

# **Coal Industry Social Welfare Organisation**

Financial statements

For the year ended 31 December 2018

**Charity nos. 1015581  
SC039529**

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

## Index to the financial statements

<b>Legal and administrative details</b>	1
<b>Report of the Trustees</b>	2 – 9
<b>Independent auditor's report</b>	10 – 12
<b>Statement of financial activities</b>	13
<b>Balance sheet</b>	14
<b>Notes to the financial statements</b>	15 – 28

## 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 M Didlock

**Bankers:** Lloyds Bank PLC  
14 Church Street  
SHEFFIELD  
S1 1HP

**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 2018. 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 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 all employees and former employees of the coal industry in the United Kingdom, employed in or formerly employed in any present or past coal mining area of the UK and of their relatives and dependants 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 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 2018, 85 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.

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 are 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. CISWO also contributes additional amounts to support students with living costs and where particular hardship can be evidenced.

### **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.

### **Activities, Achievement and Performance**

In accordance with the objects of the charity, CISWO's core activities in 2018 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, Miners' Retreat at Skegness, and alms houses 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.

## Report of the Trustees

CISWO's 5 year strategy, now in its second year, 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 2018:**

- 8,947 former miners or their families received individual support through our personal welfare service
- 15,193 interventions were carried out during the year.
- £5,326,824 income was secured for beneficiaries by our staff completing 2,192 applications for additional funds or financial support. This is an increase of 9% from £4,890,845 achieved in the previous year.
- 7,204 sessions of support were provided for individuals within their own homes.
- Former miners and their families received just under £325,000 from CISWO through 596 grants awarded for relief of need.
- Education grants were provided to 56 students totalling £86,680 in addition a further £49,000 was granted to another 98 students awarded grants by the Miners' Welfare National Educational Fund, to support their living costs.

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

- A review and refresh of our day centre provision in Pontefract which delivered over 11,500 individual attendances during the year for individuals from former mining communities.
- A broadening of our personal welfare service offer, focusing on those in need of support to navigate and challenge the complex and changing arena of welfare benefits.
- A review of our individual grant giving policy to focus resources on those most in need. A new policy will become operational during 2019.

During the course of the year, greater focus was also given to securing the quality of our governance and support for our employees. A review of CISWO's charity governance was started which will progress into 2019, outlining the Board of Trustees commitment to work towards the Charity Governance Code. The organisation also again achieved the Investors in People award, evidencing our commitment to our employees and securing good leadership and management.

During 2018 a comprehensive review was undertaken of the Miners' Retreat in Skegness. This review identified a number of issues including the inability of the facility to meet the changing needs of the client group, the decreasing demand for the service, and a misalignment with the wider strategic fit of the Retreat with the direction of the organisation. As an outcome, the decision was taken to permanently close the holiday accommodation which was completed during October 2018 with the building being sold during the first quarter of 2019.

**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 2018, £100,000 was released to enable a number of welfare trusts to progress with capital projects with £300,000 held for further development into the new financial year.
- The organisation provided administrative and secretarial support to 13 regional grant making and convalescent trusts over the year supporting them in turn, to provide additional benefit for former mining communities and individuals.

## Report of the Trustees

### **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 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 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.
- £30,000 has been invested in local community facilities to support ongoing recreation.

In addition to this activity, during the course of the year the organisation established an annual property review process, securing efficient management and decision making across all sites and developed an Asset Management Policy to guide the management of the organisation's land assets. This establishes clear principles by which we will manage land and buildings, to meet current and future community needs. Within this the organisation has committed to securing facilities for future use where they are still needed, used and sustainable.

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

- Aspects of the organisation's IT infrastructure have been reviewed and changes made to improve efficiency.
- Investment has been made in human resources, working towards improving our systems and processes in 2019, recognising that our staff are a key asset of the organisation.

In addition to this, work was initiated on a review of the organisation's telecommunications network. This work will be concluded during 2019 to improve efficiency, customer service, and responsiveness to our clients.

### **Activities in Scotland**

Scotland's dedicated personal welfare team provided support to 1,312 individual clients during the year, marginally less than in the previous, but providing 1,952 interventions in this period, an increase of 8%. Beneficiaries were supported to access an additional £754,970 income through increased benefits, grants and financial aid and an additional £21,694 was awarded by the organisation for relief of need.

Support to local mining charities continues through the organisation's head office, predominantly regarding management of declining income and disposal or reduction of charity assets.

