



RBF

***supporting
railway people***

REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31st December 2017

RBF

(RBF is the operating name of the Railway Benevolent Institution)
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Registered Charity No. 206312 and SC039550

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REFERENCE AND ADMINISTRATIVE DETAILS

Registered Name	Railway Benevolent Institution		
Registered Charity Number	In England & Wales - 206312 In Scotland - SC039550		
Operating Name	RBF		
Registered Address	1 st Floor, Millennium House, 40 Nantwich Road, Crewe CW2 6AD		
President	Vice Presidents		
Sir William McAlpine	David Allen		Paul Watkinson
	Dominic Booth		Joe Walsh
	Gerry Burt OBE BEM		Ivor Warburton
	(until June 17)		Alan Whitehouse
	David Cobbett, ERD, TD		The Rt. Hon. The Lord Snape of Wednesbury
	Nigel Harris		Simon Osbourne (from June 2017)
	Tom Harris		
	Keith Heller		
	Matthew Parris		
	Nicholas Owen		
Board of Management	Tim Shoveller – <i>Chair</i>		Simon Osborne – <i>Vice Chair (until 25/6/17)</i>
	Frank Johnson		Janet Goodland – <i>Vice Chair</i>
	Steve Montgomery		Jane English
	John Kennedy		Richard Goldson, OBE
	Paula Hayes		Merrick Willis, OBE
	Deborah Gilshan (until 25/6/17)		Mark Enright (from 25/6/17)
	Graham Smith MBE (until 25/6/17)		Ciaran Barr (from 29/11/17)
	Maggie Simpson (from 29/11/17)		Mark Newton (from 29/11/17)
Chief Executive	Jason Tetley		
Secretary	Jason Tetley		
Auditors	Geens Chartered Accountants 68 Liverpool Road, Stoke on Trent ST4 1BG		
Bankers	The Royal Bank of Scotland plc 62/63 Threadneedle St, London EC2R 8LA Allied Irish Banks plc 40/41 Westmoreland Street, Dublin 2		
Honorary Solicitor	Sara Hollingworth		
Investment Advisers	Rathbone Investment Management Port of Liverpool Building, Pier Head Liverpool, L3 1NW (from 30 September 2017) Cazenove Capital Management Limited 12 Moorgate, London EC2R 6DA (until 30 September 2017)		

RAILWAY BENEVOLENT INSTITUTION

for the year ended 31st December 2017

COMMITTEES

Benefits Committee

Janet Goodland - *Chair*
Jane English - *Deputy Chair*
Andrew Litherland
Mark Enright
Richard Goldson, OBE
Christopher Henley

Finance & General Purpose Committee

Frank Johnson - *Chair*
Deborah Gilshan (*until 25/6/17*)
Richard Goldson, OBE
Ciaran Barr (*from 29/11/17*)

Nominations and Governance Committee

Paula Hayes - *Chair*
Simon Osborne – *Chair*
(*until 25/6/17*)
Deborah Gilshan (*until 25/6/17*)
Richard Goldson, OBE
Tim Shoveller
Janet Goodland (*from 25/6/17*)

Scottish Management Committee

Steve Montgomery – *Chair*
Mel Welsh (*until March 2017*)
Colin Dodgson
Phil McGarry
Mark Quinn
William Welsh
Gavin Burns (*until Nov 2017*)
Alex Sharkey
David Simpson (*from March 17*)
Nikki Ralston – *Secretary*
(*from March 2017*)
Fiona Irving (*from March 17*)
Chris Barry (*from Sept 17*)
Mark Ilderton (*from Sept 17*)

Irish Management Committee

John Kennedy - *Chair*
Gregg Ryan
Ray Kelly - *Secretary*
Michael Anderson
Bertie Corbet
Peter Cuffe
Thomas Devoy
Dr Mary D'Arcy
Anne Elliott
Geraldine Finucane

William Rothwell
Joe Walsh
David Franks
Jane Cregan
Catherine Cahill
Maeve Custy

AREA COMMITTEES

The Board was also supported by the following Area Committees:

Merseyside, Northern, Southern (*until Sept 2017*) and Western (*until Feb 2017*).

The Year at A Glance

Number of People Supported from across the Railway Family - 702



Amount of Grants Awarded - £ 300,661



Value of Non-Grant Charitable Support



Total Income - £ 517,443



Total Expenditure - £649,823



Support Costs - £289,403



Assets of the Fund - £4,155,900



RAILWAY BENEVOLENT INSTITUTION for the year ended 31st December 2017

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management presents its report and the audited financial statements for the year ended 31 December 2017. The reference and administrative information set out on page 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Review of Year

2017 has seen the RBF continue to develop; once again we are pleased to report that we have been able to assist more people, through more services in more ways. We have seen the numbers assisted rise again this year, with an increasing number of these accessing non-grant support such as through our information service.

Financially, the Charity has seen a large reduction in income; primarily because the record breaking legacies received in 2016 (£402,672) were not repeated. Overall expenditure has decreased slightly to £649,823, despite the additional overheads of our new office, as we have brought more services in-house and sought efficiencies where possible. The Charity posted a deficit on income of £132,380 in 2017 but when taking into account investment gains the fund value increased by £52,381 to over £4.15m.

Impact

In terms of the impact of our work; whilst we have continued to provide direct grant support, our advice and information services also provide additional financial support through enabling beneficiaries to access external services and benefits, and better manage their financial commitments. In addition to the £301,000 of direct financial support that we provided we enabled those we support to access an additional £511,000 worth of financial benefit through our welfare support programme.

Services & Grants

In terms of the targets we set ourselves in 2017 we have seen consistent improvement and development across the year. We have :

- **Increased the number and range of grants** that we provide, with the number of one-off grants (Single Benefit Grants) increasing in both number and value.
- **Improved our grant-making processes** to allow greater delegated responsibility to staff enabling us to reduce response times for those in financial hardship. This has halved the average time required to process grant requests and we can now provide same day financial support for those requiring immediate support.
- **Launched an emergency fund targeting current rail staff** – enabling small, quick grants to be made easily avoiding staff from accessing short-term high-interest credit providers, such as pay day loans.
- **Increased the number of current staff supported** – 24% of those receiving one-off grants were current staff which more than doubled in the year.
- **Increased the numbers and scale of those accessing family-centred support funds** – the support provided by the Webb Fund more than tripled in the year.
- **Developed and strengthened our advice and information services** and trialled work-place advice days.

