

**UNISON Welfare
Trustees' report and accounts
Year ended 31 December 2018**

General information

Charity

There for You (working name of UNISON Welfare) is a registered charity no. 1023552 and is governed by a Constitution and Rules approved by the Charity Commission on 1 July 1993 and as amended in 1995, 1998, 2001, 2003, 2004 and 2011. It is also a registered charity in Scotland SCO38305.

Address

130 Euston Road, London NW1 2AY

Telephone

020 7121 5620

Fax

020 7121 5552

Email

thereforyou@unison.co.uk

Website

Unison.org.uk/thereforyou

Head of Charity

Julie Grant

Board of Trustees

Lesley Discombe	Vice Chair (retired June 2018)
Anthony Dockray	
Andy Douglas	
John Gray	
Maureen Le Marinel	
Gordon McKay	
Margaret McKee	
David Page	(elected June 2018)
Karen Poole	
Deborah Potter	Vice-Chair (elected June 2018)
Sian Stockham	Chair
Christine Tanner	
Karen Worsley	(retired June 2018)

Bankers

Unity Trust Bank plc
Nine Brindley Place
Birmingham
B1 2HB

Solicitors

Withers
16 Old Bailey
London
EC4M 7EG

Auditors

Crowe U.K. LLP
St Bride's House
10 Salisbury Square
EC4Y 8EH

Investment Advisors

Brewin Dolphin
12 Smithfield Street
London
EC1A 9BD

Structure, governance and management

Who we are and how we work together

Board of Trustees

There for you (working name of UNISON Welfare) is governed by a Board of Trustees that is responsible for the strategic direction and operation oversight of the charity's activities and determines policies. Trustees are responsible for compliance with our legal and statutory requirements and also the safe and effective running of the charity. They are all volunteers.

Of the 12 Board members, six are required to be members of UNISON's National Executive Council and a further six members are elected at the AGM from our network of volunteers who are either branch welfare officers or members of the regional welfare committees. Trustees serve for a two year period and may be re-elected. Any vacancy is filled by appointment or election. The chair and vice-chair are appointed by the trustees from among their number.

All trustees have signed an 'Eligibility' to serve declaration form and a declaration of any Conflicts of Interest which is reviewed annually. On appointment, they are given the Constitution and Rules and relevant policies and procedures. Role descriptors are also included.

The Board meet quarterly taking all important strategic, policy and financial decisions. At these meetings trustees receive reports from the Head of the Charity as well as operational leads that cover specific areas of activity. Trustees are responsible for reviewing the structure, size and composition of the Board, including the skills, knowledge and experience required. Day to day management of the Charity is delegated to the Head of Welfare. The board authorise sub-delegation by the Head of Welfare to team leaders and other staff.

According to individual skills or areas of interest, trustees are invited to support any sub-committees, work areas or forums as appropriate. Sub-committees are governed by their own terms of reference and delegated duties as approved by a full Board.

Changes to the Board

During the year, two members of our Board retired – Lesley Discombe and Karen Worsley. The Charity extends its appreciation to these trustees for their invaluable work and support.

Two new trustees were appointed, David Page and Debi Potter.

Trustee induction and training

It is our policy to provide good quality training for trustees and the Charity has an obligatory induction programme and a Trustee Handbook. New trustees receive individual induction sessions, as well as being provided with relevant background information to help familiarise them with their responsibilities this includes:

- Their legal obligations under charity law and an overview of their responsibilities
 - Understanding the Constitution & Rules
 - Understanding key policies
 - The committee and decision making processes
 - An overview of current activities and plans for the future
 - Any other information that is relevant at the time of joining.
- During the year, Trustees will be also be given:
 - An overview by the Investment Managers of the current investment performance, policy and strategy.

As part of ongoing current Trustee development, training needs are identified and Trustees are encouraged to undertake relevant training to ensure their knowledge and understanding of their role is

sufficient and up to date. In addition, it is expected that they attend specific Charity Trustee training courses and any other relevant courses to ensure they undertake the role to the highest standard and their knowledge is kept up to date. As trustees are located in different parts of the UK, training includes access to the NCVO on-line trustee training.

Governance

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly. The systems of internal control are designed to provide reasonable assurance against material misstatement or loss and include:

- An annual budget and operational plan approved by the Trustees
- Regular consideration by the Trustees of financial results and variances from budget
- Delegation of day-to-day management authority and segregation of duties; and
- Identification and management of risks.

We also have an annual operational plan against which our activities and achievements for that year are monitored.

With regard to governance, UNISON Welfare takes into account its charitable status, the nature of its activities and its risk profile. In 2018 The Board of Trustees considered the Charity Governance Code and concluded that the Charity is compliant with its principles.

Fundraising

UNISON Welfare does not employ professional fundraisers. However we do run a lottery and have commissioned Sterling Lotteries Ltd, a licensed ELM (External Lottery Manager) to administer the UNISON Lottery on our behalf. The rules of the lottery have been designed to afford what the Board of Trustees believes is a reasonable degree of protection and avoid issues such as problem gambling by limiting the amount individuals can play to a maximum of £10 each month. We have a clear complaints procedure in place and aim to provide a response or an update to any concern within 5 working days. For the 12 months to 31 December 2018, UNISON Welfare received no complaints in relation to our fundraising activities.

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity although expenses are paid. Any connection between a trustee and a request for financial assistance under discussion will be disclosed at a Board of Trustees meeting in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

Details of trustee expenses are disclosed in Note 9 to the accounts.

Regional structure

We have 12 regional welfare committees and they act as a link between the Board of Trustees and our branch welfare officers who provide support and assistance to our beneficiaries, their primary role is to encourage and support the branch welfare officers in their work. Regional welfare committee members and other stakeholders can also serve on advisory forums known as task groups.

Valuing volunteers

This report gives an indication of the huge amount that is achieved considering our modest staff headcount. A large part of this is down to the contribution made by volunteers. Our network of branch welfare officers who are often the first point of contact for the member; our regional welfare committee members, who in turn support the welfare officers, and, the commitment of our trustees – all provide invaluable support to UNISON members. Around 800 volunteers actively support the charity at any one time.

Key management and personnel

The activities and performance of the charity rely on the commitment and hard work of its valued staff. Overall management responsibility and the day to day running of the charity is delegated to the Head of the Charity who reports to the Board of Trustees assisted by a team of staff who work hard to turn vision and strategy into reality.

Julie Grant heads up the charity and ensures that the staff team is recruited and supported to provide the skills and expertise needed to run a successful organisation. There is currently a staff headcount of nine.

Olga Zakharenko is our Finance Officer.

Grant applications are assessed and decided upon by the casework team led by Tina Willis.

