

Coal Industry Social Welfare Organisation

Financial statements

For the year ended 31 December 2019

**Charity nos. 1015581
SC039529**

Registered office: The Old Rectory
Rectory Drive
Whiston
Rotherham
S60 4JG

Coal Industry Social Welfare Organisation
Financial statements for the year ended 31 December 2019

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Legal and administrative details

Charity registration number:	1015581
Scottish charity registration number:	SC039529
Registered office:	The Old Rectory Rectory Drive Whiston ROTHERHAM S60 4JG
Trustee:	The Coal Industry Social Welfare Organisation 2014
Secretary:	N MDidlock
Bankers:	Lloyds Bank PLC 1 High Street SHEFFIELD S1 2GA
Solicitors:	Irwin Mitchell 2 Millsands Riverside East SHEFFIELD S3 8DT Charity Specialist Brabners LLP Horton House Exchange Flags LIVERPOOL L2 3YL
Investment manager:	Rathbone Investment Management Limited 8 Finsbury Circus LONDON EC2M 7AZ
Auditor:	Grant Thornton UK LLP Chartered Accountants Statutory Auditor 1 Holly Street SHEFFIELD S1 2GT

Report of the Trustees

The Trustees present their Report along with the Financial Statements of the charity for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out on pages 15 – 19 and comply with the charity's trust deed and applicable law.

Reference and Administrative Details

Information about the charity and its trustees is given on page 1 of this report.

Structure, Governance and Management

The Coal Industry Social Welfare Organisation (CISWO) is a national charity with the vision of enabling former coal miners and mining communities to reduce disadvantage. Established as a charity in 1995, the organisation provides a wide range of services across the UK in order to meet our mission to improve the lives of individuals and communities facing disadvantage due to the impact of the coal mining industry, through the provision of support, improvement of resources and protection of recreational land.

The charity's Board of Trustees is responsible for overall governance, and the delivery of the organisation's strategic plan 2017 – 22, ensuring our charitable objects are met, defined as the promotion of health, the relief of poverty and hardship, and the advancement of education and other charitable purposes for the benefit of employees and former employees of the coal industry in the United Kingdom, employed or formerly employed in any present or past coal mining area of the UK and of their relatives and dependents and of the communities in which they live within those areas.

The Board of Trustees

CISWO is governed by a singular corporate trustee, CISWO 2014 which is a charity in its own right, registration number 1160157. CISWO 2014 Board of Trustees includes 12 members in total with representation, through a trustee nomination process, from mining trade unions including National Union of Mineworkers, British Association of Colliery Management, National Association of Colliery Overmen, Deputies and Shotfirers, and Union of Democratic Mineworkers. Further trustees are appointed for their skills, experience and expertise through an open recruitment process. New trustees receive an appropriate induction into the organisation, coordinated through the Chief Executive and Human Resources Manager. There is currently one vacancy on the Board.

The Board of Trustees is responsible for the professional, legal and financial governance of the charity; the formulation and implementation of organisational strategy, and overseeing the implementation of the strategy through operating plans and budgets and monitoring progress within this. The Board is supported by two committees with delegated responsibility for key aspects of oversight and governance. These include;

Finance and General Purpose Committee

Responsible for:

- Overseeing and monitoring the financial position of the charity
- Appointing and overseeing the management of the investment portfolio of the charity
- Review and recommend the annual financial budget
- Overseeing the management of property in line with the organisation's Asset Management Policy

Audit and Risk Management Committee

Responsible for:

- Overseeing the charity's risk management systems and processes
- Reviewing the effectiveness of internal controls
- Receiving and reviewing the charity's annual accounts and report prior to full Board approval
- Considering any areas of risk identified through internal or external audit processes

Report of the Trustees

Management

The Trustees delegate the management, implementation of strategy and overall leadership of the charity, through a defined scheme of delegation, to the Chief Executive and a senior leadership team to include the Finance Director, Regional Managers, Estates Manager, Social Work Development Manager and Human Resources Manager.

The management of the organisation is structured into 4 regions; Scotland, North England, South England and Wales. These are supported from a central head office in Rotherham, South Yorkshire where central support functions are accommodated. During 2019, 68 staff were employed across the organisation.

Policy

Grants Policy

CISWO provides financial support to individual beneficiaries in the form of grants to meet specific needs, in line with the organisation's operational grants policy. These grants are available for former miners and dependents of former miners where specific eligibility criteria are met. Grant awards are discretionary within criteria established by the trustees of CISWO.

During 2019 we implemented our new Individual Grant Giving Policy, re-focusing financial support for those in greatest need. This includes a new strand of grant provision for former mineworkers who have been diagnosed with the coal industry related disease, pneumoconiosis.

Grant applications are advertised through the organisation's personal welfare service and through organisational literature and the website. Applications can be submitted at any point in the year following an assessment by a member of the personal welfare team to determine eligibility and need. Grants are only considered within a wider package of intervention and are submitted by a member of the personal welfare team on the client's behalf with their consent.

The trustees delegate the responsibility for processing grant applications to the head office team with awards authorised by the Chief Executive under criteria established and reviewed by the full Board of Trustees within the organisation's individual grant giving policy.

Education Grants Policy

Education grants were awarded by CISWO in accordance with the organisation's educational grants policy which outlines eligibility criteria and application process. Eligible applicants include those who were employed in the coal mining industry of Great Britain for 10 years or more, and their dependents. Grants are awarded on academic attainment, improvement and progression. A new Education Grants policy has been developed and implemented for the 2019/20 academic year.

Recreational Facilities Development Policy

CISWO is committed to supporting other mining charities to deliver services and to secure the ongoing availability of recreational facilities in local communities. This includes the provision of financial support through grants and loans within specific parameters. Our recreational facilities development policy provides the principles and specific parameters underlying this provision alongside defining the process required to ensure this support is delivered on a systematic, equitable, and rational basis. Facilities that could benefit under this policy are identified through our ongoing partnership working with miners' welfare charities and will be considered as part of a wider support package focused on sustainability to meet the needs of local communities.

