



GUILD OF BENEVOLENCE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Charity No. 208727

**The Guild of Benevolence of the
Institute of Marine Engineering, Science and Technology**
Annual Report and Financial Statements for the year ended 30 September 2023

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**The Guild of Benevolence of the
Institute of Marine Engineering, Science and Technology**
Annual Report and Financial Statements for the year ended 30 September 2023

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023

The trustees present their annual report and financial statements of the charity for the year ended 30th September 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and the Charities Statement of Recommended Practice (second edition) and Financial Reporting Standard FRS 102.

Organisation and Trustees

The governing body of the Guild of Benevolence is the Board of Trustees, which is elected by the members of the charity. Members of the Board are the trustees of the charity. The Board of Trustees meets a minimum of four times per year. The Board forms a sub-Committee or working parties from within its own membership to carry out specific managerial and organisational tasks. There are currently four sub-Committees.

The Guild Trustees who served during the year and the dates of their election to or retirement from the Board were as follows:

Prof M J C Crabbe CMarSci FIMarEST	Past Council Member of IMarEST	Chairman
N Darby BA FCA		Honorary Treasurer
P J Blacklock CEng CMarEng FIMarEST	Past Council Member of IMarEST	
A Campbell OBE JP MNM MSc BA FCMI		From 26/09/23
C Goldsworthy CEng CMarEng FIMarEST	Chief Executive of IMarEST	From 18/01/24
JG Hindmarch CEng CMarEng FIMarEST		From 30/03/23
Dr S Hussain CEng CMarEng FIMarEST	Council Member of IMarEST, Trustee of IMarEST	
R Keuning CEng CMarEng FIMarEST		
G Lewis	Chief Executive of IMarEST	Until 18/01/24
Eur Ing B McDearmid CEng CMarEng FIMarEST FIMechE MRINA		Until 30/03/23
M Murphy CEng CMarEng FIMarEST	Hon Treasurer and Trustee of IMarEST	
W N Paterson IEng IMarEng MIMarEST	Past Council Member of IMarEST	
Cdr W K Ridley CEng CMarEng FIMarEST		Until 30/03/23
Eur Ing P S Rickaby CEng CMarEng HonFIMarEST FCMI	Past President of IMarEST, Past Trustee of IMarEST	
Eur Ing E D Wilson CEng MIMarEST	Council Member of IMarEST, Past Trustee of IMarEST	

Mr O M A Akabat CEng CMarEng MIMarEST was co-opted to the Committee during the year. Co-opted members offer their time to help with meeting potential and existing beneficiaries, assisting with branch events, and bringing financial expertise to the committee.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023 (continued)

Objectives and activities for the public benefit

The charitable purpose of the Guild of Benevolence aims to assist generally in the relief of hardship for eligible applicants by making either regular grants to supplement very low incomes or by making one-off grants to assist in the purchase of items essential for the recipient's wellbeing, essential home repairs, and cost of respite care and with debt relief. The Guild of Benevolence also provides guidance over the phone, and where necessary arranging individual visits to claimants offering them help and guidance to solutions related to their individual problems.

The Guild of Benevolence is a constituent charity of the Merchant Navy Welfare Board (MNWB), and frequently marine engineers and their dependents, who are in need of help, are referred to the Guild from other maritime charities associated with the MNWB. Potential beneficiaries are also referred to the Guild by the Royal British Legion; The Soldiers, Sailors, Airmen and Families Association – Forces Help (SSAFA Forces Help); The Officers' Association; Occupational Benevolent Funds Association and local social services departments. Recommendations are also received from IMarEST members who, in the course of their professional or social lives, become aware of hardship cases. The Guild also advertises its services via the IMarEST and directly through the medium of maritime journals and charity directories.

Objects Clause

The Guild of Benevolence exists to provide benevolent services and grant relief to necessitous and deserving persons who are specified under its Rules, namely:

- past and present Members of the Institute and past and present Members of the Guild;
- marine engineers who possess or have possessed STCW Convention equivalent Class 1 or Class 2 Certificates of Competency issued by an IMO-recognised national maritime authority or Certificate of Competency issuing agency;
- any individual professionally engaged, now or in the past, in the marine sector as an engineer, scientist or technologist at a level eligible for IMarEST membership as a Fellow, Member or Associate;
- the wives, husbands, widows, widowers, partners, children and/or dependants of any of the persons referred to in the preceding.

