

**THE CHARTERED CERTIFIED ACCOUNTANTS'
BENEVOLENT FUND**

**REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2017**

(REGISTERED CHARITY NUMBER 222595)

CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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**REPORT OF THE BOARD OF MANAGEMENT
OF THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
FOR THE YEAR ENDED 31 MARCH 2017**

The Board presents its annual report and financial statements of the charity (Fund) for the year ended 31 March 2017. The financial statements have been prepared in accordance with the Accounting Policies set out in note 1 to the financial statements and comply with the Fund's governing document, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the 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 published on 16 July 2015 (Charities SORP (FRS102)).

Structure, governance and management

The Fund is an unincorporated charity established by Trust Deed in 1918 and is registered by the Charity Commission for England and Wales, registration number 222595. The Fund is governed by its Rules.

Under the Rules of the Fund, there must be at least five, and no more than 12, members of the Board of Management. The Board must consist only of Fund members, each of at least two years' standing. Every member of the member body, ACCA (Association of Chartered Certified Accountants), is *ipso facto* a member of the Fund. Board members are elected at the Annual General Meeting, to hold office for one year and are eligible for re-election.

In 2013, the Board passed a resolution to incorporate a new Benevolent Fund charity as a guarantee company and this was approved at the Annual General Meeting in September 2013. The new charitable company was incorporated on 6 February 2014, company number 8880293, and was registered as a charity with the Charity Commission for England and Wales on 25 March 2014, registration number 1156341. The new charity is called The Chartered Certified Accountants' Benevolent Fund. The transfer document to transfer the assets and liabilities from the old charity to the new charity was signed in December 2014 and became effective as of 31 December 2014. The new charity was registered with OSCR with effect from 9 January 2015. After discussion with OSCR the Fund was removed from OSCR as OSCR was unable to hold separate details for two charities with the same name.

The Board met twice in the year. The main business of the charity with regards to its charitable activities is now undertaken by the new charitable company. Meetings have therefore taken place for governance purposes and to approve various administrative and regulatory activities.

The activities of the Fund will continue to fall away until the transfer of the assets and liabilities to the charitable company is complete, and it is recognised that this may take longer than expected because of the inflexibility of the Fund's banks. The Fund has many standing order donations from ACCA members and the banks have been unwilling to transfer bank accounts into the name of the new charity. This means that these donations are being lodged to the bank accounts of the Fund and the donors will need to be advised to change their standing order details so that they are remitted directly to the new charity, although it should be noted that there is the risk that the donor will stop making the donation. The donations received by standing order are treated as income of the Fund.

If required new Board members will be identified from the ACCA database of members, which lists relevant skills. There is a New Trustee Induction pack which is given to new Board members and trustees. The pack includes a copy of the Rules of the Fund, a brief history of the Fund, the last three years' annual reports, recent minutes, a copy of the Charity Commission guidance 'The Essential Trustee: What you need to know' and a copy of the most recent management financial statements, strategy and 15-year rolling plan of the new charitable company.

Objectives and activities

The principal objective of the Fund has been to raise and maintain a fund for the purpose of assisting persons in need who are, or have been, members of ACCA or the Association of Authorised Public Accountants, and their families and dependants. The Board is also empowered to assist other charitable institutions as it sees fit. The principal policy adopted by the Board of Management to further the objects of the Fund has been, to make timely grants and/or loans to members and their families who face hardship or need at any time. All grant-making activities are now undertaken by the new charitable company and no new grants will ever be awarded by the Fund. The loans were normally secured and were either interest-free or linked to bank base rate, however it should be noted that all the loans have now been transferred to the new charitable company and no new loans will be awarded by the Fund.

**REPORT OF THE BOARD OF MANAGEMENT
OF THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
FOR THE YEAR ENDED 31 MARCH 2017**

Objectives and activities (continued)

The Fund employs no staff. Its administration, including routine legal advice, is provided by ACCA. Members of the Board of Management also devote time to the Fund's affairs at meetings; travel to and from meetings and communications between meetings for which they receive no remuneration. The Fund is not dependent on the services of volunteers or donations in kind.

The Fund's unrestricted funds at the end of the year represents the general fund which will be transferred to the new charitable company in due course. Following the transfer of the remaining loans to the new charitable company the Loan Fund balance is now nil.

