



**Registered Charity No. 313983**

***ICAEW FOUNDATION***

***and its linked charities***

**TRUSTEE'S ANNUAL REPORT**

**AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2023**

# **ICAEW FOUNDATION**

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### THE LINKED CHARITABLE TRUSTS AND THEIR SOLE CORPORATE TRUSTEE

The names and registration numbers of the ICAEW's charitable trusts linked with the Foundation on the Charity Commission website, and which although separately administered are accounted for as if they and the Foundation were a single charity, under the authority of a uniting direction from the Charity Commission, are as set out below:

313983-001	The Chartered Accountants' Charities Investment Pool (CACIP)
313983-002	P D Leake Trust (PDLT)
313983-003	Chartered Accountants' Trust for Education and Research (CATER)
313983-009	Chartered Accountants' Permanent Education Trust (CAPET)

The sole trustee of all these charities is Chartered Accountants' Trustees Limited (CAT). The directors of the Trustee company at present and those in office during the period covered by this report are:

William Arthur Bailey	Chairman until 4 June 2024
Richard Baylis	Appointed 4 June 2024
Shauna Bevan	
Michael Hicks	
Andrew Ratcliffe	Chairman from 4 June 2024
Susan Smith	Resigned 28 July 2023
Christopher Soan	Appointed 4 June 2024
Andrew Wauchope	

Further administrative information will be found on page 45.

The registered office of the trustee and principal office of each of the charities is:

Chartered Accountants' Hall  
1 Moorgate Place  
London EC2R 6EA UK

### PUBLIC BENEFIT AIMS

The trustee presents its annual report and financial statements for ICAEW Foundation (the Foundation) which include its linked charities for the year ended 31 December 2023.

The aim of the Foundation is to support and provide donations to bodies, charitable trusts or funds for the public benefit in areas which are of particular interest to the Institute of Chartered Accountants in England and Wales (ICAEW).

The aims of the linked charities (apart from CACIP which is CAT's collective investment vehicle) are as follows:

- CATER: the advancement of education, particularly in accounting and related subjects, by maintaining and operating the ICAEW Library and by supporting qualifying education and research projects initiated by the ICAEW and others;
- CAPET: the advancement of education, particularly in accounting and related subjects, by funding the prizes awarded through ICAEW's examinations and funding bursaries in accordance with the secondary objectives of the trust;
- PDLT: the advancement of the sciences of accounting and political economy, including public finance and taxation, by funding academic research projects and events.

When pursuing these public benefit aims and when setting annual objectives and planning future activities, the trustee has given due consideration to the Charity Commission's general and sub-sector guidance on public benefit.

### STRUCTURE, ORGANISATION AND MANAGEMENT

The Foundation is governed by a Deed of Trust last updated on 18 May 2007.

CATER is governed by an administrative scheme of December 1971 made by the Secretary of State for Education and Science. Chartered Accountants' Library Limited (CALL) is a wholly owned subsidiary trading company of CATER which became dormant at the end of 2018.

CAPET is governed by a Charity Commission scheme of October 1975.

PDLT (the 1952 will trust of the late Percy Dewe Leake) is governed by an October 1975 Charity Commission scheme.

CACIP, the investment pooling charity, is established and governed by a Charity Commission scheme of December 1996.

ICAEW is the beneficial owner of the shares of CAT, which has no corporate assets and is active only as sole trustee of the charities and so is dormant for accounting under company law. In accordance with IFRS10, however, the financial statements of all the charities administered by CAT are consolidated in ICAEW's financial statements.

Details of the charities' transactions with related parties are shown in the notes to the financial statements.

#### **Appointment of trustee's directors**

The appointment of directors of CAT is proposed by CAT's Board of Directors and approved by ICAEW's Nominating Committee.

#### **Term of appointment as a director of CAT**

The Articles of Association of CAT do not limit the term of appointment. However, by agreement with ICAEW, the trustee directors normally hold office for eight years at a maximum, and the chairman for five years maximum, having served at least one year as a trustee director before becoming chairman.

#### **Induction and training**

As part of their induction, new directors of CAT are given a briefing pack which includes information relating to the powers and responsibilities of CAT as a corporate trustee, copies of papers and minutes of board meetings, copies of annual reports and financial statements of the trusts and information relating to the work of the charitable trusts it administers. An opportunity is offered to new trustee directors to meet with the chair and existing trustee directors and members involved in managing the trusts to obtain briefing on the grant making process.

The trustee directors consider periodically whether further training on their role and responsibilities as directors is needed as part of their terms of appointment. Where it is considered appropriate, regular updates and training are provided in conjunction with the charities' investment, other advisers and other external sources.

#### **Directors' Meetings**

The trustee directors meet at least three times a year, in order to manage the charities, to review investment and financial performance, to assess new grant applications and to consider feedback and reports on previous grant awards.

The trustee directors have appropriate policies and procedures in place for managing any conflicts of interest arising in the course of its trusteeship.

#### **Key management personnel remuneration**

The CAT Board considers the trustee's directors and the Head of the Library & Information Services (LIS) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. The trustee's directors give their time freely. Details of expenses claimed and related party transactions are disclosed in notes 6 and 15 to the financial statements.

The pay of the head of LIS is borne by ICAEW and reviewed annually in accordance with the ICAEW remuneration policy.

### STRATEGY FOR ACHIEVING OBJECTIVES

#### Foundation

The trustee's strategy is to make grants for selected initiatives where the contribution made by the trust can make a positive difference to the outcome.

The initiatives supported within the trustee's ongoing aims and objectives can be summarised as follows:

- **Bursaries**  
Offering life-changing opportunities to talented individuals who may not otherwise have the opportunity to join the next generation of finance professionals.
- **Prizes**  
Rewarding academic excellence and outstanding contributions to society as an inspiration to others.
- **Research and PhD fellowships**  
Supporting high quality research that challenges perceptions of the future of accounting and finance.
- **Teaching fellowships**  
Fostering change in education, bringing to academic tuition the practical insight for which the profession is renowned.
- **Library services and heritage**  
Preserving and enhancing through CATER (see below) ICAEW's heritage that symbolises its position as a most highly respected professional body.

### GRANTMAKING AND POLICY

#### Foundation

Any applications for grants and bursaries are put to the CAT Board for approval via the Foundation office. If a bursary to a university is approved then a Memorandum of Understanding is signed by both parties.

#### CATER & PDLT

The trustee has a process for the review of grant applications. The Research Advisory Board (RAB) considers all grant applications for research projects and events and makes its recommendations to the trustee. Each grant application includes details of the purpose and contribution of the research project or event and a summary of expected expenditure under such headings as:

- staff costs
- travel costs
- research instruments and access to data sources
- other relevant specified costs

The RAB also commissions leading academics, from both the UK and around the world, to write papers and present on issues of key importance to the accountancy profession, particularly on aspects of financial reporting. An annual conference and lecture are both held at which these papers are presented before they appear in a special issue of the journal *Accounting and Business Research*. Requests for funding for the papers and events are put to the trustees in the usual way.

The RAB meets three times a year. It includes senior academics from various universities, including at least one overseas university, as well as other practitioner members. Where appropriate, members of the RAB personally interview the person or team making the grant application, and always obtain independent academic and practitioner reviews.

The trustee may at its own discretion accept or reject any grant application which has been considered by the RAB.

The charitable trusts are committed only to reimburse qualifying research expenditure incurred, together with buyout replacement teaching if appropriate.

The trustee encourages the publication and distribution of the grantees' research findings to the widest possible audience. This may be through ICAEW to its members and others or by other academic journals and external publishers.

The trustee gratefully acknowledges the assistance of ICAEW and its help in publicising the work of the charitable trusts.

# ICAEW FOUNDATION

## TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

CATER's budget for the ICAEW Library is formally reviewed with the Head of the LIS each year to review progress against budget, progress with ongoing development of the LIS and to agree priorities for the year ahead. The resources spent on this service in 2023 amounted to £729,000 (2022: £690,000).

### CAPET

The trustee's policy is to:

- assist with the general professional education of suitable persons who are preparing for, entering, or engaged in the profession of accountancy, such as by providing books or paying fees, subject to applicants meeting the trustee's criteria for grant eligibility.
- award prizes in connection with ICAEW's examinations.

### CACIP

This charity exists only to manage the pooled investments of the above charities administered by CAT.

## FUNDRAISING

### Foundation

The Foundation launched in 2007.

Actual donations totalling £46,250 (including gift aid and accrued income) were received during 2023. Total pledges since the launch of the Foundation, including legacies, donations and gift aid, stood at £2,927,853 at the end of the year.

Since the launch of the Foundation, actual donations (which mainly accrued to expendable endowment capital) received up to 31 December 2023, including gift aid, were £2,272,098 before investment returns, and can be categorised as follows:

	£
Funds to be used at the trustee's discretion	1,461,470
Bursaries	210,492
Prizes	110,378
Research	2,191
Library services and heritage	2,078
PhD fellowships	8,846
CABA awards	70,000
Combined Code Research Fund	104,783
PwC Flying Start Programme	100,000
Ernst & Young Smart Futures	36,000
Challenge 10 Initiative	38,140
Legacies	127,720
<b>Total</b>	<b>2,272,098</b>

The table below details the number of bursaries awarded by country to date:

COUNTRY	NUMBER OF BURSARIES AWARDED
UK	74
MALAWI	49
SRI LANKA	40
GHANA	19
CAMBODIA	10
HONG KONG	10
ZIMBABWE	10
LESOTHO	6
CYPRUS	3
<b>TOTAL</b>	<b>221</b>

### 2023 ACTIVITIES AND ACHIEVEMENTS

#### FOUNDATION

##### Grant funded activities

Historically, the Foundation made an annual award of £6k to Humentum to fund bursaries for its charitable training in accountancy to individuals working in non-governmental organisations. Over time, this pool of funds has built up and stood at £24k at the mid-year point. No additional grants have been awarded during 2023 but the trustees approved a reclassification of these funds to support financial skills training targeted within organisations as opposed to individuals with an aim to further the reach of the training provided. This has been very successful with an additional £10k being utilised by the year end. Humentum will report back to the board during 2024.

##### Grants awarded

The main strategic focus of the Foundation is the creation and granting of bursaries. New bursaries will be funded from the income generated on the investment of current donations or the release of expendable endowment. Total bursaries awarded during the year (net of write backs) were £194,000 (2022: £164,000). UK bursaries are usually awarded for a period of three or four years and are accrued in the accounts for the whole period in the first year when the bursary is approved. Therefore, the awards payable to UK universities shown in note 6 are for new bursaries, including amounts payable over future years.

#### ***The ICAEW Foundation Changing Futures Bursary Programme***

To date, the ICAEW Foundation *Changing Futures* bursary programme has supported eighty-seven undergraduate students of accountancy and finance in universities across the UK, and in Hong Kong and Cyprus.

- ICAEW members can see how their donations to the Foundation are making a real difference and having a positive impact. They may also be encouraged to engage with their local student.
- ICAEW Foundation is immensely proud of our work with students through the bursary programmes but we do need the support of our members to continue to grow our impact and reach.
- During the year, a new 4-year scholarship with the Chinese University of Hong Kong was signed. This will be entitled the "Paul Kwok Kin Cheng ICAEW Bursary" and will be fully sponsored by the family of the late Paul KK Cheng. Paul Cheng was extremely proud to represent the accountancy profession having been a longstanding member of ICAEW since 1976 until he sadly passed away last year. The family are sponsoring this scholarship as a way of continuing his memory and to help other aspiring professionals achieve their career goals within the accountancy profession.

Here are some of our student bursary recipient stories from this past year. You can read about the difference the bursary has made to these talented and ambitious individuals and how the educational experience has already nurtured and developed them.

##### ***Rebecca Callaghan – Queen's University Belfast***

Having concluded my second year at Queen's University Belfast, on reflection I can easily say that it was one of the best years of my life so far. Not only was I provided with life changing opportunities with regards to my future career and study, but I also got to enjoy the social aspect that university life has to offer and make lifelong friendships. Many of these opportunities have been made possible thanks to this generous scholarship and I cannot put into words how grateful I am.