In accordance with the Rules, the Board of Trustees is given sole discretion to decide who are proper subjects for relief and its decision shall be final and binding whether such subjects are covered or not by the descriptions in the Rules and its subrules.

The Guild operates for the public benefit under two charitable purposes as defined in the Charities Act 2011, namely: 'The Prevention and Relief of Poverty' and 'The Relief of those in need by reason of youth, age, ill-health, financial hardship or other disadvantage' by granting assistance to necessitous serving and retired Marine Engineers and Electrical Officers, past and present members and employees of the Institute of Marine Engineering, Science and Technology, the Guild of Benevolence and their dependents by making regular grants to supplement very low income; lump sum grants to assist with the purchase of costly items essential for the recipient's wellbeing and also assist with the costs of essential home repairs, respite care, essential and reasonable funeral expenses in excess of any state contribution and debt relief in accordance with its governing document "The 2020 Rules". The Charity was originally set up by the Institute of Marine Engineers and the Daily Chronicle Newspaper for the widows and orphans of the Engineering Staff of the Titanic, all of whom perished when the ship sank on 15th April 1912. The objectives and performance the Charity undertakes are as valid now as they were when it was first established and are clearly set out in this report. Trustees confirm that they have complied with the requirements of Part 2 Section 17(5) of the Charities Act 2011, having due regard to the public benefit guidance published by the Charity Commission.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023 (continued)

Fund Raising Policy

Fundraising is coordinated by the fundraising sub-committee and managed by the Guild's Committee of Management without recourse to professional fundraisers or third-party commercial entities. Individuals can become members of the Guild of Benevolence and pay a monthly or annual donation. Donations are also received from IMarEST members, IMarEST branch functions throughout the world, companies associated with the marine industry and individuals' response to the Guild's advertisements in selected marine publications. The Guild also sustains a regular income through a diversified investment portfolio and is occasionally the beneficiary of a legacy in remembrance of a loved one. Fundraising is presented in the accounts under Income and Endowments. The Trustees are aware of the UK Fundraising Regulator's Guidance, and are confident in their ability to comply and have received no complaints.

Achievements and Grants paid

The Trustees continue to take full advantage of the scheme set up by the Merchant Navy Welfare Board (MNWB) under which a trained caseworker from the Soldiers, Sailors and Airmen Families Association (SSAFA Forces Help) will, on request, carry out a home visit on behalf of the Guild. This may be either to help with the assessment of a new applicant, or to review the current circumstances of a regular beneficiary. This is an effective way of ensuring that all regular beneficiaries receive a home visit every three years from either a Guild representative, or a SSAFA caseworker. These home visits have identified several instances where the Guild has been able to provide much needed additional support. The Guild also uses Nautilus Caseworkers to visit new beneficiaries and to help with the annual beneficiary assessments.

By the end of the financial year, a total of 28 cases were considered. These included 5 new enquiries. The remainder were existing beneficiaries who receive regular grants as well as several who received a further grant to cover additional requests for help.

It should be noted that the Guild Administrator also responds to a wide range of general enquiries and requests for advice. In addition, a review of regular beneficiaries is also carried out annually, with one third being assessed every four months to spread the workload.

The total value of grants paid out during the year was £70,868 while the corresponding figure for 2021/22 was £79,338. 22 beneficiaries received a regular grant at the end of 21/22 and the figure was 24 at the end of the current financial year. There were 2 deaths during the year of long-term beneficiaries. All regular beneficiaries received a Christmas bonus of £125 to brighten the festive season. The cost of this benefit totalling £3,000 was funded from the existing funds of the Guild.

During the year, the Charity did receive part of a legacy payment. We did not receive any for the previous year. Donations increased, with £14,450 received from members and branches, as compared to £13,167 in the previous year.

Notwithstanding, the Trustees are still satisfied that the underlying financial strength of the Guild remains sufficient to maintain both the levels of regular support they currently award and the additional relief payments made in cases of severe hardship. Nevertheless, they realise that some restraint in the value of total grants paid each year may be necessary to avoid an unsustainable drain on resources and take great care to ensure that the limited resources are properly disbursed by providing a sensible balance between the needs of current and future beneficiaries.