Public benefit

The Fund's principal charitable purpose has been to give to those members of ACCA or the Association of Authorised Public Accountants and their families and dependants, who are in need, by reason of age, ill-health, disability, financial hardship or other disadvantage. Following the incorporation of the new charity, this is now undertaken by it. The Board is still of the view that the Fund meets the public benefit requirement by assisting the new charity as appropriate in relieving members and their families and dependants of financial hardship as applications will be passed on to the new charitable company. The Charity Commission published revised public benefit guidance in February 2014 which the Board has noted.

Financial review

The Fund continues to receive a small amount of donations through standing orders into the bank accounts and some bank interest. It also received royalties on an affinity credit card scheme operated by MBNA up until June 2016 when the contract was novated over to the new charitable company. Expenditure represents some legal and professional fees with regards to the governance of the charity. It is expected that these activities will continue to run down until the Board is in a position to close those bank accounts and complete the transfer of the assets and liabilities. The Fund may continue to receive legacies for the foreseeable future because legators may not have updated their wills to take account of the new charitable company.

The financial statements for the period are shown on pages 6 to 14. The Statement of Financial Activities on page 6 shows the incoming resources available to the Fund and the extent to which these resources have been applied. This, together with the Balance Sheet on page 7, shows the total assets of the Fund to be £19,839 (2016: £50,672). The reduction from the previous year relates to the various transfers of assets and liabilities to the new charitable company. The Fund held £117,953 (2016: £147,556) in bank balances and this will be used to pay creditors and to transfer the remaining assets to the new charitable company.

The Board is grateful to all who have contributed in any way to the work of the Fund during the year to 31 March 2017. In particular, it expresses thanks to those who made a financial contribution and those who gave of their time. Donations from members amounted to £2,728 (year ended 31 March 2016: £4,215).

The Board would like to thank all those members who have supported the Fund over many years and who have made donations to the Fund, particularly those who are UK taxpayers and have completed Gift Aid declarations which allow the Fund to reclaim basic rate tax paid on these donations. This method of giving is very tax efficient and as all new donations will be accounted for by the new charitable company the Board encourages UK taxpayers to consider completing Gift Aid declarations for the new charity if they have not already done so. The Board also encourages donors to gift shares directly to the new charity in order to gain the tax benefits available both to the Fund and the donor.

Investment policy and performance

The Fund holds no investments following the transfer of the investment portfolio to the new charitable company in April 2015. The Board therefore believes that having an investment policy and reviewing performance will no longer be relevant for the Fund.

Risk management

The Board examines and reviews annually the major strategic, business and operational risks which the Fund faces and confirms that systems have been established so that the risks may be effectively monitored and their impact mitigated as far as possible. The majority of the risks are more applicable to the new charitable company however the Board recognise that the Fund still has regulatory responsibilities and will ensure that these are complied with and will continue to monitor the risks relevant to this.

**REPORT OF THE BOARD OF MANAGEMENT
OF THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
FOR THE YEAR ENDED 31 MARCH 2017**

Reserves policy

The Board is in the process of transferring the assets and liabilities of the Fund to the new charitable company and in due course the reserves will be run down to nil.

The Board considers that its unrestricted reserves are adequate to meet the requirements to transfer all the assets and liabilities to the new charitable company.

Achievements and performance

During the year, the Fund transferred the remaining loans and the credit card affinity scheme contract to the new charitable company. There remains £19,839 (2016: £50,672) in unrestricted funds due to be transferred in the future.

Plans for the future

The Board will continue to transfer the remaining assets and liabilities of the Fund to the new charitable company during the forthcoming year. The Fund will continue to operate until such time that the trustees are satisfied that all the assets and liabilities have been transferred to the charitable company. Only at that time will the trustees consider the dissolution thereof.

During the time taken to transfer the assets and liabilities, the Board will continue to maintain its efforts to attract applications for assistance from members and direct them to the new charitable company, where applicable.

