

Registered number: 06414570
Charity number: 1121671



Charity Fund

Helping Public Service Communities

CSIS Charity Fund
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2018

CSIS Charity Fund
(A company limited by guarantee)

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Reference and administrative details of the charity, its trustees and advisers
For the year ended 31 December 2018

Trustees

Gill Noble, Chairman
Ian Albert (appointed 31 May 2018)
Sally Bundock
Charles Cochrane
Beryl Evans (resigned 31 May 2018)
Ray Flanigan, Deputy Chairman (from 18 April 2018)
Chris Furlong, Grants Trustee
Gaby Glasener-Cipollone, Treasurer (appointed 31 May 2018)
Rebecca Gooch
Dan Hewitt (resigned 31 May 2018)
Kevin Holliday
Tom Hoyle (resigned 31 May 2018)
Arthur Ngoka (appointed 31 May 2018)
Tunde Ojetola
Angelos Pamos (appointed 31 May 2018)
Sun-Hee Park (appointed 31 May 2018)
Craig Pemberton (resigned 31 May 2018)
Julia Wood, Treasurer (resigned 31 May 2018)

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

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Reference and administrative details of the charity, its trustees and advisers
For the year ended 31 December 2018

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

Savills Investment Management (UK) Limited
33 Margaret Street
London
W1G 0JD

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Trustees' report
For the year ended 31 December 2018



CHAIRMAN'S REPORT

2018 was an exceptional year for the charity. We learned just before the start of the year that the annual donation from CSIS was going to be a massive £1.25 million, almost twice what we had been expecting, due to an unusually large profit share from past trading. The Trustees decided we would share this unexpected windfall with the charities we support rather than adding it to our reserves which we felt were already more than adequate. As a result we were able to give grants totalling just under £1.2 million to 34 charities, including seven we had not supported in the past.

The grants ranged from £250,000 to the Charity for Civil Servants to £500 to Norwich Men's Shed, a small community project which tackles loneliness amongst single men by "providing a place for blokes to meet informally and safely to do 'hands-on' stuff together". These grants mean that between 2008, the first full year after the charity was incorporated, and 2018, we donated a total of just over £8.6 million to over 110 different organisations, £4.5 million of which was in the last five years. I think that is an achievement we can be very proud of.

None of the good work we have been able to achieve with our grant giving would have been possible without the £7.3 million the charity received from the Insurance Society over the same period. CSIS is a unique organisation. Their hard working staff provide a really excellent service to their customers and as a happy bi-product of doing such a good job, they also generate a huge amount of charitable funds which make a real difference to the lives of thousands of individuals facing hardship and distress from circumstances that are not their fault.

It has been a year of considerable change in our Trustee Board. Five Trustees stood down at the end of their terms of office in May, including Julia Wood who had served as our Treasurer. We held an open competition and were very lucky to recruit five excellent new Trustees with a wide range of professional and charity experience. The year ahead presents many more challenges for the charity. Helen Harris, the Charity Secretary, retired from CSIS at the end of December. We are extremely grateful to her for agreeing to remain as Secretary as a volunteer for at least the next year. It means we are having to get used to working in different ways, but we are all pleased that we have not lost Helen's invaluable support and experience for now. My own term of office will come to an end in May, along with that of Chris Furlong, our Grants Trustee. So there will be further major changes ahead in the management of the charity.

As I look back over the many years I have been involved with the charity, and in particular the last 11 years since incorporation, I do so with considerable pride in the way the charity has grown and developed, and in all the good work we have managed to support. It has been a pleasure and real privilege to be able to help so many worthwhile causes.

Finally, 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 customers, but who also make everything we do possible.

A handwritten signature in black ink, appearing to read 'Gill Noble', is written over a light blue horizontal line.

Gill Noble
Chairman

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Trustees' report (continued)
For the year ended 31 December 2018

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 2018. 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.

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 2018

Our business plan for 2018 was 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.

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Trustees' report (continued)

For the year ended 31 December 2018

- **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.

