



Bank Workers Charity is the working name of the Bankers Benevolent Fund

# The Bankers Benevolent Fund

a company limited by guarantee

Registered Charity No 0313080

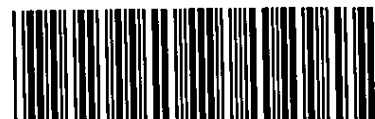
Registered Company No 0019366

## Report of the Trustees and

## Financial Statements

for the year ended 31 March 2012

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# **Report of Trustees (including the Report of the Directors) for the year ended 31 March 2012**

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## Report of the Trustees (including the Report of the Directors) for the year ended 31 March 2012

Registered Charity No. 0313080

Registered Company No. 0019366

The Trustees present their Annual Report and Financial Statements for the year ended 31 March 2012

### President

Vacant

### Vice Presidents

Sir Donald Barron, DL

H C E Harns

Sir John Bond

Sir Robin Ibbs, KBE

R Gifford

Sir Kit McMahon

Sir Patrick Gillam

Sir Peter Middleton

### Trustees/Directors

| Name               | Changes                | Bank   | Sub-Committees++ |
|--------------------|------------------------|--|------------------|
| Chris Beaven       |                        | HSBC Bank  | AU               |
| Dougie Belmore     |                        | National Australia Bank                            | GS               |
| Lillian Boyle      |                        | Non Banker   | AU               |
| Rachel Claringbold | Appointed March 2012   | Barclays Bank                                      | AU               |
| Lesley Davie+      | Resigned October 2011  | The Royal Bank of Scotland Group                   |                  |
| Nathalie De Potter | Appointed March 2012   | The Royal Bank of Scotland Group                   |                  |
| Gary George        |                        | Sumitomo Mitsui Banking Corporation Europe Limited | FI*/RC           |
| Roger Gifford      | Appointed July 2011    | Skandinaviska Enskilda Banken                      |                  |
| Paul Haynes        |                        | HSBC Bank  | GS*/RC           |
| Jackie Hopgood     |                        | Santander  | AU*/RC           |
| Tariq Kazi         |                        | Lloyds Banking Group                               | FI               |
| Ian Keynes+        | Resigned October 2011  | Bank of England (retired)                          |                  |
| Linda Lawrence     |                        | Standard Chartered Bank (retired)                  | GS               |
| Mary Locke+        | Resigned October 2011  | The Royal Bank of Scotland Group                   |                  |
| Shirley Marsh      |                        | Lloyds Banking Group (retired)                     | GS/RC*           |
| Patrick Moynihan   | Appointed March 2012   | Barclays Bank                                      | GS               |
| Ian Nelson         | Appointed March 2012   | The Royal Bank of Scotland Group                   |                  |
| Maggie Pearson     | Appointed October 2011 | National Australia Bank (retired)                  | FI               |
| Tony Ramos*        |                        | HSBC Bank  | FI               |
| Paul Szumilewicz+  | Resigned July 2011     | HSBC Bank  |                  |
| Bryan Turton       |                        | Lloyds Banking Group (retired)                     | GS               |

+ Trustee retired during the year

AU-Audit, FI-Finance and Investment, GS-Grants and Services, RC-Remuneration, \* Chair

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# **Report of the Trustees**

## **(including the Report of the Directors)**

for the year ended 31 March 2012

**Chief Executive**  
Fred Payne

**Registered Office and Operational Address**  
Pinners Hall  
105-108 Old Broad Street  
London  
EC2N 1EX

### **Principal Advisors**

**Auditors**  
Crowe Clark Whitehill LLP  
Statutory Auditor  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

**Investment Consultants**  
Third Sector Advisers  
Andover