

**The Chartered Society of Physiotherapy
Members' Benevolent Fund**

REPORT AND FINANCIAL STATEMENTS

31 December 2021

Registered Charity No: 219568

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

TRUSTEES' REPORT

GENERAL INFORMATION

TRUSTEES:

Mrs J Brown
Mrs S England
Ms R Hawkes
Mrs H de Mello
Mr L Owers - Chair
Mrs M Richardson
Ms E Rogers
Miss A Skinner
Mrs D Toyn
Mrs A Botting – resigned July 2021
Mrs M Revie
Mrs R Yarnall

PRINCIPAL ADDRESS:

3rd Floor South
Chancery Exchange
10 Furnival Street
London
EC4A 1AB

AUDITOR:

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

BANKERS:

Lloyds TSB Bank Plc
25 Gresham Street
London
EC2V 7HN

INVESTMENT MANAGERS:

Newton Investment Management Ltd
160 Queen Victoria Street
London
EC4V 4LA

REGISTERED CHARITY NO:

219568

The Chartered Society of Physiotherapy Members' Benevolent Fund For the year ended 31 December 2021

TRUSTEES' REPORT (Continued)

The Trustees of the Chartered Society of Physiotherapy Members' Benevolent Fund (MBF) present their annual report and the audited financial statements for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and 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).

1 CONSTITUTION, AIMS, OBJECTIVES AND ACTIVITIES

The Members' Benevolent Fund is governed by a Scheme made by the Charity Commission on 12 December 1995 (to replace the original Trust Deed of November 1925), as amended by resolution dated 30 October 2014 and as amended by a Scheme dated 11 February 2015 and as amended by resolution dated 13 July 2018.

The Fund aims to relieve either generally or individually members of the Chartered Society of Physiotherapy (CSP) in conditions of need, hardship or distress. The Fund seeks to carry out its objectives for public benefit through providing advice and financial support to members of The Chartered Society of Physiotherapy.

The Trustees confirm that they have referred to the guidance provided by the Charity Commission on public benefit when reviewing the trust's aims and objectives and in the planning of its future activities.

2 STRUCTURE, GOVERNANCE AND ADMINISTRATION

The Members' Benevolent Fund is administered by up to twelve trustees appointed in accordance with the Scheme. The Trustees are set out on the preceding page. Trustees are appointed to the Scheme by the existing Trustees.

Upon joining, Trustees receive a comprehensive handbook and access to induction materials and sessions including Charity Commission guidance, training sessions with the investment managers, and a mentor.

The Trustees administer the Members' Benevolent Fund in accordance with the Scheme and the general rules prescribed by the Council of the Chartered Society of Physiotherapy. The Trustees review and approve all applications to the Fund.

Trustees are offered training where it is considered that it will enhance the skill set of the Board or where there is a specific training need.

The Trustees met four times during the year ended 31 December 2021 (via Zoom or hybrid – some Trustees attending face-to-face and some virtually). Trustees remained in close (and secure) on-line contact between meetings, to ensure the smooth and effective operation of the MBF.

The fund is constituted and governed independently of the Chartered Society of Physiotherapy. The Fund does not employ any permanent members of staff. Financial and statutory reporting services are provided to the Fund by the CSP. Otherwise all operational functions of the MBF are administered independently. Grant administration services are outsourced to Auriga Services Ltd.

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

TRUSTEES' REPORT (Continued)

3 TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the 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 & Wales requires the trustees to prepare financial statements for each financial 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 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 judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Scheme. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

4 POLICIES

Reserves	Reserves are maintained at a level that will generate sufficient investment income to fund that portion of the annual grants to beneficiaries not matched by incoming donations and legacies.
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All reserves are held as unrestricted and the Trustees consider that the year-end reserves balance of £3,835,495, of which £3,741,807 is held in investments, is sufficient to maintain their reserves policy.

Grants	Grants are made to successful applicants in accordance with the rules of the Scheme. As detailed below, financial grants are made as a matter of last recourse, after ensuring that applicants have claimed all State benefits to which they are entitled and after the provision of appropriate advice. All grants are reviewed on a regular basis and applicants are required to reconfirm their entitlements to grants annually.
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Investments	The Trustees aim to ensure that the Fund's investments generate income to enable the Fund to continue its activities, whilst generating capital growth. Investment performance is reviewed annually and returns are compared against the appropriate industry benchmarks.
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The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

TRUSTEES' REPORT (Continued)

5 RISKS

In order to maintain good governance, the Chartered Society of Physiotherapy Members Benevolent Fund (MBF) continues to adhere to its charity scheme and schedule by following best practice and guidance from the charity commission. As part of its governance policy, the MBF board of Trustees annually reviews the major risks to which the charity is exposed. The Trustees currently identify the principle risks as:

1. Changes to UK government policy in both the social care and health sectors, including changes to benefits and credits.