Reference and administrative information

Trustees

P D Finch, Chairman

J M Beckerlegge

Dr M J M Briston

Mrs S Burd

Mrs J Cole

A Sandison

A G Thorne

Honorary Secretary

H McCash

Principal Office

The Adelphi, 1-11 John Adam Street, London, WC2N 6AU

Honorary Auditor

Grant Thornton UK LLP, 110 Queen Street, Glasgow, G1 3BX

Principal Banker

Clydesdale Bank plc, 1 Woodside Crescent, Glasgow, G3 7UL

Solicitors

Bates Wells & Braithwaite London LLP, 2-6 Cannon Street, London, EC4M 6YH

Wilsons Solicitors LLP, Alexandra House, St Johns Street, Salisbury, Wiltshire, SP1 2SB

Secured lending and the Financial Conduct Authority (FCA)

During the previous year, the Fund's Consumer Credit Licence expired. The Fund required the licence to be able to provide secured lending and to be able to charge interest on those loans. The Fund was given interim permissions to carry on that business pending an application which needed to be made to the FCA so that the Fund could administer secured loans and charge nominal interest rates on those loans. Following advice from the FCA, the Fund made an application to administer secured lending as the loans which were still in the Fund's name. After all the loans had been transferred to the new charitable company the FCA agreed that the Fund no longer required the application and it was subsequently withdrawn in April 2016.

**REPORT OF THE BOARD OF MANAGEMENT
OF THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
FOR THE YEAR ENDED 31 MARCH 2017**

Key management personnel remuneration

The Board consider the Board of Management and the Secretary as comprising the key management personnel of the charity in charge of directing and controlling the charity on a day to day basis. All board members give of their time freely and no board member remuneration was paid in the year. As the majority of business is conducted through the new charitable company, details of any board member's expenses and related party transactions are disclosed in that charity's accounts.

Board members are required to disclose all relevant interests and register them with the Secretary and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises.

The services of the Secretary are donated by ACCA.

Board of Management's responsibilities in relation to the financial statements

The Board of Management is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, and the regulations made thereunder, requires the Board of Management to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Generally Accounting Standards and applicable law) including FRS 102 The Financial Reporting Standard applicable period in the UK and Republic of Ireland, which give a true and fair view of the state of affairs of the Fund and of the incoming resources and application of resources, including the income and expenditure, of the Fund for that period. In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles set out in the Charities SORP (FRS 102);
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in business.


The Board of Management is responsible for keeping proper accounting records that are sufficient to show and explain the Fund's transactions and disclose with reasonable accuracy at any time the financial position of the Fund and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the rules. The Board of Management is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the Board is aware at the time of approving our Board of Management's annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Fund's auditor is unaware, and
- the trustees, having made enquiries of fellow trustees that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Fund is most grateful for Grant Thornton UK LLP's support as honorary auditor and a resolution to re-appoint them will be proposed at the annual general meeting.



David Finch, Chairman
31 May 2017

**THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2017**

<i>Notes</i>	Total funds Year ended 31 March 2017 £	Total funds Year ended 31 March 2016 £
	Income	
2	2,728	6,915
	—	5,000
	3,503	13,095
3	49	9,810
	6,280	34,820
	Expenditure	
4	—	(3,485)
5,6	329	(1,172)
7	36,784	3,571,418
	37,113	3,566,761
8	—	55,232
	(30,833)	(3,476,709)
	Reconciliation of funds	
	50,672	3,527,381
	19,839	50,672

All income relates to activities that are in the process of being transferred to the new charitable company but where the legal and administrative processes are not yet complete. Please refer to the accounting policies for a fuller explanation.

**THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
BALANCE SHEET AS AT 31 MARCH 2017**

		31 March 2017	31 March 2016
	£	£	£
<i>Notes</i>			
	Fixed assets		
8	Investments	—	—
	Current assets		
9	Loans	—	36,784
	ACCA current account	—	—
	Tax recoverable	5,674	5,930
	Prepayments and accrued income	—	3,100
	Cash at bank and in hand	117,953	147,556
	Short-term investments	—	—
		<u>123,627</u>	<u>193,370</u>
10	Creditors: amounts falling due within one year	<u>103,788</u>	<u>142,698</u>
	Net current assets	<u>19,839</u>	<u>50,672</u>
	Total assets less current liabilities	<u><u>19,839</u></u>	<u><u>50,672</u></u>
	Funds		
11	Unrestricted funds		
	Designated funds	—	36,784
	General funds	19,839	13,888
	Total funds	<u><u>19,839</u></u>	<u><u>50,672</u></u>

The financial statements were approved by the Board of Management on 31 May 2017 and signed on its behalf by:



David Finch, Chairman

The accompanying notes on pages 9 to 14 form part of these financial statements.

THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Total funds Year ended 31 March 2017 £	Total funds Year ended 31 March 2016 £
Net movement in funds	(30,833)	(3,476,709)
Adjustments for:		
Interest received	(49)	(6,887)
Dividends received	—	(2,923)
Gains on disposal of investments	—	(55,232)
Foreign exchange gain	—	(3,031)
Tax on Gift Aid donations	256	(500)
Transfer of loans to new charitable company	36,784	77,364
Changes in working capital:		
Receivables and prepayments	3,100	9,278
Trade and other payables	(38,910)	134,706
	<hr/>	<hr/>
Cash generated from operations	(29,652)	(3,323,934)
Tax received	—	3,243
	<hr/>	<hr/>
Net cash absorbed by operating activities	(29,652)	(3,320,691)
	<hr/>	<hr/>
Cash flows from investing activities:		
Interest received	49	6,887
Dividends received	—	2,923
Proceeds from disposal of investments	—	2,602,234
	<hr/>	<hr/>
Net cash provided by investing activities	49	2,612,044
	<hr/>	<hr/>
Cash flows from financing activities		
Receipt of loan repayments	—	33,589
Loans made to beneficiaries	—	(26,468)
	<hr/>	<hr/>
Net cash provided by financing activities	—	7,121
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(29,603)	(701,526)
	<hr/>	<hr/>
Reconciliation of funds		
Cash and cash equivalents brought forward	147,556	849,082
	<hr/>	<hr/>
Cash and cash equivalents carried forward	117,953	147,556
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes on pages 9 to 14 form part of these financial statements.

THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting Policies

The following accounting policies are considered material in relation to the Fund's financial statements:

(a) *Basis of preparation*

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The 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).

(b) *Critical accounting estimates and judgements*

The preparation of financial statements, in conformity with generally accepted accounting principles, requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Board's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities relate to the recoverability of the loans. Where there is an indication that the loan is not recoverable a review will be undertaken of the recoverable amount of that asset based on value in use calculations which will involve estimates and assumptions made by the Board of Management.

(c) *Preparation of the accounts on a going concern basis*

The financial statements have not been prepared on the going concern basis because all assets and liabilities are in the process of being transferred to the new charitable company. In due course all activities will be undertaken by the new charity and when this is complete the Board will consider shutting the Fund. However, the Board consider that this has no significant effect on the figures.

(d) *Fixed asset investments*

Fixed asset investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes net gains and losses arising on revaluation and disposals during the period.

The Fund does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Fund is that of the volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub-sectors.

(e) *Income recognition*

All income is recognised once the Fund has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. All incoming resources are accounted for on an accruals basis except for donations which are accounted for when received. Legacies are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Fund; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised on a receivable basis. Investment income is stated gross of taxation recoverable. Interest receivable on loans is recognised when receipt can be established with sufficient reliability. Credit card royalties are accounted for on an accruals basis. Gifts in kind are recognised at their market value on receipt (see notes 13 and 14).

THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting Policies (continued)

(f) *Expenditure recognition*

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Fund to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

(g) *Unrestricted funds*

The unrestricted general funds represent the amounts retained to ensure the continuing charitable activities of the Fund.

Designated funds are unrestricted funds that are set aside at the discretion of the trustees for specific purposes. The purpose of specific designated funds is shown in note 12 to the financial statements.

(h) *Realised and unrealised gains and losses*

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase price if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(i) *Cash at bank and in hand*

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(j) *Short-term investments*

Short-term investments are carried in the balance sheet at cost and comprise fixed rate bonds and funds on deposits with a maturity of one year or less.

(k) *Support costs*

Support costs comprise the costs of administrative support provided by ACCA and trustees' expenses, both of which are apportioned between Grants Payable and Governance Costs on the basis of the time spent on each activity. Details of support costs are given in notes 6, 13 and 14.

(l) *Expenditure on raising funds*

The costs of generating funds consist of investment management costs and certain legal fees.

(m) *Expenditure on charitable activities*

Costs of charitable activities include grants made and an apportionment of overhead and support costs as shown in notes 5 and 6.

(n) *Governance costs*

Governance costs comprise expenditure relating to the Fund's governance and include any costs related to audit, legal and professional fees together with an apportionment of overhead and support costs as shown in notes 5 and 6.