- and information and the ability to request support and assistance through the phone.
- **Refreshed and updated our website** – providing better and clearer information and fact-sheets and the ability to down-load application forms directly.

Market Research

The market research that commenced in late 2016 was completed in May 2017. This showed there was strong support for the RBF to develop services, including advice and information as well as direct financial support, to enable staff to better deal with the issues they faced.

The major issues facing staff were highlighted as:

- Mental Health and Stress
- Debt and financial worries
- Caring responsibilities
- Family support and family-work life balance

The research also confirmed that in developing services these should include the utilisation of technology and telephone based services where possible to increase access and provide timely and instant support.

In addition, a further piece of work on the issues facing women with caring responsibilities and returning to work after children was undertaken in October 2017 in partnership with Women in Rail.

Both pieces of market research have been used to inform our plans for the roll-out of services in late 2017 and beyond.

Fundraising & Marketing

2017 saw our fundraising and engagement work continue to develop under Faye Jaques, our fundraising manager ably supported by Emma Cooper, our marketing officer.

June 2017 saw the first #BehindRBF week that encouraged high profile individuals and leaders from across the Rail Industry to pledge their support and encourage others to contribute both their time and money to RBF. We hope to make this an annual event focussing attention on our new services via the publicity that we can obtain via rail media and internal company communications.

In November 2017, Lord Snape, an RBF Vice-president, kindly hosted a lunchtime reception at the House of Lords, sponsored by East Midlands Trains. We were joined by over 50 people including the Secretary of State for Transport, representatives of Train Operating Companies, Rail Infrastructure Companies, Network Rail, Rail Delivery Group, Department of Transport, Women in Rail and the Rail, Maritime and Transport (RMT) Union.

The audience heard a poignant and moving speech from Darren Ward, Head of Trains at East Midlands on the assistance provided by the RBF to the families of two staff that died in unexpected and tragic circumstances; as well as information on the market research findings and the new services being developed in response to these. The reception was also an opportunity to recognise long-standing supporters of the RBF; whose hours of voluntary work have provided the bedrock from which the Charity will develop. This event was also the last time many of us had the pleasure of our President, Sir William McAlpine's company.

We have seen success in raising RBF's profile via social media, which is a cost effective way of reaching large numbers of people, particularly current staff. We reached over 1200 twitter followers in the year and saw the levels of engagement with our social media increase.

We are conscious that we need to ensure that supporter engagement is tailored to their needs and have circulated 2 newsletters in 2017 to over 3,000 supporters, as well as on-going

publicity in rail media and inserts within specific publications such as the rail pensioner newsletter, Penfriend.

Our key fundraising events continued to be the Golf Day in June and the National Dinner in October. We did not run the Spring Ball in March as we wished to concentrate our limited resources on the market research and developing new services. All events were again very popular, with the Scottish Dinner raising an additional £10,000 as we brought the organisation in house. Our thanks are due to our team of organisers and the companies who supported them.

We acknowledge the generous support we receive from railway companies, specifically our corporate sponsors, Abellio Group and other companies that provided financial support including East Midlands Trains, Grand Central and Northern Trains.

We also thank those friends and organisations who provided prizes and support in different ways, in particular, First Group for their headline sponsorship of the RBF Annual Dinner in Glasgow in October 2017.

During 2017 we received another donation of £40,000, from the Civil Service Insurance Society (CSiS) Charity Fund, which supports workers from across the spectrum of public services including the Rail Industry. CSiS continues to take considerable interest in the work of the RBF, sponsoring the Golf Day and have been a consistent source of support and guidance on the Charity's development

Other fund raising income came from the generosity of individuals donating from their salaries and pensions. We thank RPMI for its assistance in promoting regular giving and legacies from pensioners. However, we will continue to emphasize recruiting new supporters and applicants. The RBF is there for everybody in the rail industry, irrespective of age or background and whether you have contributed or not.

Regular giving has decreased slightly within the year and increasing regular payroll and standing order giving will remain a key target in 2018. Payroll giving is concentrated however in a small number of rail employers such as Irish Rail and Merseyrail where a significant proportion of staff provide regular donations to the RBF. This provides opportunities with other companies to increase our profile on the basis of our enhanced service offer whilst encouraging staff to support the Charity through payroll giving.

Participatory fundraising has continued within the year, with a number of partner organisations including the Branch Line Society, British Transport Police, South West Trains and Grand Central Rail all undertaking fundraising activity, from organising cycle challenges to commissioning train excursions. In terms of reporting, this activity is within "other business and charitable bodies" in the breakdown of donations received.

The Board's overall objective continues to be to secure the charity's future by achieving a minimal funding gap or slight surplus, so as to enable the RBF to continue helping railway people in need. We believe that by providing services to both current and former rail staff we can gather support from both those in employment through payroll giving and standing orders and also those that have retired or have left the Industry. Our aim will be to adopt a dual approach when developing and offering services to current rail employees with an aim to promote financial support and payroll giving in parallel.

Committees

Area Committees comprised of ambassadorial volunteers that traditionally had the role of increasing awareness of the RBF in order to stimulate referrals to our services as well as donations of all kinds. In 2017 we saw the dissolution of 2 area committees due to the changing needs of the Charity and its requirement to engage with current staff. The Southern and Western Area Committees who had both supported the RBF over many years both formally disbanded. The Board thank all those involved for their support and service over many years.

The Scottish Committee operates on a devolved basis and has its own budget and grant giving remit. The Committee was refreshed with current staff from rail companies including Abellio, Caledonian Sleeper and the Scottish Alliance joining in early 2017. The Scottish Committee was instrumental in arranging and supporting the National Dinner, and have commenced their own fundraising events including an afternoon tea event in November 2017 that raised over £2,500 in income. A series of other events are planned for 2018. We would like to acknowledge the resignations of Mel Walsh and Gavin Burns from the Committee and thank them both for their roles as RBF supporters and advocates over many years.

The Irish Committee continued to oversee the Charity's work and fundraising in the Republic of Ireland and will review its work in supporting Irish Rail staff in 2018.

Governance

2017 saw the Board consult the membership on amending the governance arrangements of the Charity to simplify its membership and governance rules and bye-laws. The proposed new arrangements were approved by an Extraordinary General Meeting in November 2017 and the rules were formally approved by the Privy Council on the 1st March 2018. The 2017 AGM will be held in accordance with these new arrangements.