This could result in an increase of applicants and ultimately beneficiaries.

Changes to taxation regulations could also have an impact on the amount of donations to the charity.

Strategy; Monitoring of all sectors using outside agencies to assist with interpretation and guidance of changes to or new government policies.

2. Loss of investment Income.

The MBF has an investment profile which although medium to low risk is nevertheless dependent on current financial markets at any given time.

Strategy; The charity's investment portfolio is managed by an outside agency on behalf of the charity. The Trustees continue to monitor the performance of its investments to ensure sufficient income is generated to support the level of grants being made as well as investing any new substantial legacies.

3. Recruitment of Trustees with key roles and skills and in particular corporate knowledge.

Following completion of tenure or by retirement of a Trustee position there could potentially be a difficulty recruiting individuals with a specific required skill set as well as someone wishing to commit to the responsibility of a Trustee position.

Strategy; Succession planning is carefully monitored. Specialist knowledge and resources are shared. All policies and procedures are clearly documented and annually reviewed. These are accessible to all Trustees as well as a Trustee's handbook which clearly sets out Trustee responsibilities and liabilities.

4. The withdrawal of a substantial donation from a major stakeholder.

The CSP has placed a moratorium on its substantial annual donation for a further two years.

Strategy: To maintain a good relationship with the stakeholder at the same time reducing reliance on any financial support by managing current finances and investments and to continue to fund raise.

5. A breach of GDPR.

Strategy: There is a robust GDPR Policy in place that protects personal and sensitive data of both the applicants, beneficiaries and Trustee members consent procedure in place.

Other considerations

Since the year end the trust has faced the ongoing risks posed by the COVID 19 pandemic in terms of both the fall in value of the investments and also in the day to day administration of the trust in the provision of grants. This ongoing situation continues to be closely monitored.

The Chartered Society of Physiotherapy
Members' Benevolent Fund
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TRUSTEES' REPORT (Continued)

6 REVIEW OF THE YEAR

The CSP Members' Benevolent Fund (MBF), established in 1917, is now in its 105th year. It is governed by its Charity Scheme and Schedule (2015) and assists members and former members of the Chartered Society of Physiotherapy (CSP) who are experiencing conditions of need, hardship or distress.

2021 was another extraordinary and unexpected year for the MBF as was the case for the whole country. The technology of video conferencing enabled the operation of the MBF to continue uninterrupted. Trustees participated in 'virtual' meetings and grant making and all operational and governance business was completed as planned and required. The MBF Strategy project work-streams were delayed until March 2022 when it is hoped that face-to-face discussions will be possible.

Mrs Alison Botting stepped down from her role as Physiotherapy Trustee in July 2021 and appreciation was expressed by the Trustees for her contribution to the work of the MBF.

The Members' Benevolent Fund continued to work with Auriga Services as its administration partner. Auriga Services remain solely responsible for the administration of new applications and undertaking annual reviews with existing beneficiaries. The MBF application form has been updated further utilising the knowledge and experience of Auriga Services and to include revised application criteria agreed by the Trustees. New applications for support and completed review applications are administered by Auriga Services and detailed recommendations prepared for the Trustees to consider and make their decisions on. The MBF, through Auriga Services, is able to provide applicants and beneficiaries with access to additional services such as 'Welfare Rights Reviews' and 'Debt Advice' to help members move forward and resolve their financial issues. The two organisations have worked closely together to maintain the vision and mission of the MBF while offering the most appropriate assistance for those in need. The MBF was delighted to renew the contractual agreement with Auriga Services for a further three year term to December 2025.

The MBF continued to distribute the £35,000 grant received from the COVID-19 Healthcare Support Appeal (CHSA) for the support financial hardship arising from the ongoing COVID-19 pandemic.