This scholarship has enabled me to work less in my part-time job, allowing me to devote more time to my studies, which was particularly important this year, as due to timetabling issues associated with studying accounting and a language, I had to complete two thirds of my modules in the first semester alone. It also provided me with extra motivation when undertaking my five January final exams, despite having covid and lacking energy a mere two weeks prior.

In addition, this scholarship has also instilled in me a great deal of confidence, which proved to help in interviews for summer internships, which is highlighted by the fact that I was offered three internships with Deloitte, KPMG, and PwC. This sense of confidence has also enabled me to participate in events such as the Insight into Management programme, which provided me with an array of skills that will be extremely beneficial throughout my life and career, such as time management and teamwork, while also providing me with networking opportunities.

As I study accounting with Spanish it is a compulsory element of my degree to spend the third year abroad. I really wanted to be placed in the region of Valencia under the British Council scheme as an English Language Assistant, however it was stated that the payments in Valencia are unreliable and often don't come when expected. Consequently, it was advised to only submit Valencia as your region of preference when applying for the scheme if you had sufficient savings to help with living costs. Therefore, this scholarship has enabled me to live in my dream area of Spain as I was allocated to the city of Alicante. Furthermore, this scholarship has helped me with the setup costs of moving abroad, as well as other essential costs, such as my child protection certificate.

I have also been extremely fortunate to participate in many of the social events that university life has to offer, which has provided me with an all-round enriching student experience and has greatly contributed to my personal development and social skills, which I believe are extremely important to have as an accountant. This year I have attended both the Queen's Management formal, as well as the Modern Languages formal, which has allowed me to make connections, network with my classmates and fully participate in all aspects of university life. Additionally, after completing my exams in May, myself and three of my friends from my course travelled to Budapest. This experience has provided me with a global mindset and has strengthened my relationships with my peers.

Most notably, in June I completed a summer internship with KPMG in their audit department. As aforementioned this scholarship has allowed me to have the choice between three different highly regarded accounting firms to gain experience with, due to my interview skills which stem from the confidence I now have because of this scholarship. I also did an internship over the summer with KPMG last year in their deal advisory department, which helped me decide which firm I wanted to go to, as I thoroughly enjoyed my time here and was eager to return. At the start of July when finishing my internship, I completed an interview for a graduate role in the company's audit department. I was successful and hence I was offered a graduate job with them to train to become a chartered accountant and they also are sponsoring my master's degree in accounting to gain extra exemptions from the exams. I have now accepted this offer and I strongly believe that this scholarship has paved the way for this opportunity.

Therefore, I would like to conclude by thanking you for your generosity as it has facilitated my dream of becoming a chartered accountant and has ensured that I have had the best university experience possible.

### ***Taylor Loveridge – University of Gloucester***

As my academic journey is coming to an end it is important to recognise the support I had along the way. The financial aid I have received over the course of three years has been invaluable, particularly during my final year. The cost-of-living crisis has made it extremely difficult for students with the rise in food, school equipment, and many other prices. I frankly would not be able to afford to be student and without this crucial bursary would have deterred me going to university. Modules this year have been very arduous due to taking three strategic level ICAEW exam papers. Despite this I have risen to the challenge and on track to secure a first-class honours.

Advanced financial reporting was a specific module I found to be academically stretching. With it incorporating all content learnt, high level concepts and being one of the ICAEW papers. The academic written piece for this was interesting due to having to analyse a listed company and how they applied international accounting standard to the presentation of their financial statements. Social and environmental accounting was another notable module as it provided me with a broader understanding of the field and gave light into how the profession is helping solve issues in climate change and humanitarian issues. In this I produce a report critically evaluating a sustainability report of a company, going into great depth and providing recommendations.

I was privileged to be re-elected for my second year in a row as Course Representative. I assisted open days, taster days, work closely with the academic course leads, and be the voice for many students at my university. This further strengthened my soft skills, something that is important to develop before leaving education. My university put on networking events with local employers and institutions that really developed me skills in making connections and understanding the industry holistically. This is something I think all students should partake in as many times as they can.

Finding a job after university is a daunting task especially during these challenging times. The key to this I found was consistency and being yourself in interviews. After hundreds of applications, I was fortunate to secure a role as a Level 7 Finance Apprentice at UK research and Innovation. I am excited to start work and use my knowledge and skills I have acquired across the years.



To conclude, I am deeply grateful to the ICAEW and its esteemed members for granting me the foundation bursary, enabling me to forge invaluable connections with exceptional industry professionals and acquire skills that will leave a lasting impact on my journey.

### **Ben Avila Ulloa – Bayes Business School**

The following is an overview of my experience, achievements and overall wellbeing throughout the second year of my Accounting and Finance degree at Bayes Business School.

Having reached the second stage of the degree now, the workload, dedication and resilience required to attain the highest of grades has dramatically increased; an achievement I intend to reach. Unfortunately, alongside many hours of work, there exists numerous external difficulties that undoubtedly intensify the stresses of the student life. However, fortunately for me, the funding I have received has minimised this adverse effect. Examples of this are affording travel costs on the train most days of the week and to afford to bring in lunches, especially as inflation has driven up the costs of such necessities. Furthermore, purchasing textbooks, general reading books, notepads and stationery is no longer a burden to me and is one less barrier to studying as efficiently as possible. Also, I have been able to enjoy leisurely activities on a regular basis which is fundamental to unwinding from studying and keeping a clear mind.

As a result of the benefits I have received, I have achieved an average of a first class (70%) in all modules in term 1 and expect to attain the same average grade when I receive results for my second term. Although this is what I am aiming for, I still understand it is an incredible achievement and hence share my success with you. This has motivated me for my upcoming third year and I wholeheartedly believe I will graduate from the university with first class honours.

Once again, I am extremely thankful for the support that has been given to me.

### **Philip Gerakyyan – Bayes Business School**

Financially, the bursary has been instrumental in allowing me to focus on my studies without the constant worry of managing the financial aspects of my education. It has covered essential expenses such as tuition fees, textbooks, and materials, ensuring that I have all the necessary resources to excel in my coursework. The bursary has eased financial stress and provided me with the freedom to fully engage myself in my course.

The bursary has had a huge impact on my personal development. The recognition and belief has created a strong sense of self-confidence and motivation. These experiences have not only enriched my university life but have also honed my leadership skills, interpersonal abilities, and teamwork.

I am truly grateful to the ICAEW for their support, and generosity. It has been an enormous help. I am looking forward to the opportunities to come and to possibly giving back to others in need when I am able to.

### **Ronan Cupeva – University of Bristol**

As I approach my final year at the University of Bristol, I wish to express my enduring gratitude for the ICAEW scholarship, which has had a profound impact on my university experience. My appreciation remains as great as it was on the day I was first awarded it. It has undeniably transformed my university experience, allowing me to concentrate fully on my academic and career aspirations instead of extra part-time work.

This has led to my successful completion of a summer internship at PwC and receiving a full-time job offer once I graduate. Alongside this, I am proud to have finished my second year achieving higher than average in all my modules this year.

During the summer, I've also begun to focus my efforts on an initiative I've formed called 'OUR' (Opportunity for the Under-Represented) - The first UK organisation to support UK students from disadvantaged Eastern European and Balkan backgrounds towards their careers. 'OUR' seeks to connect these deserving individuals with professionals who can provide mentorship, alongside students participating in various events (both in-person and virtual), to serve as sources of inspiration. 'OUR' is in its early stages so is seeking mentors and organisations to collaborate in its mission to positively impact these young people's lives.

Thank you once again to the ICAEW for supporting me in another year of my studies and allowing me to pursue my professional interests.

### **Abigail Darko – Royal Holloway University of London**

Thank you for awarding me with this generous scholarship as it has greatly aided me in more ways than one.

Firstly, receiving the funding has really helped me focus on academic and non-academic progression at Royal Holloway. The money I received meant that I did not have to try and rush and get a quick part time job to pay for bills or living expenses but I rather took my time and waited and found work experience perfect for my career prospects. Because I took that time, I can happily say I found banking work experience within Santander, which has led me to be working there part time as a personal banker for over a year. I am licensed within the bank to help with dealing account queries, helping customers reach financial goals, fostering relationships with clients to meet their personal banking needs and increasing profits by cross-selling accounts and services. This has brought valuable experience/opportunities which I never thought I would have so early on. Furthermore, the stress relief on making money has been greatly reduced and I've taken a calmer pace with my studies. I am more focused on enjoying and understanding my subject without the burden of finances.

I started off two years ago studying Accounting and Finance, however due to the areas I was finding most interesting, I changed course and am now going into my second year of Financial and Business Economics. My favourite first year module has to be applied economics and policy. This focuses on key economic issues and introduces how economists think about current world problems such as economic growth, inequality, inflation, fiscal and monetary policy. I achieved a high 2:1 in this and hope to do even better next year. Secondly, the funding has also meant I could afford extracurricular activities at Royal Holloway such as the Cheerleading and Dance club. I have been in the club for two years and it has been one of the best decisions I have made, mentally and physically it is so good to have something you can do on the side of studies that can be a stress reliever. Furthermore, this year I have been granted the opportunity to be a Dance captain which I could not have gotten without this fund.

Currently I am very interested in doing investment banking in the future and so I will be looking at doing similar internships during summer 2024 at hopefully one of the top banks like J P Morgan or Deloitte. I will also be looking at other experiences I can do within Santander as I have an internal advantage which I am so grateful for.

To conclude, thank you very much for this fund as it has helped me set up my future in ways, I never thought I could.

### **Holly Swift – University of Manchester**

Firstly, I cannot believe I finished my second year. It feels so recent that I wrote my donor report at the end of my first year. My second academic year has been more challenging than my first, both with the content and managing the increased workload. Whilst at times it felt overwhelming, I feel it has allowed me to develop my time management skills – something which will benefit me next year in my industrial placement. I thoroughly enjoyed being able to have more control over my studies with optional modules, in particular Mergers and Acquisitions (M&A) from a Financial Perspective was a module which I loved. It was extremely interesting and inspired me to explore potential career paths regarding this area. I also enjoyed being able to do more finance-based modules, such as Financial Markets & Institutions. This module allowed me to create a basis for my financial understanding and helped me with other finance modules I took in my second semester.

I am immensely proud of myself for managing my modules, a weekend job, and placement application during my second year, even more so after successfully acquiring a placement at RSM as a Tax Assistant. This placement, which starts in September, is something I am extremely excited for. The opportunity to gain experience in an area I hope to go into after graduation will be so valuable to my personal development, especially with such a reputable firm. During my placement, I will spend 6 months respectively with the corporate tax team, and private client services. Being able to learn from professionals and explore what my future career may entail is something which I cannot wait for. I hope to do well, and be offered a graduate job, as RSM offer the joint ACA CTA programme which is something I want to go on to achieve after graduation.

My scholarship has enabled me to purchase the student bus pass, something which is essential for travel to university. Without the pass, I would not have travelled into campus as much and been unable to study as frequently in the Library. I feel if this was the case, my grades would have suffered along with my capacity to concentrate and separate studying from home life. I am extremely grateful; I love going to study on campus and at the Alliance Manchester Business School – it really helps me focus, especially around

exam season. Aside from the pass, it allowed me to purchase new study supplies such as books, stationary, and even formal clothing for my assessment centres – something which I could not afford to buy without the scholarship. Words cannot express my gratitude; I am so thankful for receiving this bursary. It has massively improved my student experience over the past two years, both academically and for my mental health. It has reduced stress of having to take on excessive shifts to cover my food and general living costs and meant that I could still commit wholly to my studies.

Thank you once again to everyone at the ICAEW Foundation.

### **Mohammad Fayzan Ashraf – University of Manchester**

I am a grateful recipient of the ICAEW Foundation Bursary, currently undertaking my Accounting degree at the University of Manchester. As this academic year draws to a close, I want to express my deepest gratitude for your support and share the beautiful experiences and opportunities your generosity has allowed me to have.