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives and future activities. In particular, the trustees consider how activities contribute to meet the objectives set in the organisation's strategic plan as outlined below. Particular focus has been given to interventions and policies that will deliver the greatest impact to those former mining families and communities most in need. In delivering services we are aiming to provide clearer evidence of how our intervention has benefited those we work with.

Report of the Trustees

Activities, Achievement and Performance

In accordance with the objects of the charity, CISWO's core activities in 2019 included;

- the provision of personal welfare support for former miners and their families including; advice, guidance, advocacy and grant assistance, and provision of social inclusion activities;
- the provision of the Thornycroft day centre in Pontefract, and residential properties at two sites in Yorkshire;
- the preservation of recreational facilities in former mining communities;
- the provision of support to other mining charities including local miners' welfare charities, regional miners' welfare trust funds and miners' convalescent trusts;
- encouragement and support for participation in Higher Education through the provision of education grants for former miners and their dependents.

CISWO's 5 year strategy, outlines our commitment to the ongoing provision of services for former miners and mining communities. To achieve this, we have committed to four strategic goals and will measure progress against these.

1 Our services will make a real difference, and be of high quality, focusing on those individuals and families most in need. In 2019:

- 7,141 former miners or their families received individual support through our personal welfare service.
- 12,419 interventions were carried out during the year.
- £4,456,451 income was secured for beneficiaries by our staff completing 1,785 applications for additional funds or financial support.
- 5,898 sessions of support were provided for individuals within their own homes.
- Former miners and their families received £262,259 from CISWO through 324 grants awarded.
- Of this, 42 former miners suffering from pneumoconiosis received a £1500 grant to aid with additional needs causes by the disease, totaling £63,000.
- Education grants were provided to 26 students totalling £61,670.

In addition to this, a range of other activities were delivered during the year including;

- A new brand was launched for the organisation alongside a new website, broadening our reach for clients.
- A new policy to underpin our individual grant giving, focusing on those most in need and increased giving during lifetime for former mineworkers diagnosed with pneumoconiosis.
- A revised policy and process for the provision of education grants, enabling students to apply more easily and focusing resources on those most in need.
- Continued development of our day centre provision in Pontefract with a refurbishment of the premises and new transport to facilitate members attendance. As in 2018, the centre delivered over 11,000 individual attendances during the year for individuals from former mining communities.

During the course of the year, CISWO has continued to focus on good governance with the Board of Trustees committed to working towards the Charity Governance Code. During the year Trustees participated in a comprehensive skills analysis, governance training and self-audit. The Board reviewed and revised the code of conduct for Board members, Terms of Reference of the Board and sub-committees, and agreed a policy framework for Trustees.

Report of the Trustees

2 We will support other mining charities to deliver services where there is evidenced need.

- Practical support was provided to over 180 mining charities across England, Scotland and Wales to support the ongoing sustainability and development of charitable activities within former mining communities.
- CISWO has committed funds to support specific mining charities to develop their facilities. During 2019, £50,000 was released to enable a number of welfares to progress with capital projects with £250,000 held for further development into the new financial year.
- The organisation provided support to 12 regional grant making and convalescent trusts over the year facilitating them in turn, to provide additional benefit for former mining communities and individuals.
- CISWO has continued to support miners' welfare charities to identify opportunities for development and to apply for external funding. 72 miners' welfares were supported to attend funding workshops during the course of 2019 which resulted in 20 funding applications being submitted.
- We have developed our new website to provide specific support for miners' welfare charities.

3 We will secure the provision of recreational facilities where these are still needed and utilised by former coal mining communities

- Over 200 recreational sites, amounting to approximately 1,500 acres across the UK have been protected for recreational use under CISWO's custodianship. Recreational sites include all forms of recreation from playgrounds to leisure centres, access to fishing, to football grounds and community centres to miners' welfares offering recreational activity.
- A further 300 sites, amounting to approximately 2,000 acres of recreational land are protected through CISWO's retention of legal rights or fiduciary interest. These sites, formerly held under mining charitable trusts, have been transferred to a tier of local government such as a local authority, or parish council. CISWO provides a protective role in ensuring that these sites are retained for recreational purpose, not disposed of or developed inappropriately. CISWO supports statutory providers to understand their responsibilities for these facilities and challenges where such responsibilities are not upheld.
- During 2019 CISWO has developed a new policy underpinning our support and investment in the development of recreational facilities, outlining our commitment to sustaining them for the future.

4 We will secure the ongoing financial viability of the organisation to meet current and future needs

- A new telecommunications network has been implemented across the organisation, providing greater responsiveness for clients and improved efficiency for our staff teams.
- A new HR system has been implemented during the year, providing better management information, improving absence monitoring, and more effective recording of learning and development plans.
- Improvements have been made to our service delivery sites in Pontefract and Mansfield, improving the environment for our clients and employees.

Report of the Trustees

Activities in Scotland

Scotland's dedicated personal welfare team provided support to 1,029 individual clients during the year, with 1,591 interventions delivered. Beneficiaries were supported to access an additional £853,486 income through increased benefits, grants and financial aid, an increase of over £98,500 on the previous year. An additional £15,039 was awarded directly by the organisation to support former mineworkers and their dependents most in need.

Improved support has been offered for local mining charities with dedicated management support provided through the local Scottish CISWO office and additional support through the organisation's head office.

Plans for the Future

As we continue to deliver on our 5 year strategy 2017-22, the focus remains on ensuring that the organisation is adapting to both the current needs of beneficiaries alongside anticipated future needs. We continue our commitment to ensuring that support for the target population is available for as long as is needed and that service provision remains relevant. Objectives for the coming year continue to focus services and resources on areas of greatest need, be that individuals, communities or other organisations.

In our strategic plan, we have established 4 strategic goals where we will seek to deliver transformative change. In 2020 we will progress these goals through the following activities;

1 *Our services will make a real difference, and be of high quality, focusing on those individuals and families most in need. We will:*

- Increase our reach by undertaking a range of marketing activities, raising awareness of our services.
- Agree a new client information system, improving how we evidence the work we do with individuals.
- Improve our policies that underpin our personal welfare service, how we work with clients and how we support our staff to deliver high quality consistent assessment and interventions.
- Develop partnerships with other organisations in order to increase our profile, and improve partnership working.
- Review our approach to social inclusion interventions.