Strategic Aims

RBF's vision and mission:

- **Our vision: RBF aims to improve the quality of life of current and former railway people in the UK through the provision of customised support.**
- Our mission is to make RBF the preferred destination for support and advice for current and former railway workers by delivering outstanding value, continuous innovation and an exceptional experience by consistently updating our skills and services.**

The Board has also laid down the following values to guide and influence the way we will work:

- **We are innovative and forward thinking, striving to be dynamic**
- **We act with integrity and believe in quality and effectiveness**
- **We are caring, fair and respectful**
- **We are open and outward looking**
- **We are inclusive and socially responsible**

Progress to implement the vision and mission has started to gather momentum; perhaps the largest change has been the increase of current staff accessing support which has more than doubled from 7% to 18% of all of those assisted and now forms 24% of those applying for one-off grants.

The Board of Management has committed to investing into developing services, especially for current staff over the coming period. The investment in the services we provide to those seeking assistance, has enabled us to provide additional support, undertake benefit checks, provide debt and budgetary support and work with other agencies and charities to provide a full package of support to those that we assist. We have supported individuals and families to access almost £33,000 worth of additional income and have enabled individuals to manage £478,000 worth of debts.

The Year Ahead

Our challenge continues to remain relevant to current staff and their needs whilst ensuring that we provide valuable financial support to those in extreme financial hardship. The support we offer has broadened to include advice and information services, ensuring that those seeking help receive a package of support. Job insecurity, debt and financial worries, relationship and family issues and increasing caring responsibilities are a few examples of where RBF is looking to support rail staff. Our aim is to provide assistance that deals with both the immediate hardship affecting the individual and the underlying causes wherever possible.

The market research provides a framework to develop new services and provides us with clear evidence of the perceived welfare and support needs of rail staff.

In 2017 we were able to provide new services to current staff and by extension to develop and broaden the relationship that we have with rail employers. This was perhaps not the step-change we wanted, but was definitely a good foundation from which to grow and again we have ambitious plans for service development in 2018, in our 160th anniversary year.

Further work is needed to develop our work-place ambassador programmes and we have highlighted Scotland and Merseyrail as two areas to trial the initiative, given the respective links with employers and staff in those areas.

Whilst work has commenced on developing our advice-line and information service, this will require further development particularly to support those with non-financial issues and caring responsibilities. The ability to use the new website and mobile phone application to signpost and accept referrals will be taken into account within this. The new data protection requirements from the General Data Protection Regulations (GDPR) will also have to be complied with.

We already have a number of activities planned in 2018 that will enable us to be more responsive to the needs of rail staff both past and present. These include:

- Publicising and embedding our legal information mobile phone application (launched in November) and our emergency grant service across the Rail Industry.
- Formally launching a debt-advice service and help-line in January 2018 that provides direct access to specialist advice for those in debt – targeting current staff that are in, or at risk of financial hardship.
- Launching a pilot family-specific grant programme for those staff in receipt of means tested working benefits, and will support staff, especially women that struggle with juggling family and work commitments.
- Developing a carers support programme including both a general information and support service, and more specialist advice support and funds for those supporting family members with dementia related illnesses.
- Improving our grants processes and information resources further so that these are easy to access, transparent and relevant to potential beneficiaries.
- Better engagement with the Industry – reviewing our ability to work more formally in partnership with rail employers on staff welfare initiatives to both extend our reach to current staff and maximise funding opportunities.
- Being more connective with wider staff welfare initiatives eg mental health and stress prevention work undertaken by RDG and working in partnership to embed our service offer into this work.
- Continuing more fun and less formal engagement and fundraising campaigns including #BehindRBF week and Jailbreak 160 – an event for all grades of staff to get involved via a 24 hour challenge.

Conclusion

The Rail Industry is dynamic and is constantly evolving to meet the challenges and the demands placed on it. These are ever more complex and challenging, from technology and regulatory change, changing staff roles, an ever increasing out-sourced supply chain and at times the negative public perception of the Industry. Our aim is to develop flexible sustainable services that meet this ever-changing environment. Our principal purpose remains: to provide responsive, high quality support to the railway's biggest asset, its staff.

The work of RBF is, like most railway organisations, a team effort, and relies on the enthusiasm of its staff and volunteers. Thanks are due to our team in the RBF office at Crewe for their hard work, and to the Board of Management, for their on-going support and guidance in ensuring that RBF continues to develop. We would thank those Board members that stood down this year, namely, Graham Smith, Deborah Gilshan and Steve Montgomery with special mention to Simon Osborne. Simon has served RBF as Chair, Vice-Chair, volunteer, support advocate and advisor for over 25 years bringing tenacity and fortitude but most of all his trademark grace and charm.

We salute the persistence and dedication of our fund-raising volunteers, with a special mention to David Allen and the Golf Day organising committee, Kev Adlem and the Branch Line Society, Fiona Irving, and Nikki Ralston from our Scottish Committee, Harold Wainwright for his on-line memorabilia sales and Ronnie Hardman for his work across Merseyrail.

The Board of Management wishes to thank our current honorary Vice-Presidents, and acknowledge the sad passing of Gerald Burt OBE, an RBF Vice-president.

The Board of Management would also wish to honour Sir William McAlpine for his unstinting support and contribution to RBF over many years as our President, who sadly died in March 2018 – Sir William's contribution will be celebrated fully in the 2018 Annual Report.

RAILWAY BENEVOLENT INSTITUTION

for the year ended 31st December 2017

REPORT OF THE BOARD OF MANAGEMENT (Continued)

The Financial Results

For the year ended 31 December 2017 the RBF had net expenditure (i.e. a net deficit) before other recognised gains and losses (i.e. before Investment gains/losses) of £132,380 compared with a net surplus of £266,383 in 2016 as set out in the Statement of Financial Activities on page 18.

Total income was £517,443 (2016: £943,622), a decrease of £426,179 compared to the previous year. The principal reasons for this are a decrease in legacies to £59,204 (2016: £402,672). Fundraised income excluding legacies was £168,913 (2016: £199,775) CSiS funding went back its annual level of £40,000, the year on year reduction, reflected the specific grant received in 2016 to fund the market research.

The Board thanks all those who have given so generously and enabled the RBF to pursue its work. We thank HM The Queen for her donation. As always, we received a number of donations from the families, friends and colleagues of former railway staff who passed away during the year, who remember their loved ones by supporting their colleagues across the railway family.

