

# **Coal Industry Social Welfare Organisation**

Financial statements

For the year ended 31 December 2017

**Charity nos. 1015581  
SC039529**

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

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## Legal and administrative details

<b>Charity registration number:</b>	1015581
<b>Scottish charity registration number:</b>	SC039529
<b>Registered office:</b>	The Old Rectory Rectory Drive Whiston ROTHERHAM S60 4JG
<b>Trustee:</b>	The Coal Industry Social Welfare Organisation 2014
<b>Secretary:</b>	N M Didlock
<b>Bankers:</b>	Lloyds Bank PLC 14 Church Street SHEFFIELD S1 1HP
<b>Solicitors:</b>	Irwin Mitchell 2 Millsands Riverside East SHEFFIELD S3 8DT  <b>Charity Specialist</b> Brabners LLP Horton House Exchange Flags LIVERPOOL L2 3YL
<b>Investment manager:</b>	Rathbone Investment Management Limited 8 Finsbury Circus LONDON EC2M 7AZ
<b>Auditor:</b>	Grant Thornton UK LLP Chartered Accountants Statutory Auditor 2 Broadfield Court SHEFFIELD S8 0XF

# Report of the Trustees

The trustees present their Report along with the Financial Statements of the charity for the year ended 31 December 2017. The financial statements have been prepared in accordance with the accounting policies set out on pages 15 – 18 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 charitable objects for 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 Coal Industry Social Welfare Organisation, initially established as a charity in 1995, was provided with an endowment following the industry's privatisation, and welfare functions defined in the 1952 Miners' Welfare Act were transferred to the charity by Statutory Instrument. In 2014, the organisation's Supplementary Trust Deed was amended to allow for the appointment of a Corporate Trustee. The Coal Industry Social Welfare Organisation 2014 (CISWO 2014) was established as an incorporated charity and appointed to become the sole Trustee from 1 January 2015.

In 2017, the Board of Trustees and Senior Management Team undertook a strategy review and developed a new strategic plan to outline the direction of the organisation and set overall goals for the next 5 years to 2022. The vision and mission were also redefined to provide a clear foundation to underpin the organisation's decision making and objective setting;

### *CISWO's Vision:*

*Enabling former coal miners and mining communities to reduce disadvantage.*

### *CISWO's Mission:*

*Improving 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 Board of Trustees

During year ending 31 December 2017, CISWO 2014 had 11 Trustees, 4 Trade Union Trustees and 7 Trustees appointed for their skills, experience and expertise. Trustee vacancies are filled through nomination from the appropriate Trade Union (National Union of Mineworkers, British Association of Colliery Management, National Association of Colliery Overmen, Deputies and Shotfirers, Union of Democratic Mineworkers) or recruited by the remaining trustees. New trustees receive an appropriate induction into the organisation co-ordinated through the Chief Executive and Human Resources Manager. There is currently one vacancy on the Board against 12 members in total.

### *The Board of Trustees*

Responsible for:

- Professional, legal and financial governance of the charity
- The formulation and implementation of organisational strategy
- Overseeing the implementation of the strategy through operating plans and budgets and monitoring progress within this

# Report of the Trustees

## *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

## *Audit and Risk 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

During the course of 2017, the Board of trustees agreed to establish two new committees, Human Resources, Remuneration and Recruitment, and Quality and Impact. These committees will provide additional scrutiny to key areas of organisational business and will be established during 2018.

## **Management**

The Trustees delegate the management, implementation of strategy and overall leadership of the charity 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 2017, 89 staff were employed across the organisation.

## **Policy**

### **Grants Policy**

CISWO awards financial support in the form of grants to meet specific needs, in line with the organisation's operational grants policy. These are available for mining beneficiaries including former miners and dependants 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 considered within a wider package of intervention and are processed and 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.

### **Education Grants Policy**

Education grants are awarded in accordance with CISWO's educational grants policy which outlines eligibility criteria and application process. Eligible applicants include; those who are employed in the coal mining industry of Great Britain, persons who were employed in the industry and who have taken up full time further education within 5 years of having left the industry, persons who ceased to be employed due to age or disability; dependent sons, daughters or dependants of an employee or former employee of the industry who left the industry having completed 10 or more years' service. Grants are awarded on academic attainment, improvement and progression.