The support team led by Maggie Newell is often the first point of contact for members deliver administrative support to the organisation.

There are also nominated staff in the regions who support the regional welfare committees and, whilst theirs is just a small part of a much bigger role that they have within UNISON, theirs is a significant contribution to the charity's overall success.

Pay policy for senior staff

Our staff are employed by UNISON under its 'terms and conditions'. Staff salaries and pension on-costs form part of their annual donation to the charity. The pay of senior staff is reviewed in the same way as all staff remuneration - on an annual basis and governed by the pay and grading agreement and negotiation arrangements as set out in UNISON's Recognition Agreement.

Risk management and internal controls

How we manage risk

The trustees are ultimately responsible for risk management including ensuring that internal controls are in place and operating effectively.

The trustees have introduced a formal risk management process to assess business risks and implement risk management strategies. This has involved identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood and, identifying means of mitigation.

Our risks are identified and managed in the following ways:

- Risk management policy is reviewed annually.
- The findings from the external audit functions are considered and taken into account.
- Policies, systems and procedures established to mitigate those risks identified
- Budgeting systems and financial reporting which indicate financial performance against the budget and forecast are reviewed and agreed by the Board of Trustees.

Our key risks and uncertainties

The charity has a relatively low and stable risk profile with risks that typically can be managed rather than eliminated. Board considers the following to be the key risks currently facing the charity:

Demand - Increasing demands for services against stagnant and falling income. While the risk represents a major challenge and is subject to trends demand is being managed as far as possible through regular reviews of operational statistics and other management information, exploring new fundraising initiatives and, interaction with UNISON our primary donor.

Sustainable funding - Our financial position is continually under review and the Trustee Board ensure that the long-term financial stability of the charity is safeguarded.

We continue to strengthen our internal controls and to operate tight budget management with a focus on efficiency saving and controlling costs.

Fall in investment returns – The potential for our investment returns falling in value is considered to be one of the major financial risks facing the charity. This risk is mitigated by retaining expert investment managers, having diversified investment portfolios and regularly reviewing that portfolio using available benchmarking information.

Data protection – We pay close attention to data protection risks across the service as a reflection of our concern for our beneficiaries and for the reputation of the service. We will continue to monitor compliance particularly having regard for the requirements of the new General Data Protection Regulations (GDPR) which come into effect in May 2018 and to provide support to our beneficiaries to ensure confidentiality remains a fundamental core principle of the service we provide.

Reputational damage – Reputational damage or unexpectedly being prevented from providing some of our services. This risk is mitigated by monitoring performance against service level agreements, with third party service providers and, undertaking regular staff training.

Technology – Underpins and services our financial assistance programme. Also, our reliance is increasing if we are to realise our ambition to deliver a self-serve website and on-line applications for financial assistance. This risk is mitigated by a Service Legal Agreement with third-party suppliers which includes quarterly reviews.

Our objects and principal activities

Objects

The charity's objects and purpose are defined by our constitution and rules as approved by the Charity Commission. They are to provide assistance in such a way as the trustees think fit to UNISON members and their dependants, dependants of members who have died or past members of NALGO at times of financial hardship or personal difficulty such as redundancy, bereavement, illness or relationship breakdown. We also help members caring for a relative or those with special needs. Assistance may be in the form of grants or loans and other services.

Grant making policy

Our charitable objective is to alleviate hardship or distress for the benefit of members of UNISON, past members of NALGO and, their financial dependants. The majority of our charitable work is carried out by making grants to individuals. Grants are dealt with in accordance with the charity's financial assistance policy and agreed strategy of the charity. Information on our eligibility criteria and the kind of assistance on offer is published on our website. Our strategy is aimed at improving members' ability to become self-sufficient and not to rely on repeated requests for financial support.

The charity invites applications through advertising with UNISON and other relevant media. Applications are assessed against specific criteria agreed by the Board of Trustees.

The award of financial assistance is based on:

- Eligibility criteria – the applicant must be a UNISON member, past member of NALGO, or their financial dependant.
- Situation – the circumstances that led to hardship and/or distress including reduced income, caring, bereavement, ill-health, domestic abuse, unsuitable accommodation. Generally, the charity will only help in cases of unanticipated difficulty such as help with essential household bills and goods, disability aids, property repairs, clothing. Financial help can also be given for the cost of a break following illness or injury for example or for families who are experiencing difficult circumstances. The charity's breaks form a distinct service promoted under the Wellbeing Breaks Programme.
- Need - ascertaining the specific needs (this may not always be exactly the type of help that is asked for).
- Alternative assistance - applications are guided by the above policy and, the availability of alternative statutory and voluntary help. This may be an entitlement to benefits, or grants from other charities which in some cases may be to share the funding or alternatively additional help beyond what our charity is able to provide.

It is not possible or appropriate for the trustees to look at each application for support. The aim is always to meet need as quickly as possible. To this end, the trustees have delegated broad grant-making responsibility for financial decisions up to agreed limits to specific staff thereby encouraging a rapid response to those who seek help.

All applications are subject to an application process which takes into consideration the various criteria, including length of membership, income and savings as well as the individual circumstances and situation of the individual. In all cases we require the most recent last two months bank statements for all members of the household. This allows us to determine the situation and need and, assists in having an informed discussion with the applicant.

Where savings exceed £4,000, we would not normally consider financial assistance but may instead give advice on other forms of help if required. We apply maximum amounts to certain grants and review these annually. Our financial support payments are mainly one-off grants however generally, applicants are not restricted in the number of times they can apply. All grants are considered

objectively on their individual merits. When we do make a grant, it is made on an entirely discretionary basis and, each quarter, the Head of the Charity and trustees review decisions made to ensure their appropriateness and compliance with the fund's policies and procedures. The trustees also consider criteria for grant-making at regular intervals and staff will refer grants outside their discretion to the trustees where appropriate.

Advice and assistance

The help and advice that is offered is often all that is needed to empower individuals to deal with their problems. Anecdotally, we know that many UNISON members are helped in this way through our branch welfare officer network. At the same time, increasingly UNISON members contact us direct seeking guidance with their particular problems.

The direct financial support that we give often provides a breathing space whilst we work with outside agencies and other parts of UNISON to find longer-term solutions to the needs of applicants. Many of the charity's beneficiaries have multiple and complex needs. As a consequence, in recent years, casework has become increasingly time-consuming. In common with most grant making charities, we always try to ensure applicants are claiming their full entitlement to state benefits.