In addition, the Trustees greatly appreciate the efforts made by members of the Guild and Institute to raise funds on behalf of the Guild at their social functions and other events held throughout the year.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023 (continued)

Financial Review

The Statement of Financial Activities (SOFA) on page 12 shows how the Charity obtains its funds and how those funds are used. An analysis of the incoming and outgoing resources of the Guild is disclosed in the Notes to the Financial Statements on Page 16. The SOFA shows that during the year there was a net increase in the Charity's funds of £192,910 as compared to a £425,207 decrease in the previous year.

During the year the Guild's incoming resources were derived from the following main sources:-

- Donations & gifts received from Members of the Guild, plus members and branches of the Institute.
- Legacies
- Interest and dividends generated by the Guild's investment portfolio.

All of the items listed above gave a total of Incoming Resources for the year of £229,845 as compared to £108,801 for the previous year. The largest change being with respect to an IMarEST Member who left a legacy to the Guild in his will.

Total Support and Administration Costs increased from £76,506 in 2021/22 to £82,300 excluding the rebate of investment manager fees. Details of all costs incurred during the year appear in Accounting Note 4. The Trustees are very conscious of the significant proportion of these costs in relation to the total funds available for charitable purposes and are making every effort to address this issue. Whilst the principal aim of the charity is to disburse funds to those in need, much good work is also done to provide guidance and assist clients in difficulty. Therefore, it is worthy of note that the results of work done by the Guild should not be measured purely in terms of the financial assistance provided.

Net gain on Investments was £105,079 compared to a £374,179 decrease in the previous year.

As at 30th September 2023 the market value of the listed investments was £3,182,711 whereas at the end of September 2022 the portfolio was valued at £3,100,440. The total income and realised and unrealised gains on the investment portfolio for the year appear on the Statement of Financial Activities on page 12.

The costs shown in the financial statements do not include the value of the voluntary services provided by Trustees and Guild representatives in the day-to-day work of the Guild. A value for this service is not included as the people who provide it do so at no cost to the Guild. However, if the Charity had to employ additional staff to carry out this work then support costs would increase significantly.

The Trustees wish to express their gratitude to all those who contributed to the Guild, especially Members of the Guild and members of the Institute throughout the world. The committees of several branches of the Institute also supported the Guild with donations from funds raised at their social events. Companies and members of the public also made donations to further the work of the Guild.

Investment Policy

The Trustees of the Guild of Benevolence have appointed Sarasin and Partners LLP to independently manage the Guild's investment portfolio. Sarasin and Partners LLP act on a discretionary basis within guidelines agreed with the Honorary Treasurer and the other trustees in furtherance of the objectives of the Guild. In essence, the investment managers are expected to achieve the best return on the portfolio, subject to acceptable risk. As the Charity awards grants, both regular and one off, to beneficiaries, there is a constant need for external income to minimize the amount of investment income drawn from investments to ensure adequate grant funds are available whilst maintaining a healthy investment capital into the future.

The principal investment vehicle for our funds is the Sarasin Endowments Fund Class A INC which is a Charity Authorised Investment Fund and has the benefits of being overseen by the Charity Commission. It also has the tax benefits of being a registered charity and the ability to have an independent advisory committee representing unitholders. Additionally, the CAIF structure includes improved regulatory oversight from the FCA and an exemption from VAT on fund management fees.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023 (continued)

Investment performance

In the period under report the market has continued to be both challenging and volatile. Returns from the major asset classes have been somewhat muted and has put pressure on both the income and net value of the Guild's portfolio. The regular income generated from the Endowments Fund has been £94,195 as compared to £93,734 in 2021/22 and has continued to provide sufficient funds to enable the Guild to maintain its level of grant making. The value of the investment portfolio despite significant movements during the year did remain relatively constant at the end of financial period at £3,182,711 as compared to £3,100,440 in 2021/22, an increase of 2.7%.