(o) *Loans*

Loans are accounted for as a debtor once the funds have been remitted to the beneficiary and the appropriate documentation has been received. Although loans are treated as current assets, it is not expected that any of them will be repaid in full within one year. Provision is made for non-repayment of the loans when the trustees believe there is little likelihood of recovery. Interest on loans is not accounted for until the loans are repaid.

**THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting Policies (continued)

(p) *Grant-making*

Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the Benevolent Fund.

(q) *Foreign currencies*

Transactions in foreign currencies are converted into sterling, which is the presentational currency of the charity, at exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

(r) *Financial instruments*

Financial instruments recognised in the balance sheet include cash and cash equivalents, available-for-sale investments, receivables and prepayments and trade and other payables. Financial instruments are initially valued at fair value. Financial assets are derecognised when the rights to receive cash flows from the asset have expired. Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires.

The company assesses at each balance sheet date whether a financial asset is impaired. Where a financial asset shows an indicator of impairment, it is tested to assess whether it should be specifically impaired. The recoverable amounts of financial assets are calculated by discounting the estimated future cash flows using the original effective interest rate. Where the recoverable amount is less than the carrying value, an impairment loss is recognised. Subsequent to recognising that impairment, the impairment may be recovered if an event occurred that reverses the impairment indicator.

Subsequent to initial recognition, financial instruments are measured as set out below.

Loans

Loans are carried at the original amount advanced to a beneficiary less any payments made and less provision made for the non-recoverability of these loans. A provision for impairment of loans is established when there is objective evidence that the Benevolent Fund will not be able to collect all amounts due according to the original terms and conditions of the loans. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost and for the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand or bank overdraft and short-term investments and are subject to insignificant risk of changes in value.

Trade and other payables

Trade and other payables are stated at their fair value.

Gains and losses

All gains or losses on financial assets and liabilities are recognised in the statement of financial activities, including unrealised and realised gains or losses on investments.

THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

		Year ended 31 March 2017 £	Year ended 31 March 2016 £
2 Donations			
Donations from members		2,728	4,215
Gifts in kind - costs reimbursed by ACCA (notes 13 and 14)		—	2,700
		<u>2,728</u>	<u>6,915</u>
3 Investment income			
Dividends on listed investments		—	2,923
Interest on cash deposits and fixed rate investments		49	2,035
Interest on loans		—	4,852
		<u>49</u>	<u>9,810</u>
4 Investment management costs			
Investment management fees		—	(3,485)
		<u>—</u>	<u>(3,485)</u>
5 Expenditure on charitable activities			
	Direct costs	Support costs	Year ended 31 March 2017 £
	£	£	Year ended 31 March 2016 £
Grants payable	—	—	—
Governance costs	329	—	(1,172)
	<u>329</u>	<u>—</u>	<u>(1,172)</u>

6 Support costs

Support costs, consisting of trustees' expenses and the office costs of the Fund, including staff salaries, are split between grant making and governance on the estimated time spent on each activity as shown in the table below.

Support costs	Basis of Apportionment	Grants payable £	Governance costs £	Year ended 31 March 2017 £	Year ended 31 March 2016 £
Office costs	Work done	—	—	—	2,700
Trustees expenses	Actual	—	—	—	—
Staff expenses	Actual	—	—	—	—
Meeting costs	Actual	—	—	—	—
		<u>—</u>	<u>—</u>	<u>—</u>	<u>2,700</u>

The Fund has no employees. The Secretary and administrative staff are employed by ACCA and a proportion of their staff costs is included in support costs above. No support costs have been charged to the Fund in the current year.

THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	31 March 2017 £	31 March 2016 £
7 Charitable donations		
Donation to the Chartered Certified Accountants' Benevolent Fund	<u>36,784</u>	<u>3,571,418</u>

During the year the Fund transferred £36,784 to the new charity company limited by guarantee, the Chartered Certified Accountants' Benevolent Fund, as authorised by the transfer documentation which became effective as at 31 December 2014.

8 Investments		
Quoted investments		
Market value at 1 April	—	2,547,002
Disposals at carrying value	—	(2,602,234)
Realised investment gains	—	55,232
	<u>—</u>	<u>—</u>
Market value at 31 March	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>
Historical cost as at 31 March	<u>—</u>	<u>—</u>

During the previous year all quoted investments were transferred to the new charitable company, the Chartered Certified Accountants' Benevolent Fund, which is limited by guarantee.

