

(A company limited by guarantee not having a share capital)
Company Registration No 3087463
(England & Wales)
Charity Registration No 1049171
(England & Wales)
Regulated by the Financial Conduct Authority FRN 718626

Report and Financial Statements

for the year ended 31 December 2017

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COMPANIES HOUSE

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

TRUSTEE-DIRECTORS 2017

J M Allen BSc(Hons) CEng FStructE MICE	Chairman
I G Hill BEng(Hons) CEng FStructE MICE	
F J McGlade BSc CEng FStructE MICE	
J D Parsons BSc(Hons) CEng FStructE MICE	Vice-Chairman
Dr J M Roberts FREng BEng(Hons) PhD CEng FStructE FICE	
M F Ryland BSc(Hons) CEng FStructE MICE	
G E Watts CEng FStructE FICE	
N Westwood BSc(Eng) CEng MStructE FConsE	
N C Wheeler BSc(Hons) CEng MStructE MICE	

ADVISORY COUNCIL 2017

N Ball BSc CEng MStructE MICE	Bedfordshire & Adjoining Counties Regional Group
P R Desmonde BSc(Eng) CEng FStructE	Devon & Cornwall Regional Group
B Hipwell BEng(Hons) CEng MStructE FConsE	East Anglian Regional Group
J M Allen BSc(Hons) CEng FStructE MICE	East Midlands Regional Group
I G Hill BEng(Hons) CEng FStructE MICE	Lancashire & Cheshire Regional Group
A K Strong CEng FStructE MICE MCI Arb FIHT.MCMI	Midland Counties Regional Group
C Higgins IEng AMStructE	Northern Counties Regional Group
F J McGlade BSc CEng FStructE MICE	Northern Ireland Regional Group
M F Ryland BSc(Hons) CEng FStructE MICE	North Thames Regional Group
Vacancy	Republic of Ireland Regional Group
A Massie BSc(Eng) CEng MStructE ACI Arb	Scottish Regional Group
G E Watts CEng FStructE FICE	South-Eastern Counties Regional Group
M G Lakey CEng MStructE	Southern Regional Group
N Westwood BSc(Eng) CEng MStructE FConsE	Surrey Regional Group
B W J Boys FStructE	Thames Valley Regional Group
J D Parsons BSc(Hons) CEng FStructE MICE	Wales Regional Group
S B Holmes CEng MStructE	Western Counties Regional Group
N C Wheeler BSc(Hons) CEng MStructE MICE	Yorkshire Regional Group

SECRETARY

Dr S M Doran BSc(Eng) AKC PhD CEng MICE ACIS

BENEFITS CONSULTANT

C Pedroza, 53 Ryde Road, Brighton BN2 3EG

AUDITORS

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

BANKERS

National Westminster Bank plc, Victoria (A) Branch, PO Box 1357, 169 Victoria Street, London SW1E 5NA

INVESTMENT MANAGERS

W H Ireland Ltd, 24 Martin Lane, London EC4R 0DR

SOLICITORS

Withers LLP, 16 Old Bailey, London EC4M 7EG

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

DIRECTORS' AND TRUSTEES' REPORT 31 DECEMBER 2017

1 INTRODUCTION

The Trustee-Directors present their report and the financial statements of the Institution of Structural Engineers Benevolent Fund for the year ended 31 December 2017. The accounts which are attached to this report comply with current statutory requirements, the requirements of the Benevolent Fund's memorandum and articles of association, and with the requirements of '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)'.

2 REFERENCE AND ADMINISTRATIVE INFORMATION

The Institution of Structural Engineers Benevolent Fund is constituted as a company limited by guarantee incorporated in England & Wales under registered number 3087463 and is governed by its memorandum and articles of association.

The Benevolent Fund is registered with the Charity Commission for England & Wales, under registered number 1049171 and is regulated by the Financial Conduct Authority under FRN 718626.

The registered office of the Benevolent Fund is 47-58 Bastwick Street, London EC1V 3PS.

