



# **REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

**Chartered Accountants' Benevolent Association**

(a company limited by guarantee)

Charity number 1116973

Company number 5970606



# CONTENTS

## THE REPORT OF THE TRUSTEES

PRESIDENT'S FOREWORD	3
REFERENCE AND ADMINISTRATIVE INFORMATION	4
ABOUT CABA	5
CABA'S IMPACT IN 2019	7
LOOKING AHEAD - PRIORITIES FOR 2020	13
FINANCIAL SUMMARY AND PRINCIPAL RISKS	15
STRUCTURE, GOVERNANCE & MANAGEMENT	20
TRUSTEES' RESPONSIBILITIES STATEMENT	23
AUDIT REPORT	24

## FINANCIAL STATEMENTS 27

NOTES FORMING PART OF THE FINANCIAL STATEMENTS	31
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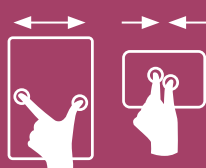
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4

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## PRESIDENT'S FOREWORD

You will see from the Trustees Report and the Financial Statements that in 2019 CABA continued to grow in terms of reach and scope in how we support past and present ICAEW members and their families.

We have continued to develop our online presence with advice and tools whilst not reducing our tailored help and support. The most significant reason for people getting in touch with us continues to be emotional wellbeing.

We have further engaged and supported younger members in our community through the use of social media and innovative marketing such as our Drop the Pressure campaign. We partnered with Kooth so that we can provide counselling to teenagers, young adults and ACA trainees.

The achievements of the past year are due to the hard work of the whole team at CABA and I would personally like to take this opportunity to thank them for their efforts. I would also like to thank Kath Haines, our retiring Chief Executive, for her contribution to the growth and development of CABA over the past 11 years.

This brings me on to 2020, which will be an exciting year for CABA with us welcoming Dr Cristian Holmes as our new CEO. We will also be moving to our new offices in Rugby, providing us with a greater ability to innovate and support members.

The whole organisation and I personally continue to be committed to reducing the stigma surrounding mental health and improving the wellbeing of our community. CABA will continue to work closely with ICAEW as well as firms and businesses towards this and our other objectives.

CABA continues to evolve and develop as a charity, committed to helping past and present ICAEW members and ACA students to achieve optimum personal and professional wellbeing. We will continue to build on our legacy, and do our utmost to support the chartered accountant community in every capacity throughout their lives.

**Kaaheed Mamujee**  
President of CABA  
April 2020



# REFERENCE AND ADMINISTRATIVE INFORMATION

## PATRON

The President of the Institute of Chartered Accountants in England and Wales (ICAEW)

## VICE PATRONS

The Deputy President of ICAEW and the Vice President of ICAEW

## OUR TRUSTEES AND COMMITTEE MEMBERS

The Trustees have all served for the full year unless otherwise stated

Kaaed Mamujee (appointed as President 04/06/2019)

Susan Field (retired as President 04/06/2019 and appointed Vice President 04/06/2019)

Ken Coppock

Robin Fieth (retired 04/06/2019)

Caitriona Flynn

Mary Hardy

Liz Hazell (retired 04/06/2019)

Michael Grant (retired 28/02/2020)

Heather Lamont

David Leafe (Vice President)

Helen Morris

Colin Williams

## Committee members

Providing advice and support on CABA Committees

Mark Chaloner – Investment Committee (retired 13/02/2019)

Nigel Holland – Investment Committee

John Wilkinson – Investment Committee

Michael Grant – Audit and Risk Committee (continued as Committee member after retiring as trustee)

Lewis Allett – Support Services Committee

Phillippa Seagers – Support Services Committee

Stephanie Warboys – Audit and Risk Committee (retired 19/03/2019)

Kathy Webster – Audit and Risk Committee

## SENIOR LEADERSHIP TEAM

Kath Haines – Chief Executive and Company Secretary

Rachel Bodill – Finance and Resources Director (resigned 30/09/2019)

Kelly Feehan – Services Director

Jodie Gill – Engagement and Communications Director

## REGISTERED OFFICE

8 Mitchell Court  
Castle Mound Way  
Rugby  
Warwickshire  
CV23 0UY



# ABOUT CABA

We are the charity that supports the wellbeing of the chartered accountant community around the world.

## OUR OBJECTS

CABA is a registered charity (number 1116973) and our objects are:

- the relief of poverty and sickness and the preservation of good health of the beneficiaries; *and*
- such other purposes as are charitable under the laws of England and Wales for the beneficiaries

The Charity – Chartered Accountants' Benevolent Association (CABA), was established in 1886, incorporated in 2006, and is a company limited by guarantee.

## THE PEOPLE WE SUPPORT

- Past and present ICAEW members
- ACA students
- Past and present ICAEW staff
- Past and present CABA staff
- Dependants (close family members) of all of the above, who we describe as spouses/partners, widows/widowers, children up to the age of 25 and carers.

We are with the people we support for life. From the moment they begin their training, throughout their professional life, into retirement and beyond.

In addition, the majority of our online support is open access.

To access any of our services please call us on  
**+44 (0) 1788 556 366** or visit **[caba.org.uk](https://caba.org.uk)**



# CORPORATE STRATEGY 2019-2023

## HOW WE DELIVER SUPPORT: THE CABA WAY

*'We will lead the way in benevolence. We embrace creativity, innovation and technology to deliver the very best wellbeing solutions to the chartered accountant community, adapting and responding quickly to the changing needs within the profession.'*

### OUR VALUES

Passion  
Integrity  
Respect  
Teamwork

### OUR BRAND

Welcoming  
Compassionate  
Trusted

### OUR PRINCIPLES

Member focused  
Forward thinking  
Brand strength  
Sector leadership  
Collaboration



### OUR VISION

All members of the chartered accountant community live happy, healthy and fulfilled lives

### OUR MISSION

CABA provides support for the chartered accountant community to empower them to look after their own wellbeing

### OUR OBJECTIVES

- We will meet the wellbeing needs of the chartered accountant community
- We will strengthen our connections within the chartered accountant community
- We will secure the organisation for future generations

### OUR GOALS

- Be a people focused organisation that embraces change and innovation
- Be a credible and trusted voice on wellbeing
- Be perceived as a globally operational charity expanding our reach and support for those in our community



# CABA'S IMPACT IN 2019

## WHAT WE SAID WE WOULD DO

Last year we introduced our five-year strategy for 2019 to 2023, with ambitious goals and milestones along the way. The strategy acknowledges the changing landscape in the accountancy profession as well as the wider environment, and the need for us to be flexible as we gain new insights into the needs of our community in the widest sense, so that they can be met in the most effective way.

In particular, we said we would:

- Learn from research and findings from 'CABA transform'
- Develop better monitoring and evaluation mechanisms to illustrate our progress
- Improve transparency and accountability
- Be adaptable and quick to respond

## WHAT WE DID

During 2019 we focused on three key strategic goals, incorporating the above, to help us achieve these objectives:

1. Be a people-focused organisation that embraces change and innovation
2. Be a credible and trusted voice on wellbeing
3. Be perceived as a globally operational charity expanding our reach and support for those in our community

Using the findings from the research project we commissioned in 2018, along with the methodologies obtained from CABA transform, we have begun a review of our services and processes focusing on what matters to our community.

We have developed 3 new critical success factors to help us evaluate and illustrate our progress:

1. Number of meaningful support interactions
2. Number of meaningful connections
3. Steps taken to secure the organisation for future generations and ensure it remains fit for purpose

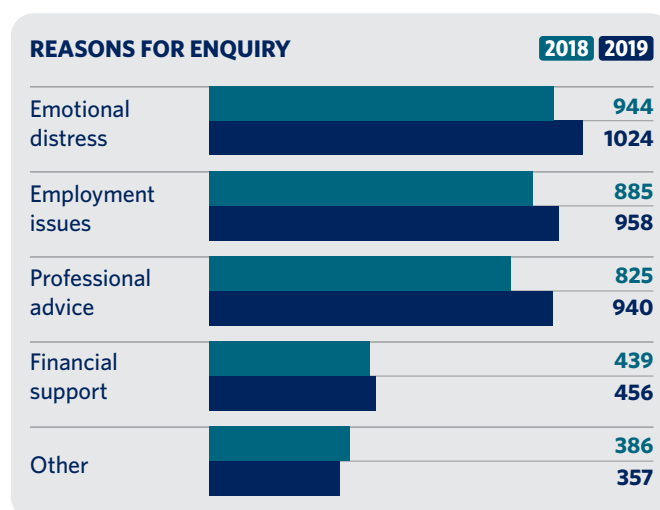
## Meaningful support interactions

In 2019 we had a total of 332,875 meaningful support interactions with the chartered accountant community, providing a range of tailored services including:

- Professional counselling for individuals, couples and families, including specialist support for those affected by relationship problems and bereavement
- Business start-up support
- Advice and support for carers, including specialist support for those affected by autism and dementia
- Financial assistance including donations and benefits advice and information
- Debt advice
- Legal advice
- Personal and professional development courses
- Career coaching
- Advice led support

We provided these services using a variety of means, utilising our in house team of specialist advisors and case workers as well as working closely with partners to ensure the services we offer are of excellent quality and deliver positive wellbeing benefits to the chartered accountant community.

Individuals continue to come to us for a wide variety of reasons; in 2019 we managed 3,735 enquiries for personal support (up from 3,477 in 2018).





## We were innovative in the way that we provide support

In 2019, we launched our 'Drop the Pressure' campaign, which aimed to highlight and tackle levels of stress primarily among millennial accountants. As part of the campaign, we installed a pop-up venting booth; The Venting Machine – a sound-proof booth that encouraged users to 'let off steam' and share the sources of their stress with an interactive screen in the privacy of the booth – in Canary Wharf, the heart of London's financial district. Through media coverage we achieved our widest ever reach with a broader cross section of the younger member community. We raised awareness of CABA and the issue of stress in the profession, and made CABA more accessible and relevant to our audience.

On the day, we had over 114 conversations with our eligible audience as well speaking to over 990 members of the public and those linked to the chartered accountant profession. These conversations helped us not only raise CABA's profile, but for those that were not eligible we were able to signpost them to other benevolent associations and charities that could support them.

Most importantly, it got people talking about mental health and elevated CABA's thought leadership positioning. 320 people went through the Venting Machine on the day, with an even split of men and women. Of these, 137 individuals selected that they work in the finance and accounting industry.







## We continued to provide learning and development opportunities

In 2019 we supported 8,519 delegates with their learning and development. We ran 121 open courses, 368 workshops and seminars, 27 international workshops and held 2 wellbeing weekends, providing 5,714 face-to-face learning opportunities in a variety of settings – within firms and businesses, during events and as stand-alone training sessions. These were complemented by our online training.