The beginning of the academic year was challenging, juggling a job and my studies. However, receiving the ICAEW Foundation Bursary has been a lifeline. With the financial support, I could significantly reduce my working hours, greatly easing my transition into university life. This gift of time has facilitated my academic focus and allowed me to build lasting friendships and fully immerse myself in the university experience.

Among the year's many highlights, one stands out – the chance to learn Spanish in Seville. Studying in Seville has been an extraordinary experience, pushing my boundaries and broadening my perspective. Living in a different country, learning a new language, and meeting diverse people from all around the world has been an incredibly enriching experience, made possible through the bursary you provided. Outside of my academics, I have participated in a weekly 6-a-side football competition every Thursday. Not only has it been a source of physical well-being, but it has also been a platform for me to connect with new people and foster friendships. This time for recreation, undisturbed by work commitments, was made possible because of the bursary's allowing me to significantly reduce my working hours and need for additionally money to support myself.

Looking toward the next academic year, I am filled with anticipation. The upcoming move into student accommodation will be a new chapter in my life, again, a change made significantly smoother by the bursary. Reducing my commute from 50 minutes to just five will be a game-changer, allowing me more time for studying, extracurricular activities, and social interactions. Regarding my academics, I am particularly excited about modules such as Financial Statement Analysis, which will deepen my understanding of accounting.

I cannot emphasise the profound impact of the ICAEW Foundation Bursary on my life enough. The financial support has not only eased my everyday stresses but also given me the freedom to engage in opportunities I could not have otherwise afforded. It has truly shaped my university experience, adding dimensions to it that go beyond academia.

To my donors, I want to express my heartfelt gratitude. Your investment in my education has done more than support my academic journey; it has enriched my life in ways I had not imagined. I am immensely grateful for your belief in my potential, and I assure you that I am, and will continue to, make the most of this incredible opportunity you have given me.

Thank you once again for the impact you have made. Your generosity inspires me, and as I move forward in my career, I hope to emulate it by helping others achieve their dreams.

### **Thomas Hill – Cardiff University**

It's been a while since I made my last update, and I've mainly been focusing on my work and beginning my revision for my exams. I've put in a lot of hours, and fortunately I'm feeling very confident heading into my second round of exams. I believe a substantial impact upon my mentality has been the financial support you've given me. It's allowed me to have a more generally relaxed attitude in all parts of life, as money isn't as tight meaning a heavy load has been relieved. It has given me a solid platform in which to learn and revise with less outside pressure. This, matched with the fact that my dad's condition has improved has set me in good stead to achieve the grades I desire in the following two months. I've sat one assessment since I was last in touch. It was a Microsoft Excel exam, as part of my Professional Skills for Accountants module, where I achieved a mark of 84 out of 100 (no doubt at least partly a result of the alleviation of pressure that came with your financial aid), and consequently attained Microsoft Excel Certification, an

achievement which I am very proud of. It has not only equipped me with important skills to apply within the Accounting Profession, but also bolstered my CV to show that I'm a capable excel user, and proficient in IT.

During the past weeks, and particularly during the Easter Break, I was able to have a think about my future career path, where I researched a variety of jobs in the financial sector. One career that stuck out to me above all else was Forensic Accountancy. I inadvertently became aware of it while writing a report on Business Ethics, while I was researching a number of various accounting scandals, such as the infamous Enron scandal. The job description of finding evidence of crimes and aiding insurance companies or law enforcement agencies in catching perpetrators was one that I'm sure most would find thrilling, but I also appreciated the very important role Forensic Accountants play in society, maintaining a fair and just world where large corporations can't misreport earnings and mislead the public, for example. It's important to me that my future profession is one that I can be proud of, and one that adds value to society, so I can visualise myself pursuing this path further during my future. To close the report, I'd like to make my gratitude clear once more. It's hard to put into words the full scope of my appreciation, but know that due to your help I've been able to achieve a strong balance in studying and caring for my father, all while maintaining a clearer and more comfortable frame of mind, which has been conducive to greater academic success and, in truth, a more enjoyable life where I also can afford to do nice things with my friends, family or girlfriend, with less weighing on my conscience.

Thank you, so much.

### **Owen Ingram – Nottingham University Business School**

Receiving a bursary from the ICAEW during my first year at university has been a blessing. Being raised by a single parent, finances have always been a concern; however, thanks to the bursary I have been able to ease the burden on both myself and more importantly my family since I am now capable of living financially independent.

The bursary has been a great help to me in improving my studies. It allowed me to focus less on having to get a part-time job and more on my studies, which has allowed me to attain 2:1's or higher in all my modules. Thanks to the ICAEW, the level of stress and anxiety I usually feel during exam time were greatly decreased. Through the bursary I was able to buy the resources, such as textbooks, necessary to improve my understanding of modules and therefore increase my confidence for my end-of-year exams, having an overall positive effect on my mental health.

One module I especially enjoyed was the fundamentals of financial management and accounting; The interactive teaching as well as the difficulty of the module allowed me to truly push myself. Thanks to the bursary, I had enough time to focus on understanding the intricacies of the module and overall enjoy it. The time and effort I applied allowed me to achieve an 86% result on my exam.

During the holidays, I went back home and spent time on activities that were separate to my education but also crucial for my personal development. The bursary assisted me in getting my driver's license by helping me pay for the costly driving lessons. I am therefore very thankful to the ICAEW for aiding me in my future, as I believe being able to drive is a necessity. Without the bursary, I would not have been able to travel to various regions of Europe over the summer. As a result, it has helped my education and given me the opportunity to widen my horizons and learn more about the world.

I would like to thank the ICAEW for its generosity and financial support as without it I would have never been able to achieve both the great results in my exams, as well as the growth I have had as a person. I have had several great memories throughout my first year of university and I will never forget the kindness given to me that has allowed me to obtain them.

### **Huang Xuanrong – The Chinese University of Hong Kong**

Entering the second year of college life, the academic pressure continues unabated. I still get overwhelmed and anxious with lots of group assignments, papers and tests. But what has improved is that I have gradually figured out the rules of college life and can better deal with various affairs. I know that even if you are extremely busy, as long as you arrange things in an orderly manner, tasks can be gradually completed. I realized that refusing to procrastinate and starting to do the tasks as soon as possible can reduce anxiety, which can be regarded as the achievement of my mentality construction.

In terms of academic achievements, this semester I focused more on my studies and for the first time surpassed myself with a GPA of over 3.3 in my sophomore year. Although it's not a major accomplishment, it's enough to motivate me to continue working hard.

In terms of extracurricular activities, this year I also participated in a business case competition with my friends. We participated in J.P. Morgan's virtual bank competition, which was more formal and challenging than any competition I had participated in before. Although we didn't win any awards, the experience taught me to view the business world with a more professional perspective, and I learned a lot about finance and the business environment. Moreover, through interacting with my teammates, we helped and encouraged each other, which gave me a sense of belonging and friendship, which are "precious treasures" I obtained.

Regarding career planning, I tried to send out resumes to apply for internships. In the process of selecting internship companies, I have gained a deeper understanding of accounting positions and the recruitment process of companies. My future plans have become clearer. Although I don't know the final result or whether I have a chance of being accepted, I still want to encourage myself for taking the first step in job-seeking.

Thank you again for the generosity from ICAEW Foundation.

### ***The ICAEW Foundation Building Futures Bursary Programme***

Our Building Futures bursary programme, for students of new professional accountancy qualifications across Africa and Asia has allocated funds for 134 bursaries since its launch in 2015.

#### **MALAWI (ICAM)**

In 2022, the new Professional Qualification (PQ) administered by ICAM was launched. The overall vision of the PQ is for an increase in qualified accountants and for it to be a locally focused qualification but one that maintains internationally accepted standards as this is an essential part of improving investor confidence and the climate for investment. During 2022, Trustees approved £5,178 to support 6 students with the cost of registration, tuition and exam fees and study manuals for the Level 1 exam. The start of this project was slightly delayed and payment was made at the end of 2023.

#### **GHANA (ICAG)**



Khadijah Iddris was previously featured in our foundation video in 2018 and has received support from the ICAEW Foundation throughout her PhD studies in finance, her ultimate ambition being that of becoming a lecturer in the subject. We are proud to report that Khadijah was awarded her PhD during the year, gaining top marks when presenting her viva. Her thesis was titled 'Foreign Bank Presence, Financial Development, Inclusive Growth and Foreign Direct Investment in Africa'.

#### **CAMBODIA (KICPAA)**

The first ever Cambodian professional accountancy qualification (ATQ), due to launch in 2020, was delayed predominantly due to the impact of Covid 19. Nearly all students have been heavily impacted over the past three years as not only were they unable to get the usual part-time jobs to fund their studies but in addition, all universities/colleges remained closed throughout 2020 and only reopened at the beginning of 2023.

# ICAEW FOUNDATION

## TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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£25,500 was approved in 2020 to support forty students over 2 years studying the new ATQ. This finally launched and the first instalment of £12,750 was paid in January 2023 with the second instalment due to be paid in the first quarter of 2024.

### ZIMBABWE (ICAZ)

In 2010 ICAEW signed a reciprocal membership agreement (RMA) with ICAZ which was renewed in 2012 and again in 2023.

During 2022, trustees approved a total of £8,306 to support 5 students through the second and third years of their accountancy qualifications. The bursary scheme gives students who are facing economic hardship an opportunity to obtain relevant degrees and train to become Chartered Accountants, delivering against the Sustainable Development Goals (SDGs) by allowing social mobility and gender balance.

All five students successfully passed and completed their Year 2 exams and have commenced Year 3.

During the year, trustees approved £825 per student, total cost £4,125 to fund for the fourth and final year university costs. This will be paid early in 2024.

### SRI LANKA (CASL)

ICAEW has worked with CA Sri Lanka (CASL) for more than 20 years and signed the first recognition agreement with them in 2010 which set out an expedited route to membership for appropriately qualified members of both bodies. This was renewed in 2014, 2018 and again in 2023.

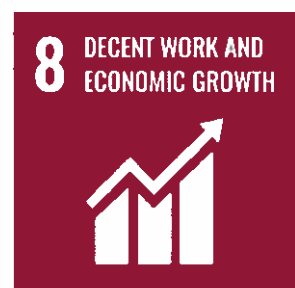
During 2022, Trustees approved £34,360 during the year to support 20 students for two years on the Joint Student Scheme. Providing good graduates in economic hardship an opportunity to become ICAEW Members, thus providing them with international employment opportunities, provide an important milestone in the ICAEW-CASL partnership and raise ICAEW's and the ICAEW Foundation's profile in Sri Lanka. This scheme commenced slightly later than anticipated at the start of 2023. Due to the success of this scheme, trustees approved an additional 20 bursaries during the year to commence in 2024 at a total cost of £35,000.

Since launching the Joint Student Scheme, ICAEW has delivered several workshops, both face-to-face and virtually to promote the scheme to students; approximately 105 students have joined to date, including 10 from a previous bursary funded by ICAEW Foundation. These students are currently pursuing ICAEW Advanced Level exams and are expecting to qualify as ICAEW members in 2024.

ICAEW have also received high levels of support from the big four and key firms in Sri Lanka who are keen to help ICAEW and CASL to promote this route to their existing and future trainees.

### UN Sustainable Development Goals

As the world increasingly focuses on the importance of the UN Sustainable Development Goals (SDG's), we too continue to collaborate and work together with our partners to help contribute to their own achievement aims.





We are conscious of how the objectives and work of the ICAEW Foundation contributes to achieving Goals 3, 4, 5, 8, 10 and 13.

As a member of the Association of Corporate Foundations and 60<sup>th</sup> signatory to their Funders' Commitment on Climate Change, we continue to play our part for climate action by launching our annual essay competition to motivate students and recently qualified members to consider how the profession can act on the climate crisis. This was a resounding success in 2023 and due to the high calibre of entrants, the judges not only awarded a first prize but also awarded four highly commended prizes.

The next competition seeking answers to the question, "Accountants as Climate Champions: why and how should the profession lead on climate action?" was launched early in 2024.

Our Building Futures bursary programme, for students of new professional accountancy qualifications across Africa and Asia continues to promote and assist in social mobility and gender balance.