The names of the Trustee-Directors who served during the period are set out on page 1; all remained in office at the date of the approval of this report. No material contracts subsisted during the period in which any Trustee-Director had an interest.

The names of the Secretary and of the principal professional advisers to the Benevolent Fund are set out on page 1.

3 ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Benevolent Fund was established in 1936 as an unincorporated association and in 1941 it obtained registration as a friendly society. With the agreement of its members, as well as the relevant statutory authorities, on 2 August 1995 it was incorporated as a company limited by guarantee and on 13 September 1995 it was reregistered as a charity. The Benevolent Fund's governing document is its memorandum and articles of association, under which the Trustee-Directors have made rules for the management of the Benevolent Fund.

Trustee-Directors

The Benevolent Fund's articles of association provide that there shall be at least three Trustee-Directors; on the formation of the Benevolent Fund as a company there were ten but the first annual general meeting in 1996 reduced that number to nine. Trustee-Directors are appointed, for three-year terms, at general meetings of the Benevolent Fund, although the Trustee-Directors themselves may also make appointments but only up to the next annual general meeting. Subject to the Benevolent Fund's memorandum and articles of association, all decisions are taken by the Trustee-Directors (although the Chairman, with one other Trustee-Director, has limited delegated power to approve emergency grants). On appointment, each Trustee-Director receives an information pack, which, in addition to details about the Benevolent Fund, contains information relating to the roles of trustee and company director; this pack is updated as required.

Advisory Council

The articles of association allow the Trustee-Directors to invite representatives of branches of the Institution of Structural Engineers to attend meetings and to act as an Advisory Council to the Trustee-Directors: this Council has been established, comprising delegates from each of the 18 UK/Republic of Ireland regional groups. The names of the Advisory Council members are given on page 1. As well as visiting applicants and beneficiaries and attending meetings of the Trustee-Directors, the Advisory Council members also contact widows/widowers of members and other potential beneficiaries, undertake local publicity on behalf of the Benevolent Fund and encourage contributions. Neither the Advisory Council members, nor the Trustee-Directors or anyone else acting on behalf of the Benevolent Fund (other than the principal advisers), receives any payment apart from out-of-pocket expenses.

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

DIRECTORS' AND TRUSTEES' REPORT (continued) 31 DECEMBER 2017

Sub-committees

The articles of association authorise the Trustee-Directors to appoint sub-committees. The only sub-committee appointed in 2017 was the Investments Sub-Committee, comprising Mr J M Allen, Mr J D Parsons and Mr I G Hill.

Relationships with other organisations

The Benevolent Fund is deemed a connected charity to the Institution of Structural Engineers as its objects are to make grants and afford assistance to necessitous persons who are members of the Institution, and to former members and dependants of members, and as it benefits from administrative services provided by the Institution. The affairs of the Benevolent Fund are conducted from the Institution's offices and the secretariat is provided by the Institution. During the year the Benevolent Fund received £10,775 of donated services from the Institution of Structural Engineers.

Wherever possible, the Benevolent Fund co-operates with other charities in relation to applicants and beneficiaries. The list of grants on page 16 shows joint beneficiaries of the Institution Structural Engineers and the Institution of Civil Engineers Benevolent Funds. The Benevolent Fund is a member of the Association of Charitable Organisations.

Risk

The Trustee-Directors oversee an ongoing assessment of the major risks to which the Benevolent Fund is exposed, in particular those relating to its operations and finances, and are satisfied that systems are in place to manage the Benevolent Fund's exposure to those risks. The most significant risk is the unexpected loss of the Secretary; however, a procedural manual has been prepared, and the Institution would appoint a replacement as soon as possible. Another significant risk is the long-term fall in the value of the Benevolent Fund's investments, but these are kept under constant review by the Investment Managers and are monitored by the Investments Sub – Committee regularly.

4 OBJECTS, ACTIVITIES AND ACHIEVEMENTS

Objects

The Benevolent Fund's objects are to make grants and afford assistance to necessitous persons who are:

- (a) Fellows, Members or Associates of the Institution of Structural Engineers;
- (b) Former Fellows, Members or Associates;
- (c) Dependants or former dependants of any of the persons referred to above whether the same are alive or deceased;
- (d) Companions, Associate-Members, Graduates and Students of the Institution, or the dependants or former dependants of a person who dies whilst a Companion, Associate-Member, Graduate or Student.

