Registered number: 06414570
Charity number: 1121671

CSIS Charity Fund

HELPING PUBLIC SERVICE COMMUNITIES

(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2017

CSIS Charity Fund
(A company limited by guarantee)

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CSIS Charity Fund
(A company limited by guarantee)

Reference and administrative details of the charity, its trustees and advisers
For the year ended 31 December 2017

Trustees

Gill Noble, Chairman
Sally Bundock
Charles Cochrane
Beryl Evans, Deputy Chairman (up to the 29 September 2017)
Ray Flanigan, Deputy Chairman (from 18 April 2018)
Chris Furlong, Grants Trustee
Rebecca Gooch
Dan Hewitt
Kevin Holliday
Tom Hoyle
Tunde Ojetola
Craig Pemberton
Brian Sturtevant (resigned 31 July 2017)
Julia Wood, Treasurer

Company registered number

06414570

Charity registered number

1121671

Registered office

7 Colman House
King Street
Maidstone
Kent
ME14 1DD

Website

www.csischarityfund.org

Company secretary

Helen Harris

Independent auditors

Kreston Reeves LLP
Statutory Auditor
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Reference and administrative details of the charity, its trustees and advisers
For the year ended 31 December 2017

Advisers (continued)

Bankers

Handelsbanken
9th Floor
Colman House
King Street
Maidstone
Kent
ME14 1DN

Solicitors

Gill, Turner, & Tucker
Colman House
Maidstone
Kent
ME14 1JE

Investment Managers

BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue
London
EC2N 2DL

Cordea Savills
Lansdowne House
57 Berkeley Square
London
W1J 6ER

CSIS Charity Fund

(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2017

CHAIRMAN'S STATEMENT

2017 marked an important milestone for the charity – the tenth anniversary of the charity being reconstituted as a charitable company with a modern constitution and objects which have allowed us to expand our grant giving substantially over the decade to help an increasingly wide range of civil and public servants in need, hardship and distress.

We celebrated with a party at Admiralty House attended by around 80 guests, including representatives of many of the public service charities we support, as well as representatives from a number of the organisations which work with and support the Civil Service Insurance Society, our sister organisation. The Insurance Society is the source of our funding. Its annual profits, generated by selling good quality competitively priced insurance to civil and public servants, are paid into the charity under a Deed of Covenant, so our work depends critically on their success. It was good to be able to celebrate with so many of our partner organisations, and in particular to celebrate the "virtuous circle" we create, with money going back into the sectors from which it is generated.

As part of the anniversary celebrations, we prepared a 10th Anniversary Celebration Review summarising what we have achieved over the last decade and showing the impact of our grant giving. This is available to download from our website www.csischarityfund.org. We were proud to be able to say that in our first decade, CSIS Charity Fund donated just over £7,400,000 to more than 100 different charitable organisations throughout the UK and to the widows of CSIS policyholders. In 2017 alone we were able to make grants totalling just under £1 million, our highest ever amount - a huge testament to the continuing success of the Insurance Company in meeting the aspirations of its customer. Full details of the grants we awarded in 2017 are set out in the notes to the Accounts.

None of the good work we have been able to achieve with our grant giving would have been possible without the £6.7 million the charity received from the Insurance Society over the past ten years, including a staggering £1.25 million in respect of their trading in 2017, £600,000 of which was received in December with the balance due to be received early in 2018. The size of the donation resulted from a one-off profit share from past trading and it will not be repeated but because our reserves are already more than adequate, we decided to share our good fortune with the charities we support. At our Grants meeting in February, therefore, grants were made totalling almost £1.1 million to 31 different organisations for payment during 2018, leaving a balance still to be awarded later in the year. We were thrilled to be able to help so many organisations with the amazing work they do helping so many people in hardship and need.

We face a number of challenges in the year ahead, not least of which is that we will lose a number of Trustees who plan to stand down when their current term of office ends in May 2018. One Trustee, Brian Sturtevant stood down during the year. I would like to take this opportunity to thank all of the Trustees for their hard work, for the support they have all given me, and for the contribution they have made to the charity. I would also like to thank all of the staff of the Insurance Society who not only work extremely hard and provide an excellent service to their customer, but who also make everything we do possible.

Gill Noble
Chairman

Trustees' report (continued)
For the year ended 31 December 2017

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of CSIS Charity Fund (the charity) for the year ended 31 December 2017. The Trustees confirm that the Annual Report and Financial Statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the 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 (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

What the Charity Does, its Purpose and its Aims

CSIS Charity Fund is an independent charity linked to the Civil Service Insurance Society (CSIS), a "not for profit" insurance intermediary which markets good quality, competitively priced insurance products exclusively to civil and public servants. The charity's income comes almost entirely from the annual trading surplus of the Civil Service Insurance Society, plus the investment of its reserves. Virtually all of CSIS's annual trading surplus is paid into the charity under a Deed of Covenant. The money is then distributed by the charity's Trustees to a wide range of organisations, mainly, but not exclusively, civil and public service charities, putting the money back into the community from which it originated. Sir Jeremy Heywood, Cabinet Secretary and Head of Home Civil Service, is Honorary President of both organisations.

