

The Nuclear Industry Benevolent Fund

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS**  
YEAR ENDED - 30 JUNE 2015

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

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# **THE NUCLEAR INDUSTRY BENEVOLENT FUND**

## **CHAIRMANS REPORT**

**YEAR ENDED 30 JUNE 2015**

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### **CHAIRMAN'S REPORT**

The twelve months since the last Fund report have been interesting in that a number of changes have taken place. One change was unexpected and the other was initiated by the Fund. The more routine work has continued and the basic remit to help people in need has been fulfilled. There has been good stability in the office and a continuing healthy approach from the staff to new ideas and ways of working most of which have been initiated by themselves. The main concern is still that we are all convinced that there are many more people who could draw benefit from the Fund if only the level of awareness could be raised. The Trustees have given a great deal of time and thought as to the way in which to address this particular issue.

For a number of years the Fund's capital was managed by Jupiter Investments and our portfolio was handled by a small group of people in whom we had great confidence. Jupiter sold that part of the business to Rathbones Investment Management with effect from 31<sup>st</sup> December 2014. The team at Jupiter moved with the business. However in June 2015 we were informed that the ex-Jupiter staff had been released. The new team from Rathbones appear to be dynamic and pleasant. It is the view of the Trustees that in the best interest of the Fund we should remain with Rathbones but monitor the situation carefully. Rathbones have a long proven record of good management of portfolios that are similar to our own.

A fundamental review was carried out by the Chairman, Vice Chairman and the Fund staff to consider the potential options for moving forward and, in particular, for distributing more of the money that was available. This review has been far reaching and a number of possibilities are being investigated further. These include widening the scope of the Fund to be more inclusive of the more general Nuclear Industry provided that this is consistent with our remit or can be justified to the Charity Commissioners. This will be a continuing process as the environment in which we are working is always evolving.

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## LEGAL AND ADMINISTRATIVE INFORMATION

YEAR ENDED 30 JUNE 2015

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**Charity No:** 208729

**The Trustees:**

The Trustees who served the charity during the period were as follows:

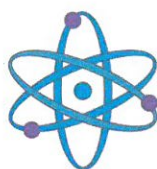
Gareth Beynon	Chairman
Paul Reilly	Vice Chairman
Elizabeth Mansfield	
Malcolm Andrew	
Michael Turner	
Chris Manning	
Jacqui Jackson	
Colin Reid	
John Booth	
Stephen Frost	

**Central Office:** Unit CU1, Warrington Business Park  
Long Lane  
Warrington  
Cheshire, WA2 8TX

**Bankers:** Barclays Bank plc.  
240 Whitechapel Road  
London E1 1BS

**Solicitors:** Hague Lambert  
131 King Street  
Knutsford  
Cheshire WA16 6EJ

**Investment Managers:** Rathbone Investment Management  
1 Curzon Street  
London W1J 5FB



The Nuclear Industry Benevolent Fund

Registered Charity No: 208729

The notes on pages 16 to 21 form part of these financial statements.

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# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## TRUSTEES ANNUAL REPORT

YEAR ENDED 30 JUNE 2015

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### Introduction

The trustees present their report together with the financial statements of the charity for the year ended 30th June 2015. The financial statements have been prepared in accordance with the policies set out in Note 1 to the accounts and comply with the Charities Act 2011, and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

### Structure, Governance and Management

The Nuclear Industry Benevolent Fund, formerly the UBA Benevolent Fund and previously the United Kingdom Atomic Energy Authority Benevolent Fund is a registered charity (No 208729) which was set up by the United Kingdom Atomic Energy Authority in 1957. Its activities are governed by its Rules and Constitution, which were introduced at that time. These have been updated as needed since then, the last update being in November 2009.

The trustees are those individuals who have been appointed to ensure that the charity carries out its purpose and objectives in accordance with its governing document and the law. They are appointed by the Committee of Management, and serve for a maximum of three years, after which period they may put themselves forward for reappointment for further periods of three years. There can be a minimum of 8 trustees, and a maximum of 14.

Trustee vacancies are filled by the Committee of Management. There is no formal training programme for new trustees. They are provided with a welcome pack, which includes a copy of the Rules and the latest Annual Report. If they require further advice, information or training on particular aspects of their duties, arrangements can be made for this on an ad hoc basis. New trustees are also invited to attend a meeting of the Cases Committee.