Total expenditure was £649,823 (2016: £677,239) a decrease of £27,416 compared to the previous year, reflecting the move toward to bringing external overheads in-house.

The cost of raising funds totalled £151,950 (2016: £169,831), a decrease of £17,881 This includes publicity, fund raising consultancy, event management costs and support costs. The decrease is a reflection that we did not host a Spring Ball in 2017 – see Note 4 to the Accounts.

Expenditure on charitable activities totalled £497,873 (2016: £507,408) a decrease of £9,535. In total 448 grants averaging £671 (2016: £654) were approved in 2017. Grant expenditure was £300,661 (2016 £306,284) with a slight decrease of £5,623 in actual grant payments. This was largely to do with provisioning on future quarterly grant payments as one-off grant expenditure increased significantly. A brief description of each type of grant is set out in Note 6 to the Accounts.

Governance Costs totalled £40,360, representing 7.8% of Total Income (2016: £48,279) This relates to the general running of the charity and includes internal and external audit, insurance costs, legal advice for trustees and costs associated with constitutional and statutory requirements such as the cost of trustee meetings and preparing the statutory accounts, plus a share of support costs. The Board monitors the level of these costs on a regular basis. The main reason for the decrease is lower accountancy support costs. See Note 7 to the Accounts.

Support Costs are allocated across the RBF's principal activities in line with the SORP - see Note 4b to the Accounts. For 2017 support costs totalled £289,403 (2016: £260,116), an increase of £29,287 compared with the previous year, reflecting additional office, staff and marketing costs for new services.

On the investment front, in 2017 the RBF had investment gains of £ 184,761(compared with a gain of £330,206 in 2016.)

At 31 December 2017 the RBF's Net Assets were £4,115,900 (2016: £4,103,519) including Investments of £3,993,410 (2016: £3,585,914) and cash balances of £242,939 (2016: £595,117).

RAILWAY BENEVOLENT INSTITUTION

for the year ended 31st December 2017

REPORT OF THE BOARD OF MANAGEMENT (Continued)

Acknowledgements

As always, the Board would like to thank RBF members, individuals and organisations who have donated money during 2017. Without you, we would not be able to provide help to those in need and we hope that you will be able to continue supporting us in future.

We must also thank the members of our Committees - the Benefits Committee, the Nominations and Governance Committee, the Finance & General Purpose Committee, the Scottish and Irish Management Committees and the Area Committees who give so freely of their time in support of the RBF.

Thanks to the excellent service provided by our staff and the tremendous support we received over many years prior to the office move from Healthshield at Crewe, the RBF continues to run smoothly.

We must also thank the companies who provide meeting facilities for the Annual Meeting and for various Board and Committee Meetings, all free of charge. We are most grateful for all of this assistance in the furtherance of our objectives. Thank you.

Constitution, Objects and Organisational Structure

The RBF is the operating name of the Railway Benevolent Institution which is registered charity number 206312 (in England & Wales) and SC039550 (in Scotland). It is governed by Royal Charter granted on the 29th December 1949, as subsequently amended. It is the sole trustee of the organisation's assets. Its objects, as set out in the Royal Charter, are "to relieve aged or disabled or necessitous Railwaymen, their spouses or Children or other relatives or persons who were immediately or partly dependent on them". The expressions "Railwaymen", "Spouses" and "Children" are defined in Clause 2 of the Charter.

a) Board of Management

The RBF's principal governing body is the Board of Management ("the Board"). It must consist of not less than 10 and not more than 30 persons. Currently the Board has 12 Members whose names are recorded on page 1. The appointment of all Board Members is by election at the Annual Meeting. The Board has the power to fill any vacancies and to appoint temporarily additional members not exceeding five; all persons appointed in this way must retire at the next Annual Meeting and are eligible for re-election. The Board of Management meets four times each year. The Board each year elect a Chairman from among its number. The Chairman serves for one year and is eligible for re-election. No Member of the Board is permitted to derive any pecuniary advantage from the RBF.

Both prior to and after their appointment all new Board Members are briefed by the Chairman of the Board of Management and/or the Secretary and provided with copies of the Royal Charter, Rules and Bye-laws, the most recent Board minutes and other key documents. Details of any new legislation or other developments are included on the agenda for Board meetings.

The day-to-day running of the charity is delegated to Jason Tetley, the Chief Executive, as the key management personnel.

RAILWAY BENEVOLENT INSTITUTION for the year ended 31st December 2017

REPORT OF THE BOARD OF MANAGEMENT (Continued)

The remuneration of key management personnel is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the Charity's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other charities to ensure that the Charity remains sensitive to the broader issues of pay and employment conditions elsewhere.

b) Committees

The Board is empowered to delegate all or any of its powers to Committees. Their composition is set out on page 2.

The Nominations and Governance Committee is responsible for considering the skills and experience required and for providing advice on the appointment of nominated individuals to the Board of Management, all Committees and the Executive Director of the charity. It must consist of not less than two or more than four members and is chaired by the Deputy Chairman.

The Benefits Committee is responsible for granting financial assistance to beneficiaries. It must consist of not less than three and not more than nine members of whom at least two must be Members of the Board of Management, who shall be Chairman and Deputy Chairman. Members of the Committee are appointed by the Board.

The Irish and Scottish Management Committees are responsible for granting financial assistance in Ireland and Scotland respectively and to promote the RBF within their areas. They consist of not less than three members of whom at least one must be a Member of the Board of Management.

The Finance & General Purpose Committee is responsible for overseeing the management of the RBF's investment portfolio within agreed parameters established by the Board and recommending the appointment of investment managers. It also has oversight of the RBF's finances. It must consist of not less than three or more than six members, all of whom shall be members of the Board of Management.

c) Administration

The administration of the RBF is overseen by the Chief Executive who also holds the role of company secretary. The administrative functions are separated out into services, fundraising, and marketing. There is a Finance Manager who also provides financial and administrative support, preparing the annual and management accounts monthly and annually.

Grant making is currently overseen by the Benefits Committee, with the services team making decisions on some grants on a delegated basis – this has reduced the time taken for those in hardship to receive assistance by over half on average.

d) Public Benefit

The Trustees have referred to the Charity Commission's public benefit guides and its guidance on the prevention and relief of poverty for the public benefit to inform its decision making and when reviewing how the charity's activities and plans contribute to achieving its aims and objectives.