The charity achieves its purpose of relieving need, hardship and distress amongst serving, former and retired civil and public servants and their families by giving grants. Some of these are made directly to individuals. In particular, the charity supports directly a small number of widows and other dependants of deceased policy holders of the Civil Service Insurance Society (CSIS) with annual grants and help with specific costs such as phone bills and replacing cookers and in some cases one off grants to clear debts.

In addition we make grants to a wide range of other charities and not for profit organisations who can help us achieve our aims, either by giving individual welfare support to needy serving, former and retired civil and public servants and their families, or by funding projects which will be of more general benefit to our target client group. Information about our grant giving policies, priorities and procedures is summarised below, and set out in detail in our Grant Giving Policy which is available to download from our website www.csischarityfund.org.

The section of our website headed "Our Aims and Work" describes in some detail the work we do, the sort of projects we finance and the wide range of organisations we support with links to many of their websites. Further information can be found in the 10th Anniversary Celebration Review we published in October 2017 to mark ten years as an incorporated charity, which is available to download from the website.

Achievements in 2017

Our business plan for 2017 was based on the following key priorities:

- **To continue to develop the scope of our grant giving in line with our new Medium Term Strategic Plan** by actively seeking new and different organisations and good quality projects which we can help to support to relieve need, hardship and distress amongst a widening range of our target client groups, while continuing to provide appropriate support to our long standing partner organisations and to the widows of deceased CSIS policyholders;

- **To promote increased partnership working amongst the organisations we support;**

- **To improve our understanding of the impact of our grant giving**, by making more visits to projects to see the impact our grants make to individuals, and carrying out more analysis of our spending to judge how well the balance compares with our stated priorities.

- **To improve the way the charity presents itself**, in particular by working more closely with CSIS to develop publicity material which supports their marketing efforts, raising the profile of the charity and the work we do.

- **To make sure that the charity can continue to be well run**, by ensuring that our policies and procedures are kept under regular review and strengthened where necessary.

During the year

- We continued to expand and develop our grant giving and in particular, following some research we commissioned to identify possible areas of need which we were not reaching, we allocated £100,000 in our grants budget for "new to us" charities. We were pleased to be able to give grants to seven charities we had not previously supported.

- We held a seminar on the needs of carers to which we invited our partner charities, providing a forum for sharing experience and networking. We have also been actively encouraging partnership working amongst the charities we support by offering pump- priming funds for joint projects. We have funded two such projects so far, and we are supporting several charities in working up further proposals which we will consider for funding in due course.

- As part of our celebrations of ten years as an incorporated charity we produced a "10th Anniversary Celebration Review", which is downloadable from our website. It describes what we have achieved over the past decade and highlights the "virtuous circle" we form with CSIS, where our grant giving returns the profits of the Insurance Society back into the communities where it is generated.

- We are working on a joint marketing plan with CSIS which will include aligning our logo with that of the Insurance Society to make the link between the two organisations clearer.

- We undertook a substantial piece of work over the summer to work through in detail what arrangements would need to be put in place to enable us to run the charity with minimal support from CSIS, which we are likely to have to do within the next couple of years. We discussed succession planning at our Awayday in July and also carried out a Trustee skills audit. We launched a recruitment exercise in January using a range of different recruitment websites to find new Trustees to fill several expected vacancies in the Trustee board in 2018.

Our grant giving in 2017

In 2017, we made grants totalling £958,521 of which £24,421 was paid to the widows of CSIS policyholders and the remainder was paid to thirty one different charities around the UK including seven charities we had not previously supported. Details of all the grants paid out in 2017 are set out in a table in the Notes to the Accounts. That table also contains information about the further grants totalling £934,100 which the Trustees awarded at their annual grants meeting in February, for payment in 2018, together with £21,057 to the widows we support.

What we Know About the Impact of our Grants

As a matter of principle and procedure, we ask the organisations to whom we give grants to tell us how they intend to use the money, who will benefit and what they expect the impact to be, so we can satisfy ourselves that the project or activity is consistent with our aims. We ask organisations when they bid for funds what would be their own measures of success for the grant and how will the impact on the ultimate beneficiaries be monitored and assessed, and we ask the organisations to report back to us after they have spent the money. Copies of the annual report and accounts are received from all recipient charities.

We ask for feedback information and where possible sample case studies when they submit their bids for the following year, and we publish on our website as much of the impact material we receive as we can, where that can be done without breaching the confidentiality of individual beneficiaries. Moreover, as part of the preparation of the 10th Anniversary Celebration Review we asked the charities we support to provide additional impact material and that is contained in the report which is available to download from the website. The Review gives a good overview of the sort of impact we know our grant giving can have and the difference we know we can make to the lives of individuals in need, hardship and distress.

Our Grant Giving Policies and Priorities to the End of the Decade

The formal Objects of the charity are:

"The relief of need, hardship and distress, including (but not exclusively) by the provision of financial and other assistance to serving, former and retired civil and public servants and their dependants either directly or by making grants to other organisations which can provide financial or other support to them"

The Trustees translate this into the following aim:

> "To put the trading surplus of the Civil Service Insurance Society to good use, helping to relieve need, hardship and distress amongst serving, former and retired civil and public servants and their families, both directly and by action in the local communities in which they live."

As part of the work to prepare our new Medium Term Strategic Plan in 2016 we reviewed our grant giving policies and priorities in some depth. We established a number of guiding principles to provide a framework for our grant giving through to 2020 which were set out in full in our 2016 Trustee report, downloadable from our website. Our detailed Grant Giving Policy incorporating these principles, which we will continue to keep under regular review, is also available to be downloaded from our website.