The Trustees of the Members Benevolent Fund met quarterly, plus an additional combined Governance Meeting in April 2021. Officers (Chair, Vice Chair and Treasurer) remained in close contact at other times to enable rapid decisions to be taken. This included "Officers Action" (within agreed guidelines) when an urgent decision or response is required. Any "Officers Action" taken is always presented to and ratified by the Board of Trustees at the next quarterly meeting. The Finance Department of the CSP continue to provide financial services to the MBF including maintaining the accounts and making beneficiary payments by BACS on the Trustees' behalf.

The objectives of the Fund are to assist members, past and present, who are experiencing conditions of need, hardship or distress. The Trustees confirm that the guidance from the Charity Commission on Public Benefit has been reviewed when looking at our objectives and in planning future activities. We continue to work to raise our profile amongst the profession. The MBF continues to operate and update a standalone website for the MBF. The MBF has significantly increased its presence and activity on social media (Twitter) over the past year as well as having continued coverage of the work of the MBF in the CSP's 'Frontline' publication and its weekly email newsletter.

The governance agenda for the MBF continues, with a full set of policies and procedures in place which are reviewed annually or as necessitated.

Risk Management and Data Protection continue to be a high priority for the MBF and are reviewed regularly by the Trustees as an ongoing agenda item. An extra Trustees Governance meeting was held in April 2021 to give time for these important matters to be discussed fully. The MBF Risk Register has

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

TRUSTEES' REPORT (Continued)

6 REVIEW OF THE YEAR (Continued)

been developed in line with Charity Commission guidelines. Trustees continue to manage the retention of beneficiary information in line with the MBF Data Protection policy.

The MBF is actively developing a Strategy Plan for the next 5 years. The Trustees identified the following priority objectives:

- a) to develop a Communications plan in order to raise the MBF profile amongst members and other stakeholders;
- b) to evaluate the types of grant the MBF currently awards and identify new options and ways to support beneficiaries; and
- c) to increase applications to the MBF and the number of awards made.

The Trustees had planned to progress their work on these three objectives during 2020. However, as previously mentioned, due to the uncertainty of COVID-19, a unanimous decision was taken by the Trustees to postpone this work until March 2022 to enable Trustees to focus fully on core operations.

There were 9 new applications for support of which 2 were related to COVID-19 hardship and 7 due to other causes of difficulty. 16 beneficiaries received a regular monthly allowance and 6 were given a single grant. We continue to assist a further 8 members with ongoing problems from previous years. 6 beneficiaries were able to manage without MBF assistance and ceased to receive support during 2020.

Our aim is to reduce the stress on the beneficiary to enable recovery to both physical and mental health and an expedited return to work and optimal function. Families are supported through illness and other traumas enabling them to stay together. This can take the form of food vouchers, a monthly allowance or a one off grant. Members who are able to work are assisted until they are able to return to standard duties and earn their full income. The Trustees aim to ensure the beneficiaries feel supported by the MBF and Auriga Services act as the primary point of contact and support for MBF beneficiaries. No beneficiary received financial support for any purpose that the State provides and the MBF does not fund the repayment of debts.

The category of applications the Trustees have seen this year include members who are unwell or those experiencing family illness, relationship breakdown, personal injury, long term conditions and those who have experienced domestic violence, accidents or impacts of COVID-19.

2021 was another successful year financially for the Members' Benevolent Fund. Legacy income was £6,000 (2020: £91,101) and unless specifically instructed otherwise by the wishes set out in the will this is always invested in the Fund's investment portfolio. The dividend income from the portfolio was £77,099 (2020: £62,036), the £15,063 increase is largely attributable to the better portfolio performance. The CSP annual donation to the MBF of £42,000 remains suspended until 2024. At year end the Members' Benevolent Fund assets stood at £3,835,495 (2020: £3,284,391). The Trustees are continually looking to reduce the administrative costs of the Fund and this year has seen ongoing cost reductions in Trustee travel and operational meeting expenses, largely due to the virtual format of Trustee meetings. Going forward, the Trustees will be looking at the opportunities of using virtual meetings as a means of ongoing cost reduction whilst maintaining the benefits and value of face-to-face Trustee meetings.

Beneficiary allowances were regularly reviewed and we were able to assist all the applications that warranted assistance. The monthly allowances range from £50 to £250, depending on need and circumstances. The Trustees continued to provide one-off grants to some beneficiaries. All new applications are discussed in detail against a set of guidelines and following a recommendation from Auriga Services. Each beneficiary's support is reviewed annually as a minimum, but in certain circumstances these reviews can occur quarterly or six monthly. An additional seasonal gift of £100 was given to each beneficiary in December.