The fulfilment of these objects is clearly of public benefit.

Vision

The vision of the Benevolent Fund is to enable the Institution of Structural Engineers to care for its members, and their dependants, in time of need.

Public Benefit

The Trustee-Directors are satisfied that the aims of the Fund are carried out wholly in pursuit of its charitable aims. Members and non-Institution members benefit from receiving financial assistance in times of need.

The Trustee-Directors have regard to guidance on public benefit published by the Charity Commission, when exercising their powers and duties and where such guidance is relevant. The Trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing the Funds' aims and objectives and in planning its future activities.

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

DIRECTORS' AND TRUSTEES' REPORT (continued) 31 DECEMBER 2017

Activities and achievements

The Benevolent Fund's principal activity during the year was the administration of funds held for charitable purposes.

There is no geographical restriction relating to beneficiaries, and the Benevolent Fund assists members and their dependants both within and beyond the United Kingdom.

The Trustee-Director's objective for 2017 was to assist between 15 and 30 Institution members and their dependents. During the year the Benevolent Fund helped 23 individuals and distributed £123,050 in grants which enabled them to meet day to day living expenses or specific items of expenditure. A summary of grants paid is given on page 18. Whenever possible, a representative of the Benevolent Fund visits an applicant to establish a personal link with the Benevolent Fund and to make an independent appraisal of the circumstances to guide the Trustee-Directors in their assessment of need: the Trustee-Directors are grateful to those who undertake this important and sensitive role.

Many members of the Institution, and some firms, support the Benevolent Fund by regular contributions. Some considerably remember the Benevolent Fund in their will. Regional Groups of the Institution also support the Benevolent Fund through fund-raising at events.

The following were members of the Benevolent Fund in 2017:

- individuals who were Life Members of the Benevolent Fund prior to its incorporation (for life, subject to their remaining in membership of the Institution) and
- individuals who made any financial contribution to the Benevolent Fund in the year.

In all, there were 4747 members of the Benevolent Fund. The Trustee-Directors are most grateful for the generous support of the Benevolent Fund by all concerned.

The Trustee-Directors have formulated a strategic plan, and also policies and procedures for the administration of the Benevolent Fund and its assets and for grant-making. These are kept under review.

5 FINANCIAL REVIEW

Trustees' responsibilities

The Trustees are responsible for preparing the 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. In accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

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

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

DIRECTORS' AND TRUSTEES' REPORT (continued) 31 DECEMBER 2017

This Trustee-Directors report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Auditors

All of the Trustee-Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The Trustee-Directors are not aware of any relevant audit information of which the charity's auditors are unaware.

Review of the year

The Benevolent Fund's income in the period comprised donations and legacies (£91,731) and investment income (£82,041), a total of £173,722. The overall income is 84% higher than last year. Grants made, including support costs, were £142,941. With other expenditure of £1,526 the operational surplus was £29,305. The value of the Benevolent Fund at the year-end was £3,241,798. This mainly comprised investments held to generate income for the payment of grants.

The Benevolent Fund needs reserves to provide a buffer between fluctuations of income and expenditure, and must generate a significant additional income stream through the investment of those reserves. The Benevolent Fund acquired the bulk of its reserves, on its formation as a company limited by guarantee on 2 August 1995, from the unincorporated association of the same name originally established in 1936. £378,216 of the total funds of £553,770 which were then passed over had been donated as capital.

As the majority of the Benevolent Fund's investments are in listed securities, their market value (which is the figure used in the balance sheet) varies according to stock market conditions. At 31 December 2017 the market value of the investments was £927,849 above their historical cost.

Income from donations (including gift aid donations) and bequests varies from year to year and, furthermore, donations are subject to reduction during periods of economic difficulty, when demands on the Benevolent Fund tend to increase.