Personal debt continues to be a problem for many members as in society generally, and applicants with debt problems are referred for specialist advice to 'UNISON Debtline' provided in partnership with Payplan, a national debt management company. Self-referrals are also made via the free-phone telephone number. The service provides free, confidential debt advice along with ongoing support where this is needed. Advisers are aware of the type of help that the charity is able to provide and will refer callers to us if they think we might be able to assist with a grant.

Support for other charities

As well as providing assistance for those eligible to support from our charity, we also administer the Ambulance Services Workers Hardship Fund. Eligibility is restricted to ambulance personnel who are either members of UNISON, Unite or GMB.

Training and support

Our volunteers are drawn from UNISON's membership. The recruitment, support and training of our branch welfare officers, is an important activity since these volunteers have a vital role in raising awareness of the services we offer and, directly offering support to members in need. These volunteers do not give advice but can sign-post our beneficiaries to other sources of help and support.

Our regional welfare committee's co-ordinate local training and host forums for their welfare officers aimed at developing a motivated and knowledgeable regional volunteer base. In supporting their branch welfare officers, the regional welfare committees also provide a channel of communication between them and the Board of Trustees.

Our mission

- To be an invaluable resource to UNISON
- Provide quality advice, information and assistance to UNISON members
- Offer financial assistance to all UNISON members and their dependants who are in financial difficulty and meet the criteria for help
- Deliver services that are flexible, responsive and relevant.

Achievements, activities and performance

Ensuring members get the help they need

We are all living in a time of increasing financial pressure and change. The continued effect of wage stagnation, reduced availability of statutory help, fuel and food poverty and welfare reform added to the financial burden for many and influenced the reasons why members asked for help. Noticeable in 2018 was how changes in the benefits system began to hit home and many members struggled as a result of further income cuts.

In rising to the challenges of these times of uncertainty, we recognise that a grant is much more than a sum of money. Often it is a lifeline for those that need a little extra help to cope with unexpected events. We never simply look to the immediate financial needs of the individual but also consider how we can help holistically either through locally available support, signposting to further sources of assistance and, collaborating with other welfare services and organisations.

During the year we helped make a positive change to members' lives providing information, advice and support as well as financial assistance with everything from caring issues, relationships and debt to mental and physical health problems. In 2018, we were able to provide fast and efficient help to many members and their families who were in need of support.

Financial assistance programme

While our financial assistance programme saw a small dip in the number of members seeking help in total we received 2,984 new applications and provided financial support totalling £458,914. The growth in our advice work ensures that every member who comes to us for help is made aware of all the benefits to which they are entitled. We believe that by tapping into all sources of income and support will help ensure greater focus to our grant giving and, improve our members overall financial position by providing them with sustainable solutions to the issues they face.

The problems experienced by our members are often multi-faceted and can include problems at work, personal, financial, health and relationship difficulties.

Working members continued to be the largest group of beneficiaries seeking financial help and North West, Yorkshire & Humberside regions combined with Scotland continue to submit the most applications 38% for financial assistance. 85% of applications came from women. Excluding small grants payments, Scotland received the highest level of grant expenditure (£56,876) followed by North West (£49,280) and Greater London (£45,680).

Our categories of help show support given in 2018 as follows:

Grant type	£
Emergency crisis payments	17,660
Special payments including hospital travel, childcare	14,397
Short-term weekly assistance	113,141
Household – white goods and furniture	57,126
Priority commitments	55,304
Disability, health, medical	9,312
Household maintenance and services	11,851
Clothing	5,970
Utility cost	8,785
Priority debt	58,269
Small grants – school uniforms	44,600
Small grants – winter fuel	24,440
Bankruptcy	12,745
Wellbeing programme	10,150
Funeral	11,864
Exceptional payments	3,450
TOTAL:	459,064

Trends in 2018 remained similar to 2017 however there was a noticeable increase in the number of emergency applications received with the proportion spent in each grant category remaining very similar.

Small grants programme:

The aim of our Small Grants Programme is to help members on low income at times of seasonal high expenditure and currently comprises our Winter Fuel and School Uniform initiatives.

In 2018, small grant requests represented 56% (1,685) of all applications.

The help we delivered ensured 821 children went to school in the correct uniform (an increase of 16% when compared to two years ago) and provided a small grant to help with additional heating costs over winter to 876 households (an 8% increase on 2017).

Overall, the programme continues to be a success story with awareness of the charity increasing as a result. A request to look at expanding the small grants programme, especially when so many of our members are 'just about managing', was overwhelmingly supported when discussed at this year's national seminar and will form part of any discussions to add to the broad range of grant assistance that the charity offers.

Health & Wellbeing

The Wellbeing breaks programme is directed at helping those who are suffering significant health problems, are carers or families in need of a break or, are bereaved and, can be anything from help with a day out to a week-long break in special circumstances. It is clear that breaks are not seen as a priority when compared to other financial pressures in times of austerity, as just 26 members were provided with the funds to get away and recuperate in 2018. In other areas of 'wellbeing' 36 beneficiaries were assisted with the cost of their prescriptions, provision of disability equipment and property adaptations.

Measuring success

Of the 2,984 applications for financial support received, 2,641 (88.5% overall) provided all the information needed to complete our assessment. Of these 'complete applications':

- 75% received a grant (many beneficiaries will also have been given advice relevant to their situation).
- 6% were given advice only
- 19% were out of criteria for financial support (in 11% of cases, this was down to applicants not responding to requests for further information).

Advice & support

We also acknowledge that for some, their problems feel so overwhelming that they appreciate just being able to speak to someone. In total, over 2,300 members received advice on a range of issues through our partners at Payplan providers of UNISON Debtline (457) and our staff (1,652) on debt, benefit entitlement, housing rights, signposting and other forms of support was much in demand.

The online benefits tool has been well received with 2,406 members checking their state benefit entitlement during the year. Given this is the first year of promotion we were pleased to see how many members have already used this service. In 2019 we aim to collect more data to demonstrate the impact of this service.

Operations

In our operations, we strive to achieve best practice, constantly reviewing how we work to ensure optimum use of resources for maximum outcome. Much of our success is based on the hard work and commitment of our small team of staff who will always go the 'extra mile' to help members.

During the year we produced new guidelines to accompany the application form to help applicants' understanding of why we ask certain questions and to comply with GDPR. We hope that going forward this will ensure applications contain the level of detail needed to ensure a quick and speedy response.

We also reviewed our policy on financial assistance which resulted in a number of positive changes including an increase to the savings threshold.

In line with our targets we undertook an initial assessment of all applications within 24 hours of receipt. We aim to complete the casework and reach a decision within two weeks and although this continues to present a challenging target, most requests are concluded within three weeks. However a recurring problem, that will delay an application, is the lack of supporting documentation or limited information, on which to undertake an assessment, which can add considerably to the time it takes to reach a decision.