The Chartered Society of Physiotherapy
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TRUSTEES' REPORT (Continued)

6 REVIEW OF THE YEAR (Continued)

The Trustees agreed to continue with Newton Investment Management as MBF Fund Managers and continued to meet with them on a regular basis. BDO continue as MBF auditors. The Trustees express their grateful thanks to the Finance Team at the CSP for their assistance in administering the Fund's finances and preparing the statements for the quarterly Trustee meetings. The Trustees would also like to express their gratitude to Karen Middleton, Jon Mawby and all staff at the CSP for their support for the work of the MBF.

7 FINANCIAL RESULTS

The financial results for the year are set out in the attached financial statements.

Income for the year amounted to £119,652 (2021: £176,833) comprising legacies, investment income and donations.

Expenditure amounted to £83,296 of which £51,309 was paid out in support of beneficiaries (2020: £88,719, of which £60,799 was paid to beneficiaries).

The Fund's investment portfolio valuation increased by £514,748 to £3,741,807 (2020: £3,227,059). This increase was due to better performance of the investment portfolio. Cash at bank and in hand increased by £21,589 to £111,535 (2020: £89,946).

Total unrestricted funds represented by the General Fund increased by £551,104 to £3,835,495 (2020: £3,284,391).

8 FUTURE DEVELOPMENTS

The Members' Benevolent Fund is in a strong position for 2022 but the Trustees, mindful of the additional costs involved in the outsourced application process, the provision of money advice services from Auriga Services, the residual impacts of COVID-19 and the ongoing 5-year suspension of the annual CSP donation, have planned the budget accordingly. The Trustees provide a strong and experienced working team to enable the MBF to operate effectively and deliver its objectives in line with the Trust Schedule and Scheme. Working alongside Auriga Services the Trustees believe that the MBF can continue to offer a comprehensive and supportive service to members experiencing hardship and we continue to be ready to assist all eligible applicants.

9 FUNDRAISING

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts receivable are presented in our accounts as "voluntary income" and includes legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustees.

The charity is not bound by any undertaking to be bound by any regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice.

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

TRUSTEES' REPORT (Continued)

9 FUNDRAISING (Continued)

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds we do not have particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

10 PREPARATION OF ACCOUNTS ON A GOING CONCERN BASIS

MBF continues to prepare its accounts on a going concern basis. The objects of the charity are the relieving of hardship suffered by members of The Chartered Society of Physiotherapy (CSP), and MBF does not consider that these needs have decreased in any significant way during 2021 as a result of COVID, nor has there been a significant decrease in the number of applications for support.

MBF receives the majority of its income from investment dividends. In 2021, these stood at over 64% of total income, and were sufficient to support all grant-making. While the MBF prepares an annual budget, it also closely monitors investment dividends during the year and reforecasts based on the availability of funds. In addition the vast majority of the charity's expenditure is grant funding, which is fully in control of the charity and could be reduced or paused if the financial position indicates constraints.

In 2021, the rise of investment value and portfolio size increased total dividends by 24%, MBF still holds significant reserves in the form of its total investment portfolio. A forecasting exercise has shown that these reserves would be sufficient to continue high levels of grant-making in the longer term, even with a more significant fall in portfolio value. In addition a fall in value during the year was offset by the legacy as noted above. The majority of the charities investments are listed or equivalent, and as such could be converted into cash at short notice and used to support obligations as they fall due if needed.

MBF also receives income in the form of donated services from the CSP. The CSP primarily provide financial and administrative support, and MBFs grant administration is outsourced to Auriga Services. In response to the government restrictions on movement the CSP has mobilised all office-based staff to work remotely. In both respects MBF has seen its operations continue largely unaffected throughout 2021. MBF and the CSP have agreed a Memorandum of Understanding which outlines the operational support the CSP provides to MBF, the requirements of both parties to support the agreement, and how the agreement will be kept under review.

11 POST-BALANCE SHEET DISCLOSURES

The fair value of the assets and liabilities held by the MBF is increasingly uncertain, due to the economic impact of the situation in Ukraine. Since the balance sheet date the investments held by the MBF have seen a decrease in value of 9% although the market value continues to fluctuate. These movements have not been reflected within this set of financial statements and we have noted no rise in bad debt provision.