During the year

- We continued to expand and develop our grant giving and were pleased to be able to give grants to 34 different organisations in 2018, including seven charities we had not previously supported. In contrast, we gave to just 11 organisations in 2008.
- We recruited five new Trustees who took office in May, to replace five who stood down at the end of their terms of office. The new Trustees have a wide range of skills and experience and we are satisfied we have a strong and diverse board to take the charity forward into its next phase.
- We relaunched our "lead Trustee" scheme when the new Trustees joined the board in May. Under that scheme, individual Trustees are paired with specific charities and they become their first point of contact. This gives the Trustees the opportunity to get to know a range of the charities we support so they can understand the work they do, the challenges they face and their hopes and ambitions for the future. It adds to the interest of being a Trustee and it gives the Board a much better insight into the charities we support.
- We have been working on a joint marketing plan with CSIS throughout the year. An important milestone came in August when we adopted a new logo, designed to better reflect the close relationship between the charity and the Insurance Society. The new logo echoes that of CSIS, acting as an important reminder of the direct link between the success of the insurance business and the impact the charity's grant giving can have on the lives of individuals in need.
- We have continued to strengthen our working relations with CSIS through regular informal contact between a subgroup of Trustees and CSIS Directors and by working with CSIS on support for vulnerable customers.
- We reviewed a number of our policies during the year, including our grant giving policy, our reserves policy, our investment policy and our risk management policy. We have identified further work we want to do on the last two of these in 2019. We have put in place a new expenses policy and following the introduction of GDPR in May, we now have an up-to-date Data Protection Policy and Terms and Conditions of use on our website.
- We reviewed our finance and administrative systems in preparation for an important change in the day-to-day running of the charity: the Charity Secretary, Helen Harris, retired from CSIS at end of 2018 and now works from home as a volunteer. The new arrangements are working extremely well.

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Trustees' report (continued)
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Our grant giving in 2018

In 2018, we made grants totalling £1,179,234 of which £23,234 was paid to the widows of CSIS policyholders and £1,156,000 to thirty four different charities around the UK, including seven charities we had not previously supported.

The largest grant went to support the work of the Charity for Civil Servants to fund their welfare grants and initiatives such as their "carers passports" which helps civil servants with caring responsibilities secure the support they need in their workplaces. The smallest grant was £500 to Norwich Men's Shed, a small community project which tackles loneliness amongst single men by "providing a place for blokes to meet informally and safely to do 'hands-on' stuff together." Other grants went to charities supporting teachers, nurses, ambulance workers, injured police officers, prison and probation staff, care workers, social workers, post and telecommunications workers, railway workers and bereaved service families. Details of all the grants paid out in 2018 are set out in a table in the Notes to the Accounts. That table also contains information about the further grants totalling £812,535 which the Trustees awarded at their annual grants meeting in January for payment in 2019, including £20,535 to the widows we support. We also made provision for further grants to be awarded during the year, including earmarking £5,000 for a new initiative to give support to vulnerable customers of CSIS.

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 how or 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. In addition, we prepared a 10th Anniversary Celebration Review in October 2017 as part of the celebrations of our tenth anniversary as an incorporated charity. We asked the charities we support to provide additional impact material and that is contained in the Review 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

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."

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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 is 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 to the extent that resources permit, 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 four years. These include tables listing all the individual grants we awarded during the relevant years.

The website contains information about the history of our grant giving since we became an incorporated charity in November 2007 as well as a table showing how the balance of our grant giving has changed over the past five years and how much more support we are now managing to give to the smaller public sector charities and trade union welfare funds. We are proud that between 2008 and 2018 we gave grants totalling £8.6 million to 110 different organisations, including just over £2.7 million to the Charity for Civil Servants, £1.2 million to charities supporting post and telecoms workers, £0.2 million to support teachers, £0.3 million to support prison and probation officers, just under £0.5 million to charities supporting nurses, care service workers and staff in the emergency services and a massive £0.8 million to support hospices in areas where large numbers of civil and public servants live and work.

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Trustees' report (continued)
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FINANCIAL REVIEW

Overview

Most of the charity's annual income comes from the trading activities of the Civil Service Insurance Society, which, 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 their 2018 trading was £597,100 of which £300,000 was paid to the charity in December 2018, the balance to be received early in 2019. The charity also received income from investing its cash, bringing in a further £56,557 in 2018. The charity did not have to liquidate any investments to fund its grant giving in 2018, but the overall value of the investments held by the charity fell by £134,307 during the year.