### **CATER LIBRARY AND INFORMATION SERVICE**

The Library & Information Service (LIS or 'Library') supports the current and future research needs of the accountancy profession by collating and preserving information and by providing an enquiry and research service. LIS also supports ICAEW by delivering a quality benefit to ICAEW Members.

For 150 years the Library has been the only Library in the United Kingdom to have comprehensively collected material in this sector, effectively creating a national Library of accountancy, including plenty of material not held by The British Library. The Library remains one of the world's largest and most important collections of material for the accountancy profession.

In 2023 the Library has continued to thrive, adapting to the impact of a continued move away from print by publishers while embracing the opportunities to improve remote access to the rich ICAEW back catalogue through our growing digital archive. In our physical spaces we are noticing a change in footfall patterns and how visitors are making use of the space as new ways of working emerge.

The year to date has brought about some fresh challenges, such as the rapid adoption of artificial intelligence tools, which have changed the way that users seek and request information. The Library teams are playing a part in ICAEW projects tackling this new information revolution and anticipate this will be an area we have to focus on in 2024.

Improvements to the experience for Library users have included the implementation of a new, much improved catalogue interface for users, which was scheduled for launch in the first quarter of 2024, and a redesign of the ICAEW Library website. At the same time, improvements are being made to the documents stored in our digital archive to help make the content more findable.

#### **LIS management and structure**

The Library collection (including third party digital information resources), and supporting software system and catalogue, are maintained and operated by CATER on behalf of ICAEW and the wider public. There are currently 5.6 full time equivalent staff posts funded by CATER for this purpose.

In May 2023 two new starters joined the Library team. To meet the increasing demand for resource in digital archiving we recruited a Digital Archivist to support the Digital Archive Manager. The post of Library Resources Assistant, supporting the Resources Manager, was also filled after being vacant since 2021.

The Library staff operating the Enquiry Service and looking after the Library website are currently funded by ICAEW rather than CATER. ICAEW funded staff report to directors in Belonging & Supporting and in Digital & Publishing respectively.

CATER staff continue to contribute to the answering of enquiries, gaining valuable knowledge that feeds into stock selection and cataloguing.

The Rare Books collection, an asset owned by ICAEW, falls outside the remit of CATER. However, the Library team help to manage and support this collection.

### **Enquiry, Document Delivery and Loan Services**

The LIS information professionals provide a valuable business information research service to members and the profession. The Enquiry Service remains a popular point-of-contact for members. The team handled and resolved 10,053 queries this year.

The Library Enquiry Service is managed by the Library Enquiry Team, funded by ICAEW, and operated in collaboration with CATER funded Library staff. After a period of short staffing, a new Information Executive joined in March from the Institute of Directors who has rapidly become a very valuable and much appreciated addition to the enquiry team.

### **Business Centre**

Post-Covid working practices have led to a notable difference in footfall patterns across the week in the Business Centre as well as a visible change in how the Library space is being used by members (for example, more members taking part in remote team meetings via their own laptops in the Business Centre).

An increasing number of businesses are moving away from traditional office space to co-working spaces such as WeWork, including those of ICAEW members. London has seen some of the strongest growth worldwide in these flexible workspaces coming out of the pandemic (flexible workspaces contributed to 35% of commercial property transactions in London in 2020). Several visitors have commented that this is making them look at the Business Centre in a new way – as a premium flexible working space with the added value benefit of books and online resources on hand.

### **Enquiries**

The enquiry team has recently trialed complementing the ICAEW Technical Advisory Services (TAS) team; providing a 'first line' webchat support. This experience has added to the Library enquiry team's accountancy knowledge and working relationship with TAS. It has also increased awareness of the Library service among members.

Client screening remains the most popular service offered by the enquiry team, accompanied by queries on taxation, model documents and company information.

On top of our more common historical enquiries, such as firm histories, 2023 has seen some particularly interesting and in-depth historical enquiries. Memorable examples range from assisting a PhD researcher with his research into the role of chartered accountants in the secret service during WWII, to helping a lead historian for English Heritage with his research into the architecture of Chartered Accountants Hall for an article that appeared in *Country Life* in December 2023. This led to several highly informative trips to the London Metropolitan Archive to consult with the Institute's historical records.

Customer satisfaction surveys for 2023 showed that 94% of Library & Information Service users found the service was easy or fairly easy to use which echoed the results from 2022. The appreciation for the service provided by the enquiry team is reflected in 250 exceptional compliments received by the team across 2023.

Many users commented on how impressed they were that their requests were dealt with by information professionals with the expertise to understand and deal with their needs, then supply exactly the information that was required. One example from April 2023 read "May I say this is a fantastic service: clearly knowledgeable, highly efficient and delightfully managed."



### **CATER collection and digital resources**

The Library is a modern, hybrid service comprising of a physical collection of loan and reference material, and a suite of online, third-party resources to support user needs. Most of the physical collection is held at an offsite warehouse in Milton Keynes.

The Resources team manage the life cycle of resources in the Library collection from acquisition to disposal, covering both print to digital. The majority of ICAEW publications are now captured in digital format rather than added physically to the collection, reducing the resources needed to process and shelve them.

Print books are purchased to support the demand from the Library loan service, and we continue to subscribe to print journal titles. However, expenditure on print resources is continuing to fall as publishers cease to produce print material as they move to digital-only models.

### **Supply of digital resources**

Third party online resources are a key component of our hybrid collection and now accounts for over 80% of CATER's annual budget for Library stock/resources. Many of our larger licence contracts are agreed on a multi-year basis, in order to secure discounts. This has meant, that despite recent high inflation rates, our 2023 online resource costs have not suffered severe price hikes.

### **Warehouse store**

The ICAEW warehouse, where the majority of the Library collection is stored, was secured with a five-year lease renewal in 2022.

Staff have been able to make more visits to the Milton Keynes warehouse, where the majority of the Library collection is stored. A project is underway to tidy and reorganise the materials held there to make space for newly archived materials.

### **Usage and development of online resources**

Work to increase the visibility of third-party resources licensed by the Library on the ICAEW website continued through 2023. The Library web pages on journals were redesigned and updated to better highlight the breadth of our print and online collections. Signposts to journal titles have also been added to relevant topic pages throughout ICAEW.com.

A project to use third party resources licensed by the Library to update articles from the Business and Management Faculty magazine was completed in 2023. By the end of the year 238 articles (out of 715) had been updated, providing further reading through the databases where most value could be added.

In 2023 we have seen that requests for the full text of articles and eBooks through the Business Source Corporate Plus database have gone up by 24.9% (from 15,547 to 19,417 downloads).

### **Stock cataloguing**

The Library catalogue provides detailed records of the electronic and print resources held by the Library, including all ICAEW-produced documents, and abstracts of relevant journal articles. The catalogue supports the Library Enquiry Service and the website, with the aim of helping our users find and use our collections.

This year has seen more balance return to the work of the team following the disruption of the pandemic. The team are continuing to adapt to digital cataloguing, documenting changes to processes, while also adding links from the catalogue to electronic versions of publications that have moved to the digital archive.

Earlier this year we undertook a review of journals that we abstract from and have started adding relevant articles from a number of academic titles to enhance Library visibility amongst the academic community. We have also started to plug certain gaps in abstracting from academic material from the 2015-16 period.

### **Enterprise – our new discovery platform**

The team are working with our suppliers, SIRSI, to install a new discovery platform, Enterprise, which will replace the iLink platform that was launched in 2004. The new discovery platform offers many benefits to users including:

- A more responsive design to work with all devices.
- Enhanced search functionality using fuzzy search algorithms and relevance ranking.
- More intuitive search including search suggestions based on trending topics.

- Clearer displays and easier navigation.

The new platform was delivered for testing and development at the end of 2023 with the expectation of a launch in early 2024. The new platform will run side-by-side with the old platform during a transitional period while links are switched over, ensuring no disruption to users.

### **CATER stock valuation**

It was agreed that the CATER collection will be insured for £900,000. In practice, the unique nature of the collection means that many of the books would not be replaceable.

### **Digital Preservation**

The Digital Archive project is an initiative aimed at creating a digital repository capable of accommodating all born-digital materials released by ICAEW into the public domain, as well as providing future capacity for the digitisation of material from the Library's print collection.

The Digital Archive includes resources such as help sheets, technical releases, press releases, AGM papers, magazines and regular snapshots of the ICAEW website. By preserving these assets, the project plays a vital role in reinforcing the Library's mission to capture and disseminate organisational knowledge for the benefit of researchers.

### **Project progress**

There are currently two main strands to the project – preservation of publications and documents on the Preservica platform and website captures using the Archive-IT platform.

### **Digital publications preservation and storage – Preservica**

Digital content is extremely vulnerable – due to software and hardware changes and data that can easily be corrupted. Preservica allows us to store documents with greater confidence by rigorously checking for corruption and by ensuring a seamless transition from older file formats to guarantee uninterrupted access as software changes.

In 2023, the focus has been on refining our digital preservation workflows and enriching previously ingested content to improve findability for researchers. This effort has involved:

- The development of Python-based ingest tools to automate a significant portion of the pre-ingest workflow, which we aim to share with the wider digital preservation community.
- The integration of specialist digital preservation tools, such as Brunnhilde, for file format identification and virus scanning.
- Incorporation of ICAEW's taxonomy for automatic content classification, resulting in improved metadata production.
- Utilisation of OpenAI's Whisper to produce transcripts of our audio-visual materials, enhancing discovery and accessibility.

This pattern of improvement is common among digital archives, reflecting the rapid development of this relatively new field. During the early period of the digital archive at ICAEW, the focus was to ingest a large amount of at risk content quickly. This early content lacks the metadata needed to describe and provide context for users of the digital archive.

In 2023 we started re-classifying the content, adding value with essential metadata, i.e. title fields, author fields, subject fields, date fields and relationship fields. This should make our content more accessible, searchable, and valuable for users. By the end of 2023 some 3,180 files had been re-classified and this work continues in 2024.

Overall, this aspect of the Digital Archive project continues to progress well. Preservica now holds around 21,000 assets, while another 10,000 assets wait to be ingested. The value of the Digital Archive for future researchers only continues to grow as more material is added for long-term preservation.

Usage of the digital archive through the Preservica platform has seen 10,792 views of archived content from outside ICAEW in 2023, with a further 4,914 views from staff using the platform to answer member enquiries, for internal research or as part of work to help grow the digital archive<sup>1</sup>.

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<sup>1</sup> Note on data: Due to technical issues at Preservica, usage data from March to May 2023 was incomplete. We have used estimated figures based on averages to give us approximate page views for those three months. The March and

### Website captures – Archive-IT

As ICAEW increasingly offers content through its website rather than in traditional document formats, capturing the website's content becomes pivotal to ensuring access to the full spectrum of ICAEW output for future researchers.

Regular captures of the complete ICAEW website are conducted every six months, a process that involves complex technical selection and capture procedures. A recent addition to our web archiving workflows is a new web crawler from the web recorder project which has significantly reduced the time required to crawl the ICAEW website – reducing it from several weeks to a matter of days.

This efficient capture strategy now ensures that content is archived before website sections undergo redevelopment, preserving it for the benefit of future researchers.

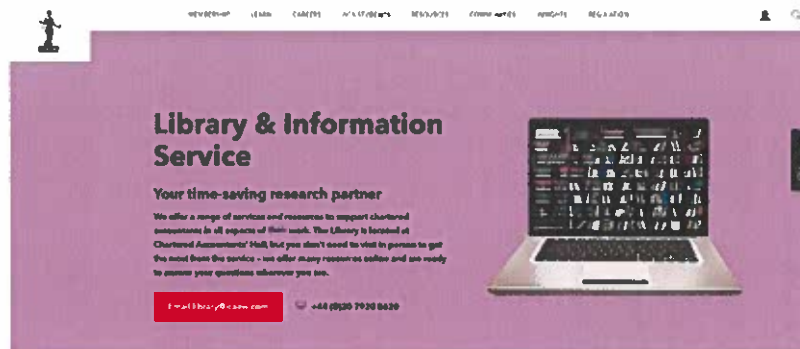
In 2023, two full crawls of the ICAEW.com site were completed with the crawler capturing approximately 17,000 pages of HTML content per crawl. In addition, the crawls feature a complete backup of the site's media Library - consisting of PDFs, Word documents, Excel files, MP3 files etc.