The Grant Giving Policy Statement includes information about the Trustees' priorities, funds available, type of projects sought, type of grants we will pay, conditions we generally set on grants, and our procedures and timetable for considering and authorising grants. It reaffirms that, in addition to providing support for the widows and widowers of deceased CSIS policyholders, our primary focus will be on supporting charities and not-for-profit organisations which have a clear and direct link with the public services. However, we will also continue to provide grants to other organisations where Trustees can be satisfied that the beneficiaries will include former, serving and retired civil and public servants and their dependants and which are very clearly and directly relieving need, hardship and distress amongst those they support.

Our aim will be to provide:

- Unrestricted, core funding support for established benevolent funds, especially those providing welfare support for serving, former and retired employees of the less visible "unloved" public services;
- "Pump priming" funding for special short to medium term projects and also for collaborative projects involving two or more charities;
- One off grants to help our partner charities restructure and build up their donor base to ensure that the charities will be there to support their client groups over the long term.
- One off or short term grants to small community based charities and for special cases which our partner charities would otherwise have difficulty funding.

These categories are not, however, exclusive and we will consider supporting any project which we can see will have a clear and direct impact on any former, serving or retired civil and public servants in need hardship and distress, whatever the cause. In pursuing these priorities and we will continue to look for ways to widen the range of civil and public sector charities we support, find new types of projects to support, and improve the geographical spread of our direct grant giving

The History of our Grant Giving

The sections of our website headed "Finance" and "Grants: Facts, Figures and Our Policy" under "More About Us" provide information about the history of our grant giving as well as links to download both the Grant Giving Policy and our Annual Reports and Accounts for the past eight years. These include tables listing all the individual grants we awarded during the relevant years.

The website contains a table analysing our grant giving over the past ten years which shows how the balance has changed over that period and how much more support we are now managing to give to the smaller public sector charities and trade union welfare funds.

FINANCIAL REVIEW

Overview

Most of the charity's annual income comes from the trading activities of CSIS, which, as explained on page 7, is a small, but highly successful not for profit insurance intermediary, authorised and regulated by the Financial Conduct Authority, which markets good quality, competitively priced insurance products to a wide range of civil and public servants. The two companies are legally and constitutionally separate, but they are linked by a Deed of Covenant put in place under the Gift Aid provisions introduced into the UK tax regime in April 2000 and confirmed when the charity was reconstituted in 2007, under which all but a small amount of the annual trading surplus of CSIS is covenanted irrevocably to the charity.

The donation from CSIS in respect of 2017 was £1,250,000 of which £594,000 was paid to the charity in December 2017, the balance to be received early in 2018. The charity also received income from investing its cash, bringing in a further £54,822 in 2017. During the year £150,000 of investment funds have been withdrawn to fund our grant giving policy, with the residual investments seeing an increase in value of £107,083, culminating in a net reduction of £42,917 at the balance sheet date.

At 1 January 2017, the charity held assets of £2,455,411, net of some quarterly payments to our widows which had been approved in 2016 for payment in 2017 and which had therefore been accrued in the 2016 accounts. At the Grants meeting in February 2017 and during the course of the year, additional grants to charitable organisations totalling £934,100 were approved for payment during 2017 along with further grants to our widows, bringing the total of grants paid out during the year to £958,521. Total funds at the end of the year were £2,891,862 which includes the £1,250,000 donation from CSIS for the year ended 31 December 2017.

Comparisons with the Accounts for 2016 are distorted by the receipt of a very large legacy from the estate of Mr John Parker deceased, which the charity was notified of just before Christmas 2015. Although CSIS Charity Fund was clearly named as a major beneficiary, the Will stated that the donor wished the money to be used "for the benefit of The Benenden Charitable Trust". Having consulted the Executor to see if he could shed any light on the donor's intention and having taken appropriate legal advice, the Trustees decided that the right course of action was simply to pass the money straight on to The Benenden Charitable Trust as a discretionary grant.

That decision was taken after 31 December 2015 and so the grant of the money to The Benenden Charitable Trust was not reflected in the 2015 Accounts. The subsequent treatment of the legacy in the 2016 accounts was explained in full in the 2016 Trustee Report and Accounts. All transactions relating to the legacy were completed before the end of 2016. Because we did not believe the money was ever intended for our use, and none of it was retained, we have excluded these large financial transactions from all of our published grant giving tables.

The distortion to the Accounts caused by the legacy followed an earlier distortion caused by a decision in 2012 to change the date of our annual Grants meeting from October to February. The change made operational sense and a detailed explanation of the effect of it was given in the 2013 Report and Accounts. However, the main consequence of the change is that the Accounts for each year now show a large amount of cash held in the bank at the end of the year with no offsetting accruals. The transition also created a noticeable discontinuity in the way our grant giving appears in the accounts making comparisons over a number of years difficult to interpret, and the receipt of the legacy has further compounded that problem.