RAILWAY BENEVOLENT INSTITUTION

for the year ended 31st December 2017

REPORT OF THE BOARD OF MANAGEMENT (Continued)

Policies

a) Reserves Policy

The RBF's reserves policy takes into account the Board's forecast for future income and expenditure, including the potential for fund raising. In formulating the policy the Board considered that reserves are required to provide contingency to ensure continuity in the event of a large variation in the Board's income for any one year equivalent to one year's expenditure and to meet the Board's potential future liabilities in respect of quarterly grants. The Board have determined in 2017 that the reserves should be maintained at a minimum amount of £675k.

At 31 December 2017 the RBF's unrestricted reserves totalled £3,279k (2016: £3,275k).

The Board continues to work on increasing its fund raising activities to bring the income and expenditure account into balance year on year, whilst as far as possible maintaining grant giving at current levels.

b) Investment Policy

The RBF's investment policy has been formulated after taking full account of Part II of the Trustee Act 2000 and the advice of our Investment Managers. The policy seeks to achieve the efficient and prudent management of the RBF's investments with the aim of maximising the return on them.

Following a lengthy and in-depth tender process by the Board Rathbones Investment Management were appointed investment managers in June 2017 replacing Cazenove Capital Management Limited who had been appointed in February 2007. We thank Cazenove for their service and work in managing the Charity's assets over the past 10 years.

Investment performance is reviewed by the Finance and General Purpose Committee who report to the Board every quarter and the Investment Managers are required to attend a Board Meeting at least once a year.

c) Risk Management

The Board reviews the risks to which the RBF is exposed on an annual basis. The major risk remains volatility in investments markets. Systems have been established to mitigate this and all other risks to the extent that this is possible. As a matter of Board policy, no use is made of any financial derivative products.

d) Grant Making Policies

The criteria for awarding grants, used by the Benefits Committee and the Irish and Scottish Management Committees, are reviewed by the Board annually. All applications received are carefully vetted by the Chief Executive and RBF staff. In 2017 responsibility for certain grant awards has been delegated to staff. All quarterly grants; those that are contentious or of high value (above £1,000) are still considered at Committee Meetings. Quarterly Grants and Residential Care Grants are reviewed at least every two years. A brief description of each type of grant awarded is set out in Note 6 to the Accounts.

RAILWAY BENEVOLENT INSTITUTION

for the year ended 31st December 2017

REPORT OF THE BOARD OF MANAGEMENT (Continued)

Statement of the Board of Management's Responsibilities

The Board of Management is responsible for preparing the Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales and in Scotland requires the Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board of Management is responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Royal Charter granted on 29th December 1949 (as subsequently amended). The Board of Management is 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.

The Board of Management is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

RAILWAY BENEVOLENT INSTITUTION **for the year ended 31st December 2017**

REPORT OF THE BOARD OF MANAGEMENT (Continued)

Governance

Processes are in place to ensure that expenditure and performance is monitored and that appropriate management information is prepared and reviewed regularly by the Board. The systems of internal control are designed to provide reasonable assurances against material misstatement or loss. They include:

- an annual budget approved by the Board;
- regular consideration by the Board of financial results, variances from budget and non-financial performance indicators;
- delegation of day to day management authority;
- identification and management of risks.

All the RBF's governance arrangements are reviewed annually.

Approved by the Board of Management and signed on its behalf by:



Tim Shoveller
Chairman of the Board

Date 28th June 2018

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF MANAGEMENT OF THE RAILWAY BENEVOLENT INSTITUTION

Opinion

We have audited the financial statements of The Railway Benevolent Institution for the year ended 31st December 2017 which comprise a Statement of Financial Activities, Balance Sheet, Cash flow statement 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).

This report is made solely to the charity's Board of Management, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Board of Management those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Board of Management as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2017, and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustees Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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 Board of Managements' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board of Management have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Other information

The Board of Management are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF MANAGEMENT OF THE RAILWAY BENEVOLENT INSTITUTION (Continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; 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 the Board of Management

As explained more fully in the Board of Managements' responsibilities statement in the annual report, the Board of Management 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 Board of Management 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 Board of Management are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act. We have also been appointed auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and also report in accordance with regulations made under that Act.

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.



Geens Limited, Statutory Auditor
68 Liverpool Road
Stoke on Trent
Staffordshire
ST4 1BG

Date: 28 June 2018

Geens Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

RAILWAY BENEVOLENT INSTITUTION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31st December 2017

		Endowment Funds	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds
	Notes	2017 £	2017 £	2017 £	2017 £	2016 £
Income:						
Donations and legacies	3a	-	12,770	311,799	324,569	701,133
Other trading activities		-	-	91,629	91,629	135,824
Investment income	3b	21,118	-	80,127	101,245	106,665
Total income		21,118	12,770	483,555	517,443	943,622
Expenditure:						
Cost of raising funds	5	2,400	-	149,550	151,950	169,831
Costs of charitable activities	6	-	-	497,873	497,873	507,408
Total expenditure	4a	2,400	-	647,423	649,823	677,239
Net income/(expenditure) before investment gains/ (losses)		18,718	12,770	(163,868)	(132,380)	266,383
Net gains/ (losses) on investment assets		38,432	-	146,329	184,761	330,206
Net income/(expenditure) before transfers		57,150	12,770	(17,539)	52,381	596,589
Transfer between funds	15	(21,118)	-	21,118	-	-
Net movement in funds for the year		36,032	12,770	3,579	52,381	596,589
Reconciliation of funds						
Funds brought forward at 31.12.16		828,046	-	3,275,473	4,103,519	3,506,930
Funds carried forward at 31.12.17		864,078	12,770	3,279,052	4,155,900	4,103,519

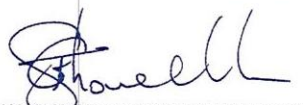
The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.
The notes on pages 21 to 34 form part of these financial statements.

RAILWAY BENEVOLENT INSTITUTION

BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017 £	2016 £
Fixed Assets			
Tangible fixed assets	8	5,449	8,552
Investments	9	3,993,410	3,585,914
		<u>3,998,859</u>	<u>3,594,466</u>
Current Assets			
Debtors	10	43,254	41,430
Cash at bank and in hand		242,939	595,117
		<u>286,193</u>	<u>636,547</u>
Creditors: amounts falling due within one year	11	(129,152)	(127,494)
Net Current Assets		<u>157,041</u>	<u>509,053</u>
Net Assets		<u>4,155,900</u>	<u>4,103,519</u>
The Funds of the Charity			
Endowment funds	15	864,078	828,046
Restricted Funds	15	12,770	-
Unrestricted income funds	15	3,279,052	3,275,473
Total charity funds		<u>4,155,900</u>	<u>4,103,519</u>

The financial statements were approved by the Board of Management and authorised for issue on 23 June 2018 and were signed on their behalf by:



TIM SHOVELLER
Chairman of the Board



FRANK JOHNSON
Board Member

The notes on pages 21 to 34 form part of these financial statements.