We continue to present our accounts on a Going Concern basis as detailed in the previous section on Going Concern.

12 DISCLOSURE OF INFORMATION TO AUDITOR

The Trustees, who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware.

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

TRUSTEES' REPORT (Continued)

12 DISCLOSURE OF INFORMATION TO AUDITOR (Continued)

Each of the Trustees has confirmed that they 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 it has been communicated to the auditor.

Signed on behalf of the Board of Trustees

Lawrence Owers

Lawrence J Owers

Chair, CSP Members' Benevolent Fund
22nd July 2022

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE CHARTERED
SOCIETY OF PHYSIOTHERAPY MEMBERS' BENEVOLENT FUND

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of The Chartered Society of Physiotherapy Members' Benevolent Fund ("the Charity") for the year ended 31 December 2021 which comprise the statement of financial activities, the 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).

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

Independence

We remain independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

The Chartered Society of Physiotherapy
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For the year ended 31 December 2021

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE CHARTERED
SOCIETY OF PHYSIOTHERAPY MEMBERS' BENEVOLENT FUND

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 require us to report to you if, in our opinion;

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks through our accumulated knowledge and consideration of sector information that is applicable to the Charity. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including but not limited to United Kingdom Generally Accepted Accounting Practice and the Charities Act 2011, The Health and Safety at Work Act 1974, Data Protection Act 2018, Bribery Act 2010 and tax legislation.
- We understood how the Charity is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes.

The Chartered Society of Physiotherapy
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INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE CHARTERED
SOCIETY OF PHYSIOTHERAPY MEMBERS' BENEVOLENT FUND

- We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur by discussing with management where it is considered there was a susceptibility of fraud relating to management override of controls and improper income recognition. In addressing the risk of fraud including the management override of controls, and improper income recognition we tested the appropriateness of journal entries and other adjustments; reviewed application of assessing whether the judgements made in making accounting estimates are indicative of a potential bias; tested the application of cut-off and revenue recognition, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We also communicated relevant identified laws and regulations, potential fraud risks and how and where this might occur to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

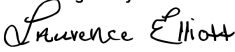
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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BDO LLP, statutory auditor
Gatwick, UK

Date: 09 September 2022

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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

The Chartered Society of Physiotherapy
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STATEMENT OF FINANCIAL ACTIVITY

		2021	2021	2021	2020
		£	£	£	£
	Note	Unrestricted funds	Restricted Funds	TOTAL	TOTAL
Income from:					
Donations	2	17,704	-	17,704	16,896
Legacies		6,000	-	6,000	91,101
Grants		-	18,849	18,849	6,800
Investments	3	77,099	-	77,099	62,036
				-	-
Total		100,803	18,849	119,652	176,833
Expenditure on:					
Charitable activities	4	(64,447)	(18,849)	(83,296)	(88,719)
Net gains/(losses) on investments	5	514,748	-	514,748	(11,015)
Net income		551,104	-	551,104	77,099
Net movement in funds		551,104	-	551,104	77,099
Reconciliation of funds:					
Total funds brought forward		3,284,391	-	3,284,391	3,207,292
Total funds carried forward		3,835,495	-	3,835,495	3,284,391

The notes on pages 17 to 21 form part of these financial statements.

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

BALANCE SHEET

	Note	2021 £	2020 £
Fixed assets:			
Investments	5	3,741,807	3,227,059
Current assets:			
Debtors	6	304	593
Cash at bank and in hand		111,535	89,946
		<u>111,839</u>	<u>90,539</u>
Current liabilities:			
Creditors falling due within one year	7	(18,151)	(33,207)
Restricted Funds			
Net current assets		<u>93,688</u>	<u>57,332</u>
Total assets less current liabilities		<u>3,835,495</u>	<u>3,284,391</u>
The funds of the charity:			
Unrestricted funds			
General fund		3,835,495	3,284,391
Total funds		<u>3,835,495</u>	<u>3,284,391</u>

The financial statements were approved on behalf of the Board and authorised for issue on 22nd July 2022.

On behalf of the Board of Trustees

Lawrence Owers

Lawrence J Owers

Chair, CSP Members' Benevolent Fund
22nd July 2022

The notes on pages 17 to 21 form part of these financial statements.