2 *We will support other mining charities to deliver services where there is evidenced need. We will:*

- Support mining charities to secure external funding
- Improve our communications with mining charities through the provision of regular briefings
- Provide opportunities for local trustees to increase their understanding and skills to support good governance.

3 *We will secure the provision of recreational facilities where these are still needed and utilised by former coal mining communities. We will:*

- Invest in local facilities to improve these for local communities.
- Support recreational charities to maximise opportunities for external funding.

4 *We will secure the ongoing financial viability of the organisation to meet current and future needs. We will:*

- Review our core IT infrastructure to plan for future investment priorities.
- Improve information management systems to increase efficiency.

Alongside this activity we will continue to focus on promoting our services in local communities, extending our reach to ensure those that need or would benefit from our support are aware of the help available and can access us easily.

Report of the Trustees

Financial review

Our funds have been applied to support the strategic delivery plan. Supporting the plan requires:

Expenditure to provide the structure to deliver our front line services. Main areas of expenditure are:

- Staff, through which our core activities are delivered
- Direct service delivery at the Thornycroft day centre
- Direct grant expenditure to former miners and their dependents
- Management of recreational land assets
- Infrastructure to support the services provided through the office structure, direct administrative support and IT

Management of income. Main sources of income received in the year were:

- Return on investment portfolio – we are predominantly funded through our investments
- Charitable activities – support to regional trusts funds, provision of services through direct delivery and through land interests, namely rent.
- Charitable asset transfers

Investment income yield was 4.7% measured against the opening valuation of the portfolio and the cost of generating this income remained at 0.42% of the value of the portfolio. Charitable activities income reduced significantly as 2018 included income from the operation of the Miners Retreat.

In 2019 the organisation benefitted from income from charitable assets transfers and sales of land which were no longer beneficial for continued charitable or recreational activity, this income is now available to be re-invested in service delivery and future development of recreational facilities.

The income for 2019 is £4,198,134, (2018: £2,585,105, prior to the recognition of property). Income exceeded expenditure by £576,922, due to the exceptional receipts from land sales, the operational deficit prior to those receipts was £1,574,708 (the comparable figure for 2018 is £2,585,105, this excludes the recognition of the property which was introduced last year and included in the 2018 income figures).

In accordance with FRS 102 and the Charities SORP FRS 102, the liability relating to past service in the Industry Wide Coal Staff Superannuation Scheme has been accounted for as the present value of the agreed deficit contributions. During the year, £109,332 (2018: £328,000) was paid to the Scheme. An actuarial valuation was undertaken as at 31 December 2018. The resulting repayment plan requires the organisation to pay deficit contributions of £27,333 per month until September 2021.

Reserves

The unrestricted reserves of the charity, excluding the value of fixed assets and investment properties, stood at £6,532,562 as at 31 December 2019. As part of the consideration in determining the reserves policy the trustees are mindful of the requirement to balance the needs of current and future beneficiaries. We are committed to providing long term sustainable services and are heavily reliant upon our investment income to enable us to deliver these services. Adequate reserves are therefore maintained to provide the income requirements anticipated both in the short and long term. The reserves policy will be reviewed annually and expenditure budgets will be built around the strategic plan.

Report of the Trustees

Managing Change and Risk

The major risks to which the charity is exposed are:

- Investment return – maintaining adequate returns from the investment portfolio.
- Capability and capacity to respond to fluctuating demand.
- Inability to respond to external environmental challenges.

Controls have been identified to minimize and manage these and other risks. Trustees continually assess the process of change and risk. The Audit and Risk Management Committee examines management risk registers and undertake the formal review of the strategic registers on an annual basis. Specifically the investments of the organisation are managed by investment advisors, Rathbones Investment Management Limited. The performance of the funds is reviewed quarterly and monitored against agreed benchmarks by the Finance and General Purpose Committee. A detailed operational plan has been developed to deliver the organisation's strategic goals and progress against this plan is reported and monitored at each meeting of the Board of Trustees.

Fundraising

CISWO does not undertake any fundraising activity or engage with any commercial fundraiser to undertake this activity on our behalf. Any funds received through occasional donations and gifts from individuals are unsolicited and have to date been unconditional in nature.

Investment Policy and Objectives

The investments of the Charity are managed by Rathbones Investment Management Limited and constantly reviewed by the trustees and by the Finance and General Purposes Committee composed of Trustee members.

The primary objectives are to ensure that the Funds maximize the long-term total returns within a medium level risk profile as well as meeting the withdrawal requirements of the charity.

Performance of the investments, which are compared against agreed benchmarks, are calculated by Rathbone Investment Management Limited and measured on a total return basis.

In 2019 the investment portfolio performance was a return of 15.1%, compared to the benchmark of a return of 15.2%.

Impact of COVID 19 – going concern

Improvements and investment made in infrastructure in the last 2 years meant the organisation was well placed to respond and adapt working methods minimising any impact on service delivery with staff mobilized and equipped to work from home. Our service offer was adapted to ensure we could continue to provide our services remotely and we provided an extended service offer to those in our client groups most in need as a direct response to the pandemic situation. We have had to temporarily close our social day centre and suspend group client activities but have continued to provide practical and emotional support for the participants of these services.

The above changes to our service delivery have not resulted in an adverse impact on either income or expenditure. We are not reliant on external funding or fundraised income which could be adversely impacted in the current external environment. We have not made any extended commitments that will significantly alter our financial position. We manage a planned deficit budget and have sufficient liquid resources to meet our obligations for the foreseeable future, (a period of at least 12 months). Our longer term funding is provided by our investments. The impact of the pandemic on the investment market has seen the value of the investment portfolio reduce from £27.8m in December 2019 to £25.7m in September 2020. These investments are actively managed by our investment managers and as we won't require any withdrawal from those funds for at least 12 months, this presents an opportunity for the fund to continue to recover. The organisation has ensured ongoing effective governance of the charity through regular reporting of activity to the Board and to the holding the usual cyclical Board and Committee meetings through electronic online means.

Report of the Trustees

The directors, having reviewed cashflow forecasts to December 2022 do not believe that there are any material uncertainties which cast significant doubt on the ability of the company to continue as a going concern.

Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, and the regulations made thereunder, requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of the resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles set out in the Charities SORP (FRS 102);
- 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor. They will be deemed reappointed for the next financial year.

ON BEHALF OF THE TRUSTEES

The Venerable R G Cooper

The Venerable R G Cooper
Chair of Trustees
30 September 2020



Independent auditor's report to the trustees of Coal Industry Social Welfare Organisation

Opinion

We have audited the financial statements of Coal Industry Social Welfare Organisation (the 'charity') for the year ended 31 December 2019, which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of the charity's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed as auditor under sections 151 of the Charities Act 2011 and 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

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 group or the parent charity'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 auditor's report to the trustees of Coal Industry Social Welfare Organisation

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, set out on pages 2 to 9 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient and proper accounting records; or
- the parent charity's 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 for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements which 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 group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the trustees of Coal Industry Social Welfare Organisation

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
SHEFFIELD
30 September 2020

Statement of financial activities

	Note	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Income from:						
Donations and Legacies	6	7,813	-	-	7,813	96,514
Charitable Activities	7	665,441	-	6,916	672,357	1,027,604
Other Trading Activities	8	130,500	-	-	130,500	128,000
Investment income		1,220,424	-	-	1,220,424	1,182,024
Other Income	9	2,167,040	-	-	2,167,040	150,963
Recognition of land assets		-	-	-	-	6,549,939
Total income		4,191,218	-	6,916	4,198,134	9,135,044
Expenditure on:						
Investment Managers Fees	11	115,826	-	-	115,826	115,817
Charitable activities	12	3,892,603	-	54,611	3,947,214	4,062,817
Total expenditure		4,008,429	-	54,611	4,063,040	4,178,634
Net income before investment gains/(losses)		182,789	-	(47,695)	135,094	4,956,410
Net gains/(losses) on investments	17	2,653,268	-	-	2,653,268	(2,381,147)
Net income/ (expenditure) carried forward		2,836,057	-	(47,695)	2,788,362	2,575,263
Transfers between funds	13	(2,005,915)	2,005,915	-	-	-
Net movement in funds before revaluations		830,142	2,005,915	(47,695)	2,788,362	2,575,263
Gains/(losses) on revaluation of investment properties	14	1,245,000	-	-	1,245,000	-
Net movement in funds		2,075,142	2,005,915	(47,695)	4,033,362	2,575,263
Reconciliation of funds:						
Balances brought forward		12,473,695	22,049,004	396,260	34,918,959	32,343,696
Fund balances carried forward	24	14,548,837	24,054,919	348,565	38,952,321	34,918,959

All of the activities of the charity are classed as continuing.

There were no other recognised gains or losses in the year.

The accompanying accounting policies and notes on pages 15 - 30 form part of these financial statements.

Balance sheet

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	15		1,128,519		1,429,182
Investment Properties	16		1,976,226		2,331,226
Investments	17		<u>28,150,671</u>		<u>25,853,932</u>
			31,255,416		29,614,340
Current assets					
Stocks		1,500		1,900	
Debtors: due within one year	19	388,971		438,674	
Debtors: due after one year	19	20,983		89,788	
Current asset investments	18	5,262,000		4,829,000	
Cash at bank and in hand	20	<u>3,169,282</u>		<u>704,895</u>	
		8,842,736		6,064,257	
Creditors: amounts falling due within one year	21	(875,673)		(705,444)	
Net current assets			7,967,063		5,358,813
Creditors: amounts falling due after more than one year	23		(223,161)		-
Provision for liabilities	30		(46,997)		(54,194)
Net assets			<u>38,952,321</u>		<u>34,918,959</u>
Funds					
Unrestricted funds	24		14,548,837		12,473,695
Endowment funds	24		24,054,919		22,049,004
Restricted funds	24		<u>348,565</u>		<u>396,260</u>
			<u>38,952,321</u>		<u>34,918,959</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 30 September 2020.

The Venerable R G Cooper

The Venerable R G Cooper

Chairman

Charity numbers: 1015581
SC039529

The accompanying accounting policies and notes on pages 15 - 30 form part of these financial statements.

Notes to the financial statements

1 Charity information

The charity is constituted under a supplemental trust deed, and is a registered charity, number 1015581. In addition, the charity is also registered as a charity in Scotland, registered number SC039529.

The registered office is The Old Rectory, Rectory Drive, Whiston, Rotherham, S60 4JG.

2 Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards including 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 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for investment properties and certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling £s.

Preparation of accounts - going concern basis

The principal financial risk facing the charity is its ability to generate sufficient income to cover expenditure incurred in fulfilling the objectives of the charity.

We are not reliant on external funding or fundraised income which could be adversely impacted in the current external environment. We have not made any extended commitments that will significantly alter our financial position. We manage a planned deficit budget and have sufficient liquid resources to meet our obligations for the foreseeable future, (a period of at least 12 months). Our longer term funding is provided by our investments. The impact of the pandemic on the investment market has seen the value of the investment portfolio reduce from £27.8m in December 2019 to £25.7m in September 2020. These investments are actively managed by our investment managers and as we won't require any withdrawal from those funds for at least 12 months, this presents an opportunity for the fund to continue to recover. The organisation has ensured ongoing effective governance of the charity through regular reporting of activity to the Board and to the holding the usual cyclical Board and Committee meetings through electronic online means.

Income has continued to be generated in line with expectations and we are able to meet our liabilities as they fall due. The company has no external debt facilities and has not made any extended financial commitments. The company has no direct expenditure as all costs are borne by its parent undertaking and recharged when the company has the ability to meet the obligations.

The directors, having reviewed cashflow forecasts to December 2022 do not believe that there are any material uncertainties which cast significant doubt on the ability of the company to continue as a going concern.

Cashflow

The charity has taken advantage of the exemption from publishing a statement of cash flows set out in paragraph 1.12(b) of FRS 102.

Notes to the financial statements

3 Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made are the treatment of long term debtors and certain land interests.