The Committee of Management normally meets twice a year, when the trustees agree the broad strategy for the Fund, and general guidance on grant/loan making, investment, staffing policy, reserves and risk management, for its sub-committees.

The Committee has set up a number of sub-committees to oversee the more detailed implementation of policy and to make recommendations to the Committee. Individual trustees are appointed to these sub-committees and the membership is reviewed annually.

The Cases Committee meets five times a year, to consider grants and loans. The Investment sub-committee meets once or twice a year as required, and agrees the investment policy with the Fund's investment managers. It monitors returns on the investments, and agrees changes of strategy with the managers as needed. The Publicity sub-committee meets on an ad hoc basis, when required.

The administration of the Fund is delegated to the Fund Secretary. The Fund Secretary, who is not a trustee, is a member of the Committee of Management, Cases Committee and Investment Sub-Committee. She reports to the Chairman.

# **THE NUCLEAR INDUSTRY BENEVOLENT FUND**

## **TRUSTEES ANNUAL REPORT**

**YEAR ENDED 30 JUNE 2015**

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### **Applications to the Fund**

The initial contact for applicants is normally directed to the Fund office. To assist in dealing with applications there is a small network of Local Representatives located throughout the country. Where possible, they visit applicants to obtain the information necessary for the Cases Committee to reach the appropriate decision. In areas where we do not have a Representative, postal applications are used to gather the necessary information.

Occasionally, we receive applications from other charities on behalf of individuals who are eligible to apply to more than one charity. These tend to include all the facts included on our own forms together with observations by that charity's representative. Similarly, if we can identify another charity to which an applicant could apply, we advise him/her to approach them directly. In such cases the two charities will often work together, sharing the cost of the assistance awarded.

### **Other Organisations and Funds**

Networking with other similar funds continues to be extremely useful. It is helpful to have the opportunity to discuss matters such as Standards, demand for assistance, publicity methods and recruitment matters etc. This is made easier by the Fund's membership of the Association of Charitable Organisations (ACO). Not only is this a valuable source of information on benefits, it also has a wide knowledge of other funds and how they operate.

It brings to light similarities and differences in the way charities function, all of which is extremely useful in formulating policy. Through it we are able to contact other similar funds. It also has a website listing all members and therefore is a point of contact for potential beneficiaries, which is particularly important in view of the need to reach as many eligible people as possible.

### **Objectives and Activities**

The Object of the Fund, as stated in the Rules and Constitution, is the relief of poverty among past, present and future members of staff of the United Kingdom Atomic Energy Authority, British Nuclear Fuels plc and Amersham International plc or any successor company or organisation to which has been transferred and which is carrying on the undertaking or part of the undertaking previously carried on by the Authority, British Nuclear Fuels plc or Amersham International plc, and the families and dependants of such staff.

# **THE NUCLEAR INDUSTRY BENEVOLENT FUND**

## **TRUSTEES ANNUAL REPORT**

**YEAR ENDED 30 JUNE 2015**

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### **Public Benefit**

The trustees review the Fund's objectives and activities on a regular basis and confirm that in doing so they have complied with the duty under section 4 of the Charities Act 2011, to have regard to the Public Benefit guidance published by the Charity Commission.

The sole aim of the Fund is the relief of poverty, which is clearly recognised in the guidance as a potential Public Benefit, subject to compliance with the principles which are laid down. The Fund relieves poverty in tangible form by giving assistance in the form of grants and loans, as summarised in detail elsewhere in this Report. Of equal importance is the significant level of advice which the Fund provides to applicants with financial problems.

The objectives of the Fund limit benefit to a section of the public, being present and past employees of the three organisations mentioned above and successors to their undertakings, and dependants of those employees. The trustees consider that limitation to this significant class of people is reasonable and relevant. As noted at the beginning of this Report, it is estimated that there are over 50,000 current and ex-employees, plus their dependants, eligible to seek assistance from the Fund.

There is no further restriction on the opportunity to benefit. Because of the continuing proliferation of employers who are carrying on parts of the undertakings of the named organisations, the trustees make every effort to maintain and continually revise a record of such employers, for reference on receiving requests for assistance, to ensure as far as possible that no eligible person is excluded. No fee is charged for access to any benefit.