At 1 January 2018 the charity held assets of £2,891,862, net of some quarterly payments to our widows which had been approved in 2017 for payment in 2018 and which had therefore been accrued in the 2017 accounts. At the Grants meeting in February 2018 and during the course of the year, additional grants to charitable organisations totalling £1,156,000 were approved for payment during 2018 along with further grants to our widows, bringing the total of grants paid out during the year to £1,179,234. Total funds at the end of the year were £2,211,224 including the £597,100 donation from CSIS in respect of their trading in 2018, £300,000 of which was received from CSIS just before 31 December 2018, the balance to be paid to the charity by June 2019.

Reserves Policy

As explained above, most of the charity's income comes from the trading activities of the Civil Service Insurance Society. With the exception of the abnormally high donation in 2018 which resulted from a one-off 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 judged that 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. On that definition our reserves at the end of 2018 were £1.6 million, £0.6 million more than the £1 million we judge we need.

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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.

Consistent with the above, we have formally adopted the following reserves policy:

“Given the potential risks to our income from CSIS and to the value of our investments, and taking account of the 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.”

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 Savills Investment Managers. 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 -8.39%. 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 0.46%. 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 7.15%.

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 have been 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.

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Trustees' report (continued)
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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 to lose five Trustees who stood down in May 2018 at the end of their terms of office: Beryl Evans, Dan Hewett, Tom Hoyle, Craig Pemberton, and our Treasurer Julia Wood. We wish them all well and thank them for their hard work and contribution to the charity.

We conducted a very successful open competition in the first few months of 2018 and were pleased to welcome five new Trustees to the Board in May, bringing a wealth of new skills and experience to the Board:

- Our new Treasurer, Gaby-Glasener-Cipollone, spent more than 20 years in Consulting for Financial Services. As Executive Partner at IBM Gaby was driving clients' corporate innovation agenda including Artificial Intelligence, Big Data Analytics, Robotics and Blockchain. Gaby has voluntary work experience, most recently as a Trustee and Treasurer for the Homeless charity Groundswell.
- Ian Albert recently retired from DWP, where he had worked in a number of roles since 1981, both providing front line services and in policy development, most recently taking a leading role in the development and promotion of Credit Unions. Ian was a member of the PCS trade union National Executive Committee, a founding employee member/Director of the Civil Service Pensions Board and a Trustee of both of the PCS pension funds. He served as a Trustee of the Civil Service Retirement Fellowship for three years until 2017. He has been a Governor of his local primary school for many years, and he was elected a District Councillor in May 2016. More recently, he became a Director of the Black Squirrel Credit Union which works with social landlords, providing ethical loans, especially to new tenants, and promoting the habit of saving for the future.
- Arthur Ngoka is an experienced accountant and finance expert with over 20 years of diverse Commercial and Strategic Finance experience and leadership across various industries, multinationals and SMEs, he has also served on the boards of other charitable organisations.
- Angelos Pamos is a Chartered Financial Analyst (CFA) and works at ERM, a London-based environmental services organisation, where he is responsible for investments in technology-enabled companies. Over the last 13 years, he has held a number of principal investment roles within the private sector, including more than three years with a private equity firm. He was also a Director of a software company for 18 months and a primary school governor for 12 months.
- Sun-Hee Park is an international capital markets lawyer with over 20 years of experience. She is senior counsel at the European Bank for Reconstruction and Development ("EBRD"), a multilateral development bank headquartered in London, where she provides legal support to their Finance Department. She graduated in law from Cambridge University and has worked for Linklaters, Salomon Brothers and Citigroup. She is currently a steering committee member of "EBRDconnect", EBRD's internal network promoting gender equality.

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The Trustees held six meetings during 2018, including an "Awayday" and we expect to have an average of six to eight meetings a year in the future. We also had a very successful joint meeting with the Directors of CSIS in Maidstone in January 2018 and a similar meeting is planned for 2019 along with continuing regular informal contacts between a subgroup of the Trustees and Directors.