Where a third party charity undergoing formal wind-up and/or land disposal, governed under a mining trust where the organisation has the right to any residual assets, there may be costs associated with the transaction. Where that charity does not have the resources to meet these costs (often where the only asset is land which may take a considerable period of time to dispose of) the organisation may provide funding to pay for the costs, to be claimed back from the ultimate realisation of the mining charity's assets. These cost advances are treated as debtors.

These debtors are reviewed by the executive and periodically by the Finance & General Purpose Committee. If recoverability is in doubt full provision is made against the debtor.

Consideration has been given to the appropriate accounting treatment to adopt for the properties which have not previously been required to be recognised on the balance sheet.

The accounting treatment adopted has been based on the current use of each property and its classification under the organisation's Asset Management Policy. The Policy defines the principle reason for the organisation to retain ownership of property is to secure the provision of recreational facilities where they are needed and utilised. Following a detailed review, each property has been categorised into one of the following:-

1) Fixed Assets - Investment Properties

Included within this category:-

- a) Properties that are not currently in recreational use and have not been for a significant time, with no prospect of returning to recreational use, being retained for future capital appreciation;
- b) Properties not in recreational use and leased to third parties under formal lease agreements under which a commercial rental is being received.

2) Fixed Assets – Social Investments

Property in long term recreational use, under lease to tenants, largely on peppercorn rentals.

3) Current asset – Investment Properties

Property no longer needed or utilised for recreational purposes, where a decision has been made to dispose of, disposal is being actively pursued and is expected within the foreseeable future.

4 Principal accounting policies

Fund accounting

The charity maintains various types of funds (funds are detailed in note 24) as follows:

Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

Endowment funds

The Capital Endowment Fund comprises the former Capital Endowment Fund of CISWO and the former Endowment Fund of CIBT. Income can be drawn but capital has to be retained.

The Permanent Endowment Fund represents fixed assets that cannot be realised for revenue purposes.

Notes to the financial statements

4 Principal accounting policies (continued)

The King's Silver Jubilee and Coronation Cottages Permanent Endowment Fund represents the properties transferred into the King's Silver Jubilee and Coronation Cottages trust together with any proceeds received on subsequent disposals.

Unrestricted funds

Designated funds are amounts that have been set aside at the discretion of the trustees.

The Unrestricted Fund represents unrestricted income which is expendable at the discretion of the trustees in furtherance of the objects of the charity.

Income

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is probable assurance of receipt. Income from donations and grants, including capital grants, is included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the pre-conditions for use have been met.
- When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when receivable.
- Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable.

Donations

Donations are recognised as income when they are received.

Investment income

Investment income is accounted for when receivable. Tax recoverable relating to investment income is accounted for in the same period as the related income.

Charitable expenditure

Charitable expenditure includes all expenditure directly related to the objects of the charity.

Costs of generating funds

Costs of generating funds comprises costs attributable to managing the investment portfolio and raising investment income.

Operating leases

Operating lease rentals are charged to the statement of financial activities in equal amounts over the lease term.

Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objects of the organisation.

Grants to personal beneficiaries are recognised once the grant application has been approved and communicated to the recipient.

Grants awarded under our recreational facilities development policy are recognised when the grant has been approved, communicated to the recipient and all performance conditions have been fulfilled.

Notes to the financial statements

4 Principal accounting policies (continued)

Support costs

Support costs are those costs that are necessary to deliver a charitable activity but do not themselves produce or constitute the output of the charitable activity. Support costs are allocated to unrestricted funds.

Governance costs

Governance costs are those associated with meeting the constitutional and statutory requirements of the Charity, including audit fees and strategic management expenditure.

Investments

Investments are stated at market value. Investment gains and losses are shown in the appropriate section of the statement of financial activities.

Investment Properties

Investment properties are initially recognised at cost, then subsequently at fair value at the balance sheet date, where the fair value reflects the current use of the property. Where an investment property has been categorised as a social investment the property is recognised at cost less any impairment.

Tangible fixed assets and depreciation

Tangible assets are stated at cost, net of depreciation.

Depreciation is provided on a straight line basis to write off the cost of fixed assets over their estimated useful lives at the following rates:

Freehold property	3% - 10% per annum
Freehold property – King's Silver Jubilee and Coronation Cottages	The properties were transferred to the Trust at a nominal value of £1 each and are stated in the balance sheet at this value.
Leasehold property	2% per annum
Furniture and equipment	10% per annum
Computers and related equipment	20% per annum
Motor vehicles - minibuses	25% per annum

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. No such loss has been identified.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Charitable Asset Transfers

Charitable asset transfers relates to proceeds from the dissolution of mining charities where the organisation is entitled to the residual proceeds under the governing instrument of the mining charity concerned. Such income from these transfers is only recognised when received.

Pension costs

The charity contributes to the Industry Wide Coal Staff Superannuation Scheme, a defined benefit scheme. Payments are made in accordance with instructions given by the actuary and charged to the statement of financial activities. The scheme is a multi employer defined benefit scheme, but is being accounted for as a defined contribution scheme as the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis. The scheme closed to new entrants on 1 January 1995.

The charity contributes to a define contribution scheme for employees who wish to participate in it.

Notes to the financial statements

4 Principal accounting policies (continued)

Taxation

The fund is a registered charity and is potentially exempt from taxation in respect of income and capital gains received within categories covered by Part 11, Chapter 3, CTA 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes and as such has no liability to tax on its charitable activities.