Working in partnership

UNISON Debtline: We have been working in partnership with Payplan since 2000 providing debt solutions and free impartial debt advice to UNISON members. Payplan are accredited by the FCA (Financial Conduct Authority) to provide debt counselling services.

The given levels of help and advice provided vary according to the personal circumstances of each member, levels of debt, assets, disposable income as well as financial priorities and any other issues that may impact on the member.

In 2017, 526 members contacted UNISON Debtline for advice representing a small increase on the previous year. The range of help members received included:

- Advice on budgeting
- Income maximisation including advice on claiming benefits
- Help with switching from fee-charging debt management providers
- Flexible debt management plans
- Individual Voluntary Arrangements, Trust Deeds, Bankruptcy etc

Reasons cited for indebtedness saw 31% say that hardship and increased cost of living had led to their financial difficulties. In 13% of cases ill health had put pressure on their ability to meet their debt commitments with over 30% of members citing stress or depression as the reason for not being able to work. Similarly, relationship breakdown was another factor in 10% of cases.

Sometimes it has been appropriate for the charity to refer members to a local advice service such as Citizens Advice. This is especially the case where the member is facing repossession and needs face to face advice or someone to negotiate with their mortgage provider or landlord on their behalf.

Credit Union Network: UNISON members now have access to at least one credit union that they can join – an ethical alternative to mainstream banking. For members using high interest lenders such as payday loans and, getting caught in a trap of paying massive interest rates and spiralling debt, joining a credit union could be part of the solution towards achieving financial stability.

In 2018, 252 enquiries were received with most seeking a loan to repay debts. Mindful that we also offer a debt advice service, staff will advise members that this service exists. Others were interested in borrowing to fund home improvements, or purchase cars.

Turn 2 Us: Our alliance with Turn 2 Us (a charity that seeks to raise the profile and take up of referrals within the benevolent sector) provides excellent opportunities to meet with key staff from other benevolent funds and share ideas and best practice.

Other: Charities where we have referral arrangements in place meaning that wherever possible we share the cost involved in awarding a grant or, deliver enhanced financial support, include Cavell Trust, Mary MacArthur Holiday Trust, Buttle Trust.

Plans for 2019 include

- Increase the number of members helped.
- Consult key stakeholders on current and evolving welfare needs the findings of which will inform our service delivery going forward and our criteria for financial support.
- Re-launch the wellbeing breaks programme and family holiday initiative.
- We will continue to make large numbers of one-off grants through our small grants programme.
- Organise an event for existing and potentially new partner grant-giving charities to explore new opportunities for shared funding and/or referral arrangements.
- Continuing our aim of delivering suitable interactive web based support we will explore the option of providing an on-line budgeting tool that will interface with our existing benefits checker.
- Continue work started in 2018 which in 2019 will see us move to on-line applications (while retaining paper forms for those who prefer using this process).
- We will also look to introduce new ways to gather feedback from our beneficiaries and measure the impact and effectiveness of our services to inform future delivery.
- Developing suitable information and advice materials remains one of our aims. In 2019 we will produce new guides to illustrate the:
 - Range help that is available, the important considerations when applying and what helps ensure a speedy and effective decision.
 - Possible debt solutions including the implications of each
- We will review the way we categorise the financial support provided and our analysis of the circumstances which lead members to come to us for financial support and the payments we make. This will allow us to report on the breakdown of the financial support by circumstances.

Our volunteers

The charity has more than 800 volunteers covering branch, regional and fundraising roles. Although it is difficult for us to put a value on the time and care they give to members their personal commitment has been the cornerstone of our success for many years. So, providing appropriate support and guidance to all is vital if members in need are to receive the best possible service.

In 2018 all 8 training events were fully subscribed with 96 welfare officers attending different events. We updated our online e:note which is targeted at all newly elected branch welfare officers and ensures that at the time of their appointment, they have immediate access to information about how the charity operates and the services we provide. In addition, we asked branch welfare officers to encourage stewards and other officers in the branch to complete the e:note so that all activists have a sufficient level of knowledge to inform UNISON members of the help that is available.

Responding to feedback of previous years, our branch welfare officer induction training was updated. Particularly welcomed was the revamped session on 'Interviewing techniques' which includes a video illustrating the 'what to do' and 'what not to do' when speaking to a member. Both new and refreshed course materials were produced. Branch welfare officers also now have clear guidance on how to best deal with members who are vulnerable.

On completing their training participants tell us what they think and, as in previous years, the overwhelming majority reported positively that the course had met their expected learning outcomes. Many commented that they fully understood what was expected from them in their role and had gained in confidence as a result. Branch welfare officers welcomed the detailed information on the criteria and felt more certain about advising members of the assistance they might receive from the charity.

Two 'Introduction to Benefits' courses were organised in 2018 and well received by those attending. In particular, branch welfare officers who have been involved with the charity for a number of years reported that their understanding of the benefits system had increased and that they better understood the 'structure' of the benefits system. The roll-out of Universal Credit has left many members unsure about what this means for them and while we do not expect our volunteers to be 'experts' on this subject, having a basic understanding stands them in good stead when discussing possible benefit entitlement.

The year also saw the biennial national seminar take place at UNISON Croyde Bay. A wide-ranging programme was put together and included popular sessions on casework, debt as well as guest speakers on topics such as problem gambling, the caring generation and counselling for the bereaved. A new branch welfare officer handbook was launched at the seminar the content of which was based on what volunteers said they wanted to see included. We hope this handbook will be an essential 'go to' tool and ensure that branch welfare officers always have to hand all the latest information about how the charity operates, what their role entails, checklists as well as answers to the most frequently asked questions. With the new General Data Protection Regulations (GDPR) that came into force in 2018, we were also pleased to run a session on what this means for branch welfare officers.

We produced an information directory of other organisations that branch welfare officers can signpost or refer members to as part of their work supporting members in distress. Along with new guidelines on completing the application form.

Regional welfare committees also organise local events where branch welfare officers can come together to network and share best practice. Whilst some regions struggled in 2018 there were some notable successes with a number still able to organise their own seminars.

We aim to provide the best possible experience to all those who choose to volunteer for the charity and going forward will look to develop our strategy to increase the way we recognise our volunteers; improve the overall support we give them; and, ensure compliance. However we also have to recognise that in recent years, there have been many changes both in relation to volunteering, the amount of personal time that our volunteers can commit and the problems that beneficiaries seek help with. These will be important considerations to take account of as we grow and develop the charity.

We are delighted that in 2018, we were able to deliver on all our plans.