RAILWAY BENEVOLENT INSTITUTION
CASH FLOW STATEMENT
for the year ended 31st December 2017

		2017	2016
		£	£
NET CASH FLOW FROM OPERATIONS	14	(129,443)	224,539
Investing activities			
Payments for tangible fixed assets		-	(9,008)
Payments to acquire investments		(2,473,910)	(781,860)
Proceeds on disposal of investments		2,251,175	967,348
Net cash from investing activities		(222,735)	176,480
Increase/(decrease) in cash in the year		(352,178)	401,019
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
Net funds at the beginning of the year		595,117	194,098
Increase/(decrease) in cash in the year		(352,178)	401,019
Net funds at the end of the year		242,939	595,117

The notes on pages 21 to 34 form part of these financial statements.

RAILWAY BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2017

1. Accounting Policies

Railway Benevolent Institution is an incorporated charity, (Charity No. 206312), registered in England & Wales. Also registered in Scotland (Charity No. SC039550). The charity's registered address and principal place of business is 1st Floor, Millennium House, 40 Nantwich Road, Crewe, CW2 6AD.

a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

Railway Benevolent Institution meets the definition of a public entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) FRS102

These financial statements of Railway Benevolent Institution are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102).

c) Going concern

There are no material uncertainties related to events or conditions that significantly put doubt on the Charity's ability to continue as a going concern.

d) Fund accounting

Unrestricted funds are available for use at the discretion of the Board of Management in furtherance of the general objectives of the charity and which have not been designated for other purposes. Endowment and Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors, and are of a permanent nature. The costs of raising and administering such funds are charged against the specific fund. The nature of each of the endowment funds is set out in the notes to the financial statements. Investment income and gains/losses are allocated to the appropriate fund.

e) Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the funds, when any performance conditions have been met or are fully within the control of the charity, when there is sufficient certainty that the receipt of income is considered probable and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the charity being aware that probate has been granted, where the estate has been finalised and notification has been made by the executor(s) to the charity 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.

Investment income

Investment income from bank balances and fixed asset investments are accounted for on an accruals basis.

RAILWAY BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under the appropriate headings. Where costs cannot be directly attributed to particular headings (support costs) they have been allocated to activities on a basis consistent with the use of the resources.

The Costs of Generating Funds include costs of generating voluntary income and investment fees, plus a share of support costs. The costs of generating voluntary income do not include the costs of disseminating information in support of the charitable activities.

Charitable Activities comprise grants made plus a share of support costs. All grants are paid in accordance with the RBF's Royal Charter, Rules and Bye-laws. Grants are accounted for only when paid, with the exception of Quarterly Grants which are accrued to the end of the year and pledges made in respect of Single Benevolent Grants which are dependent on specific conditions which fall outside the control of the charity. No provision is included in respect of Quarterly Grants or Residential Care Grants for future years.

Governance Costs are those costs associated with the governance arrangements of the charity which relate to the general running of the charity. This includes internal and external audit, insurance costs, legal advice for trustees and costs associated with constitutional and statutory requirements such as the cost of trustee meetings and preparing the statutory accounts, plus a share of support costs.

Support costs are those costs incurred in the support of the fund raising, governance and charitable activities which cannot be directly attributed. They have been attributed to activities as described in the notes to the financial statements.

g) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £5,000 are capitalised and included in the balance sheet at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over the useful economic life of the asset. The current depreciation rates are as follows:

Plant and equipment – 3 years straight line

h) Investments

Investments are stated at market value. Realised gains and losses are calculated as the difference between sales proceeds and their market value at the start of the year, or subsequent cost on purchase. Unrealised gains and losses represent the movement in market values during the year. Realised and unrealised gains are combined in the appropriate section of the SOFA.

RAILWAY BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

i) 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.

j) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

k) Value added tax

Value added tax is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

l) Critical accounting estimates and assumptions

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. At the year end there were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

RAILWAY BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

2. Comparative year information

		Endowment Funds	Unrestricted Funds	Total Funds	Total Funds
	Notes	2016 £	2016 £	2016 £	2015 £
Income:					
Donations and legacies		-	701,133	701,133	397,057
Other trading activities		-	135,824	135,824	118,288
Investment income		23,128	83,537	106,665	112,770
Total income		23,128	920,494	943,622	628,115
Expenditure:					
Cost of raising funds		1,492	168,339	169,831	254,546
Costs of charitable activities		-	507,408	507,408	367,847
Total expenditure		1,492	675,747	677,239	622,393
Net income before investment gains/(losses)		21,636	244,747	266,383	5,722
Net gains/(losses) on investment assets		71,959	258,247	330,206	(19,188)
Net income/(expenditure) before transfers		93,595	502,994	596,589	(13,466)
Transfer between funds		(23,128)	23,128	-	-
Net movement in funds for the year		70,467	526,122	596,589	(13,466)
Reconciliation of funds					
Funds brought forward at 31.12.15		757,579	2,749,351	3,506,930	3,520,396
Funds carried forward at 31.12.16		828,046	3,275,473	4,103,519	3,506,930

**RAILWAY BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017**

Notes to the Financial Statements (Continued)

3. Income

a) Donations and legacies

	2017	2016
	£	£
Regular Giving including membership subscriptions	96,452	98,686
<u>Donations</u>		
Individuals	35,753	36,886
Railway Housing Association	750	900
Civil Service Insurance Society	40,000	70,000
Railway Companies	55,163	42,587
Other businesses and charitable bodies	37,247	49,402
	<hr/> 168,913	<hr/> 199,775
 Legacies		
	59,204	402,672
	<hr/> 324,569	<hr/> 701,133

Regular Giving comprises regular payments made by current employees of railway companies through their company payroll and by former railway employees through the pensions payroll system or by standing order.

Individual donations includes generous donations from the families, friends and colleagues of former railway staff who have passed away and monies raised by collections made at Railway Staff Clubs, at BTPF branches, and a donation from HM The Queen.