## Report of the Trustees

### Plans for the Future

CISWO's 5 year strategy 2017-22 will ensure that the organisation continues to develop and adapt to both the current needs of beneficiaries alongside anticipated future needs, ensuring that support to 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. Work is ongoing to evidence impact and outcomes across all areas of delivery, increase the scope and reach of our service provision, and secure resources for front line delivery through investment in infrastructure.

In our strategic plan, we have established 4 strategic goals where we will seek to deliver transformative change. In 2019 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:***
  - Develop a new website, focusing on information and advice for individual beneficiaries and self-help tools for charities.
  - Implement our new individual grant giving policy, focusing financial support on those in greatest need.
  - Further develop our personal welfare offer.
  - Build on our governance review towards meeting the Charity Governance Code.
  - Review our provision of educational grants.
- 2    *We will support other mining charities to deliver services where there is evidenced need. We will:***
  - Develop resources to support miners' welfare charities to secure good governance.
  - Identify further opportunities to support miners' welfare charities and promote these across the sector.
- 3    *We will secure the provision of recreational facilities where these are still needed and utilised by former coal mining communities. We will:***
  - Improve our partnerships with other bodies and organisations focusing on recreational facilities.
  - Explore funding opportunities to support the development of recreational land.
- 4    *We will secure the ongoing financial viability of the organisation to meet current and future needs. We will:***
  - Invest in our property management support to ensure our estates management is efficient and effective.
  - Invest in our human resources systems to provide improved support to our staff and managers.
  - Improve our buildings used for direct service delivery to ensure they are fit for purpose.

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

The impact of significant reorganisation in the previous year has continued into 2018 resulting in a decrease in employment and overhead costs. Reduced demand for direct grant support has been experienced this year. As previously noted a review of the policy has been undertaken and we will be implementing a new policy in 2019.

*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 and charitable asset transfers.

Investment income yield was 4% 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 from 2017 as charitable asset transfers were lower and the Miners Retreat closed part way through the year.

In 1998, 231 freehold sites were transferred from the British Coal Corporation to CISWO. A condition of transfer of these sites was that a charge be placed on each one for a duration of 20 years. If the property was sold during that period the Coal Authority would be entitled to 80% of the sale proceeds. The charge ceased in 2018. This property is now required to be recognised in the financial statements. The total value assigned to the property is £7,160,226, the financial statements already included a cost of £610,286 in relation to the properties, resulting in a value to be introduced of £6,549,939. Accounting practice requires the recognition of the land value as an income stream through the SOFA. The recognition of the value does not represent an income to the organisation as the land has been in CISWO's custodianship for 20 years and it is the intention of the organisation to continue to retain the properties in recreational use in the long term.

The income for 2018 excluding the recognition of the property is £2,585,105, significantly lower than 2017 (£3,555,834). A planned operational deficit budget resulted in expenditure exceeding income by £1,932,478 (when measured before the non-monetary items included in the SOFA being the recognition of land, accounting for the pension credit and capital gains on the investment portfolio), an increase on the deficit of £1,393,056 in 2017.

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, £328,000 was paid to the Scheme, consequently a reduction in the future liability has been recognised resulting in a credit of £338,949 in 2018 (2017: £323,074).

# Report of the Trustees

## Reserves

The unrestricted reserves of the charity, excluding the value of fixed assets and investment properties, stood at £9,063,757 as at 31 December 2018. 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. The trustees therefore consider it necessary to continue to hold a high level of reserves to maintain the investment income. The reserves policy will be reviewed annually and expenditure budgets will be built around the strategic plan.

## Managing Change and Risk

The major risks to which the charity is exposed are:

- Investment return – maintaining adequate returns from the investment portfolio.
- Capacity to fulfil strategic objectives.
- Capacity to meet client demands.

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 2018 the investment portfolio performance was a negative return of 4.4%, compared to the benchmark of a negative return of 4.7%.

## Report of the Trustees

### 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  
Chair of Trustees  
6 June 2019



# 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 'parent charity') for the year ended 31 December 2018, 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 2018 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.

## 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the charity's 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.

A handwritten signature in black ink that reads "Grant Thornton UK LLP".

Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
SHEFFIELD  
6 June 2019

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

## Statement of financial activities

	Note	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
<b>Income from:</b>						
Donations and Legacies	6	96,514	-	-	96,514	25,910
Charitable Activities	7	1,167,253	-	7,060	1,174,313	1,851,459
Other Trading Activities	8	128,000	-	-	128,000	122,000
Investments		1,182,024	-	-	1,182,024	1,160,863
Other Income		4,254	-	-	4,254	395,602
Recognition of land assets	14/16	6,549,939	-	-	6,549,939	-
<b>Total income</b>		<u>9,127,984</u>	<u>-</u>	<u>7,060</u>	<u>9,135,044</u>	<u>3,555,834</u>
<b>Expenditure on:</b>						
Investment Managers Fees	10	115,817	-	-	115,817	122,654
Charitable activities	11	4,011,876	-	50,941	4,062,817	4,503,162
<b>Total expenditure</b>		<u>4,127,693</u>	<u>-</u>	<u>50,941</u>	<u>4,178,634</u>	<u>4,625,816</u>
Net income before investment losses		5,000,291	-	(43,881)	4,956,410	(1,069,982)
Net (losses)/gains on investments	15	(2,381,147)	-	-	(2,381,147)	2,107,631
<b>Net income/ (expenditure) carried forward</b>		<u>2,619,144</u>	<u>-</u>	<u>(43,881)</u>	<u>2,575,263</u>	<u>1,037,649</u>
Transfers between funds	12	2,031,682	(2,031,682)	-	-	-
<b>Net movement in funds</b>		<u>4,650,826</u>	<u>(2,031,682)</u>	<u>(43,881)</u>	<u>2,575,263</u>	<u>1,037,649</u>
<b>Reconciliation of funds:</b>						
Balances brought forward		7,822,869	24,080,686	440,141	32,343,696	31,306,047
Fund balances carried forward	22	<u>12,473,695</u>	<u>22,049,004</u>	<u>396,260</u>	<u>34,918,959</u>	<u>32,343,696</u>

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 - 28 form part of these financial statements.

## Balance sheet

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	13	1,429,182	2,019,520
Investment Properties	14	2,331,226	-
Investments	15	25,853,932	29,950,705
		<u>29,614,340</u>	<u>31,970,225</u>
<b>Current assets</b>			
Stocks		1,900	4,834
Debtors: due within one year	17	438,674	230,794
Debtors: due after one year	17	89,788	643,587
Current asset investments	16	4,829,000	-
Cash at bank and in hand	18	704,895	736,674
		<u>6,064,257</u>	<u>1,615,889</u>
Creditors: amounts falling due within one year	19	(705,444)	(1,069,609)
<b>Net current assets</b>		<u>5,358,813</u>	<u>546,280</u>
<b>Creditors: amounts falling due after more than one year</b>	21	-	(96,282)
<b>Provision for liabilities</b>	28	<u>(54,194)</u>	<u>(76,527)</u>
<b>Net assets</b>		<u>34,918,959</u>	<u>32,343,696</u>
<b>Funds</b>			
Unrestricted funds	22	12,473,695	7,822,869
Endowment funds	22	22,049,004	24,080,686
Restricted funds	22	396,260	440,141
		<u>34,918,959</u>	<u>32,343,696</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 6 June 2019.

The Venerable R G Cooper

Charity numbers: 1015581  
SC039529



Chairman

The accompanying accounting policies and notes on pages 15 - 28 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 2015) – (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.

The trustees have reviewed the cash position of the charity and cash forecasts at the date of signing the accounts and are satisfied that the charity will be able to meet all of its financial commitments.

As a consequence, the trustees believe that the charity is well placed to manage its financial risks successfully despite the current uncertain economic outlook.

After making enquiries, the trustees have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in preparing the accounts.

#### 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.

### 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.

## Notes to the financial statements

### 3 Significant judgements and estimates (continued)

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 22) 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.

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.

## Notes to the financial statements

### 4 Principal accounting policies (continued)

#### 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 accounted for when the trustees have accepted a legal or moral obligation to make the grant.

#### 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.

## Notes to the financial statements

### 4 Principal accounting policies (continued)

#### 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 defined contribution scheme for employees who wish to participate in it.