So far as expenditure is concerned, the bulk represents grants to beneficiaries. The total varies year by year, and in 2017 it was 9.2% higher than the previous year. Some beneficiaries are helped for many years, whereas others require short-term (but often more) assistance. Greater longevity impacts on the Benevolent Fund, as do beneficiaries' increasing expectations. The Benevolent Fund is available to help Institution members, of whom there are some 30,000 (and their dependants) throughout the world, and seeks to do so wherever need is demonstrated.

Investment policy and performance

Under the articles of association, the Trustee-Directors have adopted rules governing the investment of funds. The Trustee-Directors have approved a detailed investment policy, in accordance with which the main objective of the portfolio is long-term growth in income and capital; the Benevolent Fund accepts medium risk in this aim. The value of the Benevolent Fund's portfolio has reflected the increase during 2017 in the various market indices. Activity in the portfolio is monitored by the Investments Sub-Committee, which receives detailed reports from the investment managers (W H Ireland Ltd), who are represented at its twice-yearly meetings.

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

DIRECTORS' AND TRUSTEES' REPORT (continued) 31 DECEMBER 2017

Reserves policy

The Institution of Structural Engineers Benevolent Fund does not seek funding from outside the membership of the Institution of Structural Engineers. Approximately 53% of the Fund's income comes from donations made with Institution subscriptions, one-off donations and bequests. Legacy income, in particular, is very uncertain. The levels of dividends, interest received and inflation tend to fluctuate. In order to safeguard the provision of grants to current and future beneficiaries the Trustees have agreed a target for reserves of £2.25m to £2.7m with the position relative to the target reviewed at each Trustee meeting. As at 31 December 2017 the Fund held reserves of £3.2 which exceeded the upper end of the target. In part to address the excess reserves the Trustee-Directors are in the process of arranging for the Fund's Articles of Association to be revised to enable the Fund to provide a wider range of support to its beneficiaries and it is anticipated that the revised articles will be approved during 2018. In addition, more extensive advertising of the Fund's services is planned for 2018 in order to attract more applications. The Fund had free reserves of £119k at 31 December 2017, the remainder of its reserves being investments made for the purposes of generating income to pay grants to beneficiaries.

Grant-making policies

Under policies adopted by the Trustee-Directors, each case is considered on its merits (that is, there is no scale grant); grants are not made to assist in the professional development of Institution members; and grants are not, normally, made to Student members of the Institution, or to dependants or former dependants of Institution members who are either their children aged 21 or over or legally separated or divorced from the member, or for the purpose of funding private health care, or totalling more than £13,000 to any individual beneficiary (£20,000 for a couple, £7,000 for each child) in any year. Furthermore, payments are not made that would reduce a beneficiary's entitlement to public funding (each application is reviewed by the Benefits Consultant). If the Benevolent Fund settles debts, it will not normally pay any subsequent debts. Where applicable, the Benevolent Fund pays in respect of a beneficiary a sum to the Institution in respect of their annual subscription and Engineering Council UK fee.

Fund raising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Benevolent Fund does not undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes.' Such amounts are presented in our accounts as 'Donations and legacies'.

In relation to the above the Trustees confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the Secretary and members of the Advisory Council, who are accountable to the Trustees.

The Benevolent Fund is not bound by any undertaking to be bound to any regulatory scheme and the Trustees do not consider it necessary to comply with any voluntary code of practice.

No complaints have been received in relation to fundraising activities.

Charity Governance Code

The Trustee-Directors have noted the publication of the *Charity Governance Code for smaller charities* during 2017 and will be reviewing the Fund's practices against its recommendations during 2018.

6 PLANS FOR FUTURE PERIODS

While keeping the Benevolent Fund's policies, procedures and activities under review, and ensuring that it operates effectively and efficiently, the Trustee-Directors currently have no plans for major change. Their short and long-term objective continues to be to assist between 15 and 30 Institution members and their dependants each year. The Trustee-Directors will continue to promote the Benevolent Fund to potential beneficiaries, including outside the United Kingdom where some 35% of Institution members are located.