The trustees are not aware of any detriment arising from the activities of the Fund, which would need to be offset against the benefit. The trustees therefore consider that the Fund fully complies with the principles laid down in the Commission's guidance on Public Benefit.

### **Grant and Loan Making Policy**

The Cases Committee considers requests for financial assistance from current and ex-employees. Requests may also come from the families or dependants of those employees.

The Cases Committee establishes that the applicant is eligible for assistance, and then considers his/her financial position. Having regard to guidelines approved by the Committee of Management, the Cases Committee decides whether or not assistance would be appropriate. If so, help can be given in the form of a one-off grant for a particular requirement, or a regular grant that continues until the circumstances improve. Alternatively, the Committee may offer an interest free loan to be charged against property, or repaid when circumstances improve. In most circumstances, the Fund is also able to offer advice on how the individual's situation can be improved, and in some cases, this is all that is required.

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## TRUSTEES ANNUAL REPORT

YEAR ENDED 30 JUNE 2015

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### **Achievements and Performance**

The Fund made grants and allowances to beneficiaries of £67,175, an increase of £15,262 compared to the previous year. The trustees remain concerned that the existence of the Fund is not widely known amongst both serving and ex-employees and is renewing its efforts to publicise the Fund's existence. As we are aware that there are eligible individuals, either employed, retired or have left for other reasons, who are unaware of the Fund's existence, a major publicity campaign is under way to reach as many of these people as possible. We continue to use the resources already available to us and are also looking at new initiatives such as a website and social networking sites.

### **Fund Assistance**

Of £67,175 given in grants this year, the largest one-off grant given to one beneficiary was for £2,232 to help during a long period of sickness. As well as one-off grants there are beneficiaries who receive regular assistance.

### **Loans**

£11,892 has been given in interest-free loans this year. Loans are given for a variety of reasons, for example from living expenses to essential household repairs. There are occasions when the beneficiary has sufficient funds for normal day to day expenses, but lacks capital for essential items. A repayment loan is only given when a recipient can afford to repay it without this causing hardship. When this is not the case and the beneficiary is a home owner, the loan can be set against the property, in which case it only becomes repayable when the beneficiary dies or disposes of the property. This year the largest loan given for a one-off item was for £3,096 for essential roof repairs.

The trustees are conscious that beneficiaries can become reliant upon the Fund. To try to avoid this anyone receiving regular assistance is reviewed periodically. The Fund works with the beneficiary to try to introduce changes to their lifestyle in order to reduce the reliance.



# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## TRUSTEES ANNUAL REPORT

YEAR ENDED 30 JUNE 2015

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### Monitoring Achievement

Since the Fund can only respond to the requests it receives, and can only give assistance when the applicant's circumstances merit help, it is not possible to set performance targets in relation to its charitable activities.

However, this year the Fund did set itself three targets relating to other activities:

- Continue to seek ways of identifying new beneficiaries to enable the Fund to reach as many eligible individuals as possible.
- Continue its campaign of reducing operating costs.
- Continue to monitor potential risks.

The results of these activities have been:

- A Pension Communication was sent by AON Hewitt to people who had left the company but were not yet in receipt of their pension, to inform them of their eligibility to apply to the Fund.
- Office costs and overheads were continually monitored and areas where there could be potential savings were identified.
- The risk register was updated and will be monitored on an annual basis by Fund Staff and approved by the Trustees.

### Financial Review

In 2014/2015, the Fund's capital increased by £24,106. This compares to an increase of £86,624 in the prior year. This was the result of having lower income than the previous year, offset by higher payments to beneficiaries, but with some reduction in administration costs. However, the value of investments rose during the year, the net result being an increase in the total funds available at the end of the year.

During the year, the Fund's incoming resources amounted to £54,897. Of this, staff and pensioners of its supporting organisations contributed £2,056, and the trustees gratefully acknowledge this continuing support.

Investment income was £52,841 for the year, a decrease of £12,207 compared to the previous year.

The Fund made grants and allowances to beneficiaries of £67,175, an increase of £15,262 on the previous year.

One loan was written off in the year, and there was a £5,000 decrease in the level of the existing provision for future write off of loans. Administration costs were £104,978 showing a decrease of £4,060 compared to the previous year.