## Report of the Trustees

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

The application process takes place between August and March each academic year and requires applicants to provide personal details alongside evidence of educational attainment, references and a personal statement.

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.

### Activities, Achievement and Performance

In accordance with the objects of the charity, CISWO's core activities include; the provision of personal welfare support for former miners and their families including; advice, guidance, advocacy and grant assistance, provision of community based social inclusion activities, provision of the Miners' Retreat at Skegness (formerly the North Yorkshire Miners' Convalescent Home), Thornycroft day centre in Pontefract, 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 those working in the coal industry, former miners and their dependants.

The new 5 year strategy, finalised in autumn 2017, outlines a 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 2017:**

- 10297 former miners or their families received individual support, an increase of 5% on the previous year.
- 15257 interventions were carried out during the year, a small increase on the 15201 delivered in 2016.
- 8292 home visits were undertaken, providing support to individuals within their own homes
- The organisation awarded 829 grants totalling £429,547 to former miners and their families for relief of need
- 1969 applications were supported / made to secure additional funds or financial support for individuals, achieving £4,890,845 income secured for beneficiaries. This is a marginal increase from £4,858,640 achieved in the previous year.
- Education grants were provided to 62 students totalling £95,610, in addition a further £61,000 was granted to students awarded grants by the Miners' Welfare National Educational Fund, to support their living costs.

Alongside this, a new reporting framework for our personal welfare services was developed, enabling a standardised and transparent approach to monitoring and reporting of activity undertaken.

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

Practical support was provided to over 183 mining charities across England, Scotland and Wales to support the ongoing sustainability and development of charitable activities within former mining communities.

CISWO holds circa £400,000 of funds committed to supporting specific welfares to develop their facilities. £77,000 has been released to these welfares during the course of 2017.

In addition over £600,000 has been invested by the organisation to assist in ongoing sustainability of welfare charities or to assist in winding up charities where this is no longer feasible.

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**

The organisation has maintained ownership and retained recreational land for community use in over 221 sites across the United Kingdom totalling c.1500 acres. 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 some form of recreational activity.

There are over 300 further sites, amounting to over 2000 acres where CISWO retains a legal entitlement or interest in retaining their future use for recreational purposes. This is property formerly held under mining charitable trusts that have been transferred to a tier of local government such as a local authority, or parish council.

The organisation invested over £30,000 to bring a local community recreation facility back in to use.

Preliminary work was undertaken to develop the organisation's Asset Management Policy to guide the management of the organisation's land assets, establishing clear policy principles by which we will manage land and buildings, to meet current and future community needs. This work will be finalised and ratified by the Board in 2018.

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

In year savings of £600,000 have been achieved on the overall operational budget, leaving the organisation with a streamlined infrastructure well placed to deliver the new strategic plan.

Efficiencies were made within core infrastructure costs through a move to home based mobile working practices and subsequent streamlining of regional office buildings. An amalgamation of regional offices in the North and South England regions has resulted in the number of regional offices reducing from 6 to 4 in total across the UK.

Reductions in central administration and senior management resource were achieved during the course of the year.

In addition, investment was made in a new financial accounting system and further investment into IT equipment to support mobile working practices.

### **Activities in Scotland**

Scotland's dedicated personal welfare team provided support to 1345 individual clients, providing 1810 interventions during the year with 1318 home visits undertaken. Beneficiaries were supported to access an additional £583,935 income through increased benefits, grants and financial aid. An additional £28,832 was awarded by the organisation for relief of need.

Support to local mining charities continues through the regional structure, predominantly regarding management of declining income and disposal or reduction of charity assets.

# Report of the Trustees

## Plans for the Future

The new 5 year strategy will ensure that the organisation continues to develop and adapt to both the current needs of beneficiaries alongside anticipated future needs, ensuring support to the target population is available for as long as is needed and that service provision remains relevant. The new strategy shifts focus to areas of greatest need, be that individuals, communities or other organisations. Further emphasis is given to evidencing impact and outcomes across all areas of delivery, increasing the scope and reach of service provision, and securing resources for front line delivery through efficiencies and reductions in infrastructure costs.

In 2017, we established 4 strategic goals where we will seek to deliver transformative change. In 2018 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 our personal welfare offer to increase the scope of our services towards those with the greatest need.
- Undertake a review of our human resources and operational policies to ensure they adhere to legal requirements and best practice.
- Review our grant giving policies to redirect funds to those most in need where the impact will be the greatest.
- Achieve the re-accreditation of the Investors in People award to evidence our commitment to supporting, leading and developing people.