Plans for 2019 include

- Increase the number two-day induction training events organised for branch welfare officers.
- Continue with our work of extending data protection training to ensure all branch welfare officers complete the GDPR e:note and we comply with latest legislative requirements.
- Continue to run a number of 'Introduction to Benefits' courses and plan training on this subject in Scotland recognising there are differences between the system there and the rest of the UK.

- Given that many branch welfare officers cite that they are excluded from attending the National Seminar due to cost to the branch and time away from work and/or family, we will consult on:
 - Future arrangements for the National Seminar next scheduled for 2020
 - The development of more on line training tools including webinars

Our aim is to increase the number of volunteers who take part in our events and ensure branch welfare officers can access training by methods that are more suitable to their individual circumstances.

Building awareness and fundraising

Building awareness

A key focus of our work is to increase engagement and build awareness of the charity and the services we provide. To this end, we are acutely aware that clear communication is vital in order to engage with those in need so that they are aware of our services. The charity is therefore committed to ensuring that UNISON Welfare is promoted within UNISON media and events.

During the year, UNISON's in-house magazine which is distributed to over 1 million members contained features about how the charity is helping members as did the regular bulletins circulated amongst UNISON's activist base. We also started to use social media for the first time.

While our volunteer network has an important role in raising awareness, 2018 saw us trial promotion that was targeted at those paying the lowest UNISON membership subscriptions. This was in order to make them aware of their potential eligibility to receive financial help under our small grants programme and beyond.

With 73% of applicants stating they heard about the charity either through a work colleague or UNISON branch rep, we focussed our attention on producing new materials that could easily be used to raise awareness in the workplace. This included newsletter templates, power point presentation, plus a revamped, vibrant and engaging general information booklet.

Regional welfare committees continued to receive regular quarterly updates on latest developments.

We exhibited at all the main UNISON conferences and continued our work of giving presentations at key events.

Fundraising

We currently manage fundraising activities through the Charity's staff with the support of others in UNISON. Fundraising remains a vital source of income for the charity and we are fortunate in being supported by UNISON our main donor, our network of UNISON branches and, our other supporters who may donate either their time and/or money. However, in common with many charities, we face various challenges in raising income particularly when so many of our members struggle just to get by and have limited disposable income.

In 2018, our fundraising activities focussed on promoting the lottery which included the availability of new materials and engaging promotion during UNISON's National Delegate Conference.

We are grateful to LV=Frizzells who continued to make quarterly donations linked to a formula based on the number of car insurance policies purchased by members through them. Also to UNISON who provide an annual donation linked to diary and conference bag sales.

Our application for funding to the Civil Service Insurance Society was successful and meant we were able to increase the amount paid under the small grants programme. Money from CSIS also paid for the design and production costs of the new Branch Welfare Officer handbook.

The charity also benefitted from a small number of legacy payments of substantial amounts.

As for our broader fundraising strategy, we will continue to identify collaborative and mutually beneficial opportunities to raise funds through the commercial partnerships that exist within UNISON and working with other charities.

Plans for 2019

In continuing to raise awareness of the services available so that members in need do not miss out on the help and assistance that is on offer we will

- Explore how we can best use targeted promotions going forward.
- Expand the range of online information materials
- Complete work on the website
- In collaboration with UNISON Legal, produce a guide on leaving a gift in a will as well as amending the UNISON on-line free wills service so that UNISON Welfare becomes the default charity.

Our fundraising activities will continue to focus on getting more members and branches to sign up to the Lottery.

Financial review

For the year ended 31 December 2018 the total funds of the Charity have decreased by 4% and amounted to £7,216,828 (2017 - £7,480,879) of which £7,043,978 (2017 - £7,307,344) are the unrestricted funds to the Charity.

Losses on investments totalling £527,111 (2017 - gains £494,382) contributed to the overall movements in funds and are entirely attributable to unrestricted funds.

The Statement of Financial Activities on page 23 and the Balance Sheet on page 24 provide further details of the Charity's financial performance for the year and its financial position at the year end.

Income

Incoming resources for the year totalled £1,496,580 (2017 - £1,336,624) and this represents an increase of 11% compared to the previous financial year.

The main source of financial support comes from UNISON - £842,436 (2017 - £795,447) together with an additional donation in kind of £57,569 (2017 - £57,348) per annum which was also recognised in the year. This donation in kind includes accommodation and other services received free of charge from UNISON to an estimated value.

Lottery income has continued to grow by £10,940 to £102,635 (2017 - £91,695) as a result of re-launching UNISON lottery in October 2017. This reflects a successful fundraising campaign run in 2018.

Legacy income of £115,500 (2017 - £nil) was received which may not be repeated.

Investment income declined by £20,605 (8%) to £245,013 (2017 - £265,618).

Expenditure

Total expenditure in the year amounted to £1,233,520 (2017 - £1,200,959) which is 3% increase.

Grant payments decreased by £21,094 (4%) to £459,064 (2017 - £480,158) predominantly due to lower level of applications received in 2018. We developed our advice work and a growing number of beneficiaries were supported in this way along with financial assistance.

There is still £9,000 to spend towards website development costs from the Make a Child Smile fund and £32,000 from the Centenary fund. The website project is expected to go live during the next financial year.

The analysis of these costs is shown in the Statement of Financial Activities (SOFA) and the Notes to the Accounts representing the areas of remit and what the expenditure is for.

Capital expenditure

Capital expenditure totalled £1,297 (2017 - £16,674) is the initial website development costs that is being developed to support the Charity's services and due to go-live in 2019.

Growing our income

Of all income raised, 98% was unrestricted which ensures that the charity has the flexibility to use its funds to best meet its strategic aims. In economic downturns, this is particularly important because it allows the charity to target its spending where it is most needed.

We raise money through regional and central fundraising and a comprehensive review of our fundraising programme over the last 5 years has helped shape our plans and activities going forward including the introduction of low-resourced internet based fundraising.

Investment management

The Charity holds investments with a value totalling £6,897,752 at 31 December 2018 (2017 - £7,221,370).

The investments comprise two portfolios, combined in Note 11, the longer term one containing most of the equities and the second one being 75% invested in bonds, with a FTSE Government Securities benchmark, which would be the first point of call should the Reserves fall below deposits held.

The asset allocation, movements in the charity's holdings of investments and year-end valuations are shown in Note 11 of the Accounts. The liquidity reserve portfolio decreased by 1.07% (2017 - 4% increase) and growth fund portfolio by 4.75% (2017 - 4.21% increase) over the year, much in line with benchmarks.

The investments are managed on behalf of the Charity by an investment management company – Brewin Dolphin. Investment manager's reports are monitored quarterly to ensure the asset allocation meets the objectives and the performance meet expectations.