Redundancy and termination payments

All redundancy and termination payments and amounts in lieu of notice are charged or accrued as incurred.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Provisions for liabilities

Provisions are recognised when the charity has a present obligation (legal or constructive) as a result of a past event, it is probable that the charity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Financial instruments

The charitable group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured at their settlement value, representing amortised cost, as follows:

Financial instrument -	Measurement on initial recognition
Cash -	Cash held
Debtors -	Settlement amount after any trade discounts
Creditors -	Settlement amount after any trade discounts (assuming normal credit terms apply)

5 Net expenditure

Net expenditure is stated after charging:	2019	2018
	£	£
Auditor's remuneration – audit of the financial statements	16,250	15,650
Depreciation on tangible fixed assets	74,466	110,318
Net (profit)/loss on disposal of tangible fixed assets	(807,629)	6,290
Rentals under operating leases	21,871	20,102
	<u>21,871</u>	<u>20,102</u>

Notes to the financial statements

6 Grants and donations

Grants and donations received during the year were as follows:

	2019	2018
	£	£
Other grants and donations	<u>7,813</u>	<u>96,514</u>

7 Charitable Activities

	2019	2018
	£	£
Support grants	196,791	216,912
Social work services	16,829	11,475
The Miners' Retreat	-	380,946
Thornycroft day centre	230,225	228,148
Rental income from land	228,512	190,123
	<u>672,357</u>	<u>1,027,604</u>

8 Other Trading Activities

	2019	2018
	£	£
Provision of accountancy services	<u>130,500</u>	<u>128,000</u>

9 Other Income

	2019	2018
	£	£
Profit on sale of fixed assets	807,629	-
Charitable asset transfers	1,344,001	146,709
Sundry income	15,410	4,254
	<u>2,167,040</u>	<u>150,963</u>

Notes to the financial statements

10 Trustees and employees

	2019	2018
	£	£
Wages and salaries	1,732,419	1,999,122
Social security costs	145,790	170,295
Pensions	313,109	570,128
	<u>2,191,318</u>	<u>2,739,545</u>

Emoluments of employees over £60,000

	Number	Number
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-
£80,000 - £89,999	-	1
£90,000 - £99,999	<u>1</u>	<u>-</u>

The average number of employees during the year was:

Headquarters	14	14
Areas	37	39
Thornycroft	17	16
Miners Retreat	-	16
	<u>68</u>	<u>85</u>

No trustees (2018: none) received any remuneration from the charity in the year. No expenses were reimbursed to trustees in the year ended 31 December 2019 (2018: none).

The total remuneration cost of the key management personnel (being the Chief Executive and Finance Director) of the charity was £170,157 (2018: £159,816).

During the year redundancy payments were made totalling £6,038 (2018: £57,555).

Included within pensions cost is £109,332 (2018: £328,000) in respect of deficit contributions to the IWCSSS (see note 26).

11 Investment Manager Fees

	2019	2018
	£	£
Investment Manager Fees	<u>115,826</u>	<u>115,817</u>

Notes to the financial statements

12 Charitable Activities

A summary of the major cost components is given below:

	2019 £	2018 £
Community welfare services and services to other charities	459,301	547,646
Services to personal beneficiaries	974,011	1,025,344
Grants to personal beneficiaries	324,349	461,386
The Miners' Retreat	-	563,489
Thornycroft day centre	403,832	399,626
Land management	250,220	166,130
Costs in support of charitable activities	948,205	872,712
Pension deficit funding	109,332	328,000
Governance costs	36,136	37,433
Costs in support of charitable activities	<u>3,505,386</u>	<u>4,401,766</u>
Increase/ (decrease) in repayment plan pension liability (note 26)	441,828	(338,949)
	<u><u>3,947,214</u></u>	<u><u>4,062,817</u></u>

13 Transfers between funds

Transfer from Unrestricted to Endowment – Unitised Fund Investments

The whole of the investments of the Endowment Fund are held within a unitised fund managed by Rathbones. Each quarter the unitised fund is analysed between that part which represents unrestricted fund holdings and that which represents endowment funds. For the statutory accounts purposes the whole of the income and gains are deemed to be unrestricted and then a transfer is made reflecting the growth in net asset value of the endowment fund based on the quarterly movements of the unitised fund. The net asset value of the endowment fund is detailed below at the beginning of the year and the end of the year and the calculation of the transfer value is shown below:

	1 January 2019 £	31 December 2019 (note 24) £
Unitised fund investments	<u>21,501,012</u>	<u>23,506,927</u>
Net value of investments in Endowment Fund	<u>21,501,012</u>	<u>23,506,927</u>
Movement of net asset value in year		<u>2,005,915</u>
Transfer value transferred to unrestricted fund		<u>2,005,915</u>

14 Revaluation of Investment Properties

	2019 £	2018 £
Decrease in value of fixed asset investment properties	(55,000)	-
Increase in value of current asset investment properties	<u>1,300,000</u>	-
	<u><u>1,245,000</u></u>	<u><u>-</u></u>

Further details are provided in notes 16 and 18.

Notes to the financial statements

15 Tangible fixed assets

	Freehold property £	Leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2019	2,030,756	73,087	839,675	106,443	3,049,961
Transfer	73,087	(73,087)	-	-	-
Additions	89,089	-	63,799	57,000	209,888
Disposals	(662,682)	-	(236,285)	(80,409)	(979,376)
At 31 December 2019	<u>1,530,250</u>	<u>-</u>	<u>667,189</u>	<u>83,034</u>	<u>2,280,473</u>
Depreciation					
At 1 January 2019	725,611	40,053	748,672	106,443	1,620,779
Transfer	40,053	(40,053)	-	-	-
Charge for the year	45,114	-	29,352	-	74,466
Disposals	(256,661)	-	(206,221)	(80,409)	(543,291)
At 31 December 2019	<u>554,117</u>	<u>-</u>	<u>571,803</u>	<u>26,034</u>	<u>1,151,954</u>
Net book amount					
At 31 December 2019	<u>976,133</u>	<u>-</u>	<u>95,386</u>	<u>57,000</u>	<u>1,128,519</u>
At 31 December 2018	<u>1,305,145</u>	<u>33,034</u>	<u>91,003</u>	<u>-</u>	<u>1,429,182</u>

Included within freehold property are properties originally included at valuation which was used as deemed cost; at Thornycroft the property was included at £575,000 and two properties used for service delivery which were included in fixed assets at a valuation of £310,000. (No further valuation of the properties has been carried out as the trustees believe that there is no material difference between the deemed cost and the current net book value).