Reserves Policy

As previously noted, most of the charity's income comes from the trading activities of CSIS. With the exception of 2017 when the annual donation included an unusually large profit share from past trading, this has averaged around £0.5 to £0.7 million a year for the past 10 years. However, CSIS operates in a highly competitive market and it would not be prudent for the charity to depend on that level of income continuing indefinitely, as the dip in the trading surplus for 2013 to just under £0.5 million demonstrated. Nor is it prudent to depend on investment income, as events in the financial markets during recent years have demonstrated all too vividly.

In setting a reserves policy, we need to allow for the fact that almost all of our income comes from CSIS just before the end of the year and most of our grant payments are made in March. The reserves figure shown in the annual accounts is therefore inflated by a large, temporary injection of cash, which can give a misleading impression of the underlying position.

As part of our work on drawing up our new Medium Term Strategic Plan for 2017 to 2020, we conducted a full review of our reserves policy, including carrying out some financial modelling to explore the risks presented by a number of alternative scenarios. In the light of this, and taking all relevant considerations into account, we now judge we only need to hold reserves, excluding the temporary injection of funds from CSIS, of around one year's expenditure, measured as the average of the last three year's spending on grants and running costs. Consistent with this, we have adopted the following formal reserves policy:

> "Given the potential risks to our income from CSIS and to the value of our investments, and taking account of our wish to support our existing widows for as long as they need our help, complete any projects we are funding and give our important partner organisations time to adjust, we believe that we should not allow our total funds as shown in the accounts at the end of the year, less the cash donation received from CSIS in December, to fall below the average of our spending in the previous three years (ie, grants and running costs in the accounting year and the two previous years). While continuing to act prudently, and subject to review in the light of experience, we will aim to reduce our reserves to the level of the new reserves policy by the end of the decade."

On that definition our reserves at the end of 2017 were £1,641,862, well above the £897,000 we judge we need. Our strategic aim is to reduce our reserves to a more appropriate level by the end of the decade, drawing on them as we judge appropriate to support our grant giving. Given the financial modelling we did during 2016, and subject to review each year in the light of experience, we believe this means we can safely plan on being able to spend an average of around £700,000 a year for the next five years, and possibly a little more than that if the income from CSIS does not drop below £500,000 a year and/or we benefit from unexpected windfall gains on our investment portfolio.

Investment Policy

The Trustees' investment policy, which is kept under regular review, is to invest long term money in Charishare (equities), Charinco (fixed interest) and The Charities Property Fund. The investments are held for the charity by BlackRock Investment Managers and Cordea Savills. Sufficient cash for short term needs is held on deposit at our bank, Handelsbanken.

Charishare aims to provide medium to long term capital and income appreciation by investing mainly in UK listed Companies and during the year the total return for the Fund was 13.63%. Charinco aims to provide a high level of income from a portfolio of fixed interest securities. During the year, the total return for the Fund was 3.54%. The Charities Property Fund aims to provide an attractive level of income plus capital growth by investing in a diversified UK Commercial Property portfolio. During the year the total return was 9.91%.

MEETING THE PUBLIC BENEFIT TEST

As noted above, the formal Objects of the charity are the relief of need, hardship and distress, including (but not exclusively) by the provision of financial and other assistance to serving, former and retired civil and public servants and their dependants either directly or by making grants to other organisations which can provide financial or other support to them. Our Memorandum and Articles of Association enable us to interpret the term "civil and public servants" quite widely to include, for example, the civil service, armed forces, the NHS, teachers and other local authority employees, government agencies and privatised bodies which were formerly part of the civil service, such as BT and the Post Office.

As will be seen from our grant giving policy above, the Trustees are prepared to consider supporting any appropriate organisation which approaches the charity for help, providing the proposal falls within the charity's Objects. Furthermore, we are taking active steps to expand the range of projects and activities we support and to improve the geographical spread of our direct grant giving, for example, by ensuring that the hospice projects we support are spread around the country, as well as being in places where we know large numbers of civil and public servants live and work. The major civil and public sector charities we support already have national coverage and so our grant giving helps to support individuals throughout the UK.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

CSIS Charity Fund is a company limited by guarantee. Its governing document is the Memorandum and Articles of Association agreed by special resolution of the Members on 19 May 2009, and amended by the Members in a General Meeting held on 14 May 2015. This incorporates a number of provisions of the Companies Act 2006 which had not been included in the original constitution, agreed by the Charity Commission on the 23rd November 2007 when the charity was first incorporated. Using the provisions of the new constitution, the name of the charity was changed from the Civil Service Windows and Orphans Fund to CSIS Charity Fund by resolution of the Trustees on the 15th of June 2009.

The Trustees and Management of the Charity

The charity currently has thirteen Trustees who meet regularly. We were sad that Brian Sturtevant decided to resign as a Trustee during 2017 because of pressure of other commitments. He served as a Trustee for a number of years and we wish him well.

The Trustees held seven meetings during 2017, including an "Awayday" and we expect to have an average of six to eight meetings a year in the future. The Trustees are not paid though reasonable expenses can be claimed. There are no formal sub committees and all substantial matters are considered by all of the Trustees.

The charity employs no staff directly, however, up until January 2016 there was a Memorandum of Agreement in place between CSIS and CSIS Charity Fund concerning the payment of rent, rates and services which included the services of Mrs Helen Harris who acts as Company Secretary and handles the day to day running of the charity. The Memorandum of Agreement reflected the fact that the charity held the lease on the accommodation in Colman House which the Insurance Society occupies. The Insurance Society took over the lease on 19 January 2016 and much simpler arrangements are now in place between the charity and the Insurance Society, in which the Society continues to provide administrative support services, including the services of Mrs Helen Harris, without charge, as a benefit in kind.