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

DIRECTORS' AND TRUSTEES' REPORT (continued)
31 DECEMBER 2017

**Approved by the Vice-Chairman
on behalf of the Board.**

J. D. Parsons

**James Parsons
Trustee-Director**

Date: 27 March 2018

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

Opinion

We have audited the financial statements of The Institution of Structural Engineers Benevolent Fund ("the Charitable Company") for the year ended 31 December 2017 which comprise the statement of financial activities, the balance sheet, the cash flow statement 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 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements 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 related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Directors' and Trustees' Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information.

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.

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' Report, which includes 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 Directors' Report, which are included in the Trustees' Report, has 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 misstatement in the Strategic report or the Trustee's report.

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

- adequate 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 Directors' 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; or
- were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Donald Bawtree (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick

Date 19 April 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2017

		Total Unrestricted Funds	
		2017	2016
	Notes	£	£
Income			
Donations and legacies	3	91,731	32,242
Investment income	4	82,041	62,390
Total income		<u>173,772</u>	<u>94,632</u>
Expenditure			
Costs of raising funds			
Fundraising and publicity		1,526	1,811
Expenditure on Charitable activities			
Grants	13	142,941	130,854
Total expenditure		<u>144,467</u>	<u>132,665</u>
Net income/(expenditure) before gains and losses on investments		29,305	(38,033)
Realised gains / (losses) on investments	9	29,667	10,076
Unrealised gains on investments	9	552,375	104,233
Net movement in funds for the year		<u>611,347</u>	<u>76,276</u>
Total funds brought forward		<u>2,630,451</u>	<u>2,554,175</u>
Total funds carried forward		<u>3,241,798</u>	<u>2,630,451</u>

All amounts relate to continuing activities.

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

Summary income and expenditure account for Institution of Structural Engineers Benevolent Fund year ending 31 December 2017.

	Note	All Income Funds 2017	All Income Funds 2016
Income			
Investment income	9	82,041	62,390
Gains / (losses) on investments	9	29,667	10,076
Donation and legacies		<u>91,371</u>	<u>32,242</u>
		<u>203,079</u>	<u>104,708</u>
Gross income in the reporting period			
Net income for the financial year		<u>203,079</u>	<u>104,708</u>

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

BALANCE SHEET
31 DECEMBER 2017
 Company number 3087463

		2017	2
	Notes	£	£
FIXED ASSETS			
Investments	9	3,123,260	2,556,173
CURRENT ASSETS			
Debtors	10	123,910	116,588
Cash at bank and in hand		24,168	5,234
		148,078	121,822
CREDITORS			
Amounts falling due within one year	11	(29,540)	(47,544)
NET CURRENT ASSETS		118,538	74,278
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		3,241,798	2,630,451
INCOME FUND			
Unrestricted funds:			
General fund			
Realised surpluses and gains:		1,713,999	1,655,027
Unrealised gains on			
Fixed asset investments:		1,527,799	975,424
		3,241,798	2,630,451

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

On behalf of the board:

J. D. Parsons

James Parsons
 Trustee - Director

These financial statements were approved by the Board on 27 March 2018 and authorised for issue.

The notes on pages 13 to 18 form part of these financial statements.

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

CASH FLOW STATEMENT AND RELATED NOTES
31 DECEMBER 2017

	Note	2017	2016
Cash flows from operating activities			
Net movement in funds for the financial year		611,347	76,276
Adjustments for:			
Net fair value (gains) recognised in statement of financial activities	9	(574,507)	(61,078)
Dividend income from fixed and current asset investments	4	(82,041)	(62,390)
(Decrease)/increase in trade and other debtors		(7,322)	(18,473)
Increase/(decrease) in trade creditors		(18,004)	19,698
Net cash used from operating activities		(70,527)	(45,967)
Cash flows from investing activities			
Dividends received on fixed and current asset investments	4	82,041	62,390
Purchase of current asset investments	9	(534,696)	(727,463)
Sale of current asset investments	9	542,116	695,592
Net cash from investing activities		89,461	30,519
Net increase/(decrease) in cash and cash equivalents		18,934	(15,448)
Cash and cash equivalents at beginning of year		5,234	20,692
Cash and cash equivalents at end of year		24,168	5,234

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2017

1. ACCOUNTING POLICIES

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institution of Structural Engineers Benevolent Fund 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).