Highlights included the model developed in Cyprus and Greece, where we worked with ICAEW, local groups and student societies and 13 firms and businesses to support their employee wellbeing programmes and interacted with a total of 617 ICAEW members and ACA students at our events and workshops.

Our digital learning offering gathered interest. We created a number of accessible wellbeing courses, providing convenient anywhere, anytime learning support. Out of 14 available courses, popular titles include Supercharge your sleep and Boost your resilience. 92% of viewers who evaluated online learning felt the course was a valuable use of their time. Online viewers have also engaged in conversations with us, requesting further learning material and other support.

We've supported 289 unemployed members to attend CPD events assisting their return to employment. Furthermore, we worked with the ICAEW Women in Finance Community for the first time in 2019, supporting 360 women with their career development through an assertiveness webinar and a speed mentoring session.

*'I learnt so much useful information I really will use in my daily life as part of my mental wellbeing. I gained tips for working with my team should they show signs of mental health issues.'*

.....

**UK workshop delegate**

*'I realised how addicted we are to our mobile devices and how unhealthy that is. This session helped me reduce my use of it.'*

.....

**Cyprus workshop delegate**

### LEARNING AND DEVELOPMENT ATTENDEES

2018 2019

UK courses	<div><div></div><div></div></div>	1061 1216
International courses	<div><div></div><div></div></div>	426 486
ICAEW staff	<div><div></div><div></div></div>	214 198
Workshops and seminars	<div><div></div><div></div></div>	3814 3745
Webinars and online courses	<div><div></div><div></div></div>	939 2874

*'I found it relevant and useful ... from now on I will be able to fight anxiety better, knowing that I can find support through CABA.'*

.....

**Greece workshop delegate**



### In 2019 we launched our CABA Instagram account



### We developed our online support

We continued to provide relevant wellbeing advice and information on our website, with more than 306,000 individuals accessing this support in 2019.

Last year we also launched a new partnership with Kooth to add to our already extensive suite of online tools and support. Kooth provides free, anonymous online mental health and wellbeing support for children and young people aged 11-25. With robust safeguarding processes, it offers live counselling, articles and peer advice, real time moderated forums and self-help tools to ACA students and dependants of ICAEW members.

We continue to monitor and evaluate the usage, effectiveness and impact of our online support tools to ensure we are meeting our community's wellbeing needs. Following a review last year, we have discontinued our wellbeing zone and we will be looking at alternative solutions in due course.

### We increased the number of meaningful connections we make with the chartered accountant community

We understand the importance of engaging with our community.

Social media is enabling us to engage in dialogue with a greater proportion of our community in real time. We further leveraged our social media avenues in 2019 leading to increased presence and activity (52% increase on interactions in 2018). In 2019, we launched our CABA Instagram account to ensure that we were reaching and engaging our younger audience and

providing relevant advice and content across various platforms. This increased our social media interactions to 32,722.

In addition, we have utilised our partnership channels to reach and engage our community through their professional networks, tuition providers, and employers. In 2019, we interacted with 14,894 individuals in this way – starting positive conversations about wellbeing, raising awareness of CABA and the services available to them, and providing on the day support through events and initiatives.

To support our strategic goal to be a wellbeing partner of choice, we engaged with 60 firms and selected business and third sector organisations. We provided members with advice-led content, and online and face-to-face training to complement the support offered by employee assistance programmes.

*'We've been working with CABA over the last 12 months to deliver a series of wellbeing workshops to our teams. We've been delighted with the quality of the training provided, the engagement of the facilitators and the working relationship we have with CABA. The feedback from the workshops continues to be very positive with the majority of attendees citing that they would highly recommend the training to colleagues and that following on from the workshops they feel more comfortable in discussing their wellbeing at work. We look forward to continuing to work with CABA.'*

.....

**Natalie Hall, Head of Thrive in Financial Advisory, Deloitte LLP**



Through our long-standing strategic partnership with ICAEW, we engaged with 7,392 ICAEW members and ACA students through their network of student societies, younger member groups, communities, faculties, and district societies. We raised awareness of our services and provided on-the-day support to these member groups.

*'It is a pleasure to work with staff at CABA in our common objective of supporting ICAEW members and students across practice and business in Cyprus and Greece. Our cooperation is first rate and feedback for our activities is excellent – a testament to the quality of CABA services. We look forward to growing our cooperation as the population of members and students and their respective needs evolve.'*

.....  
**Christiana Diola – ICAEW Head of Cyprus and Greece, Europe Region**

Furthermore, we developed our relationships with overseas firms, financial institutions, training providers and member and student groups to raise our presence and the support we can offer to our global community. We also increased our network of CABA champions in Australia and Cyprus to support our goal of being perceived as a globally operational charity. A total of 27 global stakeholder relationships in 7 countries were developed providing valuable benefit to CABA and its community.

*'Since attending many good events organised by the Sydney ICAEW group and meeting several fellow ACA's and FCA's, I have become more aware of the breadth of offering and support CABA provides. I have personally benefited from the great work CABA does for the membership. I was hugely impressed with the breadth of services offered and the way CABA mobilised to provide me that support. Since then I have spoken to other members in my network who have found themselves in unfortunate circumstances. Some, if not all have reached out to CABA.'*

*The CABA champion role would be a nice opportunity to give something back. '*

.....  
**Tom Johns – CABA Champion**

*'We have worked with CABA for just over a year now. They have delivered some thought provoking and engaging sessions that are extremely relevant to the industry and working life. We look forward to our continued work with CABA and our upcoming sessions.'*

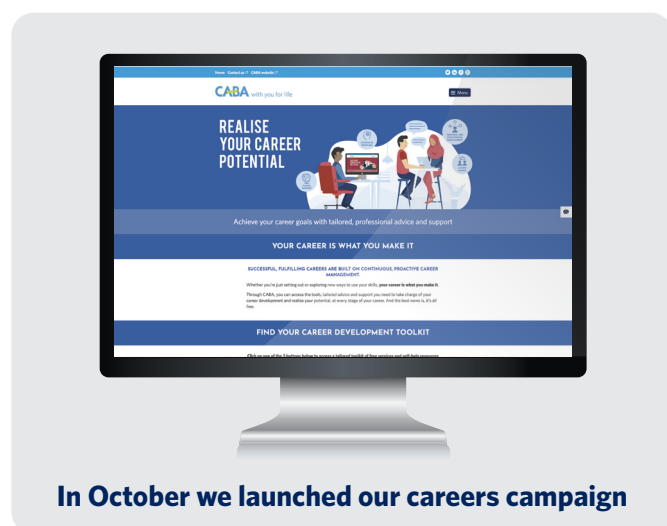
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**Frankie Shearn – Learning and Development – Technical & Training – UHY Hacker Young LLP**



## We improved the effectiveness of our communications

We introduced our advice-led campaigns to firms and businesses, providing a more blended wellbeing support programme to their employees. Our campaign activity was used alongside other wellbeing initiatives including CABA workshops and face-to-face support to ensure staff were able to make positive improvements to their wellbeing.

We were able to tailor our messages through campaign activity by looking at how people had previously engaged with us. Identifying whether people had accessed support or engaged with previous communications in the past meant that we could focus on their needs and interests, ensuring that we were relevant to the individual. In October, we launched our careers campaign, from which we received 73 enquiries from members who have never accessed career support or engaged with our careers campaign in the past (this was 24% of the total career campaign enquiries) as a result of using this targeted communications method.



We introduced new campaign topics, such as physical and mental wellbeing, after receiving feedback from our community. These proved very popular, and we hope to run them again in 2020.

We've introduced new communications to further engage and connect with more service users. This includes follow up emails after individuals attend our workshops or a student induction in the UK

and overseas. These provide delegates with further resources to support their wellbeing and signpost them to other relevant CABA services.

We also introduced a new welcome mailing to individuals who join our database. The welcome mailing helps to inform individuals that we hold their data and reminds them that they're eligible for our lifelong support.

## We worked to secure the organisation for future generations

CABA has been based in Rugby since 2006, and in that time we have quadrupled the number of staff who work on site. This has put pressure on our facilities and presented a number of practical challenges. After a two year search, we have found a new building which accommodates our growing needs.

The new property also gives us the opportunity to reflect on the way we operate and deliver support, and the possibility to do things differently in the future.

## We started to change the way we do things

During 2019, we rolled out organisation wide training embedding lean 3 methodology entitled 'CABA transform'. The methodology aims to provide a culture of responsive, continuous improvements focusing on what matters to our stakeholders. Across the organisation we have been working to improve processes and reduce "waste work" and are beginning to see positive results.

In July 2019, a comprehensive review was conducted to assess the status of technology and working processes with CABA. The outcome of this review was a technology roadmap spanning a period of 18 months encompassing a range of improvements from system adjustments to significant application changes.

The targeted outcome of the roadmap, in tandem with the Transform project, was to deliver efficiency gains through process improvements and enhance the services provided to clients through the use of new technology.

To date, we are on target to deliver efficiencies through process improvements as a result of system changes and enhanced service delivery through the adoption of new applications.



# LOOKING AHEAD – PRIORITIES FOR 2020 AND BEYOND

In 2019 we continued to progress towards the fulfilment of our strategy developed in 2018.

The strategy is bold and ambitious, in response to the changing world in which we live and the changing nature of the accountancy profession. It is a strategy that anticipates uncertainty, and we aim to continue to understand our operating environment during 2020 and be responsive to the changing needs of our community, adapting our approach and re-prioritising as necessary.

2020 is a year of transformation for CABA as we welcome a new CEO and say a fond farewell to Kath Haines, who retires after 11 years as Chief Executive at CABA. This, along with key business transformation initiatives planned throughout the year, sees considerable change for CABA, which we believe could significantly enhance the wellbeing of those we support and that will enable us to become an organisation well equipped to meet the needs of future generations.

Although we have set the overall strategic direction for the next five years, our strategic objectives are likely to continue into the longer term. Our strategy is flexible, allowing for re-prioritisation as we gain new insights.

All the work we do should be directed towards the achievement of these objectives, but to provide focus to the strategy we have created plans and milestones for achieving these objectives in the short to medium term.