The Trustees are not paid though reasonable expenses can be claimed. The charity employs no staff directly. 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 were put in place between the charity and the Insurance Society, in which the Society continued to provide administrative support services, including the services of Mrs Helen Harris, without charge, as a benefit in kind. That is reflected in the accounts for 2018. Helen Harris retired from CSIS on 31 December 2018 and we are pleased and grateful that she has agreed to continue to act as Charity Secretary on a voluntary basis working from home. Up until now, the charity has not used any volunteers, other than the Trustees.

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, a data protection policy and job descriptions for the Trustees and all office holders. These are kept under regular review and updated as necessary. The conflicts of interest policy includes guidance on the acceptance of gifts and hospitality.

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

The Trustees have not previously considered it necessary to set up any formal committees. However, it was decided in the autumn to set up a Finance, Audit and Risk Committee under the Chairmanship of the new Treasurer. It is a formally constituted committee of the Trustee Board, accountable to the Board, to work with and support the Treasurer in the exercise of his or her role and to provide a forum where matters relating to finance can be discussed in detail with a small group of Trustees. The full Trustee Board remains responsible for all decisions relating to finance, but they can delegate authority to the Committee to take decisions on their behalf on matters where they judge that to be useful and appropriate. The first meeting was held on 12 November. The Charity has no other formal committees, although ad hoc sub-groups of Trustees are used regularly to carry out specific pieces of work. However, all substantial matters are considered by all of the Trustees.

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 Grants Trustee chairs the annual Grants Meeting.

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Trustees' report (continued)
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The Trustees keep under regular review the skills and experience needed in the board. Our aim is to recruit new Trustees, either by open competition or directly, 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.

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, most recently for the new Trustees joining in May 2018. 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 our 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 above) 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. These include arrangements for an independent internal auditor to carry out a programme of regular checks, in particular of payments made, 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.

CSIS Charity Fund
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2018

Consistent with the above, our Business Plan for 2019 is based on the following key priorities:

- To make sure that the charity continues to be well run and does not lose strategic direction through the major organisational changes ahead, by supporting the Charity Secretary in her new role working from home, planning ahead for an orderly transition as the Chairman and Grants Secretary stand down in May and to cope with further changes in the key office holders in 2020, and ensuring that the charity has a clear Medium Term Strategic framework in place to guide it through the next three years.
- To continue to develop and improve the targeting of our grant giving in line with the principles set out in our Medium Term Strategic Plan 2017 to 2020, by improving our understanding of the work of the charities we support, gaining a better understanding of the difference our money makes to the ultimate beneficiaries of those charities, and promoting increased partnership working amongst the organisations we support by pump-priming their innovative projects and fostering joint working between them.
- To continue to strengthen our relationship with the CSIS Directors and 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 symbiotic relationship between the two organisations and showcasing the good work we are able to do with the income we receive from CSIS, reflecting the fact that the more successful CSIS is, the more we can do to make a real difference to the lives of individuals in hardship, need and distress.

A SAD FOOTNOTE TO THE YEAR

Finally, we were saddened by the untimely death of our Honorary President in November. Sir Jeremy Heywood, Cabinet Secretary and Head of Home Civil Service, had been Honorary President of both CSIS and the Charity since 2015 and he will be sorely missed by his friends, family and colleagues.

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.

CSIS Charity Fund
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2018

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 23 May 2019 and signed on their behalf by:



Helen Harris
Company Secretary

CSIS Charity Fund
(A company limited by guarantee)

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 2018 set out on pages 19 to 35. 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 2018 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.

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.

CSIS Charity Fund
(A company limited by guarantee)

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.

CSIS Charity Fund
(A company limited by guarantee)

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.

CSIS Charity Fund
(A company limited by guarantee)

Independent auditors' report to the members of CSIS Charity Fund

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.

Kreston Reeves LLP .

Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury
23 May 2019

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 2018

	Note	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:				
Donations and legacies	2	637,779	637,779	1,290,679
Investments	3	56,557	56,557	54,822
Total income		<u>694,336</u>	<u>694,336</u>	<u>1,345,501</u>
Expenditure on:				
Charitable activities	6,7	1,240,667	1,240,667	1,016,133
Total expenditure	9	<u>1,240,667</u>	<u>1,240,667</u>	<u>1,016,133</u>
Net income / (expenditure) before investment gains/(losses)		<u>(546,331)</u>	<u>(546,331)</u>	329,368
Net gains/(losses) on investments	12	(134,307)	(134,307)	107,083
Net income / (expenditure) before other recognised gains and losses		<u>(680,638)</u>	<u>(680,638)</u>	436,451
Net movement in funds		<u>(680,638)</u>	<u>(680,638)</u>	436,451
Reconciliation of funds:				
Total funds brought forward		<u>2,891,862</u>	<u>2,891,862</u>	2,455,411
Total funds carried forward		<u><u>2,211,224</u></u>	<u><u>2,211,224</u></u>	<u><u>2,891,862</u></u>

The notes on pages 22 to 35 form part of these financial statements.

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

Balance sheet
As at 31 December 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Investments	12		1,522,230		1,656,537
Current assets					
Debtors	13	297,980		670,068	
Cash at bank and in hand		401,021		574,838	
		<u>699,001</u>		<u>1,244,906</u>	
Creditors: amounts falling due within one year	14	<u>(10,007)</u>		<u>(9,581)</u>	
Net current assets			<u>688,994</u>		<u>1,235,325</u>
Net assets			<u><u>2,211,224</u></u>		<u><u>2,891,862</u></u>
Charity Funds					
Unrestricted funds	16		<u>2,211,224</u>		<u>2,891,862</u>
Total funds			<u><u>2,211,224</u></u>		<u><u>2,891,862</u></u>

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 23 May 2019 and signed on their behalf, by:



Gill Noble, Chairman



Gaby Glasener-Cipollone, Treasurer

The notes on pages 22 to 35 form part of these financial statements.

CSIS Charity Fund
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	18	<u>(230,374)</u>	<u>(6,287)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		56,557	54,822
Proceeds from sale of investments		-	150,000
Net cash provided by investing activities		<u>56,557</u>	<u>204,822</u>
Change in cash and cash equivalents in the year		(173,817)	198,535
Cash and cash equivalents brought forward		<u>574,838</u>	<u>376,303</u>
Cash and cash equivalents carried forward	19	<u><u>401,021</u></u>	<u><u>574,838</u></u>

The notes on pages 22 to 35 form part of these financial statements.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

1. Accounting policies

CSIS Charity Fund is a charity, limited by guarantee, domiciled in England and Wales, with the registration number 06414570. The registered office is 7 Colman House, King Street, Maidstone, Kent, ME14 1DD.

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.

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.

The charity's functional currency is Pounds Sterling.

The charity's financial statements are presented to the nearest pound.

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.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

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. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

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.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

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.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

1. Accounting policies (continued)

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.

1.7 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.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

1. Accounting policies (continued)

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 2018 £	Total funds 2018 £	Total funds 2017 £
Donations from The Civil Service Insurance Society	597,100	597,100	1,250,000
Donated services	40,679	40,679	40,679
	<hr/>	<hr/>	<hr/>
Total donations and legacies	637,779	637,779	1,290,679
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total 2017	1,290,679	1,290,679	
	<hr/> <hr/>	<hr/> <hr/>	

3. Investment income

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	56,557	56,557	54,822
	<hr/>	<hr/>	<hr/>
Total 2017	54,822	54,822	
	<hr/> <hr/>	<hr/> <hr/>	