Our interest in preserving information on the accountancy profession for future researchers has led us to extend our work to the capture of websites beyond ICAEW that we consider critically important. With the agreement of the FRC we completed a comprehensive capture of their public facing website before it was revamped earlier this year, consisting of around 4,000 pages.

### Library website

The Library microsite is an important channel for providing information about our services, promoting the Library, and as an entry point for digital resources acquired and managed by LIS.

A project to redesign the Library web pages at [icaew.com/Library](https://www.icaew.com/Library) has seen significant improvements to the user experience made this year, including a new Library homepage with a refreshed design and a new strapline of "Your time-saving research partner".



The Content Curation team is responsible for creating, updating, and maintaining these web pages, as well as highlighting relevant eBook titles, chapters, and online articles on technical topic pages across [icaew.com](https://www.icaew.com). The emphasis is on putting Library information in front of users where they need it, rather than expecting users to come directly to us.

In 2023, the team has reviewed, updated and extensively rewritten a suite of Research Guides on accounting, finance and business topics. Two brand new guides were launched this year on finding company information and finding accounting research. The guide to finding accounting research papers is intended to help users to explore the research papers, databases and indices in the Library collection.

### Promotion

We continue to promote the Library and the Enquiry Service through ICAEW's website, social media channels and email newsletters.

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May figures were calculated based on average number of page views per day. The April figure is an average of March and May's page views.

For the first time, the Enquiry Team took a leading role in the hosting of tours of CAH during London's two-day Open House Festival. This was a very popular event and we hope to continue our involvement in this event going forwards.

The Enquiry Service Manager and Head of Curation and Library Collection also hosted a showing of the Rare Books Collection to the CEOs and senior leadership teams of both ICAEW and CIPFA. This was a unique opportunity to showcase our most prized rare books and highlight the role that the Library teams play in looking after this internationally important collection.

Initial inroads have been made for much more active promotion of the Library service next year through the development of relationships with several key ICAEW contacts who work in the field of marketing and communications. In 2024 we have also arranged to participate in all future New Members' Ceremonies held at Chartered Accountants Hall to promote Library services to newly qualified members.

### Key performance indicators

KPIs in 2023 show healthy figures across the board.

### 2023 key performance indicators

	2023	2022	2021	2020
Enquiries <sup>2</sup>	10,053	9,611	9,912	9,670
WebChat enquiries <sup>3</sup>	467	327	1,087	1,218
Book loans, excluding renewals <sup>4</sup>	407	468	273	341
Document Delivery (excl. client screenings) <sup>5,6</sup>	2,233	1,762	2,780	2,842
Client screenings (total reports requested) <sup>7</sup>	6,806	6,498	5,455	4,850
Items (vols and ebooks) acquired and catalogued <sup>8</sup>	572	1,096	1,513	303
Journal articles abstracted and indexed on LibCat <sup>9</sup>	530	479	334	55
Total number of journal articles on LibCat	70,272	69,741	69,291	68,964
Ebook views and downloads <sup>10</sup>	18,151	14,718	14,500	15,062
Files added to the Digital Archive <sup>11</sup>	2,950	5,768	10,610	2,050
Total files in the Digital Archive	21,378	18,428	12,660	2,050

<sup>2</sup> Enquiry statistics exclude quick Business Centre enquiries

<sup>3</sup> The launch of the new CRM platform in April 2022 introduced a new WebChat system which has been offered through fewer Library pages and functions in a different way, allowing users to choose which team to contact. This has seen more enquiries routed to the service centre in Milton Keynes.

<sup>4</sup> Publishers continue to reduce the range of updated popular titles produced in print formats, directly affecting the volume of book loans.

<sup>5</sup> The number of electronic documents supplied saw a significant drop in 2022 following the withdrawal of some key titles from one of the online databases we subscribe to.

<sup>6</sup> The way in which these statistics are collected was reviewed and streamlined in 2022 which may account for a small degree of variation in the numbers reported.

<sup>7</sup> Blend of data from Sitecore (January-October) and D365 (November-December).

<sup>8</sup> The reduced number of items in 2023 is not caused by a drop in acquisitions, but due to a batch of 354 non-core items awaiting cataloguing, which will be completed in early 2024. The backlog accrued due to several reasons: lower staffing levels; the new Cataloguing and Taxonomy Manager getting up to speed in their new role; and concentration on maintaining existing complex cataloguing records.

<sup>9</sup> The number of journals we review for abstracting has increased and we are retrospectively cataloguing from a few key titles to support ICAEW initiatives (such as Accounting and business research, British accounting review, and Fiscal studies).

<sup>10</sup> There is no single cause for this jump. Increases have been seen across all eBook platforms.

<sup>11</sup> Figure taken from the Preservica dashboard. The slower pace of additions to the Digital Archive in 2023 are due to a combination of short staffing in the team up to May 2023; work on more complex series of documents with long version histories; and a re-focus on improvements to searchability of digital archive content.

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### CAPET

CAPET's primary objective is the advancement of education, particularly in accounting and related subjects, by funding the ICAEW International ACA annual prizes and various district society prizes.

During the year, 64 awards were given at Certificate and CFAB Level and 78 awards given at Professional Level and Advanced Level.

To celebrate exam success, ICAEW Student Insights published an article on Mandy Lai, a current and previous prize winner.



Mandy Lai may have only decided on pursuing the ACA the night before her application deadline, but it's proving to have been a fruitful decision. Hailing from Sunway College in Malaysia, Mandy has picked up a series of honours since enrolling in September 2021: the Knox Prize for Professional Level Financial Accounting and Reporting in December 2022; the Watts Prize for Professional Level Audit and Assurance in March 2023; and, most recently, the Knox Prize for Professional Level Tax Compliance in June 2023. That latest prize prompted congratulations from the King and Queen of Malaysia.

Mandy credits a strong support network and the right work-life balance, as well as a knowledge-based approach to studying, with her continued exam success.

In association with ICAEW, during November 2022, the trustees launched an essay competition to motivate students and recently qualified members to consider how the profession can act on the climate crisis. Entrants were asked to submit a 5,000 word essay, video, podcast or other media format in answer to the question 'The Great Transition: what we need to do and what role does the accountancy profession have?'. Human induced climate change is affecting the world now and the focus of the essay should be on action needed to adapt to the impacts already being felt, and to mitigate further damage. This was a resounding success and due to the high calibre of entrants, the judges not only awarded a first prize but also awarded four highly commended prizes. Details of the winning entries can be found here [ICAEW Climate Essay Competition | ICAEW](#)

This will now become an annual competition and the next one was launched early in 2024 with the following question being asked – "Accountants as Climate Champions: why and how should the profession lead on climate action?".

Total expenditure on prizes and bursaries awarded during 2023 amounted to £50,000 (2022: £34,000). £150,000 during the year (2022: £150,000) was transferred to the Foundation to fund bursaries. This is in line with the secondary objects of CAPEP.

### PDLT

The following new academic research projects and event funding requests were approved in 2023:

	Institution/Host	Funding Approved £
<b>Research projects</b>		
How should we account for intangibles and digital assets?	Manchester Business School	6,000

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Sustainability and the Profession (Keith Robson, Chiara Bottausci & Xiaoyu Xu)	HEC Paris	6,000
Why do companies fail? - literature review	University of Bristol	
Why do companies fail? - workshop	Leicester University	15,000
"Conflicting messages on female senior management issues in Annual Reports in two cultural settings: the UK and South Korea".	Leeds Business School	4,500
Food Waste Reporting - empirical research	Canterbury Christ University	15,000
SDGs: Where are we now?	University of Essex	15,000
	Professor Ian Thompson	6,000
<b>Total research projects</b>		<b>67,500</b>
<b>Events</b>		
British Accounting and Finance Association 2024 Doctoral Masterclass (8 April 2024)	BAFA	4,000
Management Accounting Research Group conference (16-17 Nov 2023)	Aston	5,400
Tax Research Network (TRN) Conference (5-7 Sept 2023)	University of Cambridge	2,500
Frontiers of Accounting Research, the 14th LUMS/AMBS/ICAEW conference (21 - 24 June 2023).	Lancaster University	3,140
Financial Reporting and Business Communication (FRBC) (6-7 July)	University of Bath	2,000
Financial Reporting and Business Communication Conference (4 - 5 July 2024)	University of Bristol	2,000
Behavioural Finance Working Group annual conference (12-13 June)	Queen Mary's	3,500
Accounting History Review conference (13 - 14 June 2024)	Edge Hill University	3,000
	Business School	
Journal of International Accounting Research (JIAR) annual conference (21-24 June)	Norwich Business School / University of East Anglia	2,000
CSR, The Economy and Financial Markets conference (9 - 10 November 2023).	WHU - Otto Beisheim School of Management, Germany	2,500
<b>Total events</b>		<b>30,040</b>
<b>Total 2023:</b>		<b>97,540</b>
<b>Total 2022 for comparison:</b>		<b>62,605</b>

The increase in grant expenditure compared to the prior year is predominantly due to a different approach being used, including possible calls for particular research, attracting projects which more directly reflect ICAEW's current strategic themes and member interests.

### Achievements

In 2023, the ICAEW experienced a transformative year in its research funding activities. Under the guidance of the Research Advisory Board (RAB) and with the support of the Trustees, we undertook a comprehensive revamping of our research funding approach to align with our Royal Charter objectives and

overarching strategy. This effort proved successful, as evidenced by the unprecedented interest in our research funding opportunities.

The Research Advisory Board (RAB) played a crucial role in approving changes to the structure and approach of funding research. They approved a shift in the approach to calls for research, moving away from open calls for research papers to targeted calls for papers. This change aimed to specifically address pressing issues faced by the profession, with the goal of leveraging academic insights effectively.

To enhance the collaborative and impactful nature of our research, steering groups are being established for each research workstream. These groups, consisting of RAB members, leading researchers, and key practitioners, were designed to be operational for 1-3 years. They will be convened periodically and will guide projects from conception to conclusion, fostering a collaborative and impactful research environment.

In a significant move, Seed corn funding was approved in 2023 to support Early Career Researchers (ECRs) and pilot studies. Recognizing the vast UK business research community, this initiative, ongoing and accepting proposals from 2024, aims to promote ICAEW's reputation widely. While mainstream funding is limited, seed corn funding provides essential support to a broader spectrum of researchers.

The outputs of our revamped approach would include literature review papers, exploring current literature on practical questions and proposing interventions. Notably, a call for papers on "Why do companies fail" was launched in Q3 2023. Additionally, empirical research initiatives involved collaboration with the Public Money and Management Journal (PMM) on local government reporting and support for the development of new research on digital assets by ICAEW's China research fellow. Research funding proposals were approved for developing the SDG workstreams, covering topics such as food waste reporting, conflicting messages in senior management, SDG's progress, sustainability, and the profession.

In total, seven defined research workstreams were established in areas including how to account for intangibles and digital assets, why companies fail, local government reporting, Sustainable Development Goals, and additional workstreams on regulation/regulators' effectiveness, access to data, and VAT modernization. These additional initiatives were in response to internal requests from teams at ICAEW seeking academic evidence to support inquiries into these critical topics. We are taking these projects forward in 2024.

Our commitment to knowledge dissemination was evident in our partnership with Leeds University Business School. We successfully hosted an in-person roundtable and public event on why companies fail, and the role of internal control, and corporate governance in mitigating surprise failures. The overall event contributed to our regional presence and reputation. Practical insights from the event were also shared on the ICAEW insights channel.

While the annual Information for Better Markets conference was paused in 2023, we remain committed to supporting the journal Accounting and Business Research (ABR) and the International Accounting Policy Forum (IAPF). We are seeking partnerships to establish a well-recognized knowledge dissemination platform to bridge international accounting academia with policymakers and practitioners.

The RAB approved funding for annual conferences and responded to new requests, reinforcing the ICAEW's presence across diverse academic communities.