Reserves

As at 31 December 2018 the total reserves amounted to £7,216,828 (2017 - £7,480,879) of which £7,043,978 (2017 - £7,307,344) are unrestricted.

The Trustees review the charity's reserves policy each year as part of the budget process, taking account of the need to balance resources devoted respectively to current and future beneficiaries and their dependants.

The Trustees duly reviewed the outlook for the charity's income and expenditure during 2018 taking into account an expected ongoing increase in demand for help as a direct consequence of public sector spending cuts.

In retaining reserves of 5 years average grant expenditure the Trustees have agreed a reserves policy designed, in particular, to support members now and, protect the charity's ability to continue its work in the long-term. Our aim is to ensure that funds are sufficient in future to provide reserves in the event that other sources of funding should fail and so that we can continue to increase the help that is given in future years. This policy is kept under review but in the opinion of the Trustees this approach is necessary to be confident of a secure long term future of supporting UNISON members.

With regards to ethical investing, the Trustees are satisfied that our investments do not conflict with the aims of the Charity. Any investments that may hamper the work of the Charity will be avoided as will investments that would pose a risk of significant financial detriment.

Trustees aim to grow the value of the investment portfolio. Deposits are in place for our budgeted excess of expenditure over income.

Financial expectations and plans for 2019

In common with all other similar charities, UNISON Welfare continues to face many different trends, threats and opportunities and will likely continue to do so well into the future. The Trustees note that

- Cash reserves will be required to support the help given to UNISON members
- New expenditure is planned on publicity, website development and new training materials for our branch welfare officers.

- We will be reviewing funding arrangements for the charity to ensure sustainability capacity for the future as significant growth of income is unlikely.
- To update the policies, procedures and governance documents for the Charity in order to ensure these remain current.
- To manage the investment portfolio to secure income for further development of the charity.
- Fundraising centrally and regionally will focus on increasing participation in the lottery.

The Trustees believe that the Charity is well placed to meet the challenges expected.

Statement of trustees' responsibilities

Charity law 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). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles of the Charities Statement of Recommended Practice (SORP)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosures and explained in the financial statements; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland). 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.

Approved by the Board of Trustees on 14 May 2019 and signed on its behalf by:



Sian Stockham
Chair of the Board of Trustees

Independent Auditor's Report to the Trustees of Unison Welfare

Opinion

We have audited the financial statements of Unison Welfare for the year ended 31 December 2018 which comprise the Statement of Financial activities, Balance sheet, the Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor

London
St Bride's House
10 Salisbury Square
London, EC4Y 8EH, UK

23 May 2019

**UNISON WELFARE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
INCOME					
Donations and legacies:					
Donation from UNISON	2	842,436	-	842,436	795,447
Donation from UNISON in kind	2	57,569	-	57,569	57,348
Other donations	2	99,112	-	99,112	91,227
Legacies	2	115,500	-	115,500	-
Income from charitable activities:					
Providing advice and support to members and their dependants		34,315	-	34,315	7,815
Income from other trading					
Challenge events		-	-	-	26,470
Lottery income		102,635	-	102,635	91,695
Investment income	3	245,013	-	245,013	265,618
Other income		-	-	-	1,004
Total		1,496,560	-	1,496,560	1,336,624
EXPENDITURE					
Cost of raising funds:					
Generating voluntary income		46,838	-	46,838	58,442
Investment manager and other fees		41,201	-	41,201	41,028
Expenditure on charitable activities:					
Providing advice and support to members and their dependants	4	1,144,796	685	1,145,481	1,101,489
Total		1,232,835	685	1,233,520	1,200,959
Net (losses) / gains on investments		(527,111)	-	(527,111)	494,382
Net (expenditure) / income and net movement in funds		(263,366)	(685)	(264,051)	630,047
Reconciliation of funds:					
Funds brought forward		7,307,344	173,535	7,480,879	6,850,832
Balance carried forward		7,043,978	172,850	7,216,828	7,480,879

There were no gains during the year other than as stated above. All activities are continuing.

**UNISON WELFARE
BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Notes	£	2018 £	2017 £
FIXED ASSETS				
Intangible fixed assets	10	63,751		62,454
Investments	11	<u>6,897,752</u>	6,961,503	<u>7,221,370</u> 7,283,824
CURRENT ASSETS				
Loans to members (due after one year)		117,560		128,809
Debtors	12	12,145		24,025
Cash at bank and in hand		<u>152,077</u>	281,782	<u>75,820</u> 228,654
CREDITORS:				
amounts falling due within one year	13		<u>26,457</u>	<u>31,599</u>
NET CURRENT ASSETS			255,325	197,055
NET ASSETS			<u>7,216,828</u>	<u>7,480,879</u>
FUNDS				
Unrestricted				
General			7,043,978	7,307,344
Restricted				
			172,850	173,535
TOTAL FUNDS	15		<u>7,216,828</u>	<u>7,480,879</u>

Approved by the Board of Trustees and authorised for issue on 14 May 2019
and signed on its behalf by:



Sian Stockham Chair of the Board of Trustees

**UNISON WELFARE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 DECEMBER 2018**

	Notes	2018 £	2017 £
Cash flow from operating activities:			
Net cash provided by / (used in) operating activities	19	<u>36,034</u>	<u>(162,683)</u>
Cash flow from investing activities:			
Dividends, interest and rents from investments		245,013	265,618
Purchase of intangible fixed assets		(1,296)	(16,674)
Proceeds from sale of investments		592,256	1,022,569
Purchase of investments		(642,918)	(1,080,806)
Deposits Increase		(152,832)	(66,932)
Net cash provided by investing activities		<u>40,224</u>	<u>123,775</u>
Increase/(Decrease) in cash and cash equivalent in the year		76,257	(38,908)
Cash and cash equivalent at the beginning of the year		75,820	114,727
Cash and cash equivalent at the end of the year		<u>152,077</u>	<u>75,820</u>

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

b) Critical accounting judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

c) Going concern

After making enquires, the trustees have reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

d) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is probable (more likely than not) that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

e) Incoming resources from legacies

Legacies are accounted for as income at the earlier of the legacy being received or where the receipt of the legacy is probable and reliably measurable.

Where the charity has been notified of material legacies which have not been included in the SOFA because the conditions for recognition have not been met, this fact and an estimate of the amounts receivable has been disclosed in the notes to the accounts.

f) Donations in kind

Goods and services received at no cost for which Unison Welfare would otherwise have to pay for are recognised in the financial statements at the value to the charity where this can be reasonably quantified.

g) Intangible fixed assets

Website development costs have been capitalised within intangible assets as they can be identified with a specific project to produce future benefits. Once brought into use they will be amortised on the straight line basis over the anticipated life of the benefits arising from the completed project.