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

- Improve our central systems to provide a more streamlined response to our support services for other charities.
- Develop a support offer for miners' welfare charities, outlining the support available and outcomes to be achieved.
- Develop a new reporting framework to enable us to evidence the impact made with miners' welfare charities.

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

- Finalise our Asset Management Policy to define how we will manage the organisation's land assets, to meet current and future needs.
- Establish an annual property review process.
- Work with our tenants to ensure ongoing efficient use of recreational land.

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

- Continue to review organisational infrastructures to secure maximum efficiency and value for money.
- Undertake a review of key areas of our service delivery to define value for money.



# Report of the Trustees

## Financial review

The funds of the organisation have been applied in support of the strategic delivery plan. Supporting the plan requires:

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

- Staff – our core activities are delivered through the staff base
- Direct grant expenditure
- Land management
- Infrastructure to support the services provided
- Direct service delivery at the Miners' Retreat and the Pontefract Centre

During 2017 significant reorganisation has taken place including the reduction in regional offices with a move to home based workers and reduced staffing levels. This has resulted in a reduction in expenditure of £617,139 whilst increasing the activity undertaken.

**Management of income.** Main sources of income are:-

- Return on investment portfolio – dividend income and capital gains.
- Charitable activities – support to regional trusts funds, provision of services at the Miners' Retreat and the Pontefract Centre 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 from 2016 as income at both the Miners' Retreat and Pontefract Centre decreased. Additional income was received as 2 regional offices were vacated and sold resulting in a surplus of £369,921 included within "other income" in the financial statements.

A planned deficit budget resulted in expenditure exceeding income by £1,393,056 (when measured before accounting for the pension credit and capital gains on the investment portfolio), a significant improvement on the deficit of £2,288,765 in 2016.

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, £352,000 was paid to the Scheme, consequently a reduction in the future liability has been recognised resulting in a credit of £323,074 in 2017 (2016: £1,327,153).

## Reserves

The unrestricted reserves of the charity, excluding the value of fixed assets, stood at £6,153,819 as at 31 December 2017. 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. The charity is committed to providing long term sustainable services and is heavily reliant upon its investment income to enable it 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 and capability to implement the strategic plan
- Ability to link strategic objectives with resource availability over the medium and long term

## Report of the Trustees

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 2017 the investment portfolio performance exceeded the benchmark, total return was 11.8%, compared to the benchmark of 7.5%.

### 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 (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.

# Report of the Trustees

## **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

Reverend Canon R G Cooper  
Chair of Trustees  
24 May 2018

# 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 for the year ended 31 December 2017 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 2017 and of the charity's incoming resources and application of resources, including 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 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.

## Who we are reporting to

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.

## 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 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 Trustees' Annual Report, 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 charity has not kept sufficient and proper accounting records; or
- the 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 8, 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 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.



# 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.

Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Sheffield  
24 May 2018

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 2017 £	Total 2016 £
<b>Income from:</b>						
Donations and Legacies	6	25,910	-	-	<b>25,910</b>	5,859
Charitable Activities	7	1,843,851	-	7,608	<b>1,851,459</b>	1,922,071
Other Trading Activities	8	122,000	-	-	<b>122,000</b>	120,300
Investments		1,160,863	-	-	<b>1,160,863</b>	1,204,329
Other Income		395,602	-	-	<b>395,602</b>	25,273
<b>Total income</b>		<u>3,548,226</u>	<u>-</u>	<u>7,608</u>	<u><b>3,555,834</b></u>	<u>3,277,832</u>
<b>Expenditure on:</b>						
Investment Managers Fees	10	122,654	-	-	<b>122,654</b>	123,221
Charitable activities	11	4,493,605	-	9,557	<b>4,503,162</b>	4,116,223
<b>Total expenditure</b>		<u>4,616,259</u>	<u>-</u>	<u>9,557</u>	<u><b>4,625,816</b></u>	<u>4,239,444</u>
Net expenditure before investment gains		(1,068,033)	-	(1,949)	<b>(1,069,982)</b>	(961,612)
Net gains on investments	14	2,107,631	-	-	<b>2,107,631</b>	3,056,546
<b>Net income/ (expenditure) carried forward</b>		<u>1,039,598</u>	<u>-</u>	<u>(1,949)</u>	<u><b>1,037,649</b></u>	<u>2,094,934</u>
Transfers between funds	12	(1,713,888)	1,713,888	-	-	-
<b>Net movement in funds</b>		<u>(674,290)</u>	<u>1,713,888</u>	<u>(1,949)</u>	<u><b>1,037,649</b></u>	<u>2,094,934</u>
<b>Reconciliation of funds:</b>						
Balances brought forward		8,497,159	22,366,798	442,090	<b>31,306,047</b>	29,211,113
Fund balances carried forward	20	<u>7,822,869</u>	<u>24,080,686</u>	<u>440,141</u>	<u><b>32,343,696</b></u>	<u>31,306,047</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 - 27 form part of these financial statements.