During the year, our investment managers have increased the exposure to bonds and equities whilst reducing exposure in property, alternatives, and cash as follows;

Asset Class	Benchmark	Last year	This year	Change	Comment
Fixed Income	15%	11.9%	15.7%	+3.8%	Buying corporate bonds at attractive prices
Equities	70%	63.4%	67.1%	+3.7%	Increased but not by enough
Property	5%	6.1%	4.0%	-2.1%	
Alternatives	10%	13.3%	9.2%	-4.1%	Reduced in favour of bonds
Cash	0%	5.3%	4.0%	-1.3%	Reduced in favour of bonds

Sarasin's remain confident that lower economic growth is the environment in which their focus on long-term thematic investments has historically flourished. But they are acutely aware that recent performance has been disappointing with the Guild's portfolio achieving an investment performance of 6.5% against a benchmark of 9.2% in the year ending 30 September 2023. However they continue to be positive that their balanced portfolio is well positioned in global leaders supported by robust thematic tailwinds, and that it will be rewarded with a premium stock market rating through the next phase of the economic cycle.

Bearing in mind the global economic situation, the Trustees remain concerned with the level of income generated and in the value of the investment portfolio. However, they continue to have confidence in our investment managers and their response to the economic situation during these difficult times.

Risk management

The principal risks faced by the Guild lie in the performance of investments and operational risks from ineffective grant making and the capacity of the Guild to make effective grants.

The trustees consider variability of returns on its Investments to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.

The risk of effectively making both one-off and annual grants is mitigated by a process involving an initial review performed by the Relief sub-committee as well as an annual review process. Both of which are then reviewed by the full Board of Trustees every quarter. A full-time member of staff is also employed to assist in this matter.

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Reserves policy

There are two fundamental objectives which the Guild's reserves should aim to achieve:

- a) Firstly, there is the ongoing aim to continue to pay regular grants for the foreseeable future.
- b) Secondly, there is the need for funds to support the current work of the Guild in assisting new applicants and ensure that this work will continue in the long term.

At 30th September 2023 the free reserves available for this work stood at £3,264,623 an increase of £192,910 when compared to the £3,071,713 as at the end of the previous financial year.

For many years the Guild's expenditure has significantly exceeded income. This is only acceptable when, over a reasonable period, the investment portfolio achieves a balancing capital growth to be realised to provide additional income. To this end every effort is being made to minimise non-essential administration costs

Plans for the Future

The Trustees are fully aware of

- the effects of increasing high inflation that affects both young and old
- an increasing aging population
- continued adverse changes in Welfare Benefits and
- the continued uncertainty in the world's economies

which may generate increased demand on the Guild's support at a time when the underlying financial strength of the Guild is weakened.

With this in mind, they continue to closely monitor this situation and seek ways of increasing the Guild's funding and raising its profile. They consider it their primary duty to deliver true public benefit in the long term and therefore need to achieve a proper balance between the needs of current beneficiaries and the needs of future beneficiaries.

The Trustees continue to encourage the recruitment of new trustees to ensure that the Charity remains relevant to the present and future needs of beneficiaries. In this respect, they believe they have been successful with a number of new trustees recruited again in the year under review.

The Trustees will, as far as possible, also continue to seek out those who would be entitled to receive benefits from the Charity but fail to apply either because of ignorance about the existence of the Guild or their reluctance to seek help from charitable institutions.

Structure, governance and management

The Guild of Benevolence of The Institute of Marine Engineering, Science and Technology is a charity registered under number 208727 and was created by a Declaration of Trust. The governing instrument is the current set of the Rules of the Guild of Benevolence.

The Charity, which was registered as a Charity on 26 June 1969 is governed by a set of Rules, which were originally written in May 1958. Since then, the Rules have been updated and the most recent set are contained in a booklet called "The 2020 Rules", which were approved by the members of the Guild in general meeting on 11 March 2021. Copies of the Rules are available from the Hon. Secretary at the address on page 3.

The Charity is managed by the full Board of Trustees, which comprises all the trustees. The Board normally meets every quarter. The Relief sub-committee of seven trustees has delegated powers to grant relief in cases of emergency between board meetings. Other sub-committees that report to the full Board of Trustees are the Finance, Fund Raising and the Governance and Audit sub-committees. A full-time member of staff employed by the Charity attends and assists the full Board of Trustees and its sub committees. Some assistance is also rendered by officers of the IMarEST for which the Charity pays a fee.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023 (continued)

Structure, governance and management (continued)

Trustees for the Charity are drawn from the membership of the Guild of Benevolence usually by word of mouth, but also from the publicity that the Charity receives via IMarEST publications. The Secretary and Honorary Treasurer of the IMarEST are ex-officio Trustees of the Guild. Trustees are elected by the members of the Guild in general meeting for a period of three years after which they are eligible for re-election for a further period of three years. Retiring trustees are then obliged to stand down for one year. The Honorary Treasurer is elected to an initial term of three years, after which he is eligible for re-election to a second term of three years. Following this, he can be re-elected on an annual basis to a maximum of twelve years' total service as Honorary Treasurer.

