or
 - we have not received all the information and explanations we require for our audit; 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 exemption in preparing the Trustees' Report.

Nicola Wakefield (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date:

The Benevolent Fund of The Institution of Civil Engineers
Statement of Financial Activities
For the year ended 31 December 2014

	Notes	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income:			
Individuals and legacies	2	488,887	506,758
Activities for generating funds:			
Rental income	3	171,206	130,453
Event Income		55,950	21,565
Investment income		380,877	407,737
Incoming resources from charitable activities			
Rent – Beneficiaries	4	106,814	111,752
Total incoming resources		1,203,734	1,178,265
RESOURCES EXPENDED			
Costs of generating funds			
Costs of rental properties	3	158,028	108,244
Costs of Events		49,670	15,692
Investment management costs		54,812	60,983
Other costs of generating funds		262,510	184,919
Charitable activities			
Provision of financial assistance to individuals	5	610,146	639,718
Provision of accommodation to beneficiaries	4 & 5	154,552	132,717
Welfare advice and counselling	5	163,393	109,070
Governance costs	5 & 6	928,091	881,505
		92,839	57,063
		1,283,440	1,123,487
Net (outgoing)/incoming resources before other recognised gains		(79,706)	54,778
Other recognised gains			
Net investment gains	12	196,726	728,558
Revaluation of investment property		725,000	-
Net movement in funds		842,020	783,336
Brought forward		14,505,883	13,722,547
Total funds carried forward	17	15,347,903	14,505,883

All incoming resources and resources expended are derived from continuing activities and there are no recognised gains or losses other than those included above. The accompanying accounting policies and notes form an integral part of these financial statements.

The Benevolent Fund of the Institution of Civil Engineers

Balance Sheet at 31 December 2014

	Notes	2014 £	2013 £
Fixed assets			
Tangible fixed assets	11	844,478	763,967
Investments	12	11,053,848	12,314,285
Investment properties	13	3,188,986	1,055,315
Programme related investments	14	82,073	99,073
		<hr/>	<hr/>
		15,169,385	14,232,640
Current assets			
Debtors	15	94,739	112,042
Cash at bank and in hand		180,419	295,365
		<hr/>	<hr/>
		275,158	407,407
Creditors: amounts falling due within one year	16	(96,640)	(134,164)
		<hr/>	<hr/>
Net current assets		178,518	273,243
Total assets less current liabilities		<hr/> <hr/>	<hr/> <hr/>
		15,347,903	14,505,883
The Funds of the Charity:			
Designated Funds	17	4,000,000	4,000,000
Unrestricted income funds		11,347,903	10,505,883
		<hr/>	<hr/>
Total Charity Funds	17	15,347,903	14,505,883
		<hr/> <hr/>	<hr/> <hr/>

The accompanying accounting policies and notes form an integral part of these financial statements.

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 27 April 2015 and signed on their behalf by:

.....
D M Orr
Chairman

The Benevolent Fund of the Institution of Civil Engineers

Notes to the Financial Statements

For the year ended 31 December 2014

1 Principal Accounting Policies

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with the United Kingdom applicable accounting standards.

In preparing the financial statements the Fund follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) issued in March 2005.

The principal accounting policies of the Fund are set out below:

1.1 Cash Flow Statement

The Fund is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

1.2 Fixed Asset Investments

Fixed asset investments are included at market value at the balance sheet date. Any gain / (loss) on revaluation is credited / (charged) to the Statement of Financial Activities (SOFA).

1.3 Tangible Fixed Assets

Freehold property is capitalised at historical cost. Capital items having a cost less than £5,000 are written off in the period in which the expenditure is incurred. Residential properties for occupation by beneficiaries were transferred from the unincorporated Benevolent Fund during 2009 at historic cost and then the fair value was reviewed following the transfer. The estimate of fair value was based on the "existing use" value which was based on the present value of the future cash-flows which would be generated from the properties. The properties are fully maintained with a view to ensuring that total residual values are not less than the carrying value. No depreciation is charged on the freehold buildings because the Trustees consider that the economic life of the properties and their residual values, excluding inflation, is such that the depreciation charge and accumulated depreciation are not significant. The value of the property is regularly reviewed in order to identify any permanent diminution in value which if applicable, would be charged to the SOFA.

1.4 Programme Related Investments

Investments made in pursuit of the Fund's charitable purposes are stated at original cost and adjusted for any subsequent repayment or impairment.

1.5 Fund Accounting

Unrestricted Funds

These are funds which can be issued in accordance with the charitable objects and at the discretion of the Trustees.

Designated Funds

These are funds which will be retained in order to ensure that the Benevolent Fund exists in perpetuity.