Total gain on investments, realised and unrealised, during the year, were £155,130 compared with £190,559 in the previous year.

After taking account of the investment managers' fees, there was an increase in funds of £24,106 during the year, compared with an increase of £86,624 in the previous year.

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## TRUSTEES ANNUAL REPORT

YEAR ENDED 30 JUNE 2015

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Total Charity funds, i.e. the accumulated excess of resources available, and investment funds generated since the Benevolent Fund was established, stood at £3,123,473 at 30 June 2015. This was represented mainly by investments with a market value of £2,925,770, cash on short term deposit of £104,095 and loans of £131,081. Of these, £109,300 were long term, mainly secured by charges against properties, and £21,791 were due to be repaid, mainly by instalments. There was a provision of £25,000 against possible non-payment of loans.

### Investment Policy

The Rules and Constitution of the Fund give the trustees authority to invest funds which are surplus to existing requirements in accordance with the powers conferred on trustees by sections 3 and 8 of the Trustee Act 2000. The trustees have appointed Rathbone Investment Management as the Fund's investment managers.

In the current year, the trustees continued their existing policy of obtaining a satisfactory return on the Fund's investments, consistent with holding a prudently managed portfolio.

The trustees had previously agreed a policy of disposing of equity shares in favour of unit trusts, and the Fund now has no direct equity share holdings.

### Investment Performance

At the beginning of the year, investment funds under management stood at £2,889,278 including cash on deposit. By 30 June 2015, this had increased by £85,973 to £2,985,251.

Investment income generated during the year was £52,841, and the Fund withdrew £150,000 to finance its activities.

For the coming year, our investment managers intend to maintain the existing exposure to international markets, particularly the US, seeking to preserve income and capital growth, with a moderate level of risk. They remain of the view that while gilts look expensive, they continue to provide a safe haven during the continuing uncertainty regarding the global economy. They also consider that high quality corporate bonds continue to offer good value with attractive yields in excess of inflation.

### Commitments

No expenditure commitments have been made of more than twelve months from the date of the Balance Sheet.

# **THE NUCLEAR INDUSTRY BENEVOLENT FUND**

## **TRUSTEES ANNUAL REPORT**

**YEAR ENDED 30 JUNE 2015**

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### **Risk Management**

The trustees have assessed the major risks to which the charity is exposed, and have introduced measures to minimise the possible effects of those risks. The trustees have also arranged for the position to be kept under constant review.

### **Reserves Policy**

The Fund currently has reserves of £3,123,473. The trustees have considered the need to hold reserves at this level, having regard to the following factors.

- In recent years the Fund's net outgoing resources have been in deficit. This deficit is expected to increase considerably in the future.
- Given the uncertainties facing the nuclear industry, it is probable that there will be greater calls on the Fund's resources in the coming years.
- The level of reserves at any time is reliant on the position of the stock markets, which is largely outside the control of the trustees.

Taking account of these factors, the trustees are of the opinion that it is prudent to hold reserves at the current level, but will reconsider this policy if there are any major changes to the Fund's situation in the future.

### **Plans for the Future**

Next year the Fund will:

- Continue to publicise the Fund's activities in the most appropriate way
- Consider opening up eligibility to include the wider nuclear industry
- Continue networking with other charities and agencies to look at new ways of publicising the Fund and monitoring best practice within the charity sector.

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## TRUSTEES ANNUAL REPORT

YEAR ENDED 30 JUNE 2015

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### Responsibilities of the Trustees

The trustees are responsible for the preparation of accounts for each financial year which give a true and fair view of the state of affairs, and of the results of the charity for that period. In preparing those accounts, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The trustees are responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the charity. They 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.

In preparing these accounts the trustees have sought to follow best practice in accounting by charities, as laid down in the Statement of Recommended Practice (SORP 2005) "Accounting by Charities". Any departures and reasons for departures from the SORP are disclosed in the relevant notes to the accounts.

Except as stated in Note 2 of the Accounts on page 17, none of the trustees or their close relatives had any material arrangements with the Fund. Only legitimate travel and subsistence have been reimbursed.