The charity does not use volunteers. The charity does not undertake any direct fundraising and is therefore not a member of the Fundraising Standards Board.

The Trustees have put in place a basic set of policies and procedures which an up to date charity is now expected to have, including a grant giving policy, a reserves policy, investment policy, conflicts of interest policy, procedure for handling complaints, a risk management strategy and risk register and job descriptions for the Trustees and all office holders. These are kept under regular review and updated as necessary. The Trustees have formally adopted the principles of the new Charity Governance Code for Small Charities, published in July 2017, on the basis that it allows charities to depart from the recommended practice on any particular item providing the reasons for doing so are explained.

The main decisions on grants are taken at an annual grants meeting which all Trustees attend. However, procedures are in place to allow grant decisions to be taken at other times and these include delegated authority for a Trustee nominated as the Grants Trustee to approve emergency grants for widows and other dependents of former CSIS policy holders and small additions to grants already awarded.

The Trustees keep under regular review the skills and experience needed in the board. Our aim is to recruit new Trustees as and when the opportunity arises to maintain a board with an appropriate balance of the desired skills and experience, with staggered terms of appointment which will provide for continuity and stability while allowing for some potential turnover of Trustees over the medium term. Given the size and nature of the charity, our aim is to recruit Trustees if possible without the expense of advertising in national newspapers.

Several Trustees' have indicated that they will wish to stand down when their current terms of office end in May 2018 and we have therefore been running a recruitment exercise during the first half of 2018. We conducted a Trustee skills audit during 2017 and discussed succession planning at our Awayday in July. In the light of those discussions, we launched a recruitment exercise in January using a number of Trustee recruitment websites. We are planning to appoint five new Trustees, including a new Treasurer, to strengthen the board, increase the diversity of the board and secure better long term succession planning for the key offices.

We have an induction procedure for new Trustees which includes a list of documents to be provided, people to meet, and training to be offered. This is kept under regular review and updated as necessary. It is used flexibly. New Trustees come from different backgrounds with differing levels of experience and degrees of knowledge about the duties of a charity Trustee, and some Trustees will have more time than others to devote to optional training. Trustees are encouraged to attend training events and financial briefings from our Investment Managers.

Risk Management

The Trustees have a risk management strategy in place which details how we assess, analyse, classify and manage our risks. Where appropriate, systems or procedures have been established to manage the risks to which the charity is exposed or to mitigate the possible consequences, and we keep our risk register under regular review and update it as necessary. We have a rolling programme of reviews in which we aim to discuss one of our key risks in depth at successive Trustee meetings.

The Trustees judge that the most important risks to the charity are: overdependence on key individuals; failure to have the impact we intend with out grant giving; reputational risk from the actions of others outside our control; poor investment performance given the current volatility in the financial markets; and the charity's dependence on CSIS for its annual income, given that CSIS operates in a very highly competitive market. Our reserves policy (see page 8) is therefore designed, in particular, to protect the work of the charity against the possibility that CSIS may not be able to maintain its present level of profitability indefinitely. Internal systems of control and contingency plans are in place to protect the charity against other risks such as fraud, fire or disruption to the IT systems.

The Trustees reviewed and updated the conflicts of interest policy in 2014, and as part of that work, they carefully considered the implications of the Bribery Act. They concluded that the existing systems provide adequate safeguards, given the limited risks the charity faces. The conflicts of interest policy includes guidance on the acceptance of gifts and hospitality.

The Trustees do not consider it necessary to set up a separate audit committee. However, arrangements have been made for an independent internal auditor to carry out a programme of regular checks and to report twice a year to the Trustees. The auditor has a direct line to the Chairman should he wish to raise urgent matters or concerns arising from any of his audits.

OUR PLANS FOR THE FUTURE

Our medium term ambitions, confirmed in the Medium Term Strategic Plan we have adopted for 2017 to 2020, are:

- To be seen by both the organisations we work with, and by existing and potential CSIS policy holders, as caring, supportive, flexible, and responsive to new ideas.

- Through close working with and monitoring of our partner organisations, to know that our grant giving is making a genuine difference to the lives of individuals in need, hardship and distress, in particular for the client groups we see as our priority.

- To ensure that the impact of our grant giving is spread throughout the UK and its diverse communities by working with as wide a range of civil and public service charities and other not-for-profit organisations as we can.

- To have a good story to tell in our publicity material about the sort of impact our grant giving is having on individuals in hardship and distress, which will support CSIS's marketing efforts.

Consistent with the above, our Business Plan for 2018 is based on the following key priorities:

- **To continue to develop the scope of our grant giving in line with our Medium Term Strategic Plan** by actively seeking new and different organisations and good quality projects which we can help to fund and promoting increased partnership working amongst the organisations we support, by pump-priming their innovative projects, fostering joint working between them and publicising their work through information and links on our website.

- **To continue to improve our understanding of the impact of our grant giving,** by strengthening our relationships with the charities we finance, making more visits to projects to see the impact our grants make to individuals, and carrying out more analysis of our spending to judge how well the balance compares with our stated priorities.