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

STATEMENT OF CASH FLOWS

	Note	2021	2020
		£	£
Cash flows from operating activities:			
Net cash (used by) / generated by operating activities		(55,510)	53,462
Cash flows from investing activities:			
Interest received	2	9	19
Dividends received	2	77,090	62,017
Payments to acquire investments	4	-	(88,000)
Net cash provided by investing activities		77,099	(25,964)
Change in cash in the reporting period		21,589	27,498
Cash at the beginning of the reporting period		89,946	62,448
Cash at the end of the reporting period		111,535	89,946
Reconciliation of net income to net cash flow from operating activities			
Net income for the reporting period		551,104	77,099
Investment income received	2	(77,099)	(62,036)
Decrease in debtors	5	289	703
Decrease in creditors	6	(15,056)	26,681
(Gains)/losses on investments	4	(514,748)	11,015
Net cash from operating activities		(55,510)	53,462

Net Funds Reconciliation

	1 January 2021 £'000	Cash Flows £'000	New finance leases £'000	Other non- cash charges £'000	31 December 2021 £'000
Cash at bank and in hand	89,946	21,589	-	-	111,535
Net Funds	89,946	21,589	-	-	111,535

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at fair value. In preparing the financial statements the charity follows best practice as laid down in 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) and the Charities Act 2011.

The CSP Members' Benevolent Fund constitutes a public benefit entity as defined by FRS102. No significant judgements or estimates were made in the preparation of the financial statements.

GOING CONCERN

MBF continues to prepare its accounts on a going concern basis. The objects of the charity are the relieving of hardship suffered by members of The Chartered Society of Physiotherapy (CSP), and MBF does not consider that these needs have decreased in any significant way during 2021 as a result of COVID, nor has there been a significant decrease in the number of applications for support.

MBF receives the majority of its income from investment dividends. In 2021, these stood at over 64% of total income, and were sufficient to support all grant-making. While the MBF prepares an annual budget, it also closely monitors investment dividends during the year and reforecasts based on the availability of funds. In addition the vast majority of the charity's expenditure is grant funding, which is fully in control of the charity and could be reduced or paused if the financial position indicates constraints.

In 2021, the rise of investment value and portfolio size increased total dividends by 24%, MBF still holds significant reserves in the form of its total investment portfolio. A forecasting exercise has shown that these reserves would be sufficient to continue high levels of grant-making in the longer term, even with a more significant fall in portfolio value. In addition a fall in value during the year was offset by the legacy as noted above. The majority of the charities investments are listed or equivalent, and as such could be converted into cash at short notice and used to support obligations as they fall due if needed.

MBF also receives income in the form of donated services from the CSP. The CSP primarily provide financial and administrative support, and MBFs grant administration is outsourced to Auriga Services. In response to the government restrictions on movement the CSP has mobilised all office-based staff to work remotely. In both respects MBF has seen its operations continue largely unaffected throughout 2021. MBF and the CSP have agreed a Memorandum of Understanding which outlines the operational support the CSP provides to MBF, the requirements of both parties to support the agreement, and how the agreement will be kept under review.

DONATIONS, LEGACIES AND OTHER INCOME

Donations, legacies and other income are recognised in the period in which the charity is entitled to the funds, receipt is probable and the amount can be measured reliably.

INVESTMENT INCOME

Investment income is recognized in practice in the period in which receipt is probable and the amount can be measured reliably.

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

NOTES TO THE ACCOUNTS (Continued)

1 ACCOUNTING POLICIES (continued)

RESOURCES EXPENDED

Grants to beneficiaries are accounted for at the point when grants have been communicated to the recipient.

Expenditure on raising funds comprise the costs incurred by the charity, or by an agent, in inducing others to make voluntary donations and are accounted for on an accruals basis.

Management & Administration costs comprise the costs incurred by the charity in its day to day operations. This includes the costs of the CSP finance team's support, and also the fees for grant administration services provided by Auriga Services Ltd.

Governance costs comprise costs incurred in constitutional matters, governance and support of the charity's objectives.

INVESTMENTS

Investments are included at closing Bid price at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

TAXATION

The Fund is a charity within the meaning of the Finance Act 2010 (schedule 6, paragraph 1). Accordingly the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by the Corporation Tax Act 2010 (part 11, chapter 3) or the Taxation of Chargeable Gains Act 1992 (section 256), to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

FINANCIAL INSTRUMENTS

The entity only holds financial assets and liabilities of a basic nature.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

NOTES TO THE ACCOUNTS (Continued)

2	Donated Income	2021	2020
		£	£
	Donated Services - CSP	14,845	14,649
	Donations - Other	2,859	2,247
		<u>17,704</u>	<u>16,896</u>

Donated Services represents financial and administrative support provided by the CSP at an estimated value of £14,845 (2020: £14,649). An equivalent charge is included under Management & Administration costs in Note 4.