## Balance sheet

	Note	2017	2016
		£	£
<b>Fixed assets</b>			
Tangible assets	13	2,019,520	2,194,016
Investments	14	29,950,705	28,919,175
		<u>31,970,225</u>	<u>31,113,191</u>
<b>Current assets</b>			
Stocks		4,834	4,699
Debtors: due within one year	15	230,794	300,010
Debtors: due after one year	15	643,587	832,247
Cash at bank and in hand	16	736,674	654,891
		<u>1,615,889</u>	<u>1,791,847</u>
Creditors: amounts falling due within one year	17	(1,069,609)	(1,107,496)
<b>Net current assets</b>		<u>546,280</u>	<u>684,351</u>
<b>Creditors: amounts falling due after more than one year</b>			
	19	(96,282)	(419,356)
<b>Provision for liabilities</b>			
	26	(76,527)	(72,139)
<b>Net assets</b>		<u>32,343,696</u>	<u>31,306,047</u>
<b>Funds</b>			
Unrestricted funds	20	7,822,869	8,497,159
Endowment funds	20	24,080,686	22,366,798
Restricted funds	20	440,141	442,090
		<u>32,343,696</u>	<u>31,306,047</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 24 May 2018.

Reverend Canon R G Cooper

Chairman

Charity numbers: 1015581  
SC039529

The accompanying accounting policies and notes on pages 15 - 27 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 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 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 such a wind-up. Where the trust 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 of disposal to be claimed back from the ultimate realisation of the mining trust'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)

The organisation does not value its freehold interest in certain land sites, for the following reasons:

- a) The existence of a legal charge over the site, together with the long lease in place, substantially reduces any potential value.
- b) The sites are held for active recreational usage not as investment properties. It is the organisation's aim to maintain active recreational usage at each site and where a lease ends to try and secure a new tenant willing to carry on the recreational usage of the site.
- c) It would be very difficult to establish a valuation for the site given the above and in those circumstances the costs of valuation cannot be seen to be justified.

### 4 Principal accounting policies

#### Fund accounting

The charity maintains various types of funds (funds are detailed in note 20) 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 represents the initial £10m grant by the British Coal Corporation to the charity. Income can be drawn but capital has to be retained.

The Permanent Endowment Fund represents fixed assets that cannot be realized 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.

#### 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.

# Notes to the financial statements

## 4 Principal accounting policies (continued)

### Donations

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in other expenditure.

### 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 and comprises community welfare support and social work services.

### 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 includes administrative costs relating to expenditure incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements. Governance costs are allocated to unrestricted funds.

### Investments

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

### 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	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.

# Notes to the financial statements

## 4 Principal accounting policies (continued)

### Stocks

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

### Interests in land

Prior to the privatisation of the coal industry British Coal Corporation had a number of sites in active recreational use. In 1998 following privatisation the freehold interest in these sites was transferred to the Coal Industry Social Welfare Organisation. The transfer involved 231 sites totalling 1,430 acres. The sites were let under formal leases to recreational tenants at nominal rents.

A condition of transfer of these recreational sites from British Coal Corporation was that a charge be placed on each of the sites for a duration of 20 years. If the land was sold during that period the Coal Authority would be entitled to 80% of the sale proceeds (after disposal costs). The charge ceases in 2018. Consideration will be given during 2018 to the future accounting treatment of these sites which are not presently recognised on the balance sheet (see note 3).

### 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 government 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.

### 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, including ex-gratia payments and amounts in lieu of notice are charged or accrued as incurred.