Registered office:

Unit CU1, Warrington Business Park  
Long Lane  
Warrington  
Cheshire, WA2 8TX

Signed by order of the Trustees



**Gareth Beynon**  
Chairman

Approved by the Trustees on the 12<sup>th</sup> November 2015

**THE NUCLEAR INDUSTRY BENEVOLENT FUND**  
**INDEPENDENT EXAMINERS REPORT TO THE MEMBERS OF**  
**THE NUCLEAR INDUSTRY BENEVOLENT FUND**

**YEAR ENDED 30 JUNE 2015**

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I report on the accounts of the charity for the year ended 30 June 2015 which are on pages 14 to 21.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- To follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- To state whether particular matters have come to my attention.

**BASIS OF INDEPENDENT EXAMINER'S REPORT**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no matter has come to my attention:

(1) Which gives me reasonable cause to believe that in any material respect the requirements:

- To prepare accounts which accord with the accounting records and comply with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

Have not been met; or

(2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



*S Harding FCA*

*15 March 2016*

**Independent examiner**

HardingRedmans  
Chartered Accountants  
Bridge House  
Court Road  
Swanage, BH19 1DX

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 30 JUNE 2015

	Note	Total Funds 2015 £	Total Funds 2014 £
<b>INCOMING RESOURCES</b>			
Voluntary income:			
Donations Received		2,056	9,578
Investment income	3	52,841	65,048
<b>TOTAL INCOMING RESOURCES</b>		<b>54,897</b>	<b>74,626</b>
<b>RESOURCES EXPENDED</b>			
Investment Management Costs	4	(13,768)	(17,610)
Grants and Allowances	6	(67,175)	(51,913)
Support Costs	6	(84,754)	(96,071)
Cost of Charitable Activities		(165,697)	(165,594)
Governance Costs	7	(20,224)	(12,967)
<b>TOTAL RESOURCES EXPENDED</b>		<b>(185,921)</b>	<b>(178,561)</b>
<b>NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS</b>			
		<b>(131,024)</b>	<b>(103,935)</b>
<b>OTHER RECOGNISED GAINS AND LOSSES</b>			
Realised and Unrealised Gains on Investment Assets		155,130	190,559
<b>TRANSFERS</b>		<b>-</b>	<b>-</b>
<b>NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR</b>		<b>24,106</b>	<b>86,624</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		3,099,367	3,012,743
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,123,473</b>	<b>3,099,367</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

All funds are unrestricted.

The notes on pages 16 to 21 form part of these financial statements.

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## BALANCE SHEET

30 JUNE 2015

	Note	2015 £	2014 £
<b>FIXED ASSETS</b>			
Investments	10	2,925,770	2,900,528
<b>CURRENT ASSETS</b>			
Loans	12	131,081	158,326
Provision for write-off of loans	13	(25,000)	(30,000)
Debtors	14	195	-
Short Term Deposits		104,095	82,939
		<u>210,371</u>	<u>211,265</u>
<b>LESS CURRENT LIABILITIES</b>			
Sundry Creditors	15	<u>(12,668)</u>	<u>(12,426)</u>
<b>NET CURRENT ASSETS</b>		<b>197,703</b>	<b>198,839</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>3,123,473</b>	<b>3,099,367</b>
<b>NET ASSETS</b>		<b>3,123,473</b>	<b>3,099,367</b>
<b>FUNDS</b>			
Unrestricted	16	<u>3,123,473</u>	<u>3,099,367</u>

The financial statements were approved by the trustees on the 12<sup>th</sup> November 2015 and were signed on their behalf by:

*G. Beynon*

**Mr G Beynon**

CHAIRMAN

The notes on pages 16 to 21 form part of these financial statements.

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

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### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and applicable to UK Accounting Standards and the Charities Act 2011.

#### **Funds Structure**

The charity funds consist of accumulated unrestricted funds which the trustees are free to use for any purpose in the furtherance of the charity's objectives of relieving poverty amongst the past, present and future members of staff of the United Kingdom Atomic Energy Authority, British Nuclear Fuels plc and Amersham International plc, or any successor company or organisation to which has been transferred and which is carrying on the undertaking previously carried on by United Kingdom Atomic Energy Authority, British Nuclear Fuels plc and Amersham International plc and the families and dependants of such staff.

#### **Incoming resources**

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

#### **Resources expended**

Grants and allowances payable are payments made to eligible beneficiaries in the furtherance of the charitable objectives. Single or multi period grants are accounted for when the payments are made.