16 Investment Properties

	Investment properties £	Social investments £	Total £
Cost			
At 1 January 2019	2,170,000	161,226	2,331,226
Revaluation in the year	(55,000)	-	(55,000)
Transfer to current asset investment properties	(300,000)	-	(300,000)
At 31 December 2019	<u>1,815,000</u>	<u>161,226</u>	<u>1,976,226</u>

Investment properties represents, 12 properties leased on commercial rentals to third parties (2018: 12) and a further 7 (2018: 9) which are not in recreational use and are retained for their capital appreciation. 2 properties have been transferred to current asset investments in 2019. Properties held for commercial rental have been valued, as at 31 December 2019, based on the expected future income stream to be generated, the difference in valuation from 2018 has been reflected above. All other properties were valued at 31 December 2018, based on their existing use. Valuations were performed by Fisher Hargreaves Proctor Limited. These valuations are still considered appropriate as at 31 December 2019.

Social investments are used in the furtherance of the organisation's objective to continue to secure provision of recreational facilities that are still utilised and needed by former mining communities. A total of 212 properties are leased to charities, sports clubs, community organisations and local authorities. All sites are subject to leases ranging from 5 to 101 years in duration and at peppercorn rentals. It is the intention of the organisation to retain properties in recreational use in the long term, as such they are considered not to have a capital value over and above any acquisition cost.

Notes to the financial statements

17 Investments and Investment income

Quoted UK Stock Exchange Investments	2019 £	2018 £
Market value at 1 January	24,002,722	28,890,505
Additions at cost	3,397,096	2,632,819
Disposal proceeds	(2,226,949)	(5,139,455)
Net investment (loss)/gain	<u>2,653,269</u>	<u>(2,381,147)</u>
Market value at 31 December	<u>27,826,138</u>	<u>24,002,722</u>
Historical cost at 31 December	<u>19,160,025</u>	<u>17,580,881</u>

The difference between market value and historical costs is included within unrestricted funds and endowments.

Funds held by Investment Managers

Investments comprise the following:	2019 £	2018 £
Investments listed on a stock exchange	27,826,138	24,002,722
Cash deposits held as part of investment portfolio	324,533	1,851,210
Total investments	<u>28,150,671</u>	<u>25,853,932</u>

18 Current Asset Investment Properties

Cost	Total £
At 1 January 2019	4,829,000
Transfer from fixed asset investment properties	300,000
Revaluation in year	1,300,000
Disposals	<u>(1,167,000)</u>
At 31 December 2019	<u>5,262,000</u>

Current asset investments represents 8 properties (2018:7). 2 properties have been transferred from fixed asset investment properties, 2 have been disposed of and a further site has been transferred to CISWO from a third party. The trustees have determined that the continued holding of these properties does not align with the organisation's objectives and properties will be realised at best value in accordance with the Charities Act 2011 guidance.

The properties have been valued based on an open market value at 31 December 2019 by Fisher Hargreaves Proctor Limited.

Notes to the financial statements

19 Debtors

Due within one year:	2019	2018
	£	£
Trade debtors	50,201	29,917
Amounts owed by group undertakings	81,002	95,070
Amounts due from Regional Trust and Convalescent Funds	23,837	46,223
Prepayments	80,649	60,711
Other debtors	37,702	42,987
Miners Welfare Charities	115,580	163,766
	<u>388,971</u>	<u>438,674</u>
Due after more than one year:	2019	2018
	£	£
Miners Welfare Charities	20,983	89,788
	<u>20,983</u>	<u>89,788</u>
Total debtors as at 31 December 2019	<u>409,954</u>	<u>528,462</u>

20 Cash at bank and in hand

	2019	2018
	£	£
Total cash and bank balances as at 31 December	<u>3,169,282</u>	<u>704,895</u>

21 Creditors: amounts falling due within one year

	2019	2018
	£	£
Funds committed to mining charities	252,053	301,797
Other creditors and accruals	207,520	251,056
Social security and other taxes	88,100	43,258
Repayment plan: pension liability	328,000	109,333
	<u>875,673</u>	<u>705,444</u>

Notes to the financial statements

22 Financial instruments

	2019	2018
	£	£
Carrying amount of financial assets		
Measured at amortised cost		
Trade debtors	50,201	29,917
Amounts owed by group undertakings	81,002	95,122
Amounts due from Regional Trust & Convalescence Funds	23,837	46,223
Car loans	27,954	40,529
Miners Welfare Charities	<u>136,563</u>	<u>253,554</u>
	<u>319,557</u>	<u>465,345</u>
Carrying amount of financial liabilities		
Measured at amortised cost		
Funds held on behalf of third parties	252,053	301,797
Trade creditors	7,894	10,264
Other creditors	<u>58,642</u>	<u>114,310</u>
	<u>318,589</u>	<u>426,371</u>

23 Creditors: amounts falling due after more than one year

CISWO participates in the Industry Wide Coal Staff Superannuation Scheme. At the year end a repayment plan had been agreed to fund past deficits on the scheme as follows:

	2019	2018
	£	£
Repayment Plan: pension liability	<u>223,161</u>	<u>-</u>

The current repayment plan requires the organisation to pay a sum of £27,333 per month until September 2021. (See note 26).

Notes to the financial statements

24 Analysis of net assets between funds

	Unrestricted fund £	Endowment funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fixed assets					
Tangible fixed assets	778,049	350,470	-	1,128,519	1,429,182
Investment properties	1,976,226	-	-	1,976,226	2,331,226
Investments	4,380,268	23,506,927	263,476	28,150,671	25,853,932
	<u>7,134,543</u>	<u>23,857,397</u>	<u>263,476</u>	<u>31,255,416</u>	<u>29,614,340</u>
Current assets					
Stock	1,500	-	-	1,500	1,900
Debtors: due within one year	388,971	-	-	388,971	438,674
Debtors: due after one year	20,983	-	-	20,983	89,788
Current asset investment properties	5,262,000	-	-	5,262,000	4,829,000
Cash	2,886,671	197,522	85,089	3,169,282	704,895
	<u>8,560,125</u>	<u>197,522</u>	<u>85,089</u>	<u>8,842,736</u>	<u>6,064,257</u>
Current liabilities					
Amounts falling due within one year	(875,673)	-	-	(875,673)	(705,444)
	<u>7,684,452</u>	<u>197,522</u>	<u>85,089</u>	<u>7,967,063</u>	<u>5,358,813</u>
Net current assets					
Creditors: amounts falling due after one year	(223,161)	-	-	(223,161)	-
Provision for liabilities	(46,997)	-	-	(46,997)	(54,194)
	<u>14,548,837</u>	<u>24,054,919</u>	<u>348,565</u>	<u>38,952,321</u>	<u>34,918,959</u>