With the establishment of seven research workstreams and 11 approved conference funding requests in 2023, our commitment to fostering policy-relevant academic research remains steadfast. Completed project outputs in 2023 include our own roundtables, in-person events at Leeds, conference events, and practitioner-friendly articles on insights. In 2024, we anticipate the emergence of academic papers and practitioner-friendly outputs from ongoing research projects that were scoped and shaped in 2023, along with continued engagement with researchers, reinforcing our commitment to providing valuable insights free of charge to our members.

Some research projects and other events will continue or take place beyond 2023. At 31 December 2023 a total of fourteen research projects were in progress and nine events funded by PDLT were still to take place in the coming months and their achievements will be reported on subsequently. All these activities and events, whether held in-person or online, allow both members of the public and ICAEW members to engage with world-class research and hear from academics from the UK and beyond.

### PLANS FOR THE FUTURE

#### Foundation

The trustee intends to continue to identify and support relevant initiatives where the grant given by the Foundation has a definable outcome and where the contribution made can make an appreciable difference to the recipient.

#### PDLT

The trustee intends to continue to support funding academic research and events as proposed by the RAB approved within PDLT using the same processes which currently apply. The value of the annual grant is currently under review with an appetite to increase funding depending upon the quality and volume of proposals coming through.

Following a review of PD Leake's Will and the Charity Commission Register, in which the objects of the PDLT were defined as, 'The advancement of the Science of Accounting and knowledge of Political Economy, including the subject of Public Finance and Taxation', it was assessed that in addition to current applications, PDLT funds can be used to provide educational bursaries to postgraduate students. This has commenced in 2024 and will be subject to annual review thereafter.

#### CATER

The trustee intends to promote and support the on-going development of a world-class Library and information service for the accountancy profession as well as the advancement of an education and training programme. This will include further development of the Library collection, digitising the resources, developing the Library management system and promoting LIS services.

#### CAPET

The Trustee intends to continue to award prizes in connection with ICAEW's examinations.

At the November 2022 CAT meeting, the trustees unanimously supported the proposal to allocate £150k per annum from 2023 onwards for the duration of two to three years from CAPET reserves to fund new UK bursaries. This is in line with the secondary objects of CAPET and will be reviewed on a regular basis.

### RESERVES LEVELS AND POLICY

All the charities administered by the trustee depend on investment income for the funding of their annual charitable expenditure. Only the Foundation's unrestricted income reserves (augmented from time to time by drawing down from its discretionary expendable endowment to cover exceptional spending) are expendable entirely at the trustee's own discretion. Therefore, the unrestricted income of the educational trusts is all accounted for in these combined accounts as restricted income. However, the trustee's reserves policy for each of the charities is separately determined and reported as below.

#### Foundation

The trustee reviewed the policy during the year and approved that the level of free reserves should be a minimum of 12 months and a maximum of 24 months of the average total expenditure incurred by the trust over the prior three years. This will allow the trust to continue to meet its ongoing commitments and plan for future expenditure.

At 2023 levels this results in a minimum level of £145,000 and a maximum level of £290,000. Current reserves are £244,000 so the policy is satisfied.

The Trust also holds a discretionary expendable endowment. The trustee monitors and reviews the level of income reserves against policy, along with this endowment at each Board meeting. As at 31 December 2023 unrestricted reserves stood at £244,000 (2022: £183,000) and the expendable endowment was over £2.2m. The Trustees will continue to review this overall position and should the opportunity arise consider use of the expendable endowment to further its charitable aims.

The Foundation depends on investment income from the discretionary endowment resulting from its ongoing Foundation Campaign appeal, whose terms of trust have created an expendable endowment for the funding of the Foundation's charitable activities contemplated by the donor. Any unused donations and their investment returns are expendable at the trustee's own discretion.



### CATER

CATER mainly depends on voluntary income for the funding of its charitable expenditure on educational purposes. With this in mind, the trustee's reserves policy requires a minimum of six months and a maximum of 12 months' of CATER expenditure as freely available income reserves. As at 31 December 2023 CATER's undesignated free reserves were running slightly high at £833,000 equating to 15 months' expenditure, as per the maximum level under this policy (2022: 14 months). The reason for the increase in reserves in the year is mainly attributable to savings made due to vacant posts and the purchase of electronic publications.

### PDLT

The trustee believes it is prudent to keep a balance of at least the existing and one year's prospective commitments and one year's administrative expenses in unrestricted PDLT reserves against the risk of a sustained decline in investment income. This is based on an average of the last three years results and would require maximum income reserves of £177,000. Unrestricted reserves as at 31 December 2023 amounted to £943,000, which equated to 64 months total expenditure (2022: £841,000). The cumulative increase in reserves over the past few years is as a result of the following factors:

- we have had some significant write-backs over the past few years from some projects and events.
- the quality or relevance of the research proposals received has been disappointing. We are committed to ensuring that only the highest quality and most relevant projects are approved for funding and we have turned down a number of projects.
- In 2023 the continued changes brought about the global Covid-19 pandemic continued to affect research activities and events alike. Many events moved to a hybrid arrangement resulting in increased participation and a reduction in costs.

Following a review of PD Leake's Will and the Charity Commission Register it was assessed that in addition to current applications, from 2024, PDLT funds can be used to provide educational bursaries to postgraduate students. This decision will reduce reserves over the long term.

### CAPET

The trustee believes it is prudent to keep a minimum of two years' forecast examination prize expenditure and a maximum of three times forecast total expenditure in unrestricted income reserves against the risk of a sustained decline in investment income. That would indicate income reserves of between £111,000 and £226,000. The reserves of £674,000 as at 31 December 2023 are in excess of the reserves policy (2022: £740,000: in excess of policy). In line with CAPET's secondary objectives, the trustees approved additional annual expenditure to fund student bursaries of £150,000 for 2023-2024, this will bring reserves below the maximum level over the medium term.

The trustee monitors and reviews the level of reserves for all of the charities above at each meeting of its directors.

## MAJOR RISKS

The principal risks faced by the charitable trusts as identified by the trustee lie in the performance of investments and operational risks from ineffective grant making and, more fundamentally, major incidents such as fluctuations in interest rates, inflation, cyber-attacks, global pandemics, political unrest and the effects of terrorist activity.

The trustee considers the volatility of investment returns and long-term losses on the permanent endowment fund to be the charity's major financial risk. It accepts some short-term variability as part of its long-term investment strategy. This is mitigated by retaining the appropriate expertise from the investment managers and by having a diversified investment portfolio.

The reputational risk from making inappropriate grants is managed by a reporting and review process. This assists us in keeping track of developments and to focus on the public benefit derived from our funding of their work.

Major incidents could disrupt Library operations and result in loss of property, data and staff. The Library participates in ICAEW's business continuity plans which are subject to regular review.

The trustee has an established risk analysis process which identifies the major risks to which the charitable trusts are exposed and the ways in which those risks can be mitigated. The risk analysis is reviewed on a regular basis.

The Directors regularly review current practice against the charity governance code.

### INVESTMENT POLICY AND PERFORMANCE

All the charitable trusts' investments are pooled in CACIP.

The trustee regularly reviews its Investment Policy to ensure the suitability of investments for the participating charitable trusts, in line with the Trustee Act 2000, adequate diversification and adherence to the internationally recognised Principles of Responsible Investment (PRI).

Waverton Investment Management Limited manage the endowment and part of the cash fund. These were previously managed by Cazenove Capital Management until September 2022.

Royal London Asset Management also manage part of the trusts cash fund.

The trustee's aim for the endowment funds is to generate resources on a recurring basis for spending on the objectives of the Foundation and other charities at a sustainable rate, while seeking sufficient capital growth over the long term to ensure that the endowment's real spending power is maintained.

Endowment funds are invested to provide an optimal mix of income returns and long-term capital growth. Distributable funds are invested to provide a secure income and to reduce the risk of substantial fluctuations in capital values.

The endowment investments are managed via a discretionary fund manager for long term capital growth and the short-term investments are also managed on a discretionary basis for the best income return at minimal risk to capital, in both cases within policy guidelines set by the trustee.

The trustee receives regular investment performance reports and reviews them against industry benchmarks as detailed in the tables below.

#### Endowment Funds

<b>Total Return Net of Fees</b>	<b>3 Months</b>	<b>9 Months</b>	<b>1 Year</b>	<b>Inception 02/03/2021</b>
Portfolio Percentage Return	6.90%	8.80%	12.70%	20.20%
Balanced Index	6.50%	8.00%	11.70%	10.80%
ARC Steady Growth Survey	5.50%	5.20%	7.50%	8.50%
CPI + 3.0%	0.90%	4.80%	6.90%	31.10%

**Liquid Funds**

<b>Total Return Net of Fees</b>	<b>3 Months</b>	<b>9 Months</b>	<b>1 Year</b>	<b>Inception 30/04/2021</b>
Portfolio Percentage Return	5.70%	7.20%	9.80%	6.10%
Cautious Index	6.60%	7.10%	10.30%	2.80%
ARC Cautious Charity Survey	2.50%	2.40%	3.60%	-1.60%
CPI + 2.5%	0.80%	4.40%	6.40%	27.70%

Combined investments at the end of 2023 stood at £17.1m (2022: £15.4m), comprising of £14.6m in the endowment fund and £2.5m of liquid assets as detailed in the table below. This increase in value of the portfolio is mainly attributable to improved performance in the equity markets resulting in an unrealised market gain of £1.4m (2022: £1.4m loss).

Income generated was £0.35m (2022: £0.32m).

<b>£'000</b>	<b>YTD movement in funds</b>	<b>YTD</b>				
		<b>Dec 23</b>	<b>Sept 23</b>	<b>June 23</b>	<b>Mar 23</b>	<b>Dec 22</b>
Equity Funds (Waverton)	1,339	14,562	13,709	13,616	13,602	13,223
<b>Total Equity Funds</b>	<b>1,339</b>	<b>14,562</b>	<b>13,709</b>	<b>13,616</b>	<b>13,602</b>	<b>13,223</b>
Liquid Funds (Royal London)	225	1,141	1,382	1,154	1,003	916
Liquid Funds (Waverton)	84	1,364	1,294	1,293	1,302	1,280
<b>Total Liquid Funds</b>	<b>309</b>	<b>2,505</b>	<b>2,676</b>	<b>2,447</b>	<b>2,305</b>	<b>2,196</b>
<b>Total Funds</b>	<b>1,648</b>	<b>17,067</b>	<b>16,385</b>	<b>16,063</b>	<b>15,907</b>	<b>15,419</b>

The endowment portfolio is managed in order to meet a long term objective of inflation (CPI)+3% per annum. Waverton manages the assets on a 'Balanced' mandate, with a focus on global equities blended with bonds, cash and alternative assets in order to help dampen the overall volatility of the portfolio.

2023 ended on a strong note, with returns for risk assets boosted in the fourth quarter with rising expectation of interest rate cuts. US equities enjoyed a strong year, particularly amongst the largest US technology companies. The portfolio was well-positioned to benefit from this rally, with a high proportion invested in US equities.

It was not all plain sailing, there was a near-miss banking crisis in Q2 and despite only owning three of the dominant US technology companies, other holdings performed well to ensure that the portfolio outperformed its short-term benchmark. Some of the best performing companies included Hitachi (Japanese industrial) and Inditex (owner of the Zara clothing brand), which augmented strong returns from the likes of Advanced Micro Devices, Amazon, Alphabet and Microsoft (all technology-related companies).

The portfolio rose in value by +12.7% over the twelve month period, ahead of its short term benchmark which returned +11.7% and the ARC Steady Growth index of competitor returns, which returned +7.5%.

The portfolio remains invested with a reasonably high allocation to equities. Despite the moderation of expectations for interest rate cuts during 2024, it also appears that we have avoided the severe recession which many were predicting for 2023. With growth and employment managing to weather higher interest rates, even a modest reduction in 2024 would provide a meaningful tailwind for risk assets. Even if this does not transpire in a smooth fashion, we have confidence that the underlying individual companies which we have selected are well-placed to prosper.