Other liabilities are recognised as resources as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

#### **Irrecoverable VAT**

The Fund is a registered charity and is not able to recover VAT charged on its expended resources. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

#### **Allocation of overheads and support costs**

Overheads and support costs have been allocated first between charitable activity and governance. Overheads and support costs relating to charitable activities have been apportioned based on the number of requests for financial assistance received in the year. The allocation of overheads and support costs is analysed in note 5.

#### **Cost of generating funds**

The cost of generating funds consist solely of investment management fees.



# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

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### Charitable activities

Costs of charitable activities include grants and awards made, plus repayable loans converted to grants during the year, and an apportionment of overhead and support costs as shown in note 6.

### Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination compliance and legal fees together with an apportionment of overhead and support costs.

### Tangible fixed assets

The Fund does not hold any tangible fixed assets. Any expended resources on minor items of office equipment are written off to administrative costs as incurred.

### Fixed asset investments

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

### Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and purchase price. Unrealised gains and losses are calculated as the difference between market value at the end of the year and the opening market value or purchase price if later. Realised and unrealised gains and losses are not separated in the statement of financial activities.

## 2. RELATED PARTY TRANSACTION AND TRUSTEE REMUNERATION

Trustees received no emoluments for their services in the year (2014 £nil).

During the year, £2,209 was reimbursed for travel & accommodation costs to 7 trustees (2014: £1,385 for 7 trustees).

## 3. INVESTMENT INCOME

	<b>Total Funds</b>	<i>Total Funds</i>
	<b>2015</b>	<i>2014</i>
	<b>£</b>	<i>£</i>
Dividends – UK Equities and funds	<b>51,189</b>	<i>36,576</i>
Interest – UK fixed interest securities and bonds	<b>38</b>	<i>20,809</i>
Renewal Commissions received	<b>1,571</b>	<i>7,476</i>
Interest on cash deposits	<b>43</b>	<i>187</i>
	<b><u>52,841</u></b>	<i><u>65,048</u></i>

Renewal Commissions have been received again this year. They represent amounts paid by fund managers for “repeat business”. Our investment managers try to avoid such arrangements, but where they are received they are passed on to the client. Small sums are given to charity, so some part of the £1,571 received may not directly relate to our transactions.

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# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

### 4. INVESTMENT MANAGEMENT COSTS

	Total Funds 2015 £	Total Funds 2014 £
Investment Management Fees	<u>13,768</u>	<u>17,610</u>

### 5. ALLOCATION OF SUPPORT COSTS AND OVERHEADS

Cost Type	Total Allocated 2015 £	Governance £	Charitable Activities £	Total Allocated 2014 £
Rent	7,762		7,762	7,762
Water Rates	188		188	181
General Rates	459		459	501
Electricity	346		346	266
Trustees Expenses	2,209	736	1,473	1,385
Staff Travel Expenses	2,131		2,131	2,886
Printing	561		561	3,505
Postage	1,139		1,139	1,055
Promotion	196		196	-
Office Stationery	524		524	421
Telephone	1,958		1,958	1,803
Office Equipment Maintenance	1,286		1,286	-
Computer Equipment	2,335		2,335	163
Repairs & Renewals	79		79	320
Premises Expenses	135		135	180
Insurance	818		818	879
Sundry Property Expenses	31		31	110
Bank Charges	282		282	357
Staff Salaries	63,906	6,390	57,516	60,977
Employers National Insurance	3,047	305	2,742	4,331
Legal Fees	817		817	93
Accountancy Fees	11,045	11,045	-	3,810
Independent Examiners Fees	500	500	-	-
Treasurer's Costs	4,993	1,248	3,745	8,656
Subscriptions	240		240	1,657
Staff Welfare	582		582	442
Loans written-off	2,409		2,409	-
Adjustment to loan provision	(5,000)		(5,000)	7,298
	<u>104,978</u>	<u>20,224</u>	<u>84,754</u>	<u>109,038</u>

### 6. ANALYSIS OF CHARITABLE EXPENDITURE

	Total Funds 2015 £	Total Funds 2014 £
Grants and Awards	67,175	51,913
Support Costs	84,754	96,071
	<u>151,929</u>	<u>147,984</u>