To be effective in office, Trustees of the Guild need a good understanding of the role and responsibilities of a charity trustee and must be aware of the legal rules on eligibility that govern such an office. All new trustees have their duties and legal, financial and managerial responsibilities and liabilities explained to them. They are informed about the Guild, its vision and values, its aims, programmes, sources of income, and the context in which it operates. They are also provided with a copy of the Guild's governing document. All this is adequately covered in the 'Reference Handbook for Trustees,' a copy of which is held by each trustee.

The Handbook is designed to provide trustees with sufficient information to enable them to take an active part in the work of the Guild and to contribute to discussions at meetings of the Board of Trustees. However, it is important for trustees to keep abreast of developments within the charities sector, and in particular, changes to legislation. Trustees are, therefore, required to attend relevant training conferences and seminars, particularly those conducted by the Merchant Navy Welfare Board. This is supplemented by in-house training should the need arise.

Voluntary services received from the trustees.

None of the Trustees received any remuneration during the period although some may have borne a measurable and quantifiable cost because of the time they donated to the Charity. Expenses only are paid to the trustees when they are claimed and, during the year under review in this report, expenses amounting to £112 were reimbursed (2022:£655). This reduction is due to more online virtual meetings.

The costs shown in the Financial Statements do not include the value of the voluntary services provided by Trustees and Guild representatives in the day to day work of the Guild. A value for this service is not included as the people who provide it do so at no cost to the Guild. However, if the Charity had to employ additional staff to carry out this work, the cost would be very significant.

Trustees also give their time to visit Branches and beneficiaries of the Guild wherever they can to assist in the generation of funds for the Guild or offer help and guidance to claimants, respectively.

Relationship with the IMarEST ("the Institute") and other charities

The Guild of Benevolence has a close working relationship with the Institute, which is an independent Charity. The Guild has certain charged services provided to it by the Institute. The charges made by the Institute during the year under review are included as part of Support Costs and Administration Costs in Note 4 to the Financial Statements on page 15. Whilst two of the Trustees are members of the Guild's Committee of Management by virtue of the offices they hold with IMarEST, the Institute has no overall control of the Guild. In pursuance of its Objects, the Guild of Benevolence has working relationships with other charities, in particular the Merchant Navy Welfare Board (MNWB) and their constituted charities and through them to the Soldiers, Sailors and Airmen Families Association (SSAFA), and the Seafarers' Advice and Information Line (SAIL).

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023 (continued)

Reference and administrative information

- **Address**
1 Birdcage Walk, London SW1H 9JJ. Telephone: +44 (0)20 7382 2644.
Email: guild@imarest.org
- **Legal Structure and charity number**
The Guild of Benevolence of The Institute of Marine Engineering, Science and Technology is a charity registered under number 208727 and was created by a Declaration of Trust. The governing instrument is the current set of the Rules of the Guild of Benevolence.

Independent Examiner

During the financial year under report, Buzzacott LLP was appointed as independent examiner.

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report has been approved by the trustees on 23 January 2024 and signed on their behalf by:



James Crabbe
Chairman



Neil Darby
Honorary Treasurer

Dated: 15 February 2024

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Independent examiner's report to the trustees of the Guild of Benevolence of the Institute of Marine Engineering, Science and Technology

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 September 2023.

Responsibilities and basis of report

As the trustees of the Charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act, and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with my examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- The accounts do not accord with those records; or

the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

- I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Edward Finch
Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 15 February 2024

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**STATEMENT OF FINANCIAL ACTIVITIES
for the year ending 30 September 2023**

		Total Funds 30 Sep 2023 Unrestricted	Total Funds 30 Sep 2022 Unrestricted
	Notes	£	£
INCOME AND ENDOWMENTS			
Donations, Membership & Legacies	2	135,650	15,067
Investment Income	3	94,195	93,734
TOTAL INCOME		229,845	108,801
EXPENDITURE			
Raising Funds	4	(6,368)	(7,876)
Charitable activities			
Grants paid to beneficiaries	4	70,868	79,338
Cost of providing the charitable activities	4	80,394	75,260
TOTAL EXPENDITURE		144,894	146,722
Net income available for charitable purposes		84,951	(37,921)
Movement in liability for regular grants	9	2,880	(13,107)
Net Gain/(Loss) on Investments		105,079	(374,179)
Net income / expenditure		192,910	(425,207)
RECONCILIATION OF FUNDS			
Fund balances at 1 October 2022		3,071,713	3,496,920
FUND BALANCE at 30 September 2023		3,264,623	3,071,713

All incoming resources and resources expended derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 17 form part of these financial statements.