The Waverton Cautious portfolio is managed with an objective of CPI+2.5%, resulting in a lower allocation to equities and higher allocations to bonds and alternative assets. During 2022, asset classes suffered in the teeth of rising interest rates, and indeed bonds fared worse than equities. However, 2023 was considerably more supportive. Despite bonds and alternatives still offering only modest returns, the high allocation to equities relative to the short term benchmark ensured an attractive return. The Cautious portfolio ended 2023 rising by +9.8%, similar to the Waverton Cautious index which returned +10.3%, but well ahead of the ARC competitor Balanced index which returned 3.6%.

### **CUSTODY OF INVESTMENTS**

All cash and investments managed by the investment managers are held on CACIP's behalf at independent custodians, in the name of the custodian's nominee company. Cash awaiting investment is held by the investment manager as clients' money according to the rules of the Financial Conduct Authority and is deposited to earn interest with the custodian or a wholly owned subsidiary of the custodian.

As at 31 December 2023, the trustee has received and relied upon confirmations from the investment managers as to proper custodianship of investments. It has also received and relied upon confirmation from their respective auditors that, in their opinion, the internal controls and systems of each organisation are sufficient to prevent or detect material errors or irregularities.

During March 2024, confirmation was received that Waverton Asset Management and London & Capital have reached an agreement to merge their businesses. This strategic move, which is subject to regulatory approval, will bring together the exceptional international advice and planning expertise of London & Capital with the investment performance and wealth solutions of Waverton to create a leading independent wealth management business. Lovell Minnick Partners ("LMP"), a US-based private equity firm investing in growth-oriented companies in financial services, and London & Capital's majority shareholder, will take a majority shareholding in the combined business.

**STATEMENT OF TRUSTEE'S RESPONSIBILITIES**

The trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee prepares the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charities and of the incoming resources and application of resources, including the income and expenditure, of the charities for that period. In preparing these financial statements, the trustee is required to:

- select the most suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgments and accounting estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation or a linked charity will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities' transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deeds or other governing documents. The trustee is also responsible for safeguarding the assets of the Foundation and its linked charities and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITOR**

The auditor to the ICAEW Foundation, Haysmacintyre LLP is proposed for reappointment.

Approved by the trustee's board of directors on 30 July 2024 and signed on their behalf by



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Andrew Ratcliffe  
Chairman

### Opinion

We have audited the financial statements of ICAEW Foundation for the year ended 31 December 2023 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of the charity's net movement in funds 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.

### Basis for opinion

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. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 trustee with respect to going concern are described in the relevant sections of this report.

### Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### 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 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity, or returns adequate for our audit

- have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity 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 the trustee for the financial statements**

As explained more fully in the trustee's responsibilities statement set out on page 28, the trustee is 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 trustee 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- review of the meeting minutes of the trustee's directors;
- identifying and testing journals, in particular journal entries posted with unusual descriptions or in seldom used accounts and those that significantly impact on the result or financial position of the charity; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather

than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

This report is made solely to the charity's trustee in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to it 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's trustee, for our audit work, for this report, or for the opinions we have formed.

*Haysmacintyre LLP*

Haysmacintyre LLP  
Statutory Auditor  
10 Queen Street Place  
London  
EC4R 1AG

1st August 2024

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



# ICAEW FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted income funds 2023 £'000	Restricted income funds 2023 £'000	Endowment funds 2023 £'000	Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and legacies	3	35	703	13	751	740
Income from investments	4	51	294	6	351	323
<b>Total income</b>		<b>86</b>	<b>997</b>	<b>19</b>	<b>1,102</b>	<b>1,063</b>
<b>Expenditure on:</b>						
<b>Charitable Activities</b>						
Grant funded and direct	6	(203)	(184)	-	(387)	(328)
Library	7	-	(650)	-	(650)	(729)
<b>Raising funds</b>						
Investment management fees	5	-	-	(71)	(71)	(67)
<b>Total expenditure</b>		<b>(203)</b>	<b>(834)</b>	<b>(71)</b>	<b>(1,108)</b>	<b>(1,124)</b>
Net gains/(losses) on investments	8	28	110	1,404	1,542	(1,341)
Transfer between funds	13	150	(150)	-	-	-
<b>Net income and movement of endowed funds for the year</b>		<b>61</b>	<b>123</b>	<b>1,352</b>	<b>1,536</b>	<b>(1,402)</b>
<b>Reconciliation of funds:</b>						
<b>Fund balance brought forward at 1 January</b>	<b>13</b>	<b>183</b>	<b>2,316</b>	<b>12,897</b>	<b>15,396</b>	<b>16,798</b>
<b>Fund balance carried forward at 31 December</b>	<b>13</b>	<b>244</b>	<b>2,439</b>	<b>14,249</b>	<b>16,932</b>	<b>15,396</b>

The accompanying notes form part of these financial statements.

# ICAEW FOUNDATION

BALANCE SHEET AT 31 DECEMBER 2023

		<b>2023</b>	<b>2022</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Fixed asset investments</b>	8/9	<b>17,067</b>	<b>15,420</b>
<b>Current assets</b>			
Debtors	10	188	278
Cash and cash equivalents		155	142
		<b>343</b>	<b>420</b>
Creditors: amounts falling due within one year	11	(401)	(381)
<b>Net current assets</b>		<b>(58)</b>	<b>39</b>
<b>Total assets less current liabilities</b>		<b>17,009</b>	<b>15,459</b>
Creditors: amounts falling due after more than one year	11	(77)	(63)
<b>Total net assets</b>		<b>16,932</b>	<b>15,396</b>
<b>The funds of the charitable trusts:</b>			
Endowment capital (permanent & expendable)	13	14,249	12,897
Restricted funds	13	2,439	2,316
Unrestricted funds	13	244	183
<b>Total funds</b>	12	<b>16,932</b>	<b>15,396</b>

Approved and authorised for issue by the trustee's board of directors on 30 July 2024 and signed on their behalf by:



Andrew Ratcliffe  
Chairman

The accompanying notes form part of these financial statements.

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
<b>Net movement in funds</b>	<b>1,536</b>	<b>(1,402)</b>
<b>Cash flows from operating activities</b>		
Deduct gains/add back losses on investments	(1,542)	1,341
Decrease in debtors	90	2
Increase in creditors	34	40
<b>Net cash provided by/(used in) operating activities</b>	<b>118</b>	<b>(19)</b>
<b>Cash flows from investing activities</b>		
Purchase of investments	(2,723)	(3,612)
Proceeds of sales of investments	2,448	3,735
Net movement in cash held not yet invested	170	(52)
<b>Net cash (used in)/provided by investing activities</b>	<b>(105)</b>	<b>71</b>
<b>Change in cash and cash equivalents in the year</b>	<b>13</b>	<b>52</b>
Cash and cash equivalents brought forward	142	90
<b>Cash and cash equivalents carried forward</b>	<b>155</b>	<b>142</b>

No separate analysis of changes in net funds has been presented as the charity has no borrowings in the current and prior year.

The accompanying notes form part of these financial statements

**1 Accounting policies****Accounting convention and basis of preparation**

- a. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. The departure has involved following Accounting and Reporting by Charities (SORP FRS 102) rather than SORP effective from 1 April 2005 which has since been withdrawn.

- b. The trust constitutes a public benefit entity as defined by FRS 102.
- c. The financial statements of the Foundation aggregate a number of charitable trusts under the authority of a uniting direction from The Charity Commission as set out in the Trustees' Annual Report. These separate trusts are presented as restricted funds within these financial statements.
- d. The investments of The Foundation and its linked charitable trusts are subject to a pooling arrangement under CACIP. The underlying investment additions, purchases and movements in cash held not yet reinvested are all reported in the Statement of Cash Flows under cash flows from investing activities.

**Going concern**

- e. After reviewing the forecasts, projections and giving consideration to the current position of the world economy with regard to inflation, interest rates and market fluctuations as a result of the unfolding crisis in Ukraine, the trustee has a reasonable expectation that the Foundation and each linked charity has adequate resources to continue in operational existence for the foreseeable future. Careful management of grant liabilities and the availability of cash presented within fixed asset investments are considered when reviewing our year end results which present net current assets. The trustee therefore continues to adopt the going concern basis in preparing its financial statements for the charities.

**Income recognition**

- f. All income is recognised once the charity has an entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- g. Gift aid is allocated between the restricted and unrestricted funds of each charitable trust in line with the qualifying donations accruing thereto.
- h. Investment income is taken into account on entitlement.
- i. Voluntary income is recognised when receivable. Donations in kind reflect governance costs directly funded by ICAEW.
- j. The surplus or deficit on a partial investment sale is calculated pro rata to the cost of the investment.

**Expenditure recognition**

- k. Grant making includes grants payable and the associated support costs. Grants are accounted for in the year they are approved, irrespective of the period they cover except for performance-related grants, which are accounted for only when the beneficiary has met the performance conditions. Grants awarded but not yet paid are recorded as grant commitments in the balance sheet.
- l. Governance costs. ICAEW holds a blanket indemnity insurance policy for all employees and directors. The amount allocated to the charitable trusts is estimated based on the number of people covered by the scheme. Governance costs also include annual external audit fees and any costs reimbursed in respect of out-of-pocket expenses of the trustee's directors. The trustee does not receive any remuneration or other benefits for its services.

- m. Costs of raising funds. The costs of generating funds consist of investment management costs and applicable legal fees.
- n. Expenditure on charitable activities. Costs of charitable activities include grants made, governance costs and support costs as applicable.

### Other

#### Taxation

- o. The Foundation and constituent charities are exempt from corporation tax on income and gains applied in furtherance of their charitable objects so there is no liability in respect of its activities.

#### Fixed asset investments

- p. Listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. The Statement of Financial Activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals during the year.

#### Cash and cash equivalents

- q. Cash and cash equivalents includes cash in hand, deposits held in banks and other short-term highly liquid investments with original maturity of three months or less.

#### Fund accounting

- r. Endowment funds consist of both permanent endowment funds and expendable endowment funds. Permanent endowment funds represent amounts for which the capital must be retained. Expendable endowment funds are considered to be those unused donations which have been invested alongside the charity's permanent endowment funds in order to generate investment returns. They remain expendable for the furtherance of the charity's objectives. Restricted funds are funds which are subject to restrictions imposed by donors or have been raised by the charity for particular purposes.
- s. The trustee identifies those funds which are expendable in full alongside those generated through investment returns as set out in the Investment Policy and Performance section of the annual report.