#### 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.

## Notes to the financial statements

### 4 Principal accounting policies (continued)

#### 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 are stated after charging:	2018 £	2017 £
Auditor's remuneration – audit of the financial statements	15,650	15,250
Depreciation on tangible fixed assets	110,318	125,997
Net loss/(profit) on disposal of tangible fixed assets	6,290	(369,920)
Rentals under operating leases	20,102	19,917

### 6 Grants and donations

Grants and donations received during the year were as follows:

	2018 £	2017 £
Other grants and donations	96,514	25,910

### 7 Charitable Activities

	2018 £	2017 £
Support grants	216,912	214,792
Social work income	11,475	14,782
The Miners' Retreat	380,946	492,132
Thornycroft day centre	228,148	260,594
Charitable asset transfers	146,709	625,658
Interests in land	190,123	243,501
	1,174,313	1,851,459

## Notes to the financial statements

### 8 Other Trading Activities

	2018 £	2017 £
Provision of accountancy services	<u>128,000</u>	<u>122,000</u>

### 9 Trustees and employees

	2018 £	2017 £
Wages and salaries	1,999,122	2,132,259
Social security costs	170,295	181,567
Pensions	570,128	626,244
	<u>2,739,545</u>	<u>2,940,070</u>

#### Emoluments of employees over £60,000

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

The average number of employees during the year was:

Headquarters	14	13
Areas	39	42
Pontefract	16	14
Skegness	<u>16</u>	<u>20</u>
	<u>85</u>	<u>89</u>

No trustees (2017: none) received any remuneration from the charity in the year. Total expenses reimbursed to the trustees at cost for the year ended 31 December 2018 including indemnity insurance were £nil (2017: £nil) for 1 trustee (2017: 1).

The total remuneration cost of the key management personnel (being the Chief Executive and Finance Director) of the charity was £159,816 (2017: £166,744).

During the year redundancy payments were made totalling £57,555 (2017: £40,322).

Included within pensions cost is £328,000 (2017: £328,000) in respect of deficit contributions to the IWCSSS (see note 24).

### 10 Investment Manager Fees

	2018 £	2017 £
Investment Manager Fees	<u>115,817</u>	<u>122,654</u>

## Notes to the financial statements

### 11 Charitable Activities

A summary of the major cost components is given below:

	2018 £	2017 £
Community welfare services and services to other charities	519,554	502,457
Services to personal beneficiaries	902,419	969,061
Grants to personal beneficiaries	461,386	588,484
The Miners' Retreat	563,489	564,388
Thornycroft day centre	399,626	416,391
Interests in land	166,130	234,519
Costs in support of charitable activities	1,023,729	1,140,075
Pension deficit funding	328,000	328,000
Governance costs	37,433	82,861
Costs in support of charitable activities	4,401,766	4,826,236
(Decrease)/increase in repayment plan pension liability (note 21)	(338,949)	(323,074)
	<u>4,062,817</u>	<u>4,503,162</u>

### 12 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 2018 £	31 December 2018 (note 22) £
Unitised fund investments	23,532,694	21,501,012
Net value of investments in Endowment Fund	<u>23,532,694</u>	<u>21,501,012</u>
		(2,031,682)
Movement of net asset value in year		<u>(2,031,682)</u>
Transfer value transferred to unrestricted fund		<u>(2,031,682)</u>

## Notes to the financial statements

### 13 Tangible fixed assets

	Freehold property £	Leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2018	2,519,301	73,087	837,652	106,443	3,536,483
Transfer to investment properties	(476,417)	-	-	-	(476,417)
Additions	-	-	2,681	-	2,681
Disposals	(12,128)	-	(658)	-	(12,786)
At 31 December 2018	<u>2,030,756</u>	<u>73,087</u>	<u>839,675</u>	<u>106,443</u>	<u>3,049,961</u>
<b>Depreciation</b>					
At 1 January 2018	671,148	38,714	700,658	106,443	1,516,963
Charge for the year	60,696	1,339	48,283	-	110,318
Disposals	(6,233)	-	(269)	-	(6,502)
At 31 December 2018	<u>725,611</u>	<u>40,053</u>	<u>748,672</u>	<u>106,443</u>	<u>1,620,779</u>
<b>Net book amount</b>					
At 31 December 2018	<u>1,305,145</u>	<u>33,034</u>	<u>91,003</u>	<u>-</u>	<u>1,429,182</u>
At 31 December 2017	<u>1,848,153</u>	<u>34,373</u>	<u>136,994</u>	<u>-</u>	<u>2,019,520</u>

Included within freehold property are properties originally included at valuation which was used as deemed cost; at Skegness the property was included at a valuation of £300,000, at Pontefract 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).