(a) Income

Donations, gifts, and legacies

Donations, gifts, and legacies are included in the financial statements when; the Benevolent Fund has entitlement to the funds, there is a probability that the Benevolent Fund will receive economic benefit, and the monetary value can be measured.

Investment income

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which it is receivable.

(b) Expenditure

Expenditure is incorporated in the financial statements as incurred, and includes irrecoverable Value Added Tax.

Grants are incorporated when notified to beneficiaries. Any commitments payable at a later date are included in the balance sheet as creditors. Payments comprise grants awarded to members and their families. Any grants which are subsequently repaid are treated as donations.

Support costs

These costs represent the general administration in supporting the operational activities for which the charity is responsible.

Governance costs

These costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the charitable activities. This includes external audit costs and legal fees.

(c) Investments

Investments are shown at market value. Unrealised gains and losses are incorporated within the fund balance and are identified as unrealised.

Market value is based on bid prices for listed investments.

(d) Loans to beneficiaries

Loans to beneficiaries are recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any impairments.

The Benevolent Fund does not charge interest on its loans to beneficiaries.

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2017

2. NET INCOME AND NET MOVEMENT IN FUNDS

The net income and net movement in funds are wholly attributable to the company's activity of the administration of funds held for charitable purposes and arise mainly within the United Kingdom.

3. INCOME FROM DONATIONS AND LEGACIES

Donations in the year were received from:

	2017 £	2016 £
Regional Groups	3,160	2,996
Legacies	50,000	-
Tax recovery	3,708	-
Individual donations	34,863	29,246
Total	91,731	32,242

4. INVESTMENT INCOME

Investment income for the year is derived from:

	2017 £	2016 £
Listed investments including government securities	82,041	62,390
Cash deposit	-	-
Total	82,041	62,390

5. SUPPORT AND GOVERNANCE COSTS

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	2,195	29,753	31,948
Governance	Expenditure ratios	203	2,748	2,951
Total		2,398	32,501	34,899

COMPARATIVE FIGURES FOR 2016

	Basis of allocation	Fundraising & Publicity £	Grants £	Total £
Management & administration	Expenditure ratios	402	29,010	29,412
Governance	Expenditure ratios	11	786	797
Total		413	29,796	30,209

All grants issued are to individuals with links to the Institution of Structural Engineers, and who require financial assistance.

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2017

6. NET INCOME FOR THE YEAR

Net income is stated after charging:

	2017	2016
	£	£
Auditors' remuneration	630	500

7. DIRECTORS AND TRUSTEES

No director received any remuneration during the year (2016 – none).

During the year 5 directors were reimbursed travelling expenses incurred whilst engaged on the business of the charity amounting to £1,060 (2016 – 4 directors were reimbursed £1,099).

The Benevolent Fund does not employ any staff, and there is no Senior Management remuneration.

8. RELATED PARTY TRANSACTIONS

There were no related party transactions during 2017.

9. INVESTMENTS

	2017	2016
	£	£
Carrying value at the beginning of year	2,556,173	2,463,214
Add: additions to investments at cost	534,696	727,463
Less: disposals at carrying value	(542,116)	(695,592)
Add: net gain on revaluation	552,375	104,233
Cash Movement	22,132	(43,145)
Carrying value at the end of the year	3,123,260	2,556,173

	2017	2016
	£	£
Investments, all of which are in the UK, are made up of:		
Listed investments	3,101,128	2,556,173
Cash deposits	22,132	-
	3,123,260	2,556,173
The historical cost of fixed asset investments is:	2,195,411	2,022,530

The listed investments and cash deposits were managed on behalf of the company by WH Ireland, on a discretionary basis and include direct investment in listed investments and indirect investment through unit and investment trusts.