3	Investment income	2021	2020
		£	£
	Interest received	9	19
	Dividends received	77,090	62,017
		<u>77,099</u>	<u>62,036</u>

4	Charitable activities	2021	2020
		£	£
	Grants to beneficiaries	51,309	60,799
	Audit fee	5,160	4,800
	Cost of Generating Funds	694	99
	Management & Admin	21,278	22,434
	Legal & Professional Fees	4,547	0
	Governance Costs	308	587
		<u>83,296</u>	<u>88,719</u>

Management & Admin costs include £14,845 (2020: £14,649) estimated value of financial and administration services provided by CSP to MBF. This amount is matched through a Gift in Kind of Donated Services.

Grants were paid to 22 individuals (2020: 37) in the year. No grants were made to institutions.

Trustees received no remuneration during the year. Trustees were reimbursed expenses, amounting to £308 by the Fund (2020: £587).

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

NOTES TO THE ACCOUNTS (Continued)

5 Investments	2021 £	2020 £
Market value at 1 January	3,227,059	3,150,074
Acquisitions at cost	0	88,000
Net gain/(loss) on revaluation at 31 December	514,748	(11,015)
Market value at 31 December	<u>3,741,807</u>	<u>3,227,059</u>
Historic cost of investments	<u>1,768,480</u>	<u>1,768,480</u>
The investments are managed by Newton Investment Management Limited. All investments held are listed.		
6 Debtors	2021 £	2020 £
Prepayments	304	593
Other debtors	-	-
	<u>304</u>	<u>593</u>
7 Creditors	2021 £	2020 £
Other Creditors	3,640	207
Accruals	5,160	4,800
Deferred Income	<u>9,351</u>	<u>28,200</u>
	<u>18,151</u>	<u>33,207</u>
8 Financial instruments	2021 £	2020 £
Financial assets		
Debt instruments measured at amortised cost	<u>111,535</u>	<u>89,946</u>
Total	<u>111,535</u>	<u>89,946</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>5,160</u>	<u>4,800</u>
Total	<u>5,160</u>	<u>4,800</u>

The Chartered Society of Physiotherapy
Members' Benevolent Fund
For the year ended 31 December 2021

NOTES TO THE ACCOUNTS (Continued)

9 Related Party Transactions

The Chartered Society of Physiotherapy Members' Benevolent Fund is one of two charities associated with the Chartered Society of Physiotherapy. The other is The Chartered Society of Physiotherapy Charitable Trust.

In 2021 the Society did not make any donations to the Members' Benevolent Fund (2020: £0). The Society provided financial and administrative services with an estimated value of £14,845 (2020: £14,649), at no cost to the Members' Benevolent Fund. As at 31 December 2021 £3,640 was owed to the Society (2020: £0).

10 Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	TOTALS 2021 £
Fund Balances at 31st December 2021 are represented by:			
Investments	3,741,807	-	3,741,807
Current Assets	102,488	9,351	111,839
Current Liabilities	(8,800)	(9,351)	(18,151)
Total Net Assets	3,835,495	-	3,835,495
Movement in the year			
Opening balance as at 1 January 2021	3,284,391	-	3,284,391
Total Income	100,803	18,849	119,652
Expenditure on Charitable Activities	(64,447)	(18,849)	(83,296)
Net gains on investments	514,748	-	514,748
Closing balance as at 31 December 2021	3,835,495	-	3,835,495
	Unrestricted Funds £	Restricted Funds	TOTALS 2020 £
Fund Balances at 31st December 2020 are represented by:			
Investments	3,227,059	-	3,227,059
Current Assets	62,339	28,200	62,339
Current Liabilities	(5,007)	(28,200)	(5,007)
Total Net Assets	3,284,391	-	3,284,391
Movement in the year			
Opening balance as at 1 January 2020	3,207,292	-	3,207,292
Total Income	170,033	6,800	170,033
Expenditure on Charitable Activities	(81,919)	(6,800)	(81,919)
Net gains on investments	(11,015)	-	(11,015)
Closing balance as at 31 December 2020	3,284,391	-	3,284,391