

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

**The Physiotherapy
Benevolent Fund**

Formerly The Chartered Society of Physiotherapy
Members' Benevolent Fund

REPORT AND FINANCIAL STATEMENTS

31 December 2022

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

TRUSTEES' REPORT

Registered Charity No: 219568

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 M Revie
Mrs R Yarnall resigned August 2022

PRINCIPAL ADDRESS:

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

AUDITOR:

BDO LLP
55 Baker Street
London
W1U 7EU

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 Physiotherapy Benevolent Fund For the year ended 31 December 2022

TRUSTEES' REPORT (Continued)

The Trustees of the Physiotherapy' Benevolent Fund (PBF) present their annual report and the audited financial statements for the year ended 31 December 2022. 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 Physiotherapy 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 Physiotherapy 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 Physiotherapy Benevolent Fund in accordance with the Scheme. The Trustees review and approve all applications to the Fund. Financial administration support is provided by The Chartered Society of Physiotherapy under the CSP's financial controls framework.

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 five times during the year ended 31 December 2022 (via Zoom or hybrid – some Trustees attending face-to-face and some virtually) (2021: four). Trustees remained in close (and secure) on-line contact between meetings, to ensure the smooth and effective operation of the PBF.

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 PBF are administered independently. Grant administration services were outsourced to Auriga Services Ltd during 2022 before being transferred to Hope 4U Limited from 1st January 2023.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

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	<p>Trustees have reviewed the general reserves considering the following:</p> <ul style="list-style-type: none">• The sources of income• Commitments to unrestricted expenditure in line with our corporate strategy and working capital requirements• Key risks in our corporate risk register <p>The Trustees discuss the reserves annually and confirmed the long-term reserves to equate to the total of the net assets.</p> <p>The expectation is that these reserves at the end of 2022 will continue to be sufficient given the size of the investments. This will help the charity to withstand a number of scenarios including increases to inflation and changing market environments.</p> <p>General reserves at 31 December 2022 decreased by £158,121 to £3,677,374. All reserves are held as unrestricted and the Trustees consider that the year-end reserves balance of £3,677,374, of which £3,649,689 is held in investments, is sufficient to maintain their reserves policy.</p>
Grants	<p>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.</p>
Investments	<p>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.</p>

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

TRUSTEES' REPORT (Continued)

5 RISKS

In order to maintain good governance, the Physiotherapy Benevolent Fund (PBF) 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 PBF board of Trustees annually reviews the major risks to which the charity is exposed. The Trustees currently identify the principal 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 PBF 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 the foreseeable future.

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 an unstable world geopolitical environment, 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 Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

TRUSTEES' REPORT (Continued)

6 REVIEW OF THE YEAR

The Physiotherapy Benevolent Fund (PBF), established in 1917, is now in its 106th 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.

2022 was another successful year for the PBF. Mrs Rosie Yarnall stepped down from her role as Physiotherapy Trustee in April 2022 and appreciation was expressed by the Trustees for her contribution to the work of the PBF.

The Physiotherapy Benevolent Fund continued to work with Auriga Services Ltd as its administration partner. Auriga Services Ltd remain solely responsible for the administration of new applications and undertaking annual reviews with existing beneficiaries. The PBF application form has been updated further utilising the knowledge and experience of Auriga Services Ltd and to include revised application criteria agreed by the Trustees. New applications for support and completed review applications are administered by Auriga Services Ltd and detailed recommendations prepared for the Trustees to consider and make their decisions on. The PBF, through Auriga Services Ltd, 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 PBF while offering the most appropriate assistance for those in need. The PBF was delighted to renew the contractual agreement with Auriga Services Ltd for a further three-year term to December 2025.

Unfortunately, soon after this renewal, Auriga Services Ltd advised the PBF that, for internal business reasons, they were terminating the agreement from 31st December 2022. Although unexpected and posing a significant operational challenge, the PBF were able to secure the services of a new Administration Partner, Hope 4U Limited, and operations were able to continue without interruption.