**The Guild of Benevolence of the
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BALANCE SHEET
for the year ending 30 September 2023

	Notes	Total Funds 30 Sep 2023 Unrestricted £	Total Funds 30 Sep 2022 Unrestricted £
Fixed assets			
Investments	5	3,182,711	3,100,440
Total fixed assets		3,182,711	3,100,440
Current assets			
Debtors	6	45,000	2,369
Cash at bank		91,128	29,925
Total current assets		136,128	32,294
Liabilities			
Creditors: Amounts falling due within one year	7	4,989	8,914
Net current assets		131,139	23,380
Total assets less current liabilities		3,313,850	3,123,820
Provision for liabilities and charges			
Grants payable	9	49,227	52,107
Net assets		3,264,623	3,071,713
The funds of the charity			
Unrestricted income funds			
General funds		3,264,623	3,071,713
Total charity funds		3,264,623	3,071,713

The financial statements were approved by the undersigned on behalf of the committee on the dates shown. The notes on pages 13 to 17 form part of these financial statements.



James Crabbe
Chairman



Neil Darby
Honorary Treasurer

Date: 15 February 2024

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Accounting Policies

i. Basis of Accounts Preparation

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2015) issued in Sept 2015, applicable Financial Reporting Standards in the United Kingdom (FRS 102) and the Charities Act 2011. The Trustees have taken advantage of the disclosure exemption within update bulletin 1 not to produce a cash flow statement. The statements have been prepared under the historic cost convention, with the exception that investments are included at market value.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

ii. Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value can be measured with sufficient reliability.

- Donations are recognised as soon as there is entitlement, and the amount is measurable, and the receipt is probable. Monies include Gift Aid based on the amount recoverable at the accounting date.
- Pecuniary Legacies are recognised when probate is in place or when a cash payment has been received.
- Residuary legacies are recognised when probate is granted, a copy of the will has been received to confirm the Guild's entitlement, and there is sufficient information to value them.
- Reversionary interests involving a life tenant and contentious legacies are not recognised.
- Income from investments is accounted for when received.

Income from donations and grants is restricted in the following cases:

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

iii. Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust.

iv. Accounting Estimates and judgements – Grant Provision

In preparing the accounts, the Trustees are required to make estimates and judgements for any uncertainties that could impact the amounts reported. In doing so the Trustees have made assumptions as to the amount of provision that needs to be made for grant payments to beneficiaries. This provision is based on the actual quarterly grants paid in September, annualised for the year ahead. All cases are reviewed annually.

v. Irrecoverable VAT

The Guild is not registered for VAT and all VAT incurred on expenditure is charged against the category of resources expended for which it was incurred.

NOTES TO THE FINANCIAL STATEMENTS (continued)

vi. Allocation of overhead and support costs

Overheads and other costs that are not directly attributable to functional activity categories are apportioned over the relevant categories based on management estimates of the amount attributable to that activity in the year. The allocation of overhead and support costs is analysed in Note 4.

vii. Governance costs

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also independent examination costs, and any legal advice for the Board. All the costs of complying with constitutional and statutory requirements, such as the costs of the Trustees' meetings, and of preparing statutory accounts and satisfying public accountability, are also included.

xiii. Investments

Investments in stocks and shares are stated at bid-market price at the balance sheet date. Realised and unrealised gains on investments during the year are taken to the fund in which the investments are held.

ix. Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year-end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

x. Debtors, cash, and creditors

Debtors – Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

Creditors and provisions – Creditors and provisions are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**The Guild of Benevolence of the
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NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Donation & membership income

	2023 Total £	2022 Total £
Donations	14,450	13,167
Membership	1,200	1,900
Legacies	120,000	-
Total Donation & membership income	135,650	15,067