2020 will see a focus on the following:

## BE A CREDIBLE AND TRUSTED VOICE ON WELLBEING

- We will continue to take an insight and needs led approach to all that we do, providing relevant and appropriate wellbeing advice and support through a multi-channel service delivery model
- We will focus on improving customer engagement and experience at every customer touchpoint to enhance the quality of service provided to our community

- We will enhance our digital learning services to better support people's ability to educate and improve all aspects of wellbeing
- We will focus on adopting a more consultative approach to our partnership working, enabling us to educate and support employers and managers to better assist the wellbeing of their ACA employees
- We will champion change in the profession and speak out about the issues that matter to our community through our thought leadership strategy
- We will align ourselves with credible and respectful organisations who will assist us in enhancing the wellbeing support we provide to our community

## BE A PEOPLE FOCUSED ORGANISATION THAT EMBRACES CHANGE AND INNOVATION

- We will move the charity to a new building in order to create an environment which provides greater opportunities for personal development, growth and investment
- We will implement the results of the IT and systems review, focusing on what matters to our clients, embracing technical innovation and exploring additional ways for our clients to access support
- We will focus on value in all aspects of our operations to drive greater efficiency and impact – continuing to embed CABA transform will facilitate this
- We will review our governance arrangements ensuring our charitable structure and monitoring remains fit for purpose
- We will manage a smooth change of leadership as our retiring Chief Executive departs
- We will embed a new finance and reporting system to develop more efficient mechanisms for monitoring and evaluating the impact of our work



## **BE PERCEIVED AS A GLOBALLY OPERATIONAL CHARITY EXPANDING OUR REACH AND SUPPORT FOR THOSE IN OUR COMMUNITY**

- We will develop our member engagement and support in key areas of Europe and in Australia to build our presence and the services we are able to offer individuals outside of the UK
- Specifically, we will expand our global reach, offering training and development workshops in Singapore, Hong Kong, Europe and Australia, developing strategic partnerships with local training providers to address and meet the cultural needs of our audiences outside the UK
- We will explore a potential rebrand in response to member research conducted by the University of Leicester which highlighted a lack of resonance with our brand
- We will develop effective partnerships with firms and businesses to extend our reach across the UK and overseas, increasing our visibility and the support we are able to provide members on the ground





# FINANCIAL SUMMARY AND PRINCIPAL RISKS

## FINANCIAL REVIEW

Overall net assets increased by £11.7m (2018 decrease of £4.9m), this was due to strong returns from our investment portfolio – see investment section for details on total return.

### Income:

Total income of £4.1m was at the same level as 2018, investment income increased to £3.9m (2018 £3.6m) but donations and legacies were £0.2m lower.

During 2019 we were grateful to receive £154k in donations from 2,580 individuals and 42 organisations and charitable trusts (2018 £210k from 2,534 individuals and 42 organisations and charitable trusts).

We have also received £33k from 8 legacies and are grateful that individuals continue to remember our work in their final bequests.

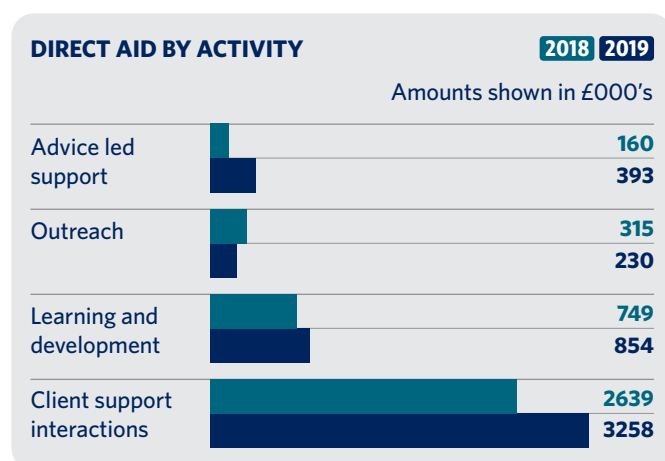
### Expenditure

Expenditure was £7.8m, 16% higher than in 2018 mainly due to an increase in direct aid expenditure.

### Direct aid

Direct aid made up £4.7m of total expenditure, an increase of 23% (2018 direct aid expenditure £3.9m).

The majority of our direct aid expenditure was spent on client support interactions. Note 8 details this expenditure.



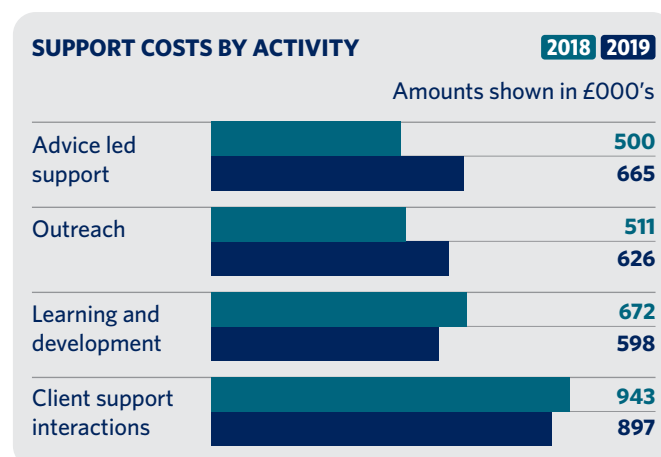
2019 saw 562 financial assistance interactions, (an increase of 65 on the prior year). The increase in number of cases was reflected in increased expenditure on financial assistance to £1.4m (2018 £1.3m).

We continue to work closely with our service partners to deliver high quality, effective services to those we support. As in prior years we have seen an increase in individuals accessing our counselling and emotional support services (766 in 2019 up from 633 in 2018) and have introduced new services in this area of growth. This is reflected in increased costs in this area (2019 £324k up from £169k in 2018).

As noted in the impact section of this report we have been innovative in the way we offer support. The increased activity has resulted in an increase in costs for advice led support.

### Support costs

Overall, support costs increased 6% to £2.8m (2018 £2.6m).



Although not specifically a cost saving exercise we are beginning to see some efficiencies as a result of the organisational transform project which began in 2018.





## Human resource costs

Continued expansion of both the ways in which we provide support and the increased number of people we have supported, has led to an increase in staff (the average number of employees during 2019 was 52 up from 47 in 2018). Total staff costs were £2.2m up from £2.0m in 2018, see note 11 for details.

## Balance sheet

Total fixed assets increased by £13.8m, mainly due to the strong performance of our investment portfolio. For more information on the total return of the portfolio please see the investment section of this report.

2019 saw the investment in a new reporting tool which will be rolled out in 2020. The tool will provide integration with our existing systems and allow us to consolidate our reporting giving additional insights and transparency across the organisation.

## INVESTMENT POLICY AND PERFORMANCE

The primary financial objective of the portfolio is to provide funds for the ongoing operations and support activities of CABA. Over the long term, this means providing a stream of relatively predictable and stable funding in support of annual budgetary needs, and at least maintaining the portfolio's real (inflation-adjusted) purchasing power after management expenses and spending.

With this objective in mind, the trustees have agreed a long-term target of achieving an average annual total return that exceeds the rise in UK average weekly earnings (AWE, excluding bonuses) by 4%, net of the cost of investment management. The Trustees recognise this is a long-term target and can only be fully assessed over a number of years, which may be 10 years or more.

However, the actual returns are monitored as part of the ongoing review process in the shorter term. Comparisons are made against index returns from a composite benchmark portfolio reflecting the strategic asset blend of the funds held in CABA's portfolios; against the ARC Steady Growth Index, a peer group

comparator of charity portfolios; and against the long-term return objective of wage inflation plus 4%.

The portfolio's returns relative to these comparative measures over the 1 year, 3 years and 5 years to 31 December 2019 were as follows:

Total returns %	1 year	3 years (p.a.)	5 years (p.a.)
CABA portfolio	16.6	9.4	9.2
Composite benchmark	16.2	7.7	8.8
ARC Steady Growth Index	15.1	6.2	6.6
Wage inflation +4%	7.2	7.1	6.8

As a result of the strong returns seen in the first half of the year, the portfolio has returned an impressive 16.6% over 2019 as a whole, beating the strategic benchmark, the long-term objective of wage inflation +4% and the ARC Steady Growth Charity peer group by a healthy margin.

The portfolio is invested primarily through multi-asset charity funds where the investment objective and strategic asset allocation are in line with the Charity's return objective and risk tolerance. Additional investment may be made into specialist areas such as property and private equity to increase the diversification within the overall investment portfolio.

The Trustees are satisfied that the portfolio is performing in line with expectations, while acknowledging that returns in future years may be more modest than the strong returns enjoyed in recent years, especially from the equity markets.

The Trustees recognise that the management of investments requires appropriate expertise. The Investment Committee includes at least two members with significant professional investment experience, at least one of whom should be a Trustee. The Board has appointed Stanhope Consulting to provide advice on strategic asset allocation, manager selection, monitoring, and consolidated reporting.



A significant level of capital volatility within the investment portfolio is considered to be acceptable by the Trustees given the investment portfolio's long-term time horizon and real return objectives. However, the portfolio is designed to be well diversified across asset classes and individual investments, to limit the risk to capital and income.

In order to avoid the need to realise investments at inopportune times, a minimum of one year's worth of CABA's forecast expenditure less expected investment income is to be held in the form of cash deposits or UK government bonds.

During 2019 the long-term target was reviewed, effective from 1 January 2020 the target will be to achieve an average annual total return that exceeds the rise in UK average weekly earnings (AWE, excluding bonuses) by 3%, net of the cost of investment management.

## RESERVES POLICY

Since its inception, CABA has benefited from donations and legacies given by ICAEW members, and this generous support continues today. These gifts, together with investment returns, are responsible for CABA's current strong financial position.

Our policy is to utilise the funds we have effectively to best serve our community, whilst ensuring that sufficient reserves are maintained to meet the requirements of future generations.

### Current reserve levels

Reserve type	2019 £m	2018 £m
Unrestricted Reserves	131.2	119.5
<b>Free reserves</b>	<b>128.6</b>	<b>117.9</b>
Endowment and Restricted Funds	0.3	0.3

As at 31 December 2019 CABA had unrestricted funds of £131.2m of which £128.6m were considered to be 'free reserves', that is those funds which are not tied

up in fixed assets or otherwise designated. In addition to the unrestricted reserves, CABA held £0.3m of restricted and endowment funds.

## Rationale

Our reserves policy aims to reflect one of our guiding principles:

***That we are a forward thinking organisation that makes a real difference, commensurate with our financial resources***

The Trustees take a long-term view of their obligations to the chartered accountant community.

A large proportion of the reserves (£123.9m at 31 December 2019) are investments held to generate income and secure the long-term funding of the charity. The Trustees recognise that the value of these reserves may vary significantly from year to year because of investment market price movements, and that such variations do not in themselves affect the portfolio's potential to generate income.

These reserves currently represent CABA's principal source of funds for annual expenditure. Investing them in this way, rather than liquidating the reserves for short-term spending, is intended to ensure that this income stream is sustainable for the long-term.

## Monitoring and Review

The reserves policy is reviewed regularly by the Trustees when considering strategic change. These reviews include consideration of whether the current policy of seeking a sustainable income stream from the investment portfolio remains the most effective use of CABA's funds, or whether the Trustees should instead reduce the expected level of future investment income in favour of shorter-term spending from capital.