ACCOUNTING POLICIES (CONTINUED)

h) Tangible fixed assets

Tangible fixed assets are stated in the balance sheet at cost less depreciation. Assets with a cost of less than £5,000 are fully depreciated in the year of purchase. Depreciation is provided on a straight line basis over the anticipated useful life of fixed assets with a cost in excess of £5,000 as follows:

Computer equipment - over four years

i) Grants

Grants are charged to the Statement of Financial Activities in the period in which beneficiaries are notified and so a constructive obligation is entered into by the charity.

j) Resources expended

Costs of raising funds comprise those costs directly attributable to managing the investment portfolio and fundraising costs.

Costs of charitable activities include grants, plus an apportionment of staff and overhead costs. Governance costs are those associated with constitutional and statutory requirements.

k) Investments

Fixed asset investments are stated at mid-market value at the balance sheet date.

l) Fund accounting investments

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

m) Unrealised and realised gains and losses

The change in the market value of investments between the value at the start of the year or date of acquisition (if this is during the year) and the year end is recorded as an unrealised gain or loss in the financial statements. Realised gains reflect the difference between the value of an investment at the start of the year and the proceeds received on disposal. Unrealised and realised gain and losses are shown net in the Statement of Financial Activities.

n) Financial instruments

Unison Welfare has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdraft, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance sheet date, with gains and losses being recognised within income and expenditure.

o) Charity information

The Charity is registered with the Charity Commission in the England and Wales and Scotland (registration numbers: 1023552 and SCO38305) and operates from its registered office address 130 Euston Road, London, NW1 2AY.

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donation from UNISON	842,436	795,447
Donation from UNISON in kind	57,569	57,348
Legacies	115,500	-
Other donations	99,112	91,227
	<u>1,114,617</u>	<u>944,022</u>

Unison Welfare receives office space and a number of services free of charge from UNISON to an estimated value of £57,569 per annum which have been recognised as Donations in kind.

3. INVESTMENT INCOME

	2018	2017
	£	£
Dividends and interest from investment portfolio	245,013	265,618
	<u>245,013</u>	<u>265,618</u>

4. CHARITABLE ACTIVITIES

Providing advice and support to members and their dependents

	Notes	2018	2017
		£	£
Grants	(5)	459,064	480,158
Training Costs	(6)	41,397	6,729
Staff Costs	(7)	531,035	503,146
Support Costs	(8)	90,616	82,206
Governance Cost	(9)	23,369	29,250
		<u>1,145,481</u>	<u>1,101,489</u>

5. GRANTS

	2018	2017
	£	£
Health	9,312	9,329
Wellbeing breaks	10,150	12,150
Household	133,216	144,690
Debt and bankruptcy	71,014	63,740
Funeral expenses	11,864	33,445
Income subsidy	130,801	128,800
Other purposes	92,707	88,004
	<u>459,064</u>	<u>480,158</u>

All beneficiaries of grants during the year were individuals

6. TRAINING

Training costs include expenditure directly attributable to the volunteer training and information programme and the annual seminar, including Annual General Meeting for which no income was received.

7. STAFF COSTS	2018	2017
	£	£
Salaries	391,014	374,771
Social security costs	38,395	35,756
Pension Costs	101,626	92,619
	<u>531,035</u>	<u>503,146</u>

The average number of employees during the period was 8 (2017 - 8).

Unison Welfare considers its key management personnel to be the trustees and Head of Welfare. The total employee benefits of key management personnel were £86,144 (2017 - £84,384).

Pension contributions in respect of higher paid employee amounted to £16,379 (2017 - £15,940).

The number of higher paid employees was:

	2018	2017
	No	No
between £60,000 - £70,000	1	-
	<u>1</u>	<u>-</u>

8. SUPPORT COSTS	2018	2017
	£	£
Office rent	50,000	50,000
Promotion & Advertising	4,451	5,116
Travelling and subsistence	5,443	10,553
Staff training	450	519
Office expenses	20,543	5,070
Software support	9,729	10,948
	<u>90,616</u>	<u>82,206</u>

9. GOVERNANCE COSTS	2018	2017
	£	£
Provision for audit	12,720	12,360
Legal and Professional fees	-	3,360
Trustees' expenses	10,649	13,530
	<u>23,369</u>	<u>29,250</u>

The number of Trustees reimbursed travel expenses during the period was 12 (2017 - 12). None of the Trustees received remuneration during this or the previous year.

10. INTANGIBLE FIXED ASSETS	Website under construction £	Computer Software £	Total £
Cost			
At 1 January 2018	62,454	30,611	93,065
Additions	1,297	-	1,297
At 31 December 2018	<u>63,751</u>	<u>30,611</u>	<u>94,362</u>
Amortisation			
At 1 January 2018	-	30,611	30,611
Charge this year	-	-	-
At 31 December 2018	<u>-</u>	<u>30,611</u>	<u>30,611</u>
Net book value			
At 31 December 2018	<u>63,751</u>	<u>-</u>	<u>63,751</u>
At 31 December 2017	<u>62,454</u>	<u>-</u>	<u>62,454</u>

11. INVESTMENTS	Market Value 2018 £	Cost 2018 £	Market Value 2017 £	Cost 2017 £
a) Market Value				
Fixed Interest - UK	1,296,274	1,259,900	1,375,268	1,274,731
- Overseas	221,951	217,909	175,842	160,528
Equities - UK	1,786,259	1,422,934	2,003,743	1,363,384
- Overseas	1,186,444	979,908	1,554,520	1,156,484
Emerging Market Equities	159,240	138,366	-	-
Property	428,204	363,243	482,162	392,557
Absolute Return	238,606	248,178	239,059	241,728
Private Equity	330,428	237,881	395,051	247,351
Other investments	283,295	289,126	208,887	179,671
Cash held in portfolio	468,801	468,841	265,982	265,982
Global Investments	498,250	319,813	520,851	366,801
	<u>6,897,752</u>	<u>5,946,099</u>	<u>7,221,365</u>	<u>5,649,217</u>

The securities are all in shares quoted on the London Stock Exchange. No investments represented more than 5% of the investment portfolio.

b) Investment movements	2018 £	2017 £
Market value at start of year	7,221,370	6,601,819
Add: Acquisitions at cost	642,918	1,080,806
Less: Disposals at opening market value	(592,256)	(1,022,569)
Realised and unrealised (losses) / gains during year	(527,111)	494,382
Deposits increase	152,832	66,932
Market value at end of year	<u>6,897,752</u>	<u>7,221,370</u>

12. DEBTORS

	2018	2017
	£	£
Amounts owed by Unison	12,145	11,222
Other debtors and accrued income	-	12,803
	12,145	24,025