9 Loans		
Balance at 1 April	36,784	118,238
Advanced during the year	—	26,468
Repaid during the year	—	(33,589)
Transferred to the Chartered Certified Accountants' Benevolent Fund	(36,784)	(77,364)
Foreign exchange gain	—	3,031
	<u>—</u>	<u>—</u>
Balance at 31 March	<u>—</u>	<u>36,784</u>

Loans are classified as debtors. Most of the loans are secured by legal charges on freehold properties and are interest-bearing at rates related to bank base rate. During the year the remaining two loans were transferred to the new charitable company, the Chartered Certified Accountants' Benevolent Fund. No new loans were advanced during the year (2016: £22,782) and no additions were made to any loans (2016: £3,686).

10 Creditors: amounts falling due within one year		
Amounts due to ACCA	8,282	28,995
Amounts due to the Chartered Certified Accountants' Benevolent Fund (charitable company)	95,506	113,703
	<u>103,788</u>	<u>142,698</u>

	Investments £	Net current assets £	Total 2017 £	Total 2016 £
11 Analysis of net assets between funds				
Unrestricted funds:				
Designated funds	—	—	—	36,784
General funds	—	19,839	19,839	13,888
	<u>—</u>	<u>19,839</u>	<u>19,839</u>	<u>50,672</u>

THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

12 Transfers between funds

	General funds	Designated Funds		Total
	£	Disaster Fund	Loan Fund	£
At 1 April 2016	13,888	—	36,784	50,672
Net movement in funds for the period	(30,833)	—	—	(30,833)
Transfers to new charitable company	36,784	—	(36,784)	—
At 31 March 2017	19,839	—	—	19,839

The designated Loan Fund was maintained at a value equal to the total amount of loans to beneficiaries and recognised the fact that these amounts were not available for the Fund's day-to-day operations. It was transferred to the new charitable company during the year. The designated Disaster Fund was available to provide emergency assistance to members and their families who have been affected by national or international disaster. It was transferred to the new charitable company in the previous year.

13 Related party transactions

The Fund exists to provide assistance to persons in need who are or have been members of ACCA or related organisations and their families and dependants. ACCA is responsible for the administration of the Fund and bears some of its overhead expenses which are not reflected in the Statement of Financial Activities. Staff costs and expenses incurred by ACCA amounting to £Nil (2016: £2,700), are included as income in the Statement of Financial Activities as 'gifts in kind' and the expenditure as 'Support costs'. As the main activities are undertaken by the new charitable company, there are no support costs.

ACCA also collects certain income and pays certain expenditure on behalf of the Fund and there may, therefore, at any time be a balance outstanding between the Fund and ACCA. As the transfer of assets and liabilities to the incorporated charity is still ongoing, a balance exists between the two Chartered Certified Accountants' Benevolent Funds.

	31 March 2017	31 March 2016
	£	£
Related party balances	Owing	Owing
ACCA	8,282	28,995
Chartered Certified Accountants' Benevolent Fund (charitable company)	95,506	113,703
	103,788	142,698

14 Board of Management remuneration

Board members are not remunerated, but may be reimbursed for directly incurred expenses. These costs amounted to £nil (2016: £nil) to 7 (2016: 7) Board members. From 1 April 2015 all directly incurred expenses relate to the charitable company within which all activities are undertaken. These are included in the Statement of Financial Activities under income as 'gifts in kind' and under expenditure as 'Support costs'.

15 Financial assets and liabilities

All financial assets and liabilities are stated at amortised cost.

16 Auditor's remuneration

The auditor received no remuneration for the year (2016: £nil). The costs of the audit are borne by ACCA.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CHARTERED CERTIFIED ACCOUNTANTS' BENEVOLENT FUND

We have audited the financial statements of The Chartered Certified Accountants' Benevolent Fund for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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).

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditor

As explained more fully in the Board of Management's Responsibilities Statement (set out on page 6), the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under sections 151 of the Charities Act 2011 and 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts. 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 Ethical Standards for Auditors.

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 website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1(c) to the financial statements concerning the basis of preparation of the financial statements. The charity's financial statements have been prepared on a going concern basis due to the Board's intention to wind-up the charity on completion of the transfer of its activities to the new incorporated charitable company.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient and proper accounting records have not been kept by the charity; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.


Grant Thornton UK LLP,
Statutory Auditor, Chartered Accountants
Edinburgh, United Kingdom

19 JUNE 2017

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.