## GRANT MAKING POLICY

We offer a holistic, needs-led client service. Each client is unique and we recognise that while we have rules and guidelines, each client's circumstances will determine the help and support we provide.

Requests for support are received and assessed by our experienced support team in line with the



support services guidelines. These guidelines are a comprehensive list of rules and guidance. They include the authorisation process, which must be adhered to. Decisions are authorised via a system of strictly enforced delegated authority levels, in line with their monetary value and complexity.

## FUNDRAISING

We have not conducted any fundraising activity in the year and we have not employed any third party to fundraise on our behalf. As such we are not a member of the fundraising regulator.

We do accept donations, which can be made via our website or by post.

We have received no complaints about fundraising. A complaints policy is in place should any be received in the future.

## CABA'S PUBLIC BENEFIT

The Trustees have given due consideration to the Charity Commission's published guidance on the operations of the public benefit requirements. In line with this, we're committed to providing high quality services to the chartered accountant community.

We are also keen to ensure that we have a broader impact, beyond the chartered accountant community. Much of our online support is open access.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees conduct regular reviews of the major risks to which CABA is exposed.

Risk registers are reviewed and updated regularly by the management team and the responsible committees. The top risks are reported to the Board each quarter. Where appropriate, CABA has introduced systems and controls to mitigate the risks it faces.

The Audit and Risk Committee oversees the management of risk throughout the organisation and gathers assurances that risk is being mitigated as necessary.

CABA's current identified top risks are:

### Data Security and Cyber Resilience

The number of worldwide cyber incidents continues to increase at an exponential rate, posing the greatest threat to any data held electronically by CABA. In 2018 there was a 350% increase in ransomware attacks, a 250% increase in business email compromise (BEC), and a 70% increase in spear-phishing attacks, contributing to a cybercrime economy worth \$1.5 trillion in profits each year. Such vast financial gain ensures that the sophistication of such attacks continues to increase and means that it is no longer sufficient to build ever stronger walls around information systems and more comprehensive strategies are necessary.

In 2019 CABA's Data Protection Officer attended GCHQ certified Cyber training to increase CABA's understanding of cyber issues and facilitate our resilience. To ensure the highest levels of Cyber resilience all staff will be completing cyber security training in Q1 2020.

As part of the technology roadmap, in conjunction with the office move a review of the security systems protecting the network and users will take place to ensure the highest levels of protection are in place.

To demonstrate good security practice has been adopted by CABA across all aspects of information security, it is planned for CABA to achieve Cyber Essentials Certification in 2020.

### Failure to keep the organisation relevant or meet the needs of the chartered accountant community

We keep abreast of changes in the profession and our eligibility criteria as the ICAEW explores new routes to membership.

We work in partnership with other organisations to ensure we understand the changes happening in the charity sector and the commercial sector.

We carry out research to identify the support needs within our community and then explore the most appropriate ways of meeting that need. We use feedback questionnaires to ascertain client and



delegate views on the services we deliver and gauge opinions and knowledge of our services through the events we attend. Our findings are used to improve and develop our offering. We also regularly review the quality and take-up rates of our services to ensure they are fit for purpose.

Our engagement strategy aims to increase CABA's reach and enable us to interact with a much larger proportion of our potential client base. We are developing our messaging and communications, to clearly demonstrate our service offering and promote wellbeing through a variety of media. We are also working with ICAEW firms and businesses to raise the awareness and understanding of CABA's offering.

We work closely with our partners, third party providers and volunteers speaking on our behalf to ensure consistency and high quality in the delivery of our services and our messaging. Training, observation and evaluation, as well as the development of clear messaging guidelines help us to mitigate this risk. We have service level agreements in place with all of our providers and we have two case management officers in the service team to monitor the quality of the third party services individuals are receiving.

We use client feedback through a number of routes to monitor customer satisfaction and adapt our provision in line with recommendations and suggestions as appropriate.

### **2020 will be a year of significant organisational change**

We have followed a robust recruitment process in the appointment of our new CEO and this will be followed up with a thorough induction process including a handover period to ensure continuity. The Board will be working closely with the senior leadership team throughout the year. We have reviewed our governance arrangements and will be meeting more frequently to support the organisation through this period of change.

Prior to the purchase of our new office building and in line with our organisational adoption of 'CABA transform' we conducted a 'what matters' exercise with our staff team in regards to the use of the new

office space and to explore new ways of working. For example, we plan to use technology in the new building to facilitate new smarter ways of working such as video conferencing.

We will be rolling out our new reporting tool to provide additional transparency and accountability and to ensure we are staying on track to meet our strategic goals.

### **COVID-19**

Since the year end global financial markets have suffered as a result of COVID-19 fears, demonstrating the inherent volatility of investment assets in general which is expected to have an impact on their values during the year ending 31 December 2020, however the extent of this impact is currently unknown.

CABA's operational impact has been kept to a minimum so far. Employees are able to work effectively from home and with the exception of having to cancel some of our open courses and workshops we are continuing to provide all of our services.

The Trustees continue to monitor the changing operational landscape and impact on assets and related income.



# STRUCTURE, GOVERNANCE AND MANAGEMENT

## GROUP STRUCTURE

This Report presents information about the Charity and its subsidiary undertakings, CABA Trustees Limited (Company no. 01600366) and CABA Housing Limited (Company no. 01863595)..

## BOARD OF TRUSTEES

The directors of the Charity, as defined in the Companies Act 2006, are also Charity Trustees for the purposes of charity law. Under the Charity's Articles they are known as Trustees. Eligibility for election to the Board of Trustees is governed by the Articles, a copy of which may be obtained from the Secretary or from the website.

The applicable rules state that the Trustees may appoint members to fill casual vacancies. Any member so appointed shall retire at the Annual General Meeting following their appointment but shall be eligible for re-election. A Trustee is eligible to serve for three consecutive terms of office (a term is for three years), after which they must take a break from office and may not be reappointed until the Annual General Meeting following the Annual General Meeting at which their break from office commenced. The Charity uses a formal recruitment process to appoint Trustees. Vacancies are publically advertised and prospective candidates undergo a rigorous interview process. Formal training of Trustees is carried out at least once a year and a full day of induction training is given to all new Trustees.

If you are interested in becoming a Trustee, please visit our website [caba.org.uk/get-involved/volunteering](https://caba.org.uk/get-involved/volunteering) to apply.

The Board of Trustees, who meet quarterly, are responsible for the strategic direction and policy of the Charity. At present, there are 10 Trustees who are all chartered accountants.

To enable the Trustees to manage the Charity effectively, a number of sub-committees have been established to oversee, advise and act on behalf of the Board of Trustees regarding specific areas of the organisation. These are the Investment Committee,

the Audit and Risk Committee and the Support Services Committee. Each committee has its own terms of reference in regard to its duties, responsibilities and delegated authorities, all of which were updated and approved in 2017.

We have six experienced, independent committee members, two of whom sit on the Investment Committee, two on the Support Services Committee, and two on the Audit and Risk Committee. All committee members undergo the same recruitment process as the Trustees.

There were two retirements during 2019 and the Trustees would like to thank Stephanie Warboys and Mark Chaloner for their service and valuable contribution to CABA.

## EXECUTIVE

The day-to-day management of the Charity has been delegated to the Chief Executive, Kath Haines, supported by the Directors. Kelly Feehan, Services Director is responsible for support services including financial awards and overseeing our international development and delivery; and Jodie Gill, Engagement and Communications Director is responsible for relationship building, marketing and communications, and our learning and development programme. This senior leadership team is supported by passionate, experienced and knowledgeable, managers and staff. During the year Rachel Bodill, Finance and Resources Director, resigned and has not been replaced, to allow the new Chief Executive the opportunity to develop the team they need for the next phase of development. Rob Smith has been promoted to Head of Finance and Kath Haines has taken over responsibility for human resources and information systems in the short term. An IT consultant has been brought in for an 18 month period to prepare and deliver the IT roadmap. Reports on the activities of the Charity, including management accounts, are presented for review quarterly, at the Trustees' meetings.



## EMPLOYEES

All of our staff are committed to providing high quality support and help. As the range of support we offer has grown and the ways in which that support is delivered has changed, the commitment, knowledge and expertise of our staff has been fundamental to our success as a charitable organisation.

The Trustees wish to thank and congratulate the staff team on their performance in 2019, supporting ever more people.

CABA is committed to supporting the training and development of its staff.

For more information on our staff please visit [caba.org.uk/staff](https://caba.org.uk/staff)

## REMUNERATIONS POLICY

It is our policy to remunerate fairly, to ensure that we attract and retain the skills we require to deliver our service offering and future strategy. The pay of staff, managers and the senior leadership team is reviewed on an annual basis. Detailed job descriptions for each post are benchmarked against similar organisations on a regular basis to ensure that the remuneration is fair and in line with that generally paid for similar roles.

This year we have used Paydata to provide our benchmarking service for the first time and we believe that the results are more closely matched against similar organisations, rather than the not-for-profit sector as a whole. In the intervening years between a full benchmarking exercise we will adjust salaries in line with trends in the market, as recommended by Paydata.

## VOLUNTEERS

Volunteers are an essential component of CABA's team. The Trustees would like to thank them for their contribution in 2019.

## Committee members

Thanks to Lewis Allett and Phillippa Seagers who support the Support Services Committee; Nigel Holland and John Wilkinson who support the Investment Committee, and Kathy Webster and Michael Grant who support the Audit and Risk Committee.

## Support volunteers

Our network of support volunteers covers both the UK and overseas. They provide an essential service and assist clients in a variety of ways – from befriending, to supporting them with administrative tasks. If you are interested in providing support to the chartered accountant community and would like to apply, email [volunteers@caba.org.uk](mailto:volunteers@caba.org.uk)

## CABA champions

We currently have twenty CABA champions in the UK, seven more than last year and three globally. The UK champions each cover a different region of the UK and the three Global champions are based in Sydney. Their help is invaluable to CABA as they attend events helping spread the word about our services and in the case of the overseas champions, are able to provide us a local presence. Our focus for this year is to expand our global ambassadors and to recruit ambassadors within firms and businesses to further extend our reach.

## CABA members

CABA members are an essential link with the chartered accountant community. They help us spread the word about the support and information available to ICAEW members and their families.