13. CREDITORS

	2018	2017
	£	£
Other creditors	13,526	19,028
Accruals and deferred income	12,931	12,571
	26,457	31,599

14. ANALYSIS OF CHARITABLE FUNDS**Analysis of movements in funds**

	<i>Balance at 1 January 2018</i>	Income	Expenditure	investment losses	<i>Balance at 31 December 2018</i>
	£	£	£	£	£
Unrestricted funds					
General funds	7,307,344	1,496,580	(1,232,835)	(527,111)	7,043,978
Restricted funds					
Bucket and spade appeal	90,242	-	-	-	90,242
2010 Centenary	32,531	-	-	-	32,531
CSIS Short Break	5,000	-	(685)	-	4,315
Silent Witness domestic abuse	36,779	-	-	-	36,779
Make A Child Smile	8,983	-	-	-	8,983
Total restricted funds	173,535	-	(685)	-	172,850
Total funds	7,480,879	1,496,580	(1,233,520)	(527,111)	7,216,828

Analysis of movements in funds – previous year

	<i>Balance at 1 January 2017</i>	Income	Expenditure	Investment gains	Balance at 31 December 2017
	£	£	£	£	£
Unrestricted funds					
General funds	6,677,319	1,336,602	(1,200,959)	494,382	7,307,344
Restricted funds					
Bucket and spade appeal	90,220	22	-	-	90,242
2010 Centenary	32,531	-	-	-	32,531
CSIS Short Break	5,000	-	-	-	5,000
Silent Witness domestic abuse	36,779	-	-	-	36,779
Make A Child Smile	8,983	-	-	-	8,983
Total restricted funds	<u>173,513</u>	<u>22</u>	<u>-</u>	<u>-</u>	<u>173,535</u>
Total funds	<u>6,850,832</u>	<u>1,336,624</u>	<u>(1,200,959)</u>	<u>494,382</u>	<u>7,480,879</u>

Description of restricted funds:

Bucket and Spade appeal – Representing funds raised for breaks for Unison families experiencing difficulty and distress.

CSIS Short Break – A contribution towards the cost of organising a 'healthy break' aimed at women suffering the effects of domestic abuse.

Silent Witness domestic abuse – Funds raised by UNISON's 2009-10 President for the purposes of offering respite breaks for UNISON women suffering the effects of domestic abuse.

2010 Centenary – These funds have been donated to help to subsidise the costs of activities associated with the centenary and beyond. These funds were donated in part to subsidise centenary associated and fundraising activities. The balance was provided for the purpose of delivering on any project linked to the programme of developing new services.

Make A Child Smile – Funds raised by UNISON's 2011-12 President for the purposes of offering breaks for children in need. The fund will not necessarily be restricted to UNISON members and the scope of activity will be dependent on the amount raised.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of movement in funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Intangible fixed assets	63,751	-	63,751
Investments	6,897,752	-	6,897,752
Net current assets	82,475	172,850	255,325
Total assets	<u>7,043,977</u>	<u>172,850</u>	<u>7,216,828</u>

Analysis of movement in funds – previous year

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Intangible fixed assets	62,454	-	62,454
Investments	7,221,370	-	7,221,370
Net current assets	23,520	173,535	197,055
Total assets	7,307,344	173,535	7,480,879

16. PENSION COMMITMENTS

UNISON Welfare participates in a multi-employer defined benefits pension scheme, the UNISON defined benefit scheme ('the Scheme'). It is not possible to identify the assets and liabilities of the Scheme which are attributable to UNISON Welfare. The assets of the Scheme, which are independently administered by UNISON, are held separately by the trustees of the Scheme. The latest actuarial valuation of the Scheme related to the period to 31 December 2018 and revealed a deficit on the scheme of £141 million. During the year employer contributions to the scheme were £101,626 (2017 - £92,619) representing a contribution rate of 27% (2017 - 26%).

17. RELATED PARTIES

As reported on page 3, the Board of Trustees are elected substantially from the UNISON NEC and the regional and branch network. The objects of the charity provide support to the members of UNISON and UNISON together with its branches donates the majority of the funding.

18. ROLE OF VOLUNTEERS

The Charity benefits greatly from the involvement and support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts due to the absence of any reliable measurement basis.

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net (expenditure) / income as per the statement of financial activities	(264,051)	630,047
Adjusted for:		
Losses / (Gains) on investments	527,111	(494,382)
Dividends, interest and rents from investments	(245,013)	(265,618)
Decrease in loans to members in debtors	11,250	6,010
Decrease / (Increase) in debtors	11,880	(13,957)
Decrease in creditors	(5,142)	(24,782)
Net cash provided by / (used in) operating activities	36,034	(162,683)

20. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2017

	Unrestricted	Restricted	2017
	Funds	Funds	Total
	£	£	£
INCOME			
Donations and legacies:			
Donation from UNISON	795,447	-	795,447
Donation from UNISON in kind	57,348	-	57,348
Other donations	91,205	22	91,227
Income from charitable activities:			
Providing advice and support to members and their dependants	7,815	-	7,815
Income from other trading activities:			
Challenge events	26,470	-	26,470
Lottery Income	91,695	-	91,695
Investment income	265,618	-	265,618
Other Income	1,004	-	1,004
Total	<u>1,336,602</u>	<u>22</u>	<u>1,336,624</u>
EXPENDITURE			
Cost of raising funds:			
Generating voluntary income	58,442	-	58,442
Investment manager and other fees	41,028	-	41,028
Expenditure on charitable activities:			
Providing advice and support to members and their dependants	1,101,489	-	1,101,489
Total	<u>1,200,959</u>	<u>-</u>	<u>1,200,959</u>
Net gains on investments	494,382	-	494,382
Net income and net movement in funds	<u>630,025</u>	<u>22</u>	<u>630,047</u>
Reconciliation of funds:			
Funds brought forward	<u>6,677,319</u>	<u>173,513</u>	<u>6,850,832</u>
Balance carried forward	<u>7,307,344</u>	<u>173,535</u>	<u>7,480,879</u>

There were no gains during the year other than as stated above. All activities were continuing.

21. FINANCIAL ASSETS AND LIABILITIES	2018	2017
	£	£
Financial assets measured at fair value through profit or loss:		
Investments in liquid equity instruments	6,897,752	7,221,370
Financial assets measured at amortised cost:		
Loans to members		
Debtors	117,560	128,809
	12,145	24,025
Cash	152,078	75,820
Financial liabilities measured at amortised cost:		
Trade and other creditors	26,457	31,599

The fair value of investments is taken from their quoted market values at the year end.