During the year, 7 properties with an original cost of £476,417 have been reclassified as investment properties (see notes 14 and 16).

### 14 Investment Properties

	Investment properties £	Social investments £	Total £
<b>Cost</b>			
At 1 January 2018	-	-	-
Transfer from fixed assets	82,415	161,226	243,641
Recognition on valuation	2,087,585	-	2,087,585
At 31 December 2018	<u>2,170,000</u>	<u>161,226</u>	<u>2,331,226</u>

Investment properties represents, 12 properties leased on commercial rentals to third parties and a further 9 which are not in recreational use and are retained for their capital appreciation. 2 of the sites transferred from tangible fixed assets at their original cost. Properties held for commercial rental have been valued, as at 31 December 2018, based on the expected future income stream to be generated. All other properties have been valued at 31 December 2018, based on their existing use. Valuations were performed by Fisher Hargreaves Proctor Limited.

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. 4 properties were transferred from tangible fixed assets at their original cost. All sites are subject to leases ranging from 5 to 102 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

### 15 Investments and Investment income

Quoted UK Stock Exchange Investments	2018 £	2017 £
Market value at 1 January	28,890,505	27,809,776
Additions at cost	2,632,819	3,382,925
Disposal proceeds	(5,139,455)	(4,409,827)
Net investment (loss)/gain	(2,381,147)	2,107,631
Market value at 31 December	<u>24,002,722</u>	<u>28,890,505</u>
Historical cost at 31 December	<u>17,580,881</u>	<u>19,150,841</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:	2018 £	2017 £
Investments listed on a stock exchange	24,002,722	28,890,505
Cash deposits held as part of investment portfolio	1,851,210	1,060,200
Total investments	<u>25,853,932</u>	<u>29,950,705</u>

### 16 Current Asset Investments

	Total £
Cost	
At 1 January 2018	-
Transfer from fixed assets	232,777
Transfer from debtors – costs incurred in maintaining property	133,869
Recognition on valuation	<u>4,462,354</u>
At 31 December 2018	<u>4,829,000</u>

Current asset investments represents 7 properties, 1 of the properties was transferred from tangible assets. 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 2018 by Fisher Hargreaves Proctor Limited. During 2019, 1 of the properties (included above at £1,067,000) has been sold.

## Notes to the financial statements

### 17 Debtors

	2018	2017
	£	£
Due within one year:		
Trade debtors	29,917	55,323
Amounts owed by group undertakings	95,070	69,621
Amounts due from Regional Trust and Convalescent Funds	46,223	24,799
Prepayments	60,711	25,389
Other debtors	42,987	55,662
Miners Welfare Charities	163,766	-
	<u>438,674</u>	<u>230,794</u>
Due after more than one year:		
	2018	2017
	£	£
Miners Welfare Charities	89,788	643,587
	<u>528,462</u>	<u>874,381</u>
Total debtors as at 31 December 2018		

### 18 Cash at bank and in hand

	2018	2017
	£	£
Total cash and bank balances as at 31 December	<u>704,895</u>	<u>736,674</u>

### 19 Creditors: amounts falling due within one year

	2018	2017
	£	£
Funds committed to mining charities	301,797	401,433
Other creditors and accruals	251,056	246,710
Social security and other taxes	43,258	69,466
Repayment plan: pension liability	109,333	352,000
	<u>705,444</u>	<u>1,069,609</u>

## Notes to the financial statements

### 20 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Measured at amortised cost		
Trade debtors	29,917	55,323
Amounts owed by group undertakings	95,070	69,621
Amounts due from Regional Trust & Convalescence Funds	46,223	24,799
Car loans	40,529	55,257
Miners Welfare Charities	253,554	643,587
	<u>465,292</u>	<u>848,587</u>
Carrying amount of financial liabilities		
Measured at amortised cost		
Funds held on behalf of third parties	301,797	401,433
Trade creditors	10,264	12,939
Other creditors	114,310	127,913
	<u>426,371</u>	<u>542,285</u>

### 21 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:

	2018	2017
	£	£
Repayment Plan: pension liability	-	96,282

The current repayment plan requires the organisation to pay a sum of £27,333 per month until April 2019. (See note 24).