- **To work with CSIS on joint marketing**, developing publicity material and strategies which, subject to the regulatory constraints on the two organisations, will enable us to support CSIS's marketing efforts by explaining the relationship between the two organisations and showcasing the good work we are able to do with the income we receive from CSIS.

- **To make sure that the charity can continue to be well run**, both by recruiting new Trustees to fill the vacancies we expect to arise during the year so that we have a strong, effective, diverse board with all the relevant skills and experience needed to run the charity successfully through into the next decade with effective long term succession plans in place for all key posts, and by putting in place robust contingency plans for running the charity with only limited support from CSIS.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of CSIS Charity Fund for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees on 24 May 2018 and signed on their behalf by:

Helen Harris
Company Secretary

Independent auditors' report to the members of CSIS Charity Fund

Opinion

We have audited the financial statements of CSIS Charity Fund (the 'charity') for the year ended 31 December 2017 set out on pages 16 to 33. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditors' report to the members of CSIS Charity Fund

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members of CSIS Charity Fund

Auditors' responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury
24 May 2018

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CSIS Charity Fund
(A company limited by guarantee)

Statement of financial activities incorporating income and expenditure account
For the year ended 31 December 2017

	Note	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:				
Donations and legacies	2	**1,290,679**	**1,290,679**	784,505
Investments	3	**54,822**	**54,822**	60,034
Total income		**1,345,501**	**1,345,501**	844,539
Expenditure on:				
Charitable activities	6,7	**1,016,133**	**1,016,133**	1,039,495
Total expenditure	9	**1,016,133**	**1,016,133**	1,039,495
Net income / (expenditure) before investment gains		**329,368**	**329,368**	(194,956)
Net gains on investments	12	**107,083**	**107,083**	136,728
Net income / (expenditure) before other recognised gains and losses		**436,451**	**436,451**	(58,228)
Net movement in funds		**436,451**	**436,451**	(58,228)
Reconciliation of funds:				
Total funds brought forward		**2,455,411**	**2,455,411**	2,513,639
Total funds carried forward		**2,891,862**	**2,891,862**	2,455,411

The notes on pages 19 to 33 form part of these financial statements.

CSIS Charity Fund
(A company limited by guarantee)
Registered number: 06414570

Balance sheet
As at 31 December 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Investments	12		**1,656,537**		1,699,454
Current assets					
Debtors	13	**670,068**		398,965	
Cash at bank and in hand		**574,838**		376,303	
		1,244,906		775,268	
Creditors: amounts falling due within one year	14	**(9,581)**		(19,311)	
Net current assets			**1,235,325**		755,957
Net assets			**2,891,862**		2,455,411
Charity Funds					
Unrestricted funds	16		**2,891,862**		2,455,411
Total funds			**2,891,862**		2,455,411

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 24 May 2018 and signed on their behalf, by:

Gill Noble, Chairman **Julia Wood, Treasurer**

The notes on pages 19 to 33 form part of these financial statements.

CSIS Charity Fund
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash used in operating activities	18	**(6,287)**	(311,298)
Cash flows from investing activities:			
Dividends, interest and rents from investments		**54,822**	60,034
Proceeds from sale of investments		**150,000**	230,000
Net cash provided by investing activities		**204,822**	290,034
Change in cash and cash equivalents in the year		**198,535**	(21,264)
Cash and cash equivalents brought forward		**376,303**	397,567
Cash and cash equivalents carried forward	19	**574,838**	376,303

The notes on pages 19 to 33 form part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2017

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

CSIS Charity Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1, together with seven members comprising six former Trustees and The Civil Service Insurance Society. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably, which is in accordance with the Charities SORP (FRS 102).

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.6 Going concern

The charity's main source of income is the receipt of a donation from The Civil Service Insurance Society.

In order to meet its day to day working capital requirements the charity is dependent upon this donation, the nature of which are primarily awarded on an annual basis and the significant reserves the charity has accumulated.

After making enquiries, the Trustees have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

1. Accounting policies (continued)

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Debtors

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

1.10 Cash at Bank and in hand

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

1.11 Creditors and provisions

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

1.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. Income from donations and legacies

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations from The Civil Service Insurance Society	**1,250,000**	-	**1,250,000**	736,000
Donated services	**40,679**	-	**40,679**	40,964
Legacies	-	-	-	7,541
Total donations and legacies	**1,290,679**	-	**1,290,679**	784,505
Total 2016	776,964	7,541	784,505	

3. Investment income

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Investment income	**54,822**	**54,822**	60,034
Total 2016	60,034	60,034	