3. Investment income

	2023 Total £	2022 Total £
Listed investments	94,195	93,734
Total investment income	94,195	93,734

4. Resources expended

	Investment Management £	Grantmaking £	2023 Total £	2022 Total £
Grants paid to beneficiaries				
Beneficiaries in the period	-	70,868	70,868	79,338
Support costs				
Establishment costs (occupancy of offices)	620	11,780	12,400	12,362
Direct staff costs	-	53,488	53,488	52,762
Other Staff costs	-	7,448	7,448	6,043
Insurance	20	383	403	403
Trustees' costs & meeting expenses	-	174	174	915
Postages & telephones	-	183	183	42
Printing & stationery	-	1,168	1,168	900
Subscriptions/Advertisements	-	705	705	35
Sundry expenses	636	2,546	3,182	86
Investment Managers' fees (see Note 5)	(8,274)	0	(8,274)	(9,122)
Independent Examiners fee	520	2,080	2,600	2,312
Bank charges	110	439	549	646
Total Support costs	(6,368)	80,394	74,026	67,384
Total Resources Expended	(6,368)	151,262	144,894	146,722

All grants are made either direct to individuals, or via charitable agencies, to those who are deemed by the trustees to be necessitous and deserving persons in accordance with the objectives of the charity.

The majority of governance costs have been allocated to grant making, as this is where they spend most of their time.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Resources expended (continued)

Support and administration costs are allocated to the relevant activity based on management estimates of the amounts attributable.

The charity does not have any lease commitments as it uses space at the office of The Institute of Marine Engineering, Science and Technology.

During the period under review the Guild of Benevolence was managed on a day-to-day basis by the Chairman of the Guild, the Honorary Treasurer, and other trustees. None of these trustees received any remuneration during the period and they were not required to bear a measurable and quantifiable cost because of the time they donated to the charity. However, legitimate expenses are paid to the trustees when they are claimed and in the period under review. In 2023, 2 trustees claimed expenses (2022: 2).

	2023	2022
Trustees' expenses	£112	£655

Clerical assistance to complement the voluntary and unpaid work done by the Trustees is provided by a full time Administrator. In addition, the Institute provides financial and other administrative support services.

Volunteer contributions

During the year the charity received no small donations from its trustees (2022: 2)

5. Investments	Investment property	Listed investments	Cash held within the investment portfolio	2023 Total
	£	£	£	£
As at 1 October 2022	875	3,099,562	3	3,100,440
Additions to investments at cost		-	27,192	27,192
Disposals at cost	-	(39,275)	-	(39,275)
Unrealised gains	-	94,354		94,354
As at 30 September 2023	875	3,154,641	27,195	3,182,711

Investments totalling £50,000 were sold during the year, giving rise to a realised gain of £10,725.

The following investments are considered material in the context of the investment portfolio at 30 September 2023:

<u>Name of holding</u>	<u>Market value</u>	<u>Percentage</u>
Sarasin Endowments Fund Class A INC	3,154,641	99.15%

The Guild Investment continued to receive rebates for its management fees, total of £8,274 for the period ending 30 September 2023, (2022: £9,122).

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Debtors and prepayments	2023 Total £	2022 Total £
Debtors	-	-
Legacies receivable	45,000	
Gift Aid recoverable	-	2,369
	<u>45,000</u>	<u>2,369</u>

All debtors are due within one year.

7. Creditors due within one year

	2023 Total £	2022 Total £
Creditors	1,143	4,213
Accruals	3,846	4,703
	<u>4,989</u>	<u>8,914</u>

8. Related Party

The Institute of Marine Engineers, Science and Technology have charged the Guild of Benevolence during the year £18,800 as per management accounts document for year-end September 2023 (2022: £17,956) as the Guild operates from IMarEST London office at 1 Birdcage Walk and receives administrative support from the Institute.

9. Liability for Future Regular Grants

All regular grants are reviewed individually every twelve months and any new or continuation of existing grants is based on the annual review and made at the sole discretion of the Trustees. Although there is no legal requirement to continue any grant, the Trustees recognise that to accommodate any expectation in the minds of the beneficiaries and to accommodate a notice of termination of a regular grant, have therefore determined the potential liability for regular recipients to be £49,227 (2022: £52,107).