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

4. Grants paid to other charities in 2018 and approved for payment in 2019

	Paid out in 2018 £	Approved In January 2019 £
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	35,000
BT Benevolent Fund		
Support for welfare payments	75,000	60,000
Post Office Orphans Benevolent Institution		
Support for University Bursaries and the "Rising Stars" scheme	40,000	25,000
Rowland Hill Fund		
For welfare grants for Royal Mail and Post Office employees and pensioners	65,000	50,000
MOD Family Activity Breaks (FAB) Project		
Scheme to provide activity holidays for bereaved service families	30,000	30,000
Civil Service Sports Council		
Grants to help disabled and disadvantaged sportsmen and women	5,000	3,000
HASSRA		
Grants to help disabled and disadvantaged sportsmen and women	-	2,000
NI Prison Service Central Benevolent Fund		
Support for social events for widows and a wet room in their holiday bungalow	35,000	21,000
Railway Benefit Fund		
Support for welfare grants for serving and retired railway workers in need	40,000	40,000
NHS Retirement Fellowship		
Support for welfare grants and the development of a range of future services	40,000	20,000
Education Support Partnership		
Support for welfare grants for lectures, teachers and teaching assistants	75,000	50,000
Cavell Nurses' Trust		
Support for nurses, midwives and healthcare assistants in hardship and need	60,000	40,000
The Ambulance Services Charity		
Welfare support for members of the ambulance services and their families	40,000	-
Social Workers Benevolent Fund		
Welfare support for social workers and their families	20,000	20,000

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

Grants paid to other charities in 2018 and approved for payment in 2019 (Continued)

	Paid out in 2018 £	Approved In January 2019 £
The Care Workers Charity Welfare support for care workers and their families	40,000	30,000
Fire Fighters Charity Support for the charity's "Living Well" groups for retired fire and rescue workers	-	10,000
Police Treatment Centres To help expand the Psychological Wellbeing programme for emergency workers	30,000	10,000
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	10,000	8,000
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	30,000	20,000
UNISON Contribution to the union's Benevolent fund	15,000	-
Canterbury Oast Trust Support for a new Skills Academy for adults with learning difficulties	20,000	15,000
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	-
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	20,000	10,000
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	10,000
Chilterns MS Centre Support for people in the Chilterns area suffering from MS	10,000	5,000
Music in Hospitals Sponsorship of several live concerts in hospitals and ex-service care homes	5,000	2,500

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

Grants paid to other charities in 2018 and approved for payment in 2019 (Continued)

	Paid out in 2018 £	Approved In January 2019 £
Norwich Men's Sheds		
Support for a project in Norwich tackling 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	-
Royal Navy & Royal Marines Children's Fund		
Welfare support for children from naval families in need, hardship or distress	10,000	-
Blackthorn Trust		
Help for a project which uses gardening to tackle mental health problems	14,000	-
Hospice UK		
Funding to help develop "Compassionate Neighbour" schemes in more hospices	65,000	-
The Lee Rigby Foundation		
To provide a bereaved family with a week's respite break in Lee Rigby House	-	500
The Sick Children's Trust		
To help the refurbishment of GOSH's 'Home from Home' Rainbow House	-	5,000
Total Grants to other charities	1,156,000	792,000
Provision for additional grants during 2019		30,000
Total budget for grants to other charities	1,156,000	822,000

5. Analysis of grants

	Grants to Institutions 2018 £	Grants to Individuals 2018 £	Total 2018 £	Total 2017 £
Grants to individuals	-	23,234	23,234	24,421
Grants to other charities	1,156,000	-	1,156,000	934,100
Total	1,156,000	23,234	1,179,234	958,521

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

6. Analysis of expenditure on charitable activities

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Grants to individuals	26,077	26,077	27,089
Grants to other charities	1,210,050	1,210,050	984,794
	<u>1,236,127</u>	<u>1,236,127</u>	<u>1,011,883</u>
	<u>1,011,883</u>	<u>1,011,883</u>	
Total 2017	<u>1,011,883</u>	<u>1,011,883</u>	

7. Governance costs

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Auditors' remuneration	3,690	3,690	3,690
Accountancy	850	850	560
	<u>4,540</u>	<u>4,540</u>	<u>4,250</u>

8. Support costs

	Grants to individuals £	Grants to other charities £	Total 2018 £	Total 2017 £
Rent & rates	534	10,145	10,679	10,679
Insurance	100	1,906	2,006	1,678
Office expenses	710	13,499	14,209	11,005
Recharged staff costs	1,500	28,500	30,000	30,000
	<u>2,844</u>	<u>54,050</u>	<u>56,894</u>	<u>53,362</u>
	<u>2,668</u>	<u>50,694</u>	<u>53,362</u>	
Total 2017	<u>2,668</u>	<u>50,694</u>	<u>53,362</u>	

During the year ended 31 December 2018, the charity incurred the following Governance costs:

£NIL (2017 - £NIL) included within the table above in respect of Grants to individuals.