RAILWAY BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

b) Investment Income

	Endowment Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Income from listed investments	21,034	80,088	101,122	105,973
Interest on Portfolio Capital and Income Accounts	84	-	84	127
Interest on bank deposits	-	39	39	565
	21,118	80,127	101,245	106,665

4. Expenditure

a) Summary

	Direct Costs 2017 £	Support Costs 2017 £	Total Costs 2017 £	Total Costs 2016 £
Costs of raising funds	35,879	116,071	151,950	169,831
Charitable activities	300,661	156,852	457,513	459,129
Governance costs	23,880	16,480	40,360	48,279
Total Resources Expended	360,420	289,403	649,823	677,239

b) Allocation of Support Costs

	Costs of raising funds 2017 £	Charitable Activities 2017 £	Governance Costs 2017 £	Total Costs 2017 £	Total Costs 2016 £
Management					
Staff Costs	60,321	100,830	12,922	174,073	162,553
Information technology	2,067	10,335	1,378	13,780	3,234
Marketing	42,598	16,227	-	58,825	46,801
Other costs	11,085	29,460	2,180	42,725	47,528
Total Support Costs	116,071	156,852	16,480	289,403	260,116

RAILWAY BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2016

Notes to the Financial Statements (Continued)

c) Staff Costs

The average number of persons directly employed during the year and their salary and wages costs are set out below. There were no employees with emoluments in excess of £60,000.

<u>Staff costs</u>	2017 £	2016 £
Salary and Wages Costs	157,519	148,834
Social Security Costs	11,988	12,124
Pension	4,566	1,595
	<hr/> 174,073	<hr/> 162,553

<u>Staff numbers</u>	Number	Number
Management and administration	<hr/> 6	<hr/> 6

Neither Board Members nor any persons connected with them received any remuneration during the year (2016: £nil). The aggregate amount of expenses reimbursed to 2 (2016: 3) Board Members during the year amounted to £2,374 (2016: £839).

Aggregate employee benefits of:	2017 £	2016 £
Key management personnel	51,250	42,961

The key management personnel are the members of the Senior Management Team. There are no related party transactions to disclose.

5. Costs of Raising Funds

	2017 £	2016 £
Costs of generating voluntary income		
Event Management and other direct costs	28,743	70,417
Support costs	116,071	90,372
	<hr/> 144,814	<hr/> 160,789
Investment management costs	7,136	9,042
	<hr/> 151,950	<hr/> 169,831

RAILWAY BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

6. Cost of Charitable Activities

	Endowed Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
<u>Grants</u>				
a) Quarterly Grants	-	84,112	84,112	153,281
b) Single Benevolent Grants	-	196,684	196,684	144,941
c) Residential Care Grants	-	260	260	975
d) Webb Fund Grants	-	8,348	8,348	2,448
e) Child Care Grants	-	2,729	2,729	4,639
f) Other Charitable Grants	-	8,528	8,528	-
	-	300,661	300,661	306,284
Support costs allocated	-	156,852	156,852	152,845
Governance costs	-	40,360	40,360	48,279
	-	497,873	497,873	507,408

a) Quarterly Grants

An annual monetary grant (paid quarterly) where a continuing need is identified.

b) Single Benevolent Grants

One-off grants to meet specific needs, for example to provide scooters for the disabled or to contribute to funeral costs.

c) Residential Care Grants

Monthly payments to meet all or part of the shortfall between the actual costs of care / nursing homes and the funding available from other sources. These are no longer provided and the payment shown reflects an historic grant award.

d) Child Care Grants

One-off payments to assist the parents of dependent children.

e) Webb Fund Grants

These grants continue the work of the Webb Orphans Fund which was transferred into the RBF during 2002. They are quarterly payments to assist the parents of dependent children where a continuing need has been identified.

7. Governance Costs

	2017 £	2016 £
Audit fees	4,522	5,362
Accountancy	9,677	18,274
Insurance	2,397	363
Other direct costs	7,284	7,381
Support costs	16,480	16,899
	40,360	48,279

RAILWAY BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

8. Tangible Fixed Assets

	Plant and Equipment £	Total £
Cost		
At 1st January 2017	9,008	9,008
Additions	-	-
Disposals at cost	-	-
At 31st December 2017	<u>9,008</u>	<u>9,008</u>
Depreciation		
At 1st January 2017	456	456
Charge for the year	<u>3,103</u>	<u>3,103</u>
At 31st December 2017	<u>3,559</u>	<u>3,559</u>
 NBV at 31st December 2017	 <u>5,449</u>	 <u>5,449</u>
 NBV at 31st December 2016	 <u>8,552</u>	 <u>8,552</u>

RAILWAY BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

9. Fixed Asset Investments

a) Schedule of Investments	2017 £	2016 £
Investments held primarily to provide an investment return to the charity		
<u>Listed investments at market value comprised:</u>		
UK Collective Investment Schemes	3,993,410	3,585,914
	<u>3,993,410</u>	<u>3,585,914</u>

The investment portfolio is invested in UK Collective Investment Schemes, more commonly referred to as pooled funds, to create a balanced portfolio providing exposure to UK equities, international equities, UK bonds, hedge funds and property.

No investment in any individual security exceeded 5% by value of the portfolio.

	Endowment Investments £	Unrestricted Investments £	Total £
b) Valuation			
At 1st January 2017	781,450	2,804,464	3,585,914
Additions	534,760	1,939,150	2,473,910
Disposal proceeds	(490,217)	(1,760,958)	(2,251,175)
Realised gains on investments	14,912	56,746	71,658
Unrealised gains on investments	23,536	89,567	113,103
At 31st December 2017	<u>864,441</u>	<u>3,128,969</u>	<u>3,993,410</u>

	Endowment Investments £	Unrestricted Investments £	Total £
Historical cost information is as follows:-			
c) Cost			
At 1st January 2017	660,382	2,369,977	3,030,359
Additions	534,760	1,939,150	2,473,910
Disposals at cost	(460,750)	(1,514,398)	(1,975,148)
At 31st December 2017	<u>734,392</u>	<u>2,794,729</u>	<u>3,529,121</u>
d) Disposals at valuation	475,305	1,704,212	2,179,517
Disposal proceeds	490,217	1,760,958	2,251,175
Realised gains at cost	<u>14,912</u>	<u>56,746</u>	<u>71,658</u>

RAILWAY BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

10. Debtors

	2017 £	2016 £
Trade debtors	3,776	1,905
Prepayments and accrued income	29,768	29,815
Other debtors	9,710	9,710
	<u>43,254</u>	<u>41,430</u>

11. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	26,053	8,034
Other creditors	-	-
Accruals and deferred income	103,099	119,460
	<u>129,152</u>	<u>127,494</u>

12. Operating lease commitments

Lease commitments – operating leases

At 31 December 2017 the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases which expire as follows: -

	2017 £	2016 £
Within 1 years	7,000	7,000
Within 2- 5 years	7,000	14,000
	<u>14,000</u>	<u>21,000</u>

13. Financial Instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	5,667	10,667
Carrying amount of financial liabilities		
Measured at amortised cost	<u>31,802</u>	<u>27,957</u>

Debt instruments under FRS 102 are items where cash is transferred when the item is settled.