1.6 Incoming Resources

Voluntary Income

In preparing these accounts no value has been attributed to the work performed by volunteers although their work is considered vital to the activities of the Charity.

The Benevolent Fund of the Institution of Civil Engineers

Notes to the Financial Statements

For the year ended 31 December 2014

Donations

Income from donations is included in incoming resources when these are receivable, except as follows:

When donors specify that donations given to the Fund must be used in future accounting periods, the income is deferred until those periods.

When donors impose conditions which have to be fulfilled before the Fund becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

Legacies

Legacies are included when the Fund is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Investment Income and Interest Receivable

Investment income and interest is included when receivable by the Fund.

Rent Receivable – Beneficiaries and Non Beneficiaries

Rental income is included in the period in which the Fund is entitled to receipt.

1.7 Resources Expended

Resources expended are included in the SOFA on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is grouped together under headings that aggregate all costs related to the category.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The premises are used for provision of accommodation for beneficiaries and office space for Fund staff. In accordance with the Fund's rules of operation, any properties not required for these purposes are let to non-beneficiary tenants on assured shorthold tenancies of not less than six months' duration. These tenancies, charged at commercial rates, generate additional income for the Fund. Costs are apportioned on the basis of average occupancy by these three elements.

Other overheads have been allocated on the basis of staff time spent on the respective activities.

1.8 Charitable Activities

Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objects of the Fund. These costs include direct costs, wholly or mainly attributable support costs and an apportionment of overhead.

1.9 Governance Costs

Governance costs comprise all costs identified as wholly or mainly attributable to ensuring the public accountability of the Charity and its compliance with regulations. These costs include direct costs, wholly or mainly attributable support costs and an apportionment of overhead.

1.10 Pension Costs

The cost of providing pension and related benefits is charged on an annual basis to the Statement of Financial Activities.

1.11 Taxation

The Fund is a registered Charity and as such is exempt from taxation on its income and gains to the extent that they are applied to its charitable purposes.

The Benevolent Fund of the Institution of Civil Engineers
Notes to the Financial Statements
For the year ended 31 December 2014

2 Voluntary Income

	2014	2013
	£	£
Donations	375,710	350,785
Legacies	113,177	155,973
	<u>488,887</u>	<u>506,758</u>

The geographical analysis of donations is as follows:

	2014	2013
	£	£
United Kingdom	317,003	301,408
Rest of the World	58,707	49,377
	<u>375,710</u>	<u>350,785</u>

3 Activities for Generating Funds

	2014	2013
	£	£
Rental income from non-beneficiary tenants	171,206	130,453
Cost of generating funds – rental properties (direct costs)	(9,703)	(4,724)
Cost of generating funds – rental properties (allocated costs)	(148,325)	(103,520)
Net Income from events	6,280	5,873
	<u>19,458</u>	<u>28,082</u>

4 Incoming Resources from Charitable Activities

	2014	2013
	£	£
Rent - beneficiaries		
Rent from beneficiaries	106,814	111,752
Cost of providing accommodation	(154,552)	(132,717)
	<u>(47,738)</u>	<u>(20,965)</u>

The Benevolent Fund of the Institution of Civil Engineers
Notes to the Financial Statements
For the year ended 31 December 2014

5 Charitable Activities

	Direct costs	Allocated costs	Total 2014	Total 2013
	£	£	£	£
Costs after allocation		(see note 7)		
Provision of financial assistance to individuals	515,925	94,221	610,146	639,718
Provision of accommodation to beneficiaries	-	154,552	154,552	132,717
Advice and counselling	76,151	87,242	163,393	109,070
	<u>592,076</u>	<u>336,015</u>	<u>928,091</u>	<u>881,505</u>
Governance (see note 6 and 7)	14,670	78,169	92,839	57,063
	<u>606,746</u>	<u>414,184</u>	<u>1,020,930</u>	<u>938,568</u>

Provision of financial assistance to individuals includes:	2014	2013
	£	£
Grants to beneficiaries	515,925	551,820
	<u>515,925</u>	<u>551,820</u>

All grants were made to private individuals. The Benevolent Fund assisted 168 beneficiaries (2013: 157) during the year.