You do not need to be a CABA member to be eligible for our support and services but as a CABA member, you will be eligible to:

- Attend and vote at the AGM
- Receive a copy of the charity's financial statements and our trustees report

To find out how to apply to become a CABA member email us at [caba.members@caba.org.uk](mailto:caba.members@caba.org.uk)



## **PRINCIPAL ADVISORS**

### **Investments**

Stanhope Consulting  
35 Portman Square  
London  
W1H 6LR

### **Bankers**

Royal Bank of Scotland  
62/63 Threadneedle Street  
London  
EC2R 8LA

### **Solicitors**

Bates Wells & Braithwaite  
10 Queen Street Place  
London  
EC4R 1BE

Rollasons Solicitors  
9 New Street  
Daventry  
Northamptonshire  
NN11 4BT

### **Auditors**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

### **HR Advisors**

Cream HR Ltd  
17 Lichfield Business Village  
The Friary  
Lichfield  
Staffordshire  
WS13 6QG





# TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 The Financial Reporting Standard applicable in UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

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

The Trustees confirm that:

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

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

The Trustees have taken the exemption available to small companies and have not prepared a strategic report.

Approved by the Board on 7 April and signed on its behalf by:-

**Kaaheed Mamujee**  
President



# AUDIT REPORT

## Independent auditor's report to the members of Chartered Accountants' Benevolent Association

### OPINION

We have audited the financial statements of Chartered Accountants' Benevolent Association for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and of the parent charitable company's affairs as at 31 December 2019 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in

accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement **set out on page 23**, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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



A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## CONCLUSIONS RELATING 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 group's or the parent 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 trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees. 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 Report of the Trustees (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report incorporated within the Report of the Trustees 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees and the President's Foreword.

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



## USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

### **Anna Bennett**

Senior Statutory Auditor

For and on behalf of Haysmacintyre LLP,  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG



# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds £000	Endowment funds £000	Restricted funds £000	Total 2019 £000	Total 2018 £000
<b>Income from:</b>						
Donations and legacies	5	187	-	-	187	402
Investments	6	3,930	-	2	3,932	3,953
Charitable activities	7	17	-	-	17	49
<b>Total</b>		<b>4,134</b>	<b>-</b>	<b>2</b>	<b>4,136</b>	<b>4,044</b>
<b>Expenditure on:</b>						
Charitable activities	8	7,521	-	-	7,521	6,488
Raising funds	9(a)	239	-	-	239	214
Other	9(b)	36	-	-	36	3
<b>Total</b>		<b>7,796</b>	<b>-</b>	<b>-</b>	<b>7,796</b>	<b>6,705</b>
<b>Net expenditure before (losses) / gains on investments</b>		<b>(3,662)</b>	<b>-</b>	<b>2</b>	<b>(3,660)</b>	<b>(2,661)</b>
Net (losses) / gains on investments	14 (e)	15,437	35	3	15,475	(2,455)
Other gains / (losses)	19	(104)	-	-	(104)	39
<b>Net income</b>		<b>11,671</b>	<b>35</b>	<b>5</b>	<b>11,711</b>	<b>(5,077)</b>
Net gains on revaluation and disposal of fixed assets	19	-	-	-	-	225
<b>Net movement in funds</b>		<b>11,671</b>	<b>35</b>	<b>5</b>	<b>11,711</b>	<b>(4,852)</b>
<b>Reconciliation of funds</b>						
Funds brought forward	22	119,509	228	51	119,788	124,640
<b>Total funds carried forward</b>	18 / 19	<b>131,180</b>	<b>263</b>	<b>56</b>	<b>131,499</b>	<b>119,788</b>

The statement of financial activities includes all gains and losses recognised in the year.

In 2019 £36k of net expenditure related to discontinued activities (2018 £3k).



# CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 31 DECEMBER 2019

COMPANY NUMBER 5970606

	Notes	Group		Charity	
		2019 £000	2018 £000	2019 £000	2018 £000
<b>Fixed assets</b>					
Tangible fixed assets	13	1,317	1,335	1,317	1,335
Investments	14	123,929	110,114	124,479	110,764
Investment properties	14	21	21	21	21
Programme related investments	14(d)	190	205	190	205
<b>Total fixed assets</b>		<b>125,457</b>	<b>111,675</b>	<b>126,007</b>	<b>112,325</b>
<b>Current assets</b>					
Debtors falling due within one year	15(a)	978	786	978	786
Property held for sale	15(b)	550	650	-	-
Cash and cash equivalents	15(c)	5,550	7,726	5,549	7,725
		7,078	9,162	6,527	8,511
Less – Creditors falling due within one year	16	1,025	1,015	1,026	1,014
<b>Net current assets</b>		<b>6,053</b>	<b>8,147</b>	<b>5,501</b>	<b>7,497</b>
<b>Total assets less current liabilities</b>		<b>131,510</b>	<b>119,822</b>	<b>131,508</b>	<b>119,822</b>
<b>Provision for care home fees</b>	17	11	34	11	34
<b>Net assets</b>	18	<b>131,499</b>	<b>119,788</b>	<b>131,497</b>	<b>119,788</b>
<b>Funds</b>					
Unrestricted funds – General fund	19	105,091	107,854	105,329	108,194
Unrestricted funds – Revaluation reserve	19	26,089	11,655	25,849	11,315
Endowment funds	20	263	228	263	228
Restricted funds	20	56	51	56	51
<b>Total funds</b>		<b>131,499</b>	<b>119,788</b>	<b>131,497</b>	<b>119,788</b>

The net movement in funds of the unconsolidated Charity amounted to a increase of £11,709k (2018 - decrease of £4,852k).

Approved by the board on 7 April 2020 and signed on its behalf by

**Kaaheed Mamujee**  
President

**Mary Hardy**  
Chair of Audit and Risk Committee



# STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 DECEMBER 2019

	Notes	Group	
		2019 £000	2018 £000
Cash flows from operating activities		(7,713)	(5,926)
Cash flows from investing activities		5,541	9,663
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(2,172)</b>	<b>3,737</b>
Cash and cash equivalents at the beginning of the period		7,726	3,950
Change in cash and cash equivalents due to exchange rate movements		(4)	39
<b>Cash and cash equivalents at the end of the reporting period</b>	15(c)	<b>5,550</b>	<b>7,726</b>





# RECONCILIATION OF CASH FLOWS

## (a) Reconciliation of cash flows from operating activities

	Group	
	2019 £000	2018 £000
<b>Net movement in funds for the reporting period as per the statement of financial activities</b>	<b>11,711</b>	<b>(4,852)</b>
Adjustments for:		
Depreciation charges	69	46
Losses / (gains) on investments	(15,475)	2,455
Other (gains) / losses	104	(39)
Gains on revaluation and disposal of fixed assets	-	(225)
Dividends, interest and rents from investments	(3,932)	(3,593)
Decrease / (increase) in programme related investment	15	36
Decrease in debtors	(192)	95
Increase in creditors	10	153
Decrease in provision	(23)	(2)
<b>Net cash used in operating activities</b>	<b>(7,713)</b>	<b>(5,926)</b>

## (b) Reconciliation of cash flows from investing activities

Dividends, interest and rents from investments	3,932	3,593
Purchase of tangible fixed assets	(51)	(103)
Disposals of fixed assets	-	-
Proceeds of sale from investment	5,636	9,039
Purchase of investments	(3,976)	(2,866)
<b>Net cash provided by investing activities</b>	<b>5,541</b>	<b>9,663</b>

## (c) Reconciliation of net debt

	At start of year £000	Cash flows £000	Foreign exchange movements £000	Gains / (losses) £000	At end of year £000
Cash	1,675	(671)	(19)	-	985
Cash equivalents	6,051	(1,500)	-	14	4,565
Overdraft facility repayable on demand	-	-	-	-	-
Loans falling due within one year	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-
Finance lease obligations	-	-	-	-	-
<b>Total</b>	<b>7,726</b>	<b>(2,171)</b>	<b>(19)</b>	<b>14</b>	<b>5,550</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

## 1. GENERAL INFORMATION

The Chartered Accountants' Benevolent Association ("the Charity") and its subsidiaries (together "the Group") exist to provide support to the chartered accountant community.

The Charity, founded in 1886 was incorporated in England and Wales in 2006 (Company no. 5970606) and is limited by guarantee.

Registered office (Charity and subsidiaries):  
8 Mitchell Court,  
Castle Mound Way,  
Rugby, Warwickshire,  
CV23 0UY.

## 2. STATEMENT OF COMPLIANCE

These financial statements have been prepared for the year ended 31 December 2019 and present information about the Charity and its subsidiary undertakings. The Charity has not shown its own statement of financial activities as advantage has been taken of Section 408 of the Companies Act 2006.

The financial statements have been prepared in accordance with 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 (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.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### (a) Basis of preparation

The consolidated financial statements are prepared on a going concern basis under the historical cost

convention as modified by the recognition of certain financial assets and liabilities measured at fair value. Assets and liabilities are initially recognised at historical cost or transactional value unless otherwise stated in the relevant accounting policy notes.

### (b) Going concern

The Trustees have considered the Group's ability to continue as a going concern. As a part of this assessment the Trustees have reviewed and approved budgets and cash flows and as such the financial statements have been prepared on the going concern basis.

### (c) Public benefit

The Charity meets the definition of a public benefit entity under FRS 102.

### (d) Basis of consolidation

The Group financial statements consolidate the results of the Charity and its subsidiaries CABA Housing Limited and CABA Trustees Limited on a line-by-line basis. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

### (e) Foreign currency

#### (i) Functional and presentational currency

The Group's functional and presentational currency is the pound sterling. All figures are rounded to the nearest £000 (unless otherwise stated).

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of transactions. At each period end foreign currency monetary items are translated using the closing rate. Non monetary items measured at historical cost are translated using the exchange rate at the date of transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial activities.



## **(f) Revenue recognition**

Income is recognised when the Group has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

**(i)** Legacies are applied for the general use of the Charity unless directed otherwise

Receipt of a legacy is recognised when it is probable that it will be received. Receipt is normally probable when: there has been grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and that any conditions attached to the legacy are either within the control of the Charity or have been met.

**(ii)** Interest on funds held on deposit is included when receivable, this is normally upon notification of the interest paid or payable by the Bank.

**(iii)** Dividend investment income is recognised when the underlying investment is marked ex-dividend. Interest on fixed interest investments and deposits is accounted for on an accruals basis.

**(iv)** Gift Aid recoverable is accounted for in the same period as the related income is received.

## **(g) Expenditure and basis of cost allocation**

**(i)** Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Group to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

**(ii)** All expenditure is accounted for on an accruals basis.

**(iii)** Grants and donations payable are payments made (all to individuals) in the furtherance of the charitable objectives of the Charity. Grants and donations are recognised as expenditure at the point at which they are approved by the Charity and communicated to the recipient and where any conditions attached to the grant are outside of the control of the Charity.

**(iv)** Where possible, costs are directly attributed to specific activities. Certain shared costs, including

staff costs, are apportioned to activities on the basis of individual duties and responsibilities. Office costs, including rent, rates and services, are apportioned to support activities based on time spent by each member of staff across the seven areas of wellbeing.