4. Grants paid to other charities in 2017 and approved for payment in 2018

	Paid out in 2017 £	Approved In February 2018 £
The Charity for Civil Servants		
Contribution to welfare grants to serving and retired civil servants in need	250,000	250,000
Civil Service Retirement Fellowship (CSRF)		
Support for National Visitors Network befriending services to combat loneliness	-	35,000
BT Benevolent Fund		
Support for welfare payments	60,000	75,000
Joint Project by BT Benevolent Fund and CSRF		
Extending the CSRF Visitor Network to BT pensioners	15,000	-
Post office Orphans Benevolent Institution		
Support for University Bursaries and the "Rising Stars" scheme	30,000	40,000
Rowland Hill Fund		
Support for a range of welfare grants and to update their website	50,000	65,000
MOD Family Activity Breaks (FAB) Project		
Scheme to provide activity holidays for bereaved service families	30,000	30,000
Overseas Services Pensioner' Benevolent Society		
Support for welfare grants including convalescence and respite breaks	3,000	-
Civil Service Sports Council		
Grants to help disabled and disadvantaged sportsmen and women	6,500	5,000
HASSRA		
Grants to help disabled and disadvantaged sportsmen and women	5,000	-
NI Prison Service Central Benevolent Fund		
Support to expand their Home Visiting Scheme and social events for widows	25,000	35,000
Railway Benefit Fund		
Support for welfare grants and to develop an expending range of services	40,000	40,000
NHS Retirement Fellowship		
Support for welfare grants and development of a range of future services	27,000	40,000
Education Support Partnership		
Support for welfare grants and the development of possible new services	60,000	75,000
Cavell Nurses' Trust		
Support for nurses, midwives and healthcare assistants in hardship and need	30,000	60,000

Grants paid to other charities in 2017 and approved for payment in 2018 (Continued)

	Paid out in 2017 £	Approved In February 2018 £
The Ambulance Services Charity		
Welfare support for members of the ambulance services and their families	30,000	40,000
Social Workers Benevolent Fund		
Welfare support for social workers and their families	20,000	20,000
The Care Workers Charity		
Welfare support for care workers and their families	20,000	40,000
Fire Fighters Charity		
Welfare support for members of the fire service and their families	20,000	-
Police Treatment Centres		
Support for physiotherapy and rehabilitation of injured police officers	20,000	30,000
National Association of Probation Officers (The Edridge Fund)		
Contribution to welfare grants	10,000	10,000
National Federation of Occupational Pensioner NFOP		
Contribution to welfare fund	8,000	10,000
Public and Commercial Services Union (PCS)		
Contribution to the union's Benevolent fund	10,000	10,000
Prison Officers Association Welfare Fund		
Support for stress helpline, welfare grants and rehabilitation for injured officers	20,000	30,000
UNISON		
Contribution to the union's Benevolent fund	-	15,000
Canterbury Oast Trust		
Support for the building a new Skills Academy for adults with learning difficulties	20,000	20,000
Relatives and Residents Association		
Support for a guidance for care workers on the importance of diagnosing and treating hearing problems in care settings and on handling medication	15,000	15,000
Tax Help for Older People (TOP)		
Support for volunteer tax help and advice for elderly people on low incomes, including joint project with Tax Aid	34,100	20,000
Tax Aid		
Support for a phone helpline for working age people on low incomes who have tax problems they cannot sort out with HMRC	-	15,000
Splitz		
To support work with military families at risk of experiencing domestic abuse	10,000	-

Grants paid to other charities in 2017 and approved for payment in 2018 (Continued)

	Paid out in 2017 £	Approved In February 2018 £
Chilterns MS Centre		
Support for people in the Chilterns area suffering from MS	10,000	10,000
Music in Hospitals		
Sponsorship of several live concerts in hospitals and ex-service care homes	5,000	5,000
Shettleton Men's Sheds		
Support for a project in Glasgow tacking loneliness amongst single men	500	-
Asthma Relief		
Provision of emergency nebulisers when the NHS cannot supply them	-	10,000
Hope for Tomorrow		
Provision of mobile cancer treatment centres	-	10,000
New Bridge Foundation		
Support for volunteers befriending prisoners	-	6,500
Hospice UK		
Funding for several capital projects in hospices focused on providing support for carers	50,000	pending
Total Grants to other charities	**934,100**	**1,066,500**
Provision for additional grants during 2018, including charities who are new to us		175,000
Total budget for grants to other charities	**£934,100**	**£1,241,500**

5. Analysis of grants

	Grants to Institutions 2017 £	Grants to Individuals 2017 £	Total 2017 £	Total 2016 £
Grants to individuals	-	24,421	24,421	24,721
Grants to other charities	934,100	-	934,100	956,539
Total	934,100	24,421	958,521	981,260

Notes to the financial statements
For the year ended 31 December 2017

6. Analysis of expenditure on charitable activities

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Grants to individuals	**27,089**	**-**	**27,089**	27,408
Grants to other charities	**984,794**	**-**	**984,794**	1,007,569
	1,011,883	**-**	**1,011,883**	1,034,977
Total 2016	789,936	245,041	1,034,977	

7. Governance costs

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Auditors' remuneration	**3,690**	**3,690**	3,540
Accountancy	**560**	**560**	978
	4,250	**4,250**	4,518

8. Support costs

	Grants to individuals £	Grants to other charities £	Total 2017 £	Total 2016 £
Rent & rates	**534**	**10,145**	**10,679**	10,894
Insurance	**84**	**1,594**	**1,678**	1,307
Office expenses	**550**	**10,455**	**11,005**	11,516
Recharged staff costs	**1,500**	**28,500**	**30,000**	30,000
	2,668	**50,694**	**53,362**	53,717
Total 2016	2,687	51,030	53,717	

Notes to the financial statements
For the year ended 31 December 2017

9. Analysis of resources expended by expenditure type

	Other costs 2017 £	Total 2017 £	Total 2016 £
Grants to individuals	**27,089**	**27,089**	27,408
Grants to other charities	**984,794**	**984,794**	1,007,569
Charitable activities	**1,011,883**	**1,011,883**	1,034,977
Expenditure on governance	**4,250**	**4,250**	4,518
	1,016,133	**1,016,133**	1,039,495
Total 2016	1,039,495	1,039,495	