6 Governance

Governance costs include:	2014	2013
	£	£
Auditors' remuneration	6,440	6,309
Legal and professional fees	1,686	1,255
Trustee expenses	6,544	7,434
	<u>14,670</u>	<u>14,998</u>

The Benevolent Fund of the Institution of Civil Engineers
Notes to the Financial Statements
For the year ended 31 December 2014

7 Overheads for Allocation

	Property costs	Charity Staff costs	Management costs	Total 2014	Total 2013
	£	£	£	£	£
Financial assistance	2,650	53,354	38,217	94,221	87,898
Provision of accommodation	105,036	28,850	20,666	154,552	132,717
Advice and counselling	2,454	49,401	35,387	87,242	59,645
	<u>110,140</u>	<u>131,605</u>	<u>94,270</u>	<u>336,015</u>	<u>280,260</u>
Governance	2,199	44,264	31,706	78,169	42,065
Rental properties	111,018	21,737	15,570	148,325	103,520
	<u>223,357</u>	<u>197,606</u>	<u>141,546</u>	<u>562,509</u>	<u>425,845</u>

The methods used to apportion overheads are described in note 1.7.

8 Net (Outgoing)/ Incoming Resources

This is stated after charging:

	2014	2013
	£	£
Depreciation	5,906	-
Auditors remuneration	6,440	6,309
	<u>12,346</u>	<u>6,309</u>

9 Staff Costs

The payroll costs for the year were as follows:

	2014	2013
	£	£
Wages and salaries	141,806	113,841
Healthcare and Income Protection Insurance	3,629	2,540
Social security costs	12,264	11,664
Special pension contribution	600	600
Other pension costs	37,800	28,250
Recruitment and Training	1,506	1,467
	<u>197,605</u>	<u>158,362</u>

During 2014 the Fund contributed £600 (2013: £600) towards the accumulated deficit on the Defined Benefit Pension Scheme.

The Benevolent Fund of the Institution of Civil Engineers
Notes to the Financial Statements
For the year ended 31 December 2014

9 Staff Costs (continued)

The average number of employees (full time equivalents) of the Fund during the year was:

	2014	2013
	£	£
Cost of generating funds	0.7	0.4
Charitable activities	3.3	2.3
Governance	0.3	0.5
	<u> </u>	<u> </u>
Total	4.3	3.2
	<u> </u>	<u> </u>

No member of staff received emoluments in excess of £60,000 per annum in either year.

10 Trustee Remuneration

None of the Trustees receive any remuneration for their services as Trustees of the Charity.

	2014	2014	2013	2013
	£	Number	£	Number
Meeting expenses reimbursed to Trustees	6,544	11	7,338	15
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

11 Tangible Fixed Assets

	Freehold property	Freehold improvement	External lighting	Website costs	Total 2014
	£	£	£	£	£
Cost					
At 1 January 2014	763,967	-	28,155	-	792,122
Additions	-	52,306	-	34,111	86,417
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	763,967	52,306	28,155	34,111	878,539
Depreciation					
At 1 January 2014	-	-	28,155	-	28,155
Provided during year	-	-	-	5,906	5,906
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2014	-	-	28,155	5,906	34,061
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value					
At 31 December 2013	763,967	-	-	-	763,967
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2014	763,967	52,306	-	28,205	844,478
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Freehold property is shown at historic cost. In the event of a sale of property the market price is likely to vary considerably depending on the potential use. The Trustees sought appropriate advice during the period ended 31 December 2013 on this matter for insurance purposes and they are advised that the current value for insurance purposes is £7.02 million.

The Benevolent Fund of the Institution of Civil Engineers
Notes to the Financial Statements
For the year ended 31 December 2014

12 Fixed Asset Investments

	2014	2013
	£	£
Market value as at 1 January	12,314,285	12,593,198
Acquisitions at cost	3,216,809	5,221,875
Sales proceeds	(4,646,012)	(6,140,706)
Net movement in cash balances	(27,960)	(88,640)
Net investment gains	196,726	728,558
	<hr/>	<hr/>
Listed investments at market value	11,053,848	12,314,285
Historical cost at 31 December	9,619,690	10,676,268
	<hr/>	<hr/>
Unrealised investment gains	1,434,158	1,638,017
	<hr/> <hr/>	<hr/> <hr/>

An analysis of the market value of the charity's investments at 31 December 2014 is as follows:

	2014	2013
	£	£
UK bonds and preference shares	165,424	862,135
UK equities	3,913,005	4,629,473
Overseas bonds & preference shares	1,458,216	1,402,680
Overseas equities	4,259,783	4,173,600
Alternative investments	1,256,992	1,221,532
Cash on deposit awaiting investment	428	24,865
	<hr/>	<hr/>
	11,053,848	12,314,285
	<hr/> <hr/>	<hr/> <hr/>

There were no investments accounting for more than 5% of the market value of the portfolio as at 31 December 2014 or 2013.