### Debtors

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

### Creditors

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

### Provisions for liabilities

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

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

## Notes to the financial statements

### 4 Principal accounting policies (continued)

#### 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:	2017	2016
	£	£
Auditor's remuneration – audit of the financial statements	15,250	18,000
Auditor's remuneration – audit related assurance services	-	2,400
Depreciation on tangible fixed assets	125,997	160,071
Net loss/(profit) on disposal of tangible fixed assets	(369,920)	4,005
Rentals under operating leases	<u>19,917</u>	<u>23,182</u>

### 6 Grants and donations

Grants and donations received during the year were as follows:

	2017	2016
	£	£
Other grants and donations	<u>25,910</u>	<u>5,849</u>

### 7 Charitable Activities

	2017	2016
	£	£
Support Grants	214,792	207,959
Social Work Income	14,782	18,072
The Miners' Retreat, Skegness	492,132	575,648
Pontefract Centre	260,594	290,851
Charitable Asset Transfers	625,658	584,199
Interests in Land	243,501	245,342
	<u>1,851,459</u>	<u>1,922,071</u>

### 8 Other Trading Activities

	2017	2016
	£	£
Provision of accountancy services	<u>122,000</u>	<u>120,300</u>

## Notes to the financial statements

### 9 Trustees and employees

	2017	2016
	£	£
Wages and salaries	2,132,259	2,413,245
Social security costs	181,567	217,324
Pensions	626,244	642,463
	<u>2,940,070</u>	<u>3,273,032</u>
<b>Emoluments of employees over £60,000</b>	<b>Number</b>	<b>Number</b>
£60,000 - £69,999	1	1
£70,000 - £79,999	-	1
£80,000 - £89,999	<u>1</u>	<u>-</u>
The average number of employees during the year was:		
Headquarters	13	15
Areas	42	52
Pontefract	14	14
Skegness	<u>20</u>	<u>22</u>
	<u>89</u>	<u>103</u>

No trustees (2016: none) received any remuneration from the charity in the year. Total expenses reimbursed to the trustees at cost for the year ended 31 December 2017 including indemnity insurance were £nil. (2016: £nil) for 11 trustees (2016: 11).

The total employee benefits of the key management personnel of the charity were £166,744 (2016: £211,907).

During the year redundancy payments were made totalling £40,322 (2016: £100,519).

### 10 Investment Manager Fees

	2017	2016
	£	£
Investment Manager Fees	<u>122,654</u>	<u>123,221</u>

## Notes to the financial statements

### 11 Charitable Activities

A summary of the major cost components is given below:

	2017	2016
	£	£
Community Welfare Services and Services to other charities	502,457	537,973
Services to personal beneficiaries	969,061	1,092,162
Grants to personal beneficiaries	588,484	694,669
The Miners' Retreat, Skegness	564,388	585,590
Pontefract Centre	416,391	456,033
Interests in Land	234,519	202,987
Costs in support of Charitable Activities	1,116,075	1,384,546
Pension Deficit funding	352,000	352,000
Governance Costs	82,861	137,415
Costs in support of charitable activities	<u>4,826,236</u>	<u>5,443,375</u>
(Decrease)/increase in repayment plan pension liability (note 19)	(323,074)	(1,327,153)
	<u><u>4,503,162</u></u>	<u><u>4,116,222</u></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 2017	31 December 2017 (note 20)
	£	£
Unitised fund investments	21,818,806	<u>23,532,694</u>
Net value of investments in Endowment Fund	<u>21,818,806</u>	<u>23,532,694</u>
Movement of net asset value in year		<u>1,713,888</u>
Transfer value transferred from unrestricted fund		<u><u>1,713,888</u></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 2017	2,802,151	73,087	903,316	106,443	3,884,997
Additions	-	-	6,824	-	6,824
Disposals	(282,850)	-	(72,488)	-	(355,338)
At 31 December 2017	<u>2,519,301</u>	<u>73,087</u>	<u>837,652</u>	<u>106,443</u>	<u>3,536,483</u>
<b>Depreciation</b>					
At 1 January 2017	841,218	37,375	714,817	97,571	1,690,981
Charge for the year	65,304	1,339	50,482	8,872	125,997
Disposals	(235,374)	-	(64,641)	-	(300,015)
At 31 December 2017	<u>671,148</u>	<u>38,714</u>	<u>700,658</u>	<u>106,443</u>	<u>1,516,963</u>
<b>Net book amount</b>					
At 31 December 2017	<u><b>1,848,153</b></u>	<u><b>34,373</b></u>	<u><b>136,994</b></u>	<u><b>-</b></u>	<u><b>2,019,520</b></u>
At 31 December 2016	<u>1,960,933</u>	<u>35,712</u>	<u>188,499</u>	<u>8,872</u>	<u>2,194,016</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 houses 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).