The PBF completed the distribution of 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 Physiotherapy Benevolent Fund met quarterly, plus an additional combined Governance Meeting in April 2022. 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 PBF 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 PBF continues to operate and update a standalone website for the PBF. The PBF continues to increase its presence and activity on social media (Twitter) over the past year as well as having continued coverage of the work of the PBF in the CSP's 'Frontline' publication and its weekly email newsletter.

The governance agenda for the PBF 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 PBF and are reviewed regularly by the Trustees as an ongoing agenda item. An extra Trustees Governance meeting was held in April 2022 to give time for these important matters to be discussed fully. The PBF Risk Register has

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

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 PBF Data Protection policy.

The PBF is actively pursuing 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 PBF profile amongst members and other stakeholders;
- b) to evaluate the types of grant the PBF currently awards and identify new options and ways to support beneficiaries; and
- c) to increase applications to the PBF and the number of awards made.

There were eleven new applications for support. Seven of these received a one-off payment and four received monthly payments, including one who was also assisted with their CSP membership subscription. Six beneficiaries from previous years ceased to receive support in 2022. We continue to assist other members with ongoing problems from previous years, including three who only receive membership subscription support.

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 PBF and Auriga Services Ltd (and subsequently Hope 4U Limited) act as the primary point of contact and support for PBF beneficiaries. No beneficiary received financial support for any purpose that the State provides and the PBF 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 long-term impacts of COVID-19.

2022 was another successful year financially for the Physiotherapy Benevolent Fund. Legacy income was £1,000 (2021: £6,000) 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 £78,104 (2021: £77,099). The CSP annual donation to the PBF remains suspended for the foreseeable future. At year end the Physiotherapy Benevolent Fund assets stood at £3,677,374 (2021:£3,835,495). The Trustees are continually looking to keep the administrative costs of the Fund low, however this year has seen higher travel and operational meeting expenses following a return to in person and hybrid 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 Ltd. Each beneficiary's support is reviewed annually as a minimum, but in certain circumstances these reviews can occur quarterly or six monthly. An additional winter fuel grant of £250 was given to each beneficiary in December.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

TRUSTEES' REPORT (Continued)

6 REVIEW OF THE YEAR (Continued)

The Trustees agreed to continue with Newton Investment Management as PBF Fund Managers and continued to meet with them on a regular basis. BDO continue as PBF 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 all staff at the CSP for their support for the work of the PBF.

PBF usually receives the majority of its income from investment dividends. During 2022 the St Thomas's Hospital Physiotherapy Association Charitable Trust (STHPACT) informed the PBF of its intention to close. The Trustees of the STHPACT felt that its objectives and those of the PBF were well aligned and advised of its intention to transfer its residual reserves to the PBF for the continuation of its work in supporting members of the profession experiencing hardship. This was completed and a total of around £107,000 was transferred to the PBF in 2022, including shares valued at around £32,000. The Trustees of the PBF expressed their enormous appreciation to STHPACT for this donation and for the trust which the Trustees had placed in work of the PBF.

7 FINANCIAL RESULTS

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

Income for the year amounted to £216,380 (2021: £119,652) comprising legacies, investment income and donations.

Expenditure amounted to £99,544 of which £57,285 was paid out in support of beneficiaries (2021: £83,296 of which £51,309 was paid to beneficiaries)

The Fund's investment portfolio valuation decreased by £274,957 despite acquisitions of £150,000 and £32,839 of donated shares, to £3,649,689 (2021: £3,741,807). Cash at bank and in hand decreased by £70,909 to £40,626 (2021: £111,535) but is still sufficient to meet the working capital needs of the Fund.

Total unrestricted funds represented by the General Fund decreased by £158,121 to £3,677,374 (2021: £3,835,495).