### 22 Analysis of net assets between funds

	Unrestricted fund	Endowment funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	1,078,712	350,470	-	1,429,182	2,019,520
Investment Properties	2,331,226	-	-	2,331,226	-
Investments	4,052,296	21,501,012	300,624	25,853,932	29,950,705
	<u>7,462,234</u>	<u>21,851,482</u>	<u>300,624</u>	<u>29,614,340</u>	<u>31,970,225</u>
<b>Current assets</b>					
Stock	1,900	-	-	1,900	4,834
Debtors: due within one year	438,674	-	-	438,674	230,794
Debtors: due after one year	89,788	-	-	89,788	643,587
Current asset investments	4,829,000	-	-	4,829,000	-
Cash	411,737	197,522	95,636	704,895	736,674
	<u>5,771,099</u>	<u>197,522</u>	<u>95,636</u>	<u>6,064,257</u>	<u>1,615,889</u>
<b>Current liabilities</b>					
Amounts falling due within one year	(705,444)	-	-	(705,444)	(1,069,609)
	<u>5,065,655</u>	<u>197,522</u>	<u>95,636</u>	<u>5,358,813</u>	<u>546,280</u>
<b>Net current assets</b>					
Creditors: amounts falling due after one year	-	-	-	-	(96,282)
Provision for liabilities	(54,194)	-	-	(54,194)	(76,527)
	<u>12,473,695</u>	<u>22,049,004</u>	<u>396,260</u>	<u>34,918,959</u>	<u>32,343,696</u>
<b>Net assets</b>					

## Notes to the financial statements

### 22 Analysis of net assets between funds (continued)

#### Endowment funds

	Endowment Fund	Permanent Endowment Fund	King's Silver Jubilee and Coronation Cottages Permanent Endowment Fund	Total 2018	Total 2017
	£	£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	-	350,464	6	350,470	350,470
Investments	21,501,012	-	-	21,501,012	23,532,694
<b>Current assets</b>					
Cash at bank	-	-	197,522	197,522	197,522
At 31 December	21,501,012	350,464	197,528	22,049,004	24,080,686

#### Restricted funds

	King's Silver Jubilee and Coronation Cottages Restricted Fund	Four Collieries Fund	Derbyshire Miners Allocation Fund	North Derbyshire NUM Fund	Total 2018	Total 2017
	£	£	£	£	£	£
<b>Current assets</b>						
Investments	-	-	-	300,624	300,624	314,576
Cash at bank	42,172	43,892	9,572	-	95,636	125,565
At 31 December	42,172	43,892	9,572	300,624	396,260	440,141

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.

## Notes to the financial statements

### 22 Analysis of net assets between funds (continued)

#### 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.

#### Derbyshire Miners Allocated Fund (Restricted Funds)

The funds were transferred to the Coal Industry Social Welfare Organisation during 2006. The funds are to be used at the discretion of the Trustees of the Coal Industry Social Welfare Organisation to benefit the mining communities of Derbyshire. Although the transferred funds have no specific restriction imposed by the donor, the funds have been treated as restricted and are to be used to help beneficiaries in the Derbyshire area.

#### 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.

### 23 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.

### 24 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 4 current and 59 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 £391,996 (2017: £419,052).

An actuarial valuation is currently being undertaken as at 31 December 2018. The results of the valuation are not known at the date of signing the accounts and as such any future deficit contributions that may be required to be made are not known and are therefore not included within these accounts. The valuation will include the impact of the requirement to equalise Guaranteed Minimum Pensions (GMP) between males and females, affecting pension schemes that were contracted out of the State Second Pension between May 1990 and April 1997. As the scheme only began in 1994 the impact of GMP equalisation is expected to be small.

#### Defined Contribution Scheme

The charity contributes to defined contribution scheme on behalf of employees. The cost for the year was £178,132 (2017: £183,192).

## Notes to the financial statements

### 25 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.

### 26 Operating lease commitments

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

	Land and Buildings 2018 £	Other 2018 £	Land and Buildings 2017 £	Other 2017 £
In less than one year	11,996	10,836	11,108	8,810
Between two and five years	23,994	34,810	33,324	7,736
	<u>35,990</u>	<u>45,646</u>	<u>44,432</u>	<u>16,546</u>

### 27 Contingent liabilities and capital commitments

There were no contingent liabilities or capital commitments as at 31 December 2018 and 31 December 2017.

### 28 Provision for liabilities

	Holiday pay accrual £	Total provisions £
Balance at 1 January 2018	76,527	76,527
Released in the year	(22,333)	(22,333)
Balance at 31 December 2018	<u>54,194</u>	<u>54,194</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.

### 29 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.