Cash deposits within the portfolio are held on overnight deposit.

Investments within the portfolio which amount to more than 5% of the total values are:

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

NOTES ON THE FINANCIAL STATEMENTS
31 DECEMBER 2017

9. INVESTMENTS (continued)

Listed investments:

		2017 £	2016 £
46,720	Aviva GBP 0.25	236,637	227,246
91,000	BT Group GBP0.025	251,661	-
17,500	BAE ORD GBP 0.025	-	191,646
5,075	Carnival PLC ORD USD 1.66	248,269	300,094
21,100	Easyjet ORD GBP 0.27285714	308,904	138,981
78,900	Intl Cons Airline	513,639	347,870
440,000	Lloyds Banking Group	299,464	250,040
30,300	Aberdeen New Thai Inv Trust GBP0.25	-	148,016
29,253	JPMorg Indian IT ORD GBP0.25	-	173,470
21,675	TUI AG ORD REG SHS NPV (DI) ST GBX12.25389	333,795	269,525
		2,192,369	2,046,888
	Other listed investments individually under 5%	908,759	509,285
	Cash deposits	22,132	-
		3,123,260	2,556,173

Investment Management Fees:

	2017 £	2016 £
Amounts paid to manage investments	24,954	21,351
	24,954	21,351

Investment management fees appear in the Statement of Financial Activities under expenditure on Costs of raising funds £264 (2016, £291) and under Expenditure on Charitable activities £29,190 (2016, £21,060).

10. DEBTORS

	2017 £	2016 £
Amounts due within 1 year:		
Other debtors	32,240	24,918
	32,240	24,918
Amounts due after 1 year:		
Secured loans to beneficiaries	91,670	91,670
	123,910	116,588

The secured loans to beneficiaries were advanced on the security of a fixed charge over freehold property. The loans are repayable when vacant possession of the properties is available. The Benevolent Fund does not charge interest on these loans.

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

**NOTES ON THE FINANCIAL STATEMENTS
31 DECEMBER 2017**

11. CREDITORS	2017	2016
Amounts falling due within one year:	£	£
Accruals	1,258	500
Grant creditors	28,282	47,044
	<u>29,540</u>	<u>47,544</u>

12. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The company had no capital commitments or contingent liabilities at 31 December 2017 (2016 – none).

THE INSTITUTION OF STRUCTURAL ENGINEERS BENEVOLENT FUND

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2017

13. Grants 2017

Grants committed to during 2016 and paid during 2017		(47,044)	First assisted
226	Widow of Fellow, aged 89*	3,150	1998
272	Widow of Member, aged 70	5,000	2006
277	Past Member, aged 79*	1,321	2007
294	Fellow, aged 89, married*	2,869	2010
308	Graduate, aged 62, married*	1,875	2010
310	Widow of Fellow, aged 76	3,750	2010
312	Member, aged 80, married	3,950	2010
326	Member, aged 71, widowed	3,375	2012
330	Widow of Member, aged 80	4,700	2012
337	Former Associate-Member, aged 63, married, unemployed	10,725	2014
342	Widow of Fellow, aged 80*	10,275	2014
345	Daughter of deceased Associate-Member, aged 20	7,150	2015
347	Fellow, aged 76, married	5,250	2016
350	Widow of Member, aged 96	14,003	2017
352	Associate Member, aged 58 with 1 child	9,651	2016
353	Member, aged 63, married	4,000	2016
355	Fellow, aged 83, married	3,306	2016
356	Member, aged 85*	3,975	2016
357	Member, aged 88	1,235	2017
358	Fellow, aged 89, married	11,450	2017
359	Member, aged 44, married*	3,750	2017
360	Member, aged 45, married with 3 children*	5,090	2017
362	Fellow, aged 93, married*	<u>3,200</u>	2017
Total grants paid during 2017		123,050	
Grants committed to during 2017 and due to be paid during 2018		28,283	
Allocated support costs		<u>38,652</u>	
		142,941	

*Joint beneficiary of the Institution of Structural Engineers and the Institution of Civil Engineers Benevolent Funds