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

### 7. ANALYSIS OF GOVERNANCE COSTS

	<b>Total Funds</b>	<i>Total Funds</i>
	<b>2015</b>	<i>2014</i>
	<b>£</b>	<i>£</i>
Staff Costs	<b>6,695</b>	<i>6,531</i>
Treasurer's Costs	<b>1,248</b>	<i>2,164</i>
Trustees Expenses	<b>736</b>	<i>462</i>
Accountant's Remuneration	<b>11,045</b>	<i>3,810</i>
Independent Examination Fees	<b>500</b>	<i>-</i>
	<b><u>20,224</u></b>	<i><u>12,967</u></i>

### 8. ANALYSIS OF STAFF COSTS

	<b>Total Funds</b>	<i>Total Funds</i>
	<b>2015</b>	<i>2014</i>
	<b>£</b>	<i>£</i>
Salaries	<b>63,906</b>	<i>60,977</i>
Employers National Insurance	<b>3,047</b>	<i>4,331</i>
	<b><u>66,953</u></b>	<i><u>65,308</u></i>

The average number of full time equivalent employees during the year was 2 (2014: 2) with all employment time involved in providing either support to the governance of the charity or support services to charity activities.

No employee had emoluments in excess of £60,000 (2014: nil)

### 9. ACCOUNTANT'S REMUNERATION

The accountant's remuneration consisted solely of accountancy fees; no other services were provided during the year.

### 10. MOVEMENT IN FIXED ASSET INVESTMENTS

	<b>2015</b>	<i>2014</i>
	<b>£</b>	<i>£</i>
Quoted Investments		
Market value at beginning of the year	<b>2,900,528</b>	<i>2,831,318</i>
Additions at cost	<b>688,353</b>	<i>928,643</i>
Disposal proceeds	<b>(818,241)</b>	<i>(1,049,992)</i>
Realised and Unrealised Gains	<b>155,130</b>	<i>190,559</i>
	<b><u>2,925,770</u></b>	<i><u>2,900,528</u></i>
Historical cost at the end of the year	<b>2,294,266</b>	<i>2,348,170</i>

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

### 11. ANALYSIS OF CURRENT ASSETS

	2015	2014
	£	£
Loans to beneficiaries against property	109,300	129,843
Loans to beneficiaries repayable	21,781	28,483
Less provision for write-off of loans	(25,000)	(30,000)
	<u>106,081</u>	<u>128,326</u>
Other debtors	195	-
	<u>106,276</u>	<u>128,326</u>

### 12. LOANS

Loans are made on an interest free basis. Those to serving staff and to pensioners are normally covered by an arrangement for repayments to be deducted from pay or from pension. Other loans are normally covered by an agreement for repayment on death or on the sale of the beneficiary's property, whichever is sooner. Significant loans against property are protected by a legal charge, and registered with the land registry.

Some loans are given based on an anticipated change in the beneficiary's circumstances that will allow repayment to be made. These loans are converted to grants if the trustees consider subsequently that the anticipated change will not take place. Loans are written off if trustees consider that the amount outstanding is irrecoverable, and a provision for write off is made if there is sufficient doubt that the amount outstanding will be repaid.

During 2015, three loans were converted to grants (2014: One), one loan was converted from a loan against property to a repayable loan (2014: nil), and one loan was partly and one completely written off in the statement of financial activity (2014: nil).

The movement on the loans balance during the year was as follows:

	2015	2014
	£	£
Balance outstanding at beginning of the year	158,326	160,119
New loans advanced	11,892	13,493
Loan repayments	(32,062)	(12,201)
Loans converted to grants	(4,666)	(3,085)
Loans written off	(2,409)	-
Loans written off against provision	-	-
	<u>131,081</u>	<u>(158,326)</u>

### 13. PROVISION FOR WRITE OFF OF LOANS

The provision stands at £25,000 at the end of the year (2014: £30,000), representing 19.1% of the total value of loans outstanding (2014: 18.9%). The trustees consider it would be prudent to retain it at this level at present, having regard to the age of many of the loans, and the financial difficulties faced by many of our beneficiaries.

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

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### 14. DEBTORS

Included in debtors is a balance of £195 which relates to prepayments of insurance and ACO membership fees.