**(v)** Irrecoverable VAT is charged against the category for which it was incurred.

## **(h) Defined contribution pension scheme**

The Group's personal pension scheme is a defined contribution scheme. Contributions are shown in the statement of financial activities as incurred.

## **(i) Tangible assets**

Tangible assets are stated either at cost less accumulated depreciation and accumulated impairment losses or at fair value. Cost includes the original purchase price and the costs directly attributable to bringing the asset to its working condition for its intended use.

Repairs, maintenance and inspection costs are expensed as incurred.

The Group, using both internal and external information, assesses at each reporting date whether there is any indication that an asset might be impaired. Any impairment is recognised in the statement of financial activities.

### **(i) Furniture and equipment**

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged over their useful economic life of three years from acquisition using the straight line method.

### **(ii) Freehold offices**

Land and buildings are held at fair value. The Group's policy is to independently revalue properties in this class at no longer than three year intervals. The cost of the office buildings at Rugby, excluding the cost of the land, is depreciated over a fifty year period.

### **(iii) Depreciation and residual values**

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their residual values over their estimated useful lives.



## **(j) Financial instruments**

The Group has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments .

### **(i) Financial assets**

Basic financial assets including trade and other receivables, cash and bank balances and short term investments are initially recognised at transaction price. Cash at bank and in hand, consist of balances with banks and cash in hand. Current asset investments are investments in money market instruments representing short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash.

Other basic financial assets, including investments are initially measured at transaction price and subsequently measured at fair value. Changes in fair value are recognised in the statement of financial activities.

### **(ii) Financial liabilities**

Basic financial liabilities including trade and other payables are initially measured at transaction price and subsequently at fair value.

## **(k) Investments**

**(i)** Listed investments are stated at the bid price at the date of the balance sheet. Fixed interest securities are stated at their dirty price (which includes any interest that has accrued since issue of the most recent coupon payment). Unquoted securities are included at fair value estimated by the Trustees based on advice from the investment manager. Pooled investment vehicles are stated at bid price for funds with bid/offer spreads, or single price where there are no bid/offer spreads as provided by the investment manager.

The Group's policy is not to acquire put options, derivatives or other complex financial instruments.

### **(ii) Investment properties**

Investment properties are initially recognised at cost and measured at fair value at the balance sheet date.

### **(iii) Programme related investments**

Programme related investments consist entirely of interest free concessionary loans made by the Charity to beneficiaries and are held at fair value. Concessionary loans are assessed for objective evidence of impairment at the end of the reporting period. Any impairment is disclosed within the statement of financial activities as charitable activities

### **(iv) Investment in subsidiary company**

Investment in subsidiaries are held at cost less accumulated impairment losses.

The Charity has undertaken to provide monies for the payment of annuities and other relevant disbursements by way of a loan to its subsidiary CABA Housing Limited. These monies are repayable from the proceeds of sale of properties on termination of the relevant annuity. The loan interest is charged by the Charity to the Subsidiary at 5% of the outstanding balance as at 31 December 2018. For the year ending 31 December 2019 loan interest of £123k was charged (2018 - £117k).

## **(l) Unrestricted, restricted and endowment funds**

Unrestricted general funds can be used in accordance with the charitable objects at the discretion of the Board.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds are classified as permanent endowments and the capital of these funds is held in perpetuity.

Further explanation of the nature and purpose of each fund is included in the notes to the Financial Statements (note 20).

## **(m) Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the economic outflow can be estimated reliably.



#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATIONS

Judgements and estimations are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In making these estimates the Group makes assumptions concerning the future. Significant judgements are addressed below.

During 2016 Trustees approved a policy of providing top up fees for qualifying individuals residing in care homes. It is recognised that in some cases this could lead to long term support and it is highly unlikely that the Charity would withdraw support once approved. Following research carried out by the Charity it was discovered that the average length of stay in a care home is 3 years. A commitment for this 3 year period has therefore been recognised in the financial statements for this long term support based on the number of individuals receiving top up fees at the balance sheet date. The long term portion of this commitment has not been discounted on the grounds that the effect of discounting would be immaterial.

#### 5. INCOME FROM DONATIONS AND LEGACIES

	<b>Total 2019 £000</b>	<b>Total 2018 £000</b>
Donations and subscriptions	154	210
Legacies	33	192
	<b>187</b>	<b>402</b>

The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.



## 6. INCOME FROM INVESTMENTS

	Unrestricted funds 2019 £000	Unrestricted funds 2018 £000
Dividends and interest on investments	3,881	3,580
Other interest	47	10
Other investment income	2	2
	<b>3,930</b>	<b>3,592</b>

	Restricted funds 2019 £000	Restricted funds 2018 £000
Dividends and interest on investments	2	1
Other interest	-	-
Net property income	-	-
	<b>2</b>	<b>1</b>

## 7. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £000	Unrestricted funds 2018 £000
Programme related investments	17	49
Other income	-	-
	<b>17</b>	<b>49</b>

## 8. ANALYSIS OF CHARITABLE EXPENDITURE

### (a) Expenditure on charitable activities

	Direct aid 2019 £000	Support costs 2019 £000	Total 2019 £000	Direct aid 2018 £000	Support costs 2018 £000	Total 2018 £000
Client support interactions	3,258	895	4,153	2,638	943	3,581
Learning and development	854	600	1,454	749	672	1,421
Outreach	230	626	856	315	511	826
Advice led support	393	665	1,058	160	500	660
<b>Total expenditure on charitable activities</b>	<b>4,735</b>	<b>2,786</b>	<b>7,521</b>	<b>3,862</b>	<b>2,626</b>	<b>6,488</b>



## (b) Analysis of expenditure on direct aid by activity

Costs are allocated specifically where appropriate and practical. Shared costs are allocated on the basis of time spent against each activity. Other staff costs include agency costs, recruitment costs, travel and staff training.

<b>2019</b>	<b>Client support interactions £000</b>	<b>Learning and development £000</b>	<b>Outreach £000</b>	<b>Advice led support £000</b>	<b>Total £000</b>
Counselling and emotional services	324	-	-	-	324
Financial assistance	1,432	-	-	-	1,432
Career coaching	608	-	-	-	608
Legal helpline	30	-	-	-	30
Personal and professional coaching	11	-	-	-	11
24 hour emotional support and advice helpline	108	-	-	-	108
Website and video	52	12	-	61	125
Other support advice and guidance	250	-	100	181	531
Training courses	-	343	-	-	343
Workshops and seminars	-	215	-	-	215
Human resources	426	273	125	145	969
Other staff costs	17	11	5	6	39
<b>Total expenditure on direct aid</b>	<b>3,258</b>	<b>854</b>	<b>230</b>	<b>393</b>	<b>4,735</b>

<b>2018</b>	<b>Client support interactions £000</b>	<b>Learning and development £000</b>	<b>Outreach £000</b>	<b>Advice led support £000</b>	<b>Total £000</b>
Counselling and emotional services	169	-	-	-	169
Financial assistance	1,289	-	-	-	1,289
Career coaching	534	-	-	-	534
Legal helpline	32	-	-	-	32
Personal and professional coaching	-	-	-	-	-
24 hour emotional support and advice helpline	81	-	-	-	81
Website and video	64	12	-	53	129
Other support advice and guidance	74	-	139	107	320
Training courses	-	307	-	-	307
Workshops and seminars	-	181	-	-	181
Human resources	384	242	171	-	797
Other staff costs	11	7	5	-	23
<b>Total expenditure on direct aid</b>	<b>2,638</b>	<b>749</b>	<b>315</b>	<b>160</b>	<b>3,862</b>





### (c) Analysis of support costs

Costs are allocated specifically where appropriate and practical. Shared costs are allocated on the basis of time spent against each activity as a proportion of direct aid. Other staff costs include agency costs, recruitment costs, travel and staff training.

	Client support interactions £000	Learning and development £000	Outreach £000	Advice led support £000	Total £000
<b>2019</b>					
Human resources	406	271	284	302	1,263
Other staff costs	127	85	89	95	396
Communications and outreach	197	132	138	146	613
Office costs	111	74	77	82	344
Audit fees	5	4	3	4	16
Legal and professional fees	19	13	13	14	59
Research and development	8	6	6	6	26
Depreciation	22	15	16	16	69
<b>Total expenditure on support costs</b>	<b>895</b>	<b>600</b>	<b>626</b>	<b>665</b>	<b>2,786</b>

	Client support interactions £000	Learning and development £000	Outreach £000	Advice led support £000	Total £000
<b>2018</b>					
Human resources	424	302	229	225	1,180
Other staff costs	107	76	58	57	298
Communications and outreach	247	176	134	131	688
Office costs	108	77	58	57	300
Audit fees	7	5	4	4	20
Legal and professional fees	34	25	19	18	96
Research and development	-	-	-	-	-
Depreciation	16	11	9	8	44
<b>Total expenditure on support costs</b>	<b>943</b>	<b>672</b>	<b>511</b>	<b>500</b>	<b>2,626</b>



## 9. ANALYSIS OF EXPENDITURE ON RAISING FUNDS AND OTHER EXPENDITURE

### (a) Expenditure on raising funds

	<b>Total 2019 £000</b>	<b>Total 2018 £000</b>
Investment and advisory fees for fund management	228	206
Employment costs	11	8
	<b>239</b>	<b>214</b>

Costs of raising funds relates to the cost of generating investment income.

### (b) Other expenditure (discontinued operations)

	<b>Total 2019 £000</b>	<b>Total 2018 £000</b>
CABA Housing Limited – property repairs and refurbishment	33	4
Annuity payment	-	(1)
CABA Housing Limited – Audit fees	3	-
	<b>36</b>	<b>3</b>

## 10. NET INCOME

These are stated after charging

	<b>Total 2019 £000</b>	<b>Total 2018 £000</b>
Depreciation	69	46
Auditor's remuneration: – Audit services (shown net of VAT)	16	16
Auditor's remuneration: – Tax services (shown net of VAT)	2	2



## 11. STAFF COSTS AND NUMBERS

	<b>Total 2019 £000</b>	<b>Total 2018 £000</b>
Wages and salaries	1,790	1,585
Employer's NIC	188	166
Employer's pension contributions	148	132
Other payroll related benefits	117	103
<b>Total staff costs</b>	<b>2,243</b>	<b>1,986</b>
Staff costs allocated to direct aid	969	797
Staff costs allocated to raising funds	11	8
Staff costs charged to support	1,263	1,181
<b>Total staff costs</b>	<b>2,243</b>	<b>1,986</b>

Staff costs include £24k relating to termination payments (2018 - £8k).