8 FUTURE DEVELOPMENTS

The Physiotherapy Benevolent Fund is in a strong position for the remainder of 2023 and beyond but the Trustees, mindful of the additional costs involved in the outsourced application process, the provision of money advice services from Hope 4U Limited, the residual impacts of COVID-19 and the ongoing suspension of the annual CSP donation, have planned the budgets accordingly. The Trustees provide a strong and experienced working team to enable the PBF to operate effectively and deliver its objectives in line with the Trust Schedule and Scheme. Working alongside Hope 4U Limited the Trustees believe that the PBF can continue to offer a comprehensive and supportive service to members experiencing hardship and we continue to be ready to assist all eligible applicants. Trustees are continuing to implement the projects detailed in the PBF Strategic Plan (updated in May 2022) which include Communications and Grant Development workstreams.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

TRUSTEES' REPORT (Continued)

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 Chair, Vice Chair and Treasurer, 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.

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

PBF 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 PBF does not consider that these needs have decreased in any significant way during 2022.

While the PBF 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 2022, despite the fall in value of the investment portfolio due, dividend income remained stable. PBF 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 partially offset by the donation from St Thomas's referred to 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.

PBF also receives income in the form of donated services from the CSP. The CSP primarily provide financial and administrative support. PBF and the CSP have agreed a Memorandum of Understanding in October 2021 which outlines the operational support the CSP provides to PBF, the requirements of both parties to support the agreement, and how the agreement will be kept under review, with the next scheduled review due in October 2024. PBFs grant administration was outsourced to Auriga Services Ltd throughout 2022 and subsequently Hope 4U Limited from 1 January 2023.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

TRUSTEES' REPORT (Continued)

11 POST-BALANCE SHEET DISCLOSURES

The fair value of the assets and liabilities held by PBF continues to be impacted by geopolitical events. Since the balance sheet date the investments held by PBF have seen an increase in value of 3%. 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. 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 J Owers
Chair, PBF
20th October 2023

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE
PHYSIOTHERAPY 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 2022 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 2022 which comprise the financial activity, 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. 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE PHYSIOTHERAPY
BENEVOLENT FUND (Continued)

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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing 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:

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE PHYSIOTHERAPY
BENEVOLENT FUND (Continued)

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charity and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, The Health and Safety at Work Act 1974, Data Protection Act 2018, Bribery Act 2010 and tax legislation.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of controls.

Our procedures in respect of the above included:

- Testing journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to income recognition and investments; and
- Testing the application of cut off on revenue for evidence that it was recorded in the correct period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

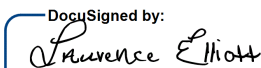
INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF THE PHYSIOTHERAPY
BENEVOLENT FUND (Continued)

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 Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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:


C9A7C7386A35456...
Laurence Elliott (Senior Statutory Auditor)

BDO LLP, statutory auditor

London, UK

Date 25 October 2023

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 Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

STATEMENT OF FINANCIAL ACTIVITY

		2022 £	2022 £	2022 £	2021 £
	Note	Unrestricted funds	Restricted Funds	TOTAL	TOTAL
Income from:					
Donations	2	127,862	-	127,862	17,704
Legacies		1,000	-	1,000	6,000
Grants		-	9,351	9,351	18,849
Investments	3	78,167	-	78,167	77,099
				-	-
Total		207,029	9,351	216,380	119,652
Expenditure on:					
Charitable activities	4	(90,193)	(9,351)	(99,544)	(83,296)
Net (losses) / gains on investments	5	(274,957)	-	(274,957)	514,748
Net (expenditure)/ income		(158,121)	-	(158,121)	551,104
Net movement in funds		(158,121)	-	(158,121)	551,104
Reconciliation of funds:					
Total funds brought forward		3,835,495	-	3,835,495	3,284,391
Total funds carried forward		3,677,374	-	3,677,374	3,835,495

The notes on pages 18 to 22 form part of these financial statements.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