### 15. ANALYSIS OF CURRENT LIABILITIES

	2015	2014
	£	£
Trade Creditors	1,773	7,376
Accruals	3,825	5,050
PAYE	910	-
Other Creditors	5,493	-
Company Credit Card	667	-
	<u>12,668</u>	<u>12,426</u>

### 16. ANALYSIS OF CHARITABLE FUNDS

	2015	2014
	£	£
<b>UNRESTRICTED FUNDS</b>		
Balance brought forward	3,099,367	3,012,743
Incoming Resources	54,897	74,626
Resources Expended	(185,921)	(178,561)
Gains and Losses	155,130	190,559
	<u>3,123,473</u>	<u>3,099,367</u>

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## ANALYSIS OF INVESTMENTS

YEAR ENDED 30 JUNE 2015

Classification	2015		2014	
	Market Value £	%Of Portfolio	Market Value £	%Of Portfolio
<b>Fixed Interest:</b>				
UK Bonds	-	-	225,869	7.79
International	-	-	134,940	4.65
Fixed Inc – Directional	328,427	11.0	-	-
Fixed Inc – Diversified	109,324	3.7	-	-
<b>Total Fixed Interest</b>	<b>437,751</b>	<b>14.7</b>	<b>360,809</b>	<b>12.44</b>
<b>Equity Investments:</b>				
UK	1,118,211	37.5	1,051,582	36.28
Europe	221,657	7.4	252,842	8.73
US	658,738	22.1	445,718	15.37
Japan	257,818	8.6	138,874	4.79
Asia Pacific	149,195	5.0	201,546	6.95
Emerging Markets	81,150	2.7	79,043	2.73
International	-	-	260,447	8.98
<b>Total Equity Investments</b>	<b>2,486,769</b>	<b>83.3</b>	<b>2,430,052</b>	<b>83.82</b>
<b>Alternatives:</b>				
UK	-	-	60,554	2.09
<b>Total Alternatives</b>	<b>-</b>	<b>-</b>	<b>60,554</b>	<b>2.09</b>
<b>Total Investments</b>	<b>2,924,520</b>	<b>98.0</b>	<b>2,851,415</b>	<b>98.35</b>
<b>Cash:</b>				
Sterling (Included in the balance sheet under short term deposits)	60,731	2.0	47,863	1.65
<b>Total Portfolio Under Management</b>	<b>2,985,251</b>	<b>100.00</b>	<b>2,899,278</b>	<b>100.00</b>

# THE NUCLEAR INDUSTRY BENEVOLENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2015

	2015		2014	
	£	£	£	£
<b>INCOME</b>				
Donation Received		2,056		9,578
Dividends – UK Equity & Funds		51,189		36,576
Interest – UK Fixed Interest Securities & Bonds		38		20,809
Renewal Commissions Received		1,571		7,476
Bank Interest Received		43		187
Net realised and unrealised gains on investments		155,130		190,559
		<u>210,027</u>		<u>265,185</u>
<b>EXPENDITURE</b>				
Charitable Expenditure – Grants Payable	62,162		50,051	
Charitable Expenditure – Gift Cards	5,013		1,862	
Promotion	196		2,990	
Rent	7,762		7,762	
Water Rates	188		181	
General Rates	459		501	
Electricity	347		266	
Travel & Subsistence	4,340		4,271	
Printing	561		515	
Postage & Carriage	1,139		1,055	
Office Stationery	524		421	
Telephone & Fax	1,957		1,803	
Computer Equipment Maintenance	1,285		-	
Computer Equipment	2,335		163	
Repairs & Renewals	79		320	
Premises Expenses	135		180	
Insurance	819		879	
Sundry Expenses	31		110	
Bank Charges	282		357	
Staff Salaries	63,906		60,977	
Employers National Insurance	3,047		4,331	
Legal Fees	817		93	
Accountancy Fees	11,045		3,810	
Independent Examiners Fees	500		-	
Investment Management Fees	13,768		17,610	
Treasurers Fees	4,993		8,656	
Loans Written Off	2,409		-	
Subscriptions	240		1,657	
Staff Welfare	582		442	
Loan provision	(5,000)		7,298	
		<u>185,921</u>		<u>178,561</u>
<b>SURPLUS FOR THE YEAR</b>		<u>24,106</u>		<u>86,624</u>