Endowment funds

	Endowment Fund £	Permanent Endowment Fund £	King's Silver Jubilee and Coronation Cottages Permanent Endowment Fund £	Total 2019 £	Total 2018 £
Fixed assets					
Tangible fixed assets	-	350,464	6	350,470	350,470
Investments	23,506,927	-	-	23,506,927	21,501,012
Current assets					
Cash at bank	-	-	197,522	197,522	197,522
At 31 December	<u>23,506,927</u>	<u>350,464</u>	<u>197,528</u>	<u>24,054,919</u>	<u>22,049,004</u>

Notes to the financial statements

24 Analysis of net assets between funds (continued)

Restricted funds

	King's Silver Jubilee and Coronation Cottages Restricted Fund £	Four Collieries Fund	North Derbyshire NUM Fund	Total 2019 £	Total 2018 £
Current assets					
Investments	-	-	263,476	263,476	300,624
Cash at bank	41,397	43,692	-	85,089	95,636
	<u>41,397</u>	<u>43,692</u>	<u>263,476</u>	<u>348,565</u>	<u>396,260</u>
At 31 December					

The net assets of the charity are represented by the following funds:

Unrestricted Fund

This is the core operational fund of the charity through which all its operational work is channelled.

Endowment Fund (Endowment Fund)

This is the core investment reserve fund of the charity. It comprises the former Capital Endowment Fund of CISWO and the former Endowment Fund of CIBT.

Permanent Endowment Fund (Endowment Fund)

This fund is comprised solely of fixed assets that cannot be realised for revenue purposes.

King's Silver Jubilee and Coronation Cottages Permanent Endowment Fund (Endowment Fund)

The Charity Commission Scheme which linked this charity to the organisation required the properties to be separately identified together with the proceeds received upon any subsequent disposals.

King's Silver Jubilee and Coronation Cottages Restricted Fund (Restricted Fund)

This fund is to be applied in meeting the costs of administering and managing the King's Silver Jubilee and Coronation Cottages properties.

Four Collieries Fund (Restricted Funds)

This fund was established by gift transfer from the United Collieries Benevolent Fund and is to be used for the relief of hardship in the East Midlands Coalfield.

North Derbyshire NUM Fund (Restricted Funds)

These funds were transferred to the Coal Industry Social Welfare Organisation in 2015. The funds are to be used at the discretion of the trustees to benefit the mining communities of North Derbyshire.

25 Merger with the Coal Industry Benevolent Trust and King's Silver Jubilee and Coronation Cottages

Under a Charity Commission Scheme for England and Wales dated 1 January 2010, the Coal Industry Benevolent Trust (CIBT) and King's Silver Jubilee and Coronation Cottages are to be treated as forming part of the Coal Industry Social Welfare Organisation for the purposes of Part II (registration) and Part VI (accounting) of the Charities Act 1993.

The trusteeship of the property of CIBT was transferred by scheme to CISWO for the relief of poverty and hardship amongst that charity's beneficiaries. The permanent endowment property of CIBT will be administered by CISWO as a linked charity. King's Silver Jubilee and Coronation Cottages will be administered in accordance with its governing document by CISWO.

Notes to the financial statements

26 Pension Schemes

Industry Wide Coal Staff Superannuation Scheme

The charity contributes to the Industry Wide Coal Staff Superannuation Scheme, a defined benefit scheme for the benefit of 3 current and 60 former employees. The assets of the scheme are administered by pension scheme trustees in a fund independent from that of the charity. The scheme was closed to new entrants on 1 January 1995.

The charity's contributions are affected by a surplus or deficit in the scheme but the charity is unable to identify its share of the assets and liabilities when they choose. The charity has applied the multi-employer exemption to account for the scheme as a defined contribution scheme.

The cost for the year for this scheme was £157,831 (2018: £391,996).

An actuarial valuation was undertaken as at 31 December 2018. The resulting repayment plan requires the organisation to pay deficit contributions of £27,333 per month until September 2021.

Defined Contribution Scheme

The charity contributes to defined contribution scheme on behalf of employees. The cost for the year was £193,487 (2018: £178,132).

27 Related party transactions

As a wholly controlled subsidiary of the Coal Industry Social Welfare Organisation 2014, the charity is exempt from the requirement of FRS 102 paragraph 33.1A to disclose transactions with other members of the group.

28 Operating lease commitments

The total lease commitment under non-cancellable operating leases is as follows:

	Land and Buildings	Other	Land and Buildings	Other
	2019	2019	2018	2018
	£	£	£	£
In less than one year	11,996	30,696	11,996	10,836
Between two and five years	<u>11,996</u>	<u>57,274</u>	<u>23,994</u>	<u>34,810</u>
	<u><u>23,992</u></u>	<u><u>87,970</u></u>	<u><u>35,990</u></u>	<u><u>45,646</u></u>

29 Contingent liabilities and capital commitments

There were no contingent liabilities or capital commitments as at 31 December 2019 and 31 December 2018.

Notes to the financial statements

30 Provision for liabilities

	Holiday pay accrual £	Total provisions £
Balance at 1 January 2019	54,194	54,194
Released in the year	(7,197)	(7,197)
Balance at 31 December 2019	<u>46,997</u>	<u>46,997</u>

The holiday pay provision represents holiday balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the salary cost payable for the period of absence.

31 Controlling related party

The Coal Industry Social Welfare Organisation 2014 (charity no. 1160157 and Company no. 09113084) is the sole corporate trustee and the controlling party of the Coal Industry Social Welfare Organisation. Copies of the parent charity's consolidated financial statements may be obtained from the charity at The Old Rectory, Rectory Drive, Whiston, Rotherham, S60 4JG.

32 Events after the balance sheet date

The Covid-19 pandemic has had and continues to have a significant impact on the UK and worldwide. Due to the timing of the pandemic (March 2020), this has not had a significant impact on the operations of the entity during the 2019/20 year. The Covid-19 pandemic has impacted on 2020/21; however the full extent and impact is still to be determined.