The average number of employees during the year was 52; FTE 50.18 (2018 - 47.1; FTE 45.26).

The allocation of average number of employees between direct aid and support is shown below

	<b>2019</b>			<b>2018</b>		
	<b>Direct Aid</b>	<b>Support</b>	<b>Total</b>	<b>Direct Aid</b>	<b>Support</b>	<b>Total</b>
Full time	21.2	25.0	<b>46.2</b>	17.5	19.7	<b>37.2</b>
Part time	3.8	2.0	<b>5.8</b>	5.1	4.8	<b>9.9</b>
	<b>25.0</b>	<b>27.0</b>	<b>52.0</b>	<b>22.6</b>	<b>24.5</b>	<b>47.1</b>

### Key management personnel

The Group considers that its key management personnel comprise the Chief Executive and the Senior management team consisting of the Finance and Resources Director, Services Director and Engagement and Communications Director.

The total employment benefits including employer pension contributions of the key management personnel were £376k (2018 - £371k).



Total employee benefits	No. of employees	
	2019	2018
£60k - £70k	-	2
£70k - £80k	2	-
£100k - £110k	1	1

### Group personal pension scheme

Staff are eligible to participate in the Group personal pension scheme with Aegon Scottish Equitable.

The Charity operates a group personal pension scheme for employees. This scheme is managed by Aegon Scottish Equitable and provides benefits based upon contributions made and investment returns achieved. The scheme first received contributions in May 2008. The assets of the scheme are held in a separate trustee administered fund. The employees themselves contribute a minimum of 3%. The Charity contributes twice that of the employee up to a maximum of 10% of pensionable earnings for participating employees.

The amount charged to the statement of financial activities during the year in respect of the group personal pension scheme was £148k (2018 - £132k). 61 employees contributed to the pension scheme during the year (2018 - 52 employees).

## 12. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

None of the trustees received any remuneration during the year (2018 - nil). Expenses were reimbursed or paid on behalf of 11 trustees (2018 - 11) for travel, accommodation and subsistence, totalling £7k (2018 - £6k).

Heather Lamont (chair of the Charity's investment committee) is also a Director, Client Investments of CCLA. At the balance sheet date the value of the Charity's investment in the CCLA COIF Charities Investment Fund was £53.3m. No fees were paid directly to CCLA.

No persons or entities that are closely connected to the Charity had any personal interest in any contract or transaction entered into by the Charity in the period.



### 13. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

	Freehold offices £000	Furniture & equipment £000	Total £000
Cost or valuation at 1 January 2019	1,250	318	1,568
Gain on revaluation	-	-	-
Acquisitions in the year	-	51	51
Disposals in the year	-	-	-
<b>At 31 December 2018</b>	<b>1,250</b>	<b>369</b>	<b>1,619</b>
Accumulated depreciation at 1 January 2019	18	215	233
Charge in year	18	51	69
Disposals in year	-	-	-
Revaluation	-	-	-
<b>At 31 December 2019</b>	<b>36</b>	<b>266</b>	<b>302</b>
<b>Net book value at 31 December 2019</b>	<b>1,214</b>	<b>103</b>	<b>1,317</b>
Net book value at 31 December 2018	1,232	103	1,335

The freehold offices were revalued and are stated in the financial statements at £1,250k being fair value (which was assessed by Allied Surveyors and Valuers at 31 December 2018). Their combined value on the historical cost basis is £1,649k.



## 14. INVESTMENTS – GROUP

	Investment funds £000	Investment properties £000	Total £000
<b>Unrestricted</b>	109,879	21	109,900
<b>Endowment</b>	216	-	216
<b>Restricted</b>	19	-	19
<b>Fair value at 1 January 2019</b>	<b>110,114</b>	<b>21</b>	<b>110,135</b>
Additions at cost	3,976	-	3,976
Disposals at fair value	(5,636)	-	(5,636)
	<b>(1,660)</b>	<b>-</b>	<b>(1,660)</b>
<b>Net investment (losses) / gains</b>			
Unrestricted funds	15,437	-	15,437
Endowment / restricted funds	38	-	38
	<b>15,475</b>	<b>-</b>	<b>15,475</b>
<b>Unrestricted</b>	123,656	21	123,677
<b>Endowment</b>	251	-	251
<b>Restricted</b>	22	-	22
<b>Fair value at 31 December 2019</b>	<b>123,929</b>	<b>21</b>	<b>123,950</b>
<b>Cost at 31 December 2019</b>	<b>98,412</b>	<b>2</b>	<b>98,414</b>
<b>Cost at 31 December 2018</b>	<b>99,158</b>	<b>2</b>	<b>99,160</b>



## (a) Investments – Charity

	<b>CABA Housing Limited £000</b>	<b>Investment funds £000</b>	<b>Investment properties £000</b>	<b>Total £000</b>
<b>Unrestricted</b>	650	109,879	21	110,550
<b>Endowment</b>	-	216	-	216
<b>Restricted</b>	-	19	-	19
<b>Fair value at 1 January 2019</b>	<b>650</b>	<b>110,114</b>	<b>21</b>	<b>110,785</b>
Additions at cost	160	3,976	-	4,136
Disposals at fair value	-	(5,636)	-	(5,636)
	<b>160</b>	<b>(1,660)</b>	<b>-</b>	<b>(1,500)</b>
<b>Net investment (losses) / gains</b>				
Unrestricted funds	(160)	15,437	-	15,277
Endowment / restricted funds	-	38	-	38
Impairment of asset	(100)	-	-	(100)
	<b>(260)</b>	<b>15,475</b>	<b>-</b>	<b>15,215</b>
<b>Unrestricted</b>	550	123,656	21	124,227
<b>Endowment</b>	-	251	-	251
<b>Restricted</b>	-	22	-	22
<b>Fair value at 31 December 2019</b>	<b>550</b>	<b>123,929</b>	<b>21</b>	<b>124,500</b>
<b>Cost at 31 December 2019</b>	<b>2,616</b>	<b>98,412</b>	<b>2</b>	<b>101,030</b>
<b>Cost at 31 December 2018</b>	2,456	99,158	2	101,616

The loan to CABA Housing Limited is shown net of relevant impairment provision.





## **(b) Investments – CABA Housing Limited (Company no. 01863595)**

The Charity owns 100% of its subsidiary CABA Trustees Limited which owns 100% of the ordinary share capital of CABA Housing Limited. The Charity guarantees the obligations of CABA Housing Limited, whose assets consist of one residential property, which was acquired in 1989 in exchange for the provision of an annuity. In 2016 the group was informed of the death of the sole occupier and annuitant of the property which was the subject of the annuity CABA Housing Limited had been providing. The property has been marketed for sale at £650k, however following a number of unsuccessful transactions an impairment review was conducted and the asset was reduced in value to £550k. On completion of the sale, CABA Housing Limited will cease to trade.

All assets and liabilities are shown as current.

<b>CABA Housing Limited</b>	<b>2019 £000</b>	<b>2018 £000</b>
Fixed assets	-	-
Net current (liabilities)	(2,063)	(1,803)
Non current liabilities	-	-
Turnover	-	-
Expenditure	160	120
Impairment of asset	100	-
Loss for year	260	120

CABA Trustees Limited (Company no. 01600366) was dormant at 31 December 2019 and 31 December 2018.

## **(c) Investments – Investment properties – Group and Charity**

The investment properties represent:

3 acres of land valued at £20k, which is let to Bracknell Forest Borough Council for use as allotments.

60 acres of land to be utilised as a country park for the benefit of the community is leased to Bracknell Forest Borough Council at no cost and has been valued nominally at £1k.

(See note 13 – Tangible fixed assets).



#### (d) Investments - Programme related investments - Group and Charity

	<b>2019 Loans to beneficiaries £000</b>	<b>2018 Loans to beneficiaries £000</b>
Loan book fair value at 1 January	205	241
Loans issued	27	27
Loans written off	(7)	(10)
Loans repaid	(32)	(86)
Fair value adjustment	(3)	33
Loan book fair value at 31 December	<b>190</b>	<b>205</b>

Programme related investments consist entirely of interest free concessionary loans secured by charges made by the Charity to beneficiaries. During the year the Charity made loans of £27k to 3 individuals (2018 - £27k to 5 individuals) and received repayments of £32k (2018 - £86k). The loans are assessed annually for objective indicators of impairment and are held at fair value. An impairment of £7k was made this year (2018 - £10k).

#### (e) Investments - Gains - Group and Charity

	<b>Group 2019</b>			<b>Charity 2019</b>		
	<b>Unrestricted funds £000</b>	<b>Endowment / restricted funds £000</b>	<b>Total £000</b>	<b>Unrestricted funds £000</b>	<b>Endowment / restricted funds £000</b>	<b>Total £000</b>
Unrealised	15,368	38	15,406	15,368	38	15,406
Realised	69	-	69	(155)	-	(155)
	<b>15,437</b>	<b>38</b>	<b>15,475</b>	<b>15,213</b>	<b>38</b>	<b>15,251</b>



## 15. CURRENT ASSETS

### (a) Debtors

	Group		Charity	
	2019 £000	2018 £000	2019 £000	2018 £000
Accrued income	668	609	668	609
Prepayments	129	163	129	163
Other debtors	181	14	181	14
	<b>978</b>	<b>786</b>	<b>978</b>	<b>786</b>

### (b) Property held for sale

During 2019 the property was marketed for sale and is shown at fair value see note 14 (b) for further details.

### (c) Cash and cash equivalents

	Group		Charity	
	2019 £000	2018 £000	2019 £000	2018 £000
Cash at bank	985	1,675	984	1,674
Short term investments	4,565	6,051	4,565	6,051
	<b>5,550</b>	<b>7,726</b>	<b>5,549</b>	<b>7,725</b>



## 16. CREDITORS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2019 £000	2018 £000	2019 £000	2018 £000
Trade creditors	142	179	142	178
Other creditors	21	21	21	21
Social security	53	50	53	50
Committed grants and donations	418	413	418	413
Accruals	391	352	392	352
	<b>1,025</b>	<b>1,015</b>	<b>1,026</b>	<b>1,014</b>

Committed grants and donations	2019 £000	2018 £000
Grant and donations commitments charged to the SOFA in the year (note 8)	1,432	1,289
Grants paid during the year	(1,014)	(876)
<b>Amount of grant commitments recognised at 31 December</b>	<b>418</b>	<b>413</b>

## 17. PROVISION FOR LIABILITY – GROUP AND CHARITY

	2019 £000	2018 £000
Provision for care home top up fees	11	34

A Provision has been recognised for the Charity's commitment to pay for care home top up fees as it is highly unlikely that the Charity would withdraw support once approved. Following research carried out by the Charity it was discovered that the average length of stay in a care home is 3 years. A commitment for this 3 year period has therefore been recognised in the financial statements for this long term support based on the number of individuals receiving top up fees and agreed level of funding at the balance sheet date. At the balance sheet date the Charity was supporting 2 individuals with care home top up fees (2018 3 individuals).