### 14 Investments and Investment income

Quoted UK Stock Exchange Investments	2017 £	2016 £
Market value at 1 January	27,809,776	28,045,451
Additions at cost	3,382,925	2,234,957
Disposal proceeds	(4,409,827)	(5,527,178)
Net investment gain	2,107,631	3,056,546
Market value at 31 December	<u>28,890,505</u>	<u>27,809,776</u>
Historical cost at 31 December	<u>19,150,841</u>	<u>19,259,411</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:	2017 £	2016 £
Investments listed on a stock exchange	28,890,505	27,809,776
Cash deposits held as part of investment portfolio	1,060,200	1,109,399
Total investments	<u>29,950,705</u>	<u>28,919,175</u>



## Notes to the financial statements

### 15 Debtors

Due within one year:	2017	2016
	£	£
Trade debtors	55,323	43,813
Amounts owed by group undertakings	69,621	140,950
Amounts due from Regional Trust and Convalescent Funds	24,799	29,096
Prepayments	25,389	25,456
Other debtors	55,662	60,695
	<u>230,794</u>	<u>300,010</u>
Due after more than one year:	2017	2016
	£	£
Miners Welfare Schemes - Non land related	36,465	62,028
Miners Welfare Schemes - Debtors related to land disposals	607,122	770,219
	<u>643,587</u>	<u>832,247</u>
<b>Total debtors as at 31 December 2017</b>	<u><u>874,381</u></u>	<u><u>1,132,257</u></u>

### 16 Cash at bank and in hand

	2017	2016
	£	£
Total cash and bank balances as at 31 December	<u>736,674</u>	<u>654,891</u>

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

	2017	2016
	£	£
Funds held on behalf of third parties to CISWO order	401,433	429,419
Other creditors and accruals	246,710	259,713
Social security and other taxes	69,466	66,364
Repayment plan: pension liability	352,000	352,000
	<u>1,069,609</u>	<u>1,107,496</u>

Funds held on behalf of third parties to the Coal Industry Social Welfare Organisations order represent sale proceeds from the partial disposal of freehold land held on mining trusts where the governing instrument specifies that the disposal proceeds shall be held to the order of CISWO. In 2017 the sum of £401,433 was held by CISWO in relation to such disposals (2016: £429,419). The mining trusts from whom the disposal income was generated accepts that the organisation has the right to hold these funds but where these funds are due to be reapplied back to the original mining trust for project/capital work the Organisation regards the holding of such sums as being temporary pending this work. As such it is deemed to be prudent as treating such sums as funds held for the benefit of the originating third party and therefore create a balancing creditor entry. Where there is no likelihood of any further sums being remitted to the original mining trust then a decision would be made by the trustees to release these funds to the organisation's own reserves.

## Notes to the financial statements

### 18 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Measured at amortised cost		
Trade debtors	55,323	48,517
Amounts owed to group undertakings	69,621	136,246
Amounts due from Regional Trust & Convalescence Funds	24,799	29,096
Car loans	55,257	59,303
Miners Welfare Schemes	<u>643,587</u>	<u>832,247</u>
	<u>848,587</u>	<u>1,105,409</u>
Carrying amount of financial liabilities		
Measured at amortised cost		
Funds held on behalf of third parties	401,433	429,419
Trade creditors	12,939	12,057
Other creditors	<u>127,913</u>	<u>113,464</u>
	<u>542,285</u>	<u>554,940</u>

### 19 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:

	2017	2016
	£	£
Repayment Plan: Pension Liability	<u>96,282</u>	<u>419,356</u>

A revised repayment plan began on 1 January 2017 it requires the organisation to pay a sum of £29,333 per month for a period of 1 year and 4 months until April 2019.