BALANCE SHEET

	Note	2022 £	2021 £
Fixed assets:			
Investments	5	3,649,689	3,741,807
Current assets:			
Debtors	6	-	304
Cash at bank and in hand		40,626	111,535
		<u>40,626</u>	<u>111,839</u>
Current liabilities:			
Creditors falling due within one year	7	(12,941)	(18,151)
Restricted Funds			
Net current assets		<u>27,685</u>	<u>93,688</u>
Total assets less current liabilities		<u>3,677,374</u>	<u>3,835,495</u>
The funds of the charity:			
Unrestricted funds			
General fund		3,677,374	3,835,495
Total funds		<u>3,677,374</u>	<u>3,835,495</u>

The financial statements were approved on behalf of the Board and authorised for issue on 20th October 2023

On behalf of the Board of Trustees



Lawrence J Owers
Chair, PBF
20th October 2023

The notes on pages 18 to 22 form part of these financial statements.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

STATEMENT OF CASH FLOWS

	Note	2022		2021	
		£	£	£	£
Cash flows from operating activities:					
Net cash generated by/(used by) operating activities			925		(55,510)
Cash flows from investing activities:					
Interest received	3	62		9	
Dividends received	3	78,104		77,090	
Payments to acquire investments	5	(150,000)		-	
Net cash provided by investing activities			(71,834)		77,099
Change in cash in the reporting period			(70,909)		21,589
Cash at the beginning of the reporting period			111,535		89,946
Cash at the end of the reporting period			<u>40,626</u>		<u>111,535</u>
Reconciliation of net income to net cash flow from operating activities					
Net income for the reporting period			(158,121)		551,104
Investment income received	3	(78,166)		(77,099)	
Decrease in debtors	6	304		289	
Decrease in creditors	7	(5,210)		(15,056)	
Donation of shares	5	(32,839)		-	
Losses / (gains) on investments	5	274,957		(514,748)	
Net cash from/(used in) operating activities			<u>925</u>		<u>(55,510)</u>

Net Funds Reconciliation

	1 January 2022 £'000	Cash Flows £'000	31 December 2022 £'000
Cash at bank and in hand	111,535	(70,909)	40,626
Net Funds	<u>111,535</u>	<u>(70,909)</u>	<u>40,626</u>

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

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 the requirements 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 Physiotherapy 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.

These financial statements are presented in sterling, which is the Company's functional currency. All amounts have been rounded to the nearest pound, unless otherwise indicated.

GOING CONCERN

PBF 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 PBF does not consider that these needs have decreased in any significant way during 2022 nor has there been a significant decrease in the number of applications for support.

While the PBF 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 2022, despite the fall in value of the investment portfolio due, dividend income remained stable. PBF 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 partially offset by the donation from St Thomas's referred to in the Trustees Report. 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.

PBF also receives income in the form of donated services from the CSP. The CSP primarily provide financial and administrative support. PBF and the CSP have agreed a Memorandum of Understanding in October 2021 which outlines the operational support the CSP provides to PBF, the requirements of both parties to support the agreement, and how the agreement will be kept under review, with the next scheduled review due in October 2024. PBF's grant administration was outsourced to Auriga Services Ltd throughout 2022 and subsequently Hope 4U Limited from 1 January 2023.

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. Grant income is recognised when there is reasonable assurance that the charity will comply with any conditions attached to the grant over the period necessary to match them with the related costs for which they are intended to compensate, receipt is probable and the amount can be measured reliably.

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

NOTES TO THE ACCOUNTS (Continued)

1 ACCOUNTING POLICIES (continued)

INVESTMENT INCOME

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

RESOURCES EXPENDED

Grants to beneficiaries are accounted for at the point when grants have been communicated to the recipient, giving the recipient a valid expectation that they are entitled to the funds and there are no conditions associated with the award, which remains in control of the charity.

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. Any VAT costs charged are included within the expense to which the cost is related as PBF is not registered for VAT.