**2 Statement of financial activities 2022 comparison by fund**

	Unrestricted income funds 2022 £'000	Restricted income funds 2022 £'000	Endowment funds 2022 £'000	Total 2022 £'000
<b>Income and endowments from:</b>				
Donations and legacies	33	703	4	740
Income from investments	48	275	-	323
<b>Total income</b>	<b>81</b>	<b>978</b>	<b>4</b>	<b>1,063</b>
<b>Expenditure on:</b>				
<b>Charitable Activities</b>				
Grant funded and direct	(183)	(145)	-	(328)
Library	-	(729)	-	(729)
<b>Raising funds</b>				
Investment management fees	-	-	(67)	(67)
<b>Total expenditure</b>	<b>(183)</b>	<b>(874)</b>	<b>(67)</b>	<b>(1,124)</b>
Net gains/(losses) on investments	(17)	(144)	(1,180)	(1,341)
Transfer between funds	150	(150)	-	-
<b>Net income and movement of endowed funds for the year</b>	<b>31</b>	<b>(190)</b>	<b>(1,243)</b>	<b>(1,402)</b>
<b>Reconciliation of funds:</b>				
<b>Fund balance brought forward at 1 January</b>	<b>152</b>	<b>2,506</b>	<b>14,140</b>	<b>16,798</b>
<b>Fund balance carried forward at 31 December</b>	<b>183</b>	<b>2,316</b>	<b>12,897</b>	<b>15,396</b>

**3 Donations and legacies**

**Unrestricted fund**

Foundation donations  
Donations in kind

**Restricted Fund**

Gift aid donations from ICAEW  
Donations in kind

**Endowment Fund**

Foundation donations

	2023 £'000	2022 £'000
	34	32
	1	1
	<b>35</b>	<b>33</b>
	700	700
	3	3
	<b>703</b>	<b>703</b>
	13	4
	<b>751</b>	<b>740</b>

**4 Income from investments**

**Unrestricted Funds**

Equities, Bonds, Alternatives and cash

**Restricted Funds**

Fixed interest securities

Equities, Bonds, Alternatives and cash

Endowment Funds

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
	51	48
	<b>51</b>	<b>48</b>
	35	32
	259	243
	<b>294</b>	<b>275</b>
	6	-
	<b>351</b>	<b>323</b>

**5 Cost of raising funds**

Investment managers fees

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
	71	67
	<b>71</b>	<b>67</b>

**6 Expenditure on grant funded and charitable activities undertaken directly**

**Grant making activities**

Foundation grants approved

PDLT grants approved

Grants written back (no longer required)

**Total grants**

**Activities undertaken directly**

Exam prizes

**Support and governance costs**

Management and support costs

Audit fee

Indemnity insurance and other trustee director's expenses

**Total Expenditure on grant funded and charitable activities undertaken directly**

	<b>Unrestricted</b> <b>£'000</b>	<b>Restricted</b> <b>£'000</b>	<b>Endowment</b>	<b>2023</b> <b>£'000</b>
	183	11	-	194
	-	98	-	98
	-	(26)	-	(26)
	<b>183</b>	<b>83</b>	<b>-</b>	<b>266</b>
	-	50	-	50
	20	38	-	58
	-	11	-	11
	-	2	-	2
	<b>203</b>	<b>184</b>	<b>-</b>	<b>387</b>

<b>6a Expenditure on grant funded and charitable activities undertaken directly – 2022 for comparison</b>	<b>Unrestricted £'000</b>	<b>Restricted £'000</b>	<b>Endowment</b>	<b>2022 £'000</b>
<b>Grant making activities</b>				
Humentum	6	-	-	6
<b>Sub-total grants</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>6</b>
Foundation grants approved	170	-	-	170
PDLT grants approved	-	63	-	63
Grants written back (no longer required)	(12)	(7)	-	(19)
<b>Total grants</b>	<b>164</b>	<b>56</b>	<b>-</b>	<b>220</b>
<b>Activities undertaken directly</b>				
Exam prizes	-	34	-	34
<b>Support and governance costs</b>				
Management and support costs	19	42	-	61
Audit fee	-	11	-	11
Indemnity insurance and other trustee director's expenses	-	2	-	2
<b>Total Expenditure on grant funded and charitable activities undertaken directly</b>	<b>183</b>	<b>145</b>	<b>-</b>	<b>328</b>

Trustee expenses reimbursed during 2023 in relation to travel costs were £400 (2022: £1k). The trustee directors did not receive any remuneration or other benefits for their services during the year (2022: £nil).

<b>7 Library expenditure</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Cost of ICAEW seconded staff	<b>215</b>	<b>241</b>
Books and journals	197	255
Accommodation and facility costs	221	221
Office services and computer costs	17	12
	<b>435</b>	<b>488</b>
<b>Total</b>	<b>650</b>	<b>729</b>

The ICAEW Foundation has no employees. All Library staff are employees of ICAEW who are seconded to the Library and the related employment costs are met by the charity. An average of 4.2 employees were seconded from ICAEW for the year (2022: 5.7 employees).



**8 Movements in participating charities' interests in pooled investments**

	<b>Balance at 1 January 2023 £'000</b>	<b>New money invested £'000</b>	<b>Amounts withdrawn £'000</b>	<b>Investment income £'000</b>	<b>Gains on investments £'000</b>	<b>Balance at 31 December 2023 £'000</b>	<b>Note: Fees not yet debited £'000</b>
CAPET	5,130	-	(242)	122	522	5,532	(6)
PDLT	7,188	-	(115)	163	734	7,970	(8)
Foundation	2,538	150	(85)	52	243	2,898	(3)
CATER	564	700	(654)	14	43	667	(1)
<b>Total</b>	<b>15,420</b>	<b>850</b>	<b>(1,096)</b>	<b>351</b>	<b>1,542</b>	<b>17,067</b>	<b>(18)</b>

**9 Investments**

	<b>2023 £'000</b>
Market value at 1 January	<b>15,420</b>
Additions	2,723
Net cash movement in year not yet invested	(170)
Disposal proceeds	(2,448)
Gains on investment	1,542
<b>Market value at 31 December</b>	<b>17,067</b>

**Investments at market value comprised:**

Equity funds – UK	1,269
Equity funds – outside the UK	8,672
Bonds	2,904
Alternatives	1,600
Waverton Cautious Portfolio	1,352
Royal London Cash Plus Fund	1,141
Cash	129
	<b>17,067</b>

**Historical cost:**

Restricted fund	2,476
Endowment fund	13,068
	<b>15,544</b>

**10 Debtors**

	<b>2023 £'000</b>	<b>2022 £'000</b>
Amounts owed by group and related undertakings	14	12
Prepayments and accrued income	174	266
	<b>188</b>	<b>278</b>

**11 Creditors**

**Due within one year:**

Grants payable	310	258
Accruals	64	64
Tax and social security	5	5
Amounts owed to group and related undertakings	22	54
	<b>401</b>	<b>381</b>

**Due after one year:**

Grants	77	63
	<b>478</b>	<b>444</b>

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Due within one year:</b>		
Grants payable	310	258
Accruals	64	64
Tax and social security	5	5
Amounts owed to group and related undertakings	22	54
	<b>401</b>	<b>381</b>
<b>Due after one year:</b>		
Grants	77	63
	<b>478</b>	<b>444</b>

**12 Analysis of net assets between funds**

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	<b>2023</b> <b>Total</b> <b>£'000</b>	<b>2022</b> <b>Total</b> <b>£'000</b>
Fixed asset investments	668	1,837	14,562	17,067	15,420
Other net (liabilities)/assets	(424)	602	(313)	(135)	(24)
Total value of the fund	<b>244</b>	<b>2,439</b>	<b>14,249</b>	<b>16,932</b>	<b>15,396</b>

**Analysis by trust is shown below:**

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	<b>2023</b> <b>Total</b> <b>£'000</b>	<b>2022</b> <b>Total</b> <b>£'000</b>
CAPET	-	674	4,846	5,520	5,120
PDLT	-	943	6,941	7,884	7,114
Foundation	244	(11)	2,462	2,695	2,427
CATER	-	833	-	833	735
	<b>244</b>	<b>2,439</b>	<b>14,249</b>	<b>16,932</b>	<b>15,396</b>

**Analysis of net assets between funds - 2022 comparison**

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	<b>2022</b> <b>Total</b> <b>£'000</b>
Fixed asset investments	512	1,684	13,224	15,420
Other net (liabilities)/assets	(329)	632	(327)	(24)
Total value of the fund	<b>183</b>	<b>2,316</b>	<b>12,897</b>	<b>15,396</b>

**Analysis by trust is shown below:**

	Unrestricted fund £'000	Restricted funds £'000	Endowment funds £'000	<b>2022</b> <b>Total</b> <b>£'000</b>
CAPET	-	740	4,380	5,120
PDLT	-	841	6,273	7,114
Foundation	183	-	2,244	2,427
CATER	-	735	-	735
	<b>183</b>	<b>2,316</b>	<b>12,897</b>	<b>15,396</b>

**13 Summary of 2023 fund movements by trust and prior year comparison:**

**Unrestricted funds**

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
Foundation	152	81	(183)	150	(17)	183
<b>Total</b>	<b>152</b>	<b>81</b>	<b>(183)</b>	<b>150</b>	<b>(17)</b>	<b>183</b>

	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2023 £'000
Foundation	183	86	(203)	150	28	244
<b>Total</b>	<b>183</b>	<b>86</b>	<b>(203)</b>	<b>150</b>	<b>28</b>	<b>244</b>

**Restricted funds**

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
CAPET	889	113	(56)	(150)	(56)	740
PDLT	798	151	(79)	-	(29)	841
CATER	819	714	(739)	-	(59)	735
FOUNDATION	-	-	-	-	-	-
<b>Total</b>	<b>2,506</b>	<b>978</b>	<b>(874)</b>	<b>(150)</b>	<b>(144)</b>	<b>2,316</b>

	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 31 December 2023 £'000
CAPET	740	121	(70)	(150)	33	674
PDLT	841	161	(93)	-	34	943
CATER	735	715	(660)	-	43	833
FOUNDATION	-	-	(11)	-	-	(11)
<b>Total</b>	<b>2,316</b>	<b>997</b>	<b>(834)</b>	<b>(150)</b>	<b>110</b>	<b>2,439</b>

The above restricted funds are trust income that must be spent on that specific charity's general purposes at the discretion of the trustee as detailed on page 5. During the year, the trustees approved a transfer from CAPET of £150,000 to the Foundation to fund bursaries. This is in line with the secondary objectives of CAPET.

**Endowment funds**

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Losses £'000	Balance at 31 December 2022 £'000
CAPET	4,815	-	(24)	-	(411)	4,380
PDLT	6,895	-	(34)	-	(588)	6,273
Foundation	2,430	4	(9)	-	(181)	2,244
<b>Total</b>	<b>14,140</b>	<b>4</b>	<b>(67)</b>	<b>-</b>	<b>(1,180)</b>	<b>12,897</b>

	<b>Balance at 1 January 2023 £'000</b>	<b>Income £'000</b>	<b>Expenditure £'000</b>	<b>Transfers £'000</b>	<b>Gains £'000</b>	<b>Balance at 31 December 2023 £'000</b>
CAPET	4,380	2	(25)	-	489	4,846
PDLT	6,273	3	(35)	-	700	6,941
Foundation	2,244	14	(11)	-	215	2,462
<b>Total</b>	<b>12,897</b>	<b>19</b>	<b>(71)</b>	<b>-</b>	<b>1,404</b>	<b>14,249</b>

CAPET and PDLT's endowment funds are permanent but the Foundation endowment is expendable for general purposes at the discretion of the trustee in furtherance of the objects of that charity as set out in the trustee's report on page 5. During the year no transfers were made from the expendable endowment (2022:nil).

**14 Library book stock**

The working stock of the Library was originally donated by ICAEW to CATER and is currently valued for insurance purposes at £900,000 (2022: £900,000). The stock is not included on the balance sheet but Library expenditure includes the cost of maintaining and adding to it. The aggregate cost and depreciation of the Library stock is not known and cannot be estimated with any reasonable degree of accuracy. Additions during the year are expensed as incurred and included within Library expenditure as they are below the capitalisation threshold.

**15 Related party transactions**

There is an agreement between CAT and ICAEW to provide administrative services to the Foundation and linked charities. The total of the transactions amounted to £221,000 (2022: £221,000), in addition to the costs of the Library. At the year end £8,000 (2022: £42,000) was owed to ICAEW. Management and miscellaneous support costs include direct costs and related charges on a time spent basis and an allocation of overheads split between CATER, PDLT, CAPET and the Foundation.

ICAEW provide gift aid to support the running of the Library. This amounted to £0.7m for 2023 (2022: £0.7m). CATER make an annual charge to the ICAEW for staff use of Library services; this amounted to £25,000 (2022: £25,000).

All Library staff are employees of ICAEW who are seconded to the Library and the related employment costs are charged to the charity. This amounted to £215,000 for 2023 (2022: £241,000).

There were no transactions with CAT or its directors in the year and prior year other than the reimbursement of expenses as set out in Note 6 to the accounts.

**16 Group financial statements**

ICAEW is the beneficial owner of the shares in CAT, the sole trustee of the Foundation. ICAEW is a body incorporated by Royal Charter in the United Kingdom (Company registration no. RC000246).

Under International Financial Reporting Standards ICAEW has prepared group financial statements which include the results and net assets of the Foundation and linked charities as well as any non-UK charities CAT administers. You can read the group financial statements online at [www.icaew.com/review](http://www.icaew.com/review), or you can request a copy from the Chief Financial Officer, The Institute of Chartered Accountants in England and Wales, Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ.

**ADVISERS, AGENTS AND ADMINISTRATOR**

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