### 20 Analysis of net assets between funds

	Unrestricted fund	Endowment funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	1,669,050	350,470	-	<b>2,019,520</b>	2,194,016
Investments	6,103,435	23,532,694	314,576	<b>29,950,705</b>	28,919,175
	<u>7,772,485</u>	<u>23,883,164</u>	<u>314,576</u>	<b>31,970,225</b>	31,113,191
<b>Current assets</b>					
Stock	4,834	-	-	<b>4,834</b>	4,699
Debtors: due within one year	230,794	-	-	<b>230,794</b>	300,010
Debtors: due after one year	643,587	-	-	<b>643,587</b>	832,247
Cash	413,587	197,522	125,565	<b>736,674</b>	654,891
	<u>1,292,802</u>	<u>197,522</u>	<u>125,565</u>	<b>1,615,889</b>	1,791,847
<b>Current liabilities</b>					
Amounts falling due within one year	<u>(1,069,609)</u>	-	-	<b>(1,069,609)</b>	(1,107,496)
<b>Net current assets</b>	<u>223,193</u>	<u>197,522</u>	<u>125,565</u>	<b>546,280</b>	684,351
Creditors: amounts falling due after one year	(96,282)	-	-	<b>(96,282)</b>	(419,356)
Provision for liabilities	<u>(76,527)</u>	-	-	<b>(76,527)</b>	(72,139)
<b>Net assets</b>	<u>7,822,869</u>	<u>24,080,686</u>	<u>440,141</u>	<b>32,343,696</b>	31,306,047

## Notes to the financial statements

### 20 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 2017 £	Total 2016 £
<b>Fixed assets</b>					
Tangible fixed assets	-	350,464	6	350,470	350,470
Investments	23,532,694	-	-	23,532,694	21,818,806
<b>Current assets</b>					
Cash at bank	-	-	197,522	197,522	197,522
At 31 December	23,532,694	350,464	197,528	24,080,686	22,366,798

#### Restricted funds

	King's Silver Jubilee and Coronation Cottages Restricted Fund £	Four Collieries Fund	Derbyshire Miners Allocation Fund £	North Derbyshire NUM Fund	Total 2017 £	Total 2016 £
<b>Current assets</b>						
Investments	-	-	-	314,576	314,576	314,576
Cash at bank	40,930	44,392	36,695	3,548	125,565	127,514
At 31 December	40,930	44,392	36,695	318,124	440,141	442,090

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 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

### 20 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.

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

Under a Charity Commission for England and Wales Scheme dated 1 January 2010 the Commission directed that Coal Industry Benevolent Trust and King's Silver Jubilee and Coronation Cottages be treated as forming part of 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 the Coal Industry Benevolent Trust was transferred by this Scheme to Coal Industry Social Welfare Organisation for use for the relief of poverty and hardship amongst beneficiaries of Coal Industry Social Welfare Organisation who are in need as a result of their age, poverty or infirmity. The permanent endowment property of Coal Industry Benevolent Trust will be administered by Coal Industry Social Welfare Organisation as a linked charity and permanent endowment. King's Silver Jubilee and Coronation Cottages will be administered in accordance with its governing document as affected by the Scheme, by the Trustees of Coal Industry Social Welfare Organisation.

### 22 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 the employees. The assets of the scheme are administered by pension scheme trustees in a fund independent from that of the charity.

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 pension cost for the year was £352,000 (2016: £352,000).

### 23 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.

## Notes to the financial statements

### 24 Operating lease commitments

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

	<b>Land and Buildings 2017 £</b>	<b>Other 2017 £</b>	Land and Buildings 2016 £	Other 2016 £
In less than one year	11,108	8,810	10,308	14,930
Between two and five years	<u>33,324</u>	<u>7,736</u>	<u>41,232</u>	<u>1,397</u>
	<u><u>44,432</u></u>	<u><u>16,546</u></u>	<u><u>51,540</u></u>	<u><u>16,327</u></u>

### 25 Contingent liabilities and capital commitments

There were no contingent liabilities or capital commitments as at 31 December 2017 and 31 December 2016.

### 26 Provision for liabilities

	<b>Holiday pay accrual £</b>	<b>Total provisions £</b>
Balance at 1 January 2017	72,139	72,139
Provided in the year	<u>4,388</u>	<u>4,388</u>
Balance at 31 December 2017	<u><u>76,527</u></u>	<u><u>76,527</u></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.

### 27 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.