INVESTMENTS

Investments are included at market value at the reporting 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 Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

NOTES TO THE ACCOUNTS (Continued)

2 Donated Income	2022	2021
	£	£
Donated Services - CSP	15,595	14,845
Donations - Other	112,267	2,859
	<u>127,862</u>	<u>17,704</u>

Donated Services represents financial and administrative support provided by the CSP at an estimated value of £15,595 (2021: £14,845). An equivalent charge is included under Management & Administration costs in Note 4.

3 Investment income	2022	2021
	£	£
Interest received	62	9
Dividends received	78,104	77,090
	<u>78,166</u>	<u>77,099</u>

4 Charitable activities	2022	2021
	£	£
Grants to beneficiaries	57,285	51,309
Audit fee	6,240	5,160
Cost of Generating Funds	304	694
Management & Admin	28,824	21,278
Legal & Professional Fees	3,000	4,547
Governance Costs	3,841	308
Bank charges	50	
	<u>99,544</u>	<u>83,296</u>

Management & Admin costs include £15,595 (2021: £14,845) estimated value of financial and administration services provided by CSP to PBF. This amount is matched through a Gift in Kind of Donated Services.

Grants were paid to 38 individuals (2021: 22) in the year, including £9,351 of grant payments awarded from restricted Covid support fund (2021: £18,849). No grants were made to institutions.

Trustees received no remuneration during the year. Trustees were reimbursed travel expenses, amounting to £3,841 by the Fund (2021: £308).

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

NOTES TO THE ACCOUNTS (Continued)

5 Investments	2022 £	2021 £
Market value at 1 January	3,741,807	3,227,059
Donation of shares	32,839	-
Acquisitions at cost	150,000	-
Net (loss) / gain on revaluation at 31 December	(274,957)	514,748
Market value at 31 December	3,649,689	3,741,807
Historic cost of investments	1,951,234	1,768,480
The investments are managed by Newton Investment Management Limited. All investments held are listed.		
6 Debtors	2022 £	2021 £
Prepayments	-	304
Other debtors	-	-
	-	304
7 Creditors	2022 £	2021 £
Other Creditors	4,637	3,640
Accruals	8,304	5,160
Deferred Income	0	9,351
	12,941	18,151
8 Financial instruments	2022 £	2021 £
Financial assets		
Debt instruments measured at amortised cost	40,626	111,535
Total	40,626	111,535
Financial liabilities		
Financial liabilities measured at amortised cost	8,304	5,160
Total	8,304	5,160

9 Related Party Transactions

The Physiotherapy Benevolent Fund is one of two charities associated with the Chartered Society of Physiotherapy (CSP). The other is The Chartered Society of Physiotherapy Charitable Trust.

In 2022 the CSP did not make any donations to the Physiotherapy Fund (2021: £0). The CSP provided financial and administrative services with an estimated value of £15,595 (2021: £14,845), at no cost to the Physiotherapy Benevolent Fund. As at 31 December 2022 £6,479 was owed to the CSP (2021: £3,640).

The Physiotherapy
Benevolent Fund
For the year ended 31 December 2022

NOTES TO THE ACCOUNTS (Continued)

10 Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	2022 £
Fund Balances at 31st December 2022 are represented by:			
Investments	3,649,689	-	3,649,689
Current Assets	40,626	-	40,626
Current Liabilities	(12,941)	-	(12,941)
Total Net Assets	3,677,374	-	3,677,374
Movement in the year			
Opening balance as at 1 January 2022	3,835,495	-	3,835,495
Total Income	207,029	9,351	216,380
Expenditure on Charitable Activities	(90,193)	(9,351)	(99,544)
Net gains on investments	(274,957)	-	(274,957)
Closing balance as at 31 December 2022	3,677,374	-	3,677,374

	Unrestricted Funds £	Restricted Funds	TOTALS 2020 £
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