## 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP - CURRENT YEAR

Prior year comparatives are provided in note 22	Unrestricted funds general fund £000	Unrestricted funds revaluation reserve £000	Endowment funds £000	Restricted funds £000	Total £000
Tangible fixed assets	956	361	-	-	1,317
Investments	98,198	25,458	251	22	123,929
Investment property	2	19	-	-	21
Programme related investments	190	-	-	-	190
Cash and cash equivalents	5,493	11	12	34	5,550
Property held for sale	310	240	-	-	550
Other net liabilities	(58)	-	-	-	(58)
	<b>105,091</b>	<b>26,089</b>	<b>263</b>	<b>56</b>	<b>131,499</b>

### (a) Analysis of net assets between funds - Charity

	Unrestricted funds general fund £000	Unrestricted funds revaluation reserve £000	Endowment funds £000	Restricted funds £000	Total £000
Tangible fixed assets	956	361	-	-	1,317
Investments	98,748	25,458	251	22	124,479
Investment property	2	19	-	-	21
Programme related investments	190	-	-	-	190
Cash and cash equivalents	5,492	11	12	34	5,549
Other net liabilities	(59)	-	-	-	(59)
	<b>105,329</b>	<b>25,849</b>	<b>263</b>	<b>56</b>	<b>131,497</b>



## 19. UNRESTRICTED FUNDS - GROUP - CURRENT YEAR

Prior year comparatives are provided in note 22

	General fund £000	Revaluation reserve £000	Total £000
<b>At 1 January 2019</b>	107,854	11,655	119,509
<b>Decrease in resources</b>	(3,662)	-	(3,662)
	<b>104,192</b>	<b>11,655</b>	<b>115,847</b>
<b>Investment gains / (losses)</b>			
Realised	914	(845)	69
Unrealised	-	15,368	15,368
	<b>914</b>	<b>14,523</b>	<b>15,437</b>
<b>Other gains / (losses)</b>			
Realised	(15)	(2)	(17)
Unrealised	-	(87)	(87)
	<b>(15)</b>	<b>(89)</b>	<b>(104)</b>
<b>Fixed asset gains / (losses)</b>			
Realised	-	-	-
Unrealised	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2019</b>	<b>105,091</b>	<b>26,089</b>	<b>131,180</b>

### (a) Unrestricted funds - Charity

	General fund £000	Revaluation reserve £000	Total £000
<b>At 1 January 2019</b>	108,194	11,315	119,509
<b>Decrease in resources</b>	(3,540)	-	(3,540)
	<b>104,654</b>	<b>11,315</b>	<b>115,969</b>
<b>Investment gains / (losses)</b>			
Realised	690	(845)	(155)
Unrealised	-	15,368	15,368
	<b>690</b>	<b>14,523</b>	<b>15,213</b>
<b>Other gains / (losses)</b>			
Realised	(15)	(2)	(17)
Unrealised	-	13	13
	<b>(15)</b>	<b>11</b>	<b>(4)</b>
<b>Fixed asset gains / (losses)</b>			
Realised	-	-	-
Unrealised	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2019</b>	<b>105,329</b>	<b>25,849</b>	<b>131,178</b>



## 20. ENDOWMENT AND RESTRICTED FUNDS – GROUP AND CHARITY – CURRENT YEAR

Endowment funds are classified as permanent and the capital of these funds is held in perpetuity.

Except as shown in note 20 (b) all income is unrestricted.

**The Special Fund** – Created in 1887 to assist former long serving unqualified employees of Chartered Accountants and their dependants.

**The Caspar and Sidney Van de Linde Memorial Fund** – Created in 1908 to contribute to administration expenses.

**W. B. Peat Memorial Scholarship Fund** – Created in 1936 to assist with the education of children of beneficiaries.

Prior year comparatives are provided in note 22

### (a) Endowment funds – Group and Charity

	At 1 January 2019 £000	Investment gains / (losses)		At 31 December 2018 £000
		Realised £000	Unrealised £000	
The Caspar and Sidney Van de Linde Memorial fund	198	-	30	228
The W.B. Peat Memorial Scholarship fund	30	-	5	35
	<b>228</b>	<b>-</b>	<b>35</b>	<b>263</b>

### (b) Restricted funds – Group and Charity

	At 1 January 2019 £000	Income £000	Expenditure £000	Investment gains / (losses)		At 31 December 2018 £000
				Realised £000	Unrealised £000	
The Special fund	50	1	-	-	3	54
The W.B. Peat Memorial Scholarship fund	1	1	-	-	-	2
	<b>51</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>56</b>

Income is restricted and is applied in accordance with the respective terms of the trust indicated.





## 21. FINANCIAL COMMITMENTS

The Charity has committed to invest £4,064k in the Ardian AXA Secondary Fund VI in unspecified instalments. At 31 December 2019 £563k remained un-called. Under the terms of the agreement the Charity could be required to settle the outstanding liability in full during 2020.

In December 2019, the Charity entered into an agreement to purchase a freehold property in Rugby for £1.4m. A deposit of £140,000 was paid on exchange of contracts in December 2019 and is included in Other Debtors.

The transaction is due to complete in April 2020.

## 22. PRIOR YEAR COMPARATIVE STATEMENTS

### (a) Prior year Statement of Financial Activities

	Unrestricted funds £000	Endowment funds £000	Restricted funds £000	Total 2018 £000
<b>Income from:</b>				
Donations and legacies	402	-	-	402
Charitable activities	3,592	-	1	3,593
Investments	49	-	-	49
<b>Total</b>	<b>4,043</b>	<b>-</b>	<b>1</b>	<b>4,044</b>
<b>Expenditure on:</b>				
Charitable activities	6,488	-	-	6,488
Raising funds	214	-	-	214
Other	3	-	-	3
<b>Total</b>	<b>6,705</b>	<b>-</b>	<b>-</b>	<b>6,705</b>
<b>Net (expenditure) before gains on investments</b>	<b>(2,662)</b>	<b>-</b>	<b>1</b>	<b>(2,661)</b>
Net gains/(losses) on investments	(2,446)	(8)	(1)	(2,455)
Other losses	39	-	-	39
<b>Net income</b>	<b>(5,069)</b>	<b>(8)</b>	<b>-</b>	<b>(5,077)</b>
Gains on revaluation of fixed assets	225	-	-	225
<b>Net movement in funds</b>	<b>(4,844)</b>	<b>(8)</b>	<b>-</b>	<b>(4,852)</b>
<b>Reconciliation of funds</b>				
Funds bought forward	124,353	236	51	124,640
<b>Total funds carried forward</b>	<b>119,509</b>	<b>228</b>	<b>51</b>	<b>119,788</b>



## (b) Prior year analysis of net assets between funds – Group

	Unrestricted funds general fund £000	Unrestricted funds revaluation reserve £000	Endowment funds £000	Restricted funds £000	Total £000
Tangible fixed assets	974	361	-	-	1,335
Investments	98,944	10,935	216	19	110,114
Investment property	2	19	-	-	21
Programme related investments	205	-	-	-	205
Cash and cash equivalents	7,682	-	12	32	7,726
Property held for sale	310	340	-	-	650
Other net liabilities	(263)	-	-	-	(263)
	<b>107,854</b>	<b>11,655</b>	<b>228</b>	<b>51</b>	<b>119,788</b>

## (c) Prior year analysis of net assets between funds – Charity

	Unrestricted funds general fund £000	Unrestricted funds revaluation reserve £000	Endowment funds £000	Restricted funds £000	Total £000
Tangible fixed assets	974	361	-	-	1,335
Investments	99,594	10,935	216	19	110,764
Investment property	2	19	-	-	21
Programme related investments	205	-	-	-	205
Cash and cash equivalents	7,681	-	12	32	7,725
Other net liabilities	(262)	-	-	-	(262)
	<b>108,194</b>	<b>11,315</b>	<b>228</b>	<b>51</b>	<b>119,788</b>



#### (d) Prior year unrestricted funds – Group

	General fund £000	Revaluation reserve £000	Total £000
<b>At 1 January 2018</b>	108,933	15,420	124,353
<b>Decrease in resources</b>	(2,662)	-	(2,662)
	<b>106,270</b>	<b>15,420</b>	<b>121,690</b>
<b>Investment gains / (losses)</b>			
Realised	1,544	(1,776)	(232)
Unrealised	-	(2,214)	(2,214)
	<b>1,544</b>	<b>(3,990)</b>	<b>(2,446)</b>
<b>Other gains / (losses)</b>			
Realised	39	-	39
<b>Fixed asset gains / (losses)</b>			
Realised	-	-	-
Unrealised	-	225	225
	<b>-</b>	<b>225</b>	<b>225</b>
<b>At 31 December 2018</b>	<b>107,854</b>	<b>11,655</b>	<b>119,509</b>

#### (e) Prior year unrestricted funds – Charity

	General fund £000	Revaluation reserve £000	Total £000
<b>At 1 January 2018</b>	109,239	15,114	124,353
<b>Decrease in resources</b>	(2,545)	-	(2,545)
	<b>106,695</b>	<b>15,114</b>	<b>121,809</b>
<b>Investment gains / (losses)</b>			
Realised	1,460	(1,810)	(350)
Unrealised	-	(2,214)	(2,214)
	<b>1,460</b>	<b>(4,024)</b>	<b>(2,564)</b>
<b>Other gains / (losses)</b>			
Realised	39	-	39
<b>Fixed asset gains / (losses)</b>			
Realised	-	-	-
Unrealised	-	225	225
	<b>-</b>	<b>225</b>	<b>225</b>
<b>At 31 December 2018</b>	<b>108,194</b>	<b>11,315</b>	<b>119,509</b>



#### (f) Prior year endowment funds – Group and Charity

	At 1 January 2018 £000	Investment gains / (losses)		At 31 December 2018 £000
		Realised £000	Unrealised £000	
The Caspar and Sidney Van de Linde Memorial fund	205	-	(7)	198
The W.B. Peat Memorial Scholarship fund	31	-	(1)	30
	<b>236</b>	<b>-</b>	<b>(8)</b>	<b>228</b>

#### (g) Prior year restricted funds – Group and Charity

	At 1 January 2018 £000	Income £000	Expenditure £000	Investment gains / (losses)		At 31 December 2018 £000
				Realised £000	Unrealised £000	
The Special fund	50	1	-	-	(1)	50
The W.B. Peat Memorial Scholarship fund	1	-	-	-	-	1
	<b>51</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>51</b>



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