The Benevolent Fund of the Institution of Civil Engineers
Notes to the Financial Statements
For the year ended 31 December 2014

13 Investment Property

	Assets Under construction	Total 2013
	£	£
Cost		
At 1 January 2014	1,055,315	1,055,315
Additions	1,408,671	1,408,671
Revaluation	725,000	725,000
	<u>3,188,986</u>	<u>3,188,986</u>
Depreciation		
At 1 January 2014 and at 31 December 2014	-	-
	<u>-</u>	<u>-</u>
Net book value		
At 31 December 2013	1,055,315	1,055,315
	<u>1,055,315</u>	<u>1,055,315</u>
At 31 December 2014	3,188,986	3,188,986
	<u>3,188,986</u>	<u>3,188,986</u>

The revaluation relates to the estimated value of the land which was previously held at nil value. The value of the plot has been based on current sales prices of similar plots in the local area.

14 Programme Related Investments

	2014	2013
	£	£
Balance brought forward at 1 January	99,073	130,325
Repayments	(17,000)	(31,252)
	<u>82,073</u>	<u>99,073</u>
Balance carried forward at 31 December	82,073	99,073
	<u>82,073</u>	<u>99,073</u>

In addition to its grant making activities the Fund historically made loans to beneficiaries. These loans are secured against the beneficiaries' property.

15 Debtors: Amounts Falling Due Within One Year

	2014	2013
	£	£
Other debtors	94,739	102,171
Prepayments	-	9,871
	<u>94,739</u>	<u>112,042</u>
	<u>94,739</u>	<u>112,042</u>

Other debtors include £20,801 (2013: £22,066) due from the Institution of Civil Engineers

The Benevolent Fund of the Institution of Civil Engineers
Notes to the Financial Statements
For the year ended 31 December 2014

16 Creditors: Amounts Falling Due Within One Year

	2014	2013
	£	£
Trade creditors	15,209	26,009
Accruals	81,431	108,155
	<u>96,640</u>	<u>134,164</u>

Trade Creditors include nil (2013: nil) due to the Institution of Civil Engineers.

17 Funds

	Unrestricted funds	Designated funds	Total
	£	£	£
Balance brought forward at 1 January 2014	10,505,883	4,000,000	14,505,883
Incoming resources	1,203,734	-	1,203,734
Outgoing resources	(1,283,440)	-	(1,283,440)
Gains on investment	196,726	-	196,726
Revaluation of investment property	725,000	-	725,000
	<u>11,347,903</u>	<u>4,000,000</u>	<u>15,347,903</u>
Balance at 31 December 2014	<u>11,347,903</u>	<u>4,000,000</u>	<u>15,347,903</u>

Unrestricted Funds

These funds represent the element of the free reserves of the Charity which have not been designated for any specific purpose.

Designated Funds

Following the merging of the A and B Funds at the end of 2012 Trustees agreed that part of the Fund's capital should be placed in a designated fund to ensure that the Benevolent Fund exists in perpetuity. At the time of the merger the Capital A Fund stood at £6.5m. It was decided that £2.5m of this amount should fund the new build project, and the remaining £4m would form the designated fund. The value of the designated fund will be reviewed annually by the Investment Advisory Panel, and every five years by the full Trustee Board.

18 Capital Commitments

Grants approved by the Trustees for the benevolence year ending 30 June 2015 total £473,764. The amount paid prior to 31 December 2014 was £240,559, leaving a balance to be paid of £233,205. These are not included within accruals on the grounds that the amount paid may vary substantially depending on the circumstances of individual beneficiaries.

The Benevolent Fund of the Institution of Civil Engineers

Notes to the Financial Statements

For the year ended 31 December 2014

19 Pensions

The Benevolent Fund has an on-going liability of £600 per annum for the one BFICE staff member remaining in the ICE Staff Retirement Benefits and Life Assurance Defined Benefit Scheme from the date of BFICE Incorporation to ICE Scheme closure on 30 November 2010.

Contributions to the ICE Group Personal Pension Plan in 2014 totalled £33,664 (2013: £28,250). Pension costs for the period also include £4,800 (2013: £4,800) of administration charges.

20 Related Party Transactions

The Fund enters into transactions with its connected charity, the Institution of Civil Engineers. The nature of the transactions includes the collection of donations from the Institution's members on behalf of the Fund and provision by the Institution of financial, HR, database and IT services.

During 2014 the donations and subscriptions collected by the Institution of Civil Engineers on behalf of the Fund totalled £302,748 (2013: £327,596) and the management fee paid to the Institution of Civil Engineers was £26,902 (2013: £36,232).

Debtors include an amount of £20,801 (2013: £22,066) due from the Institution of Civil Engineers at the year end.