£NIL (2017 - £NIL) included within the table above in respect of Grants to other charities.

CSIS Charity Fund
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Notes to the financial statements
For the year ended 31 December 2018

9. Analysis of resources expended by expenditure type

	Other costs 2018 £	Total 2018 £	Total 2017 £
Grants to individuals	26,077	26,077	27,089
Grants to other charities	1,210,050	1,210,050	984,794
Charitable activities	1,236,127	1,236,127	1,011,883
Expenditure on governance	4,540	4,540	4,250
	1,240,667	1,240,667	1,016,133
Total 2017	1,016,133	1,016,133	

10. Analysis of expenditure by activities

	Grant funding of activities 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Grants to individuals	23,233	2,844	26,077	27,089
Grants to other charities	1,156,000	54,050	1,210,050	984,794
Total 2018	1,179,233	56,894	1,236,127	1,011,883
Total 2017	958,521	53,362	1,011,883	

11. Net income/(expenditure)

This is stated after charging:

	2018 £	2017 £
Auditors' remuneration - audit	3,690	3,690

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

13 Trustees received reimbursement of expenses amount to £5,512 in the current year, (2017 - 11 Trustees - £3,356).

CSIS Charity Fund
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Notes to the financial statements
For the year ended 31 December 2018

12. Fixed asset investments

	Listed securities
	£
Market value	
At 1 January 2018	1,656,537
Revaluations	(134,307)
	<u>1,522,230</u>
At 31 December 2018	<u><u>1,522,230</u></u>

Investments at market value comprise:

	2018	2017
	£	£
Listed investments	<u>1,522,230</u>	<u>1,656,537</u>

All the fixed asset investments are held in the UK.

13. Debtors

	2018	2017
	£	£
Prepayments and accrued income	<u>297,980</u>	<u>670,068</u>

14. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Accruals	4,545	4,317
Grants accrued - individual	5,462	5,264
	<u>10,007</u>	<u>9,581</u>

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.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

15. Financial instruments

Financial assets - debt instruments measured at amortised cost	2018	2017
	£	£
Accrued income	293,000	669,532
	=====	=====
Financial liabilities - measured at amortised cost	2018	2017
	£	£
Accruals	4,545	4,317
Grants accrued - individual	5,462	5,264
	-----	-----
Total	10,007	9,581
	=====	=====

CSIS Charity Fund
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Notes to the financial statements
For the year ended 31 December 2018

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2018 £
Unrestricted funds					
General Funds	2,891,862	694,336	(1,240,667)	(134,307)	2,211,224

Statement of funds - prior 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
Total of funds	2,455,411	1,345,501	(1,016,133)	107,083	2,891,862

Summary of funds - current year

	Balance at 1 January 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2018 £
General funds	2,891,862	694,336	(1,240,667)	(134,307)	2,211,224

Summary of funds - prior year

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

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2018 £	Total funds 2018 £
Fixed asset investments	1,522,230	1,522,230
Current assets	699,001	699,001
Creditors due within one year	(10,007)	(10,007)
	<u>2,211,224</u>	<u>2,211,224</u>

Analysis of net assets between funds - prior 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)
	<u>2,891,862</u>	<u>2,891,862</u>

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

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(680,638)	436,451
Adjustment for:		
Gains/(losses) on investments	134,307	(107,083)
Dividends, interest and rents from investments	(56,557)	(54,822)
Decrease/(increase) in debtors	372,088	(271,103)
Increase/(decrease) in creditors	426	(9,730)
Net cash used in operating activities	<u>(230,374)</u>	<u>(6,287)</u>

19. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	401,021	574,838
Total	<u>401,021</u>	<u>574,838</u>

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2018

20. Related party transactions

During the year, the charity received donations of £597,100 (2017: £1,250,000) 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 (2017: £40,679), 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 2018, the charity was owed £297,100 by The Civil Service Insurance Society (2017: £656,000).

21. Controlling party

The charity is controlled by its Board of Trustees.