10. Analysis of expenditure by activities

	Grant funding of activities 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Grants to individuals	**24,421**	**2,668**	**27,089**	27,408
Grants to other charities	**934,100**	**50,694**	**984,794**	1,007,569
Total 2017	**958,521**	**53,362**	**1,011,883**	1,034,977
Total 2016	981,260	53,717	1,034,977	

11. Net income/(expenditure)

This is stated after charging:

	2017 £	2016 £
Auditors' remuneration - audit	**3,690**	3,540

During the year, no Trustees received any remuneration (2016 - £NIL).
During the year, no Trustees received any benefits in kind (2016 - £NIL).
11 Trustees received reimbursement of expenses amounting to £3,356 in the current year, (2016 - 9 Trustees - £3,266).

12. Fixed asset investments

	Listed securities £
Market value	
At 1 January 2017	**1,699,454**
Disposals	**(150,000)**
Revaluations	**107,083**
At 31 December 2017	**1,656,537**

Investments at market value comprise:

	2017 £	2016 £
Listed investments	**1,656,537**	1,699,454

All the fixed asset investments are held in the UK

13. Debtors

	2017 £	2016 £
Prepayments and accrued income	**670,068**	398,965

14. Creditors: Amounts falling due within one year

	2017 £	2016 £
Accruals	**4,317**	4,324
Grants accrued - individual	**5,264**	4,647
Grants accrued - other charities	**-**	10,340
	9,581	19,311

In accordance with the company's accounting policy all grants which have been unconditionally offered to beneficiaries but not paid before the balance sheet date are shown as a liability in the financial statements. Grants that are offered subject to conditions are not accrued.

15. Financial instruments

Financial assets - debt instruments measured at amortised cost	2017 £	2016 £
Accrued income	**669,532**	398,673

Financial liabilities - measured at amortised cost	2017 £	2016 £
Accruals	**4,317**	5,184
Grants accrued - individual	**5,264**	4,647
Grants accrued - to other charities	**-**	10,340
Total	**9,581**	20,171

Notes to the financial statements
For the year ended 31 December 2017

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2017 £
Unrestricted funds					
General Funds	**2,455,411**	**1,345,501**	**(1,016,133)**	**107,083**	**2,891,862**

Statement of funds - prior year

	Balance at 1 January 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2016 £
Unrestricted funds					
General funds	2,276,139	836,998	(794,454)	136,728	2,455,411
	2,276,139	836,998	(794,454)	136,728	2,455,411
Restricted funds					
John Parker Fund	237,500	7,541	(245,041)	-	-
	237,500	7,541	(245,041)	-	-
	2,513,639	844,539	(1,039,495)	136,728	2,455,411
Total of funds	2,513,639	844,539	(1,039,495)	136,728	2,455,411

In the prior year the John Parker fund represented amounts received from the Will of John Parker Deceased. All amounts received were paid to The Benenden Charitable Trust, in the prior, in the form of a grant which reflects the wishes stated in the Will.

16. Summary of funds

Summary of funds - current year

	Balance at 1 January 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2017 £
General funds	**2,455,411**	**1,345,501**	**(1,016,133)**	**107,083**	**2,891,862**
	2,455,411	**1,345,501**	**(1,016,133)**	**107,083**	**2,891,862**

Summary of funds - prior year

	Balance at 1 January 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2016 £
Unrestricted funds	2,276,139	836,998	(794,454)	136,728	2,455,411
Restricted funds	237,500	7,541	(245,041)	-	-
	2,513,639	844,539	(1,039,495)	136,728	2,455,411

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2017 £	Total funds 2017 £
Fixed asset investments	**1,656,537**	**1,656,537**
Current assets	**1,244,906**	**1,244,906**
Creditors due within one year	**(9,581)**	**(9,581)**
	2,891,862	**2,891,862**

Analysis of net assets between funds - prior year

	Unrestricted funds 2016 £	Total funds 2016 £
Fixed asset investments	1,699,454	1,699,454
Current assets	775,268	775,268
Creditors due within one year	(19,311)	(19,311)
	2,455,411	2,455,411

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	**436,451**	(58,228)
Adjustment for:		
Losses on investments	**(107,083)**	(136,728)
Dividends, interest and rents from investments	**(54,822)**	(60,034)
Increase in debtors	**(271,103)**	(63,973)
(Decrease)/increase in creditors	**(9,730)**	7,665
Net cash used in operating activities	**(6,287)**	(311,298)

19. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	**574,838**	376,303
Total	**574,838**	376,303

20. Related party transactions

During the year, the charity received donations of £1,250,000 (2016: £736,000) from The Civil Service Insurance Society. K M Holliday, a trustee of the charity, is a director of The Civil Service Insurance Society.

During the year, the Civil Service Insurance Society incurred costs on behalf of the charity in the sum of £40,679 (2016: £40,964), but did not recharge these. Consequently, the costs and the associated donation have been included within the financial statements as a donated service.

At 31 December 2017, the charity was owed £656,000 by The Civil Service Insurance Society (2016: £386,000).

21. Controlling party

The charity is controlled by its Board of Trustees.