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for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

14. Reconciliation of net income to net cash (outflow)/inflow from operating activities

	2017 £	2016 £
Net income/(loss)	52,381	596,589
Depreciation	3,103	456
(Gains)/losses on investments	(184,761)	(330,206)
(Increase)/decrease in debtors	(1,824)	(650)
Increase/(decrease) in creditors	1,658	(41,650)
Net cash (outflow)/inflow from operating activities	<u>(129,443)</u>	<u>224,539</u>

15. Statement of Funds

	Balance at 1.1.17 £	Incoming Resources £	Outgoing Resources £	Investment Gain/(Loss) £	Transfers £	Balance at 31.12.17 £
Unrestricted Funds						
General Reserve	3,172,297	481,427	(619,557)	142,443	21,118	3,197,728
Designated Funds						
St Christopher's Fund	64,715	1,591	(11,258)	2,905	-	57,953
CSiS Charitable Trust	16,608	-	(16,608)	-	-	-
The Sheppard Education Fund	21,853	537	-	981	-	23,371
Total Unrestricted Funds	<u>3,275,473</u>	<u>483,555</u>	<u>(647,423)</u>	<u>146,329</u>	<u>21,118</u>	<u>3,279,052</u>
Endowment Funds						
Webb Fund	707,436	18,054	(2,050)	32,832	(18,054)	738,218
Proprietary Annuities Fund	81,492	2,070	(236)	3,783	(2,070)	85,039
Langton Home Fund	30,316	770	(88)	1,408	(770)	31,636
General Webster Wright Fund	8,802	224	(26)	409	(224)	9,185
Total Endowment Funds	<u>828,046</u>	<u>21,118</u>	<u>(2,400)</u>	<u>38,432</u>	<u>(21,118)</u>	<u>864,078</u>
Restricted Funds						
Carers Support Fund	-	12,770	-	-	-	12,770
Total Restricted Funds	<u>-</u>	<u>12,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,770</u>
Total Charity Funds	<u>4,103,519</u>	<u>517,443</u>	<u>(649,823)</u>	<u>184,761</u>	<u>-</u>	<u>4,155,900</u>

RAILWAY BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2017

Notes to the Financial Statements (Continued)

15. Statement of funds (continued)

The general reserve represents the free funds of the charity which are not designated for other purposes.

The St Christopher's Fund has been designated by the Board of Management for the benefit of dependent children. It was formed from the JS Forbes, LM Appeal Committee and G Bass Funds, previously associated with St Christopher's Railway Orphanage to provide for the care and maintenance of children (including educational needs) and from legacies made by E Little and L A Maffey in 1994/95 where the donors expressed a preference for the monies to be used for the benefit of children.

The CSiS Charitable Trust provided a grant in 2016 to support the costs of market research that the RBF commenced in Autumn 2016. This research was completed in 2017 and the carry forward from 2016 was used to complete this.

The Sheppard Education Fund was created following the transfer of all the remaining assets of the Sheppard Education and Training Trust to the RBF on 21st April 2011 on the understanding that the funds and any associated income will be used for the relief of necessitous Railwaymen, their spouses or children and for the promotion of education and training for the public benefit. Allen Sheppard (subsequently Lord Sheppard of Didgemere) was a Non-executive Director of the BRB for many years and subsequently Chairman of GB Railways.

The permanent endowment known as the Webb Fund is that portion of the net assets of the Webb Orphans' Fund which originated from monies bequeathed to the Fund at its inception in 1906 by Francis William Webb, a former Chief Mechanical Engineer of the London and North Western Railway Company. The Webb Orphans' Fund was transferred to the RBF on 1st July 2002 in accordance with Scheme 184397 made by the Charity Commissioners on 19 April 2002. No restrictions were placed on the use of the income from the Webb Fund by the Commissioners, but since its transfer the RBF's Board of Management has continued to use the income in support of children of railway families who are in need.

The Proprietary Annuities Fund is a separately registered Scheme, the Trustee of which is the Institution. There are no restrictions on the use of the income deriving from this Fund within the objects of the RBF, but as in previous years the income has been used to provide quarterly grants.

The Langton Home Fund is a separately registered charity (No. 234581), of which the RBF was appointed the Trustee by the Charity Commissioners on 5 January 1972. Income from this fund must be used in support of children "whose fathers have been killed or permanently disabled whilst working on the railway", or failing that in support of any other children who are in need.

The General Webster Wright Fund originates from a donation made by the London and North Eastern Railway in 1942. The income from this fund must be used for the general care and educational assistance of children of railwaymen.

Income from the Webb Fund and Proprietary Annuities Fund which is not restricted has been transferred to unrestricted.

After a successful fundraising campaign in 2017, £12,770 was raised from supporters in 2017 to develop services to support individuals with caring responsibilities. These funds are being held as a restricted fund. This project will be launched in 2018.

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Notes to the Financial Statements (Continued)

16. Analysis of Net Assets Between Funds

	Fixed Assets £	Current Assets £	Current Liabilities £	Total Net Assets £
Unrestricted Funds	3,134,418	273,786	(129,152)	3,279,052
Endowment Funds				
Webb Orphans' Fund	738,531	(313)	-	738,218
Proprietary Annuities Fund	85,074	(35)	-	85,039
Langton Home Fund	31,647	(11)	-	31,636
General Webster Wright Fund	9,189	(4)	-	9,185
	<u>864,441</u>	<u>(363)</u>	<u>-</u>	<u>864,078</u>
Restricted Funds				
Carers Support Fund	-	12,770	-	12,770
Total Funds	<u>3,998,859</u>	<u>286,193</u>	<u>(129,152)</u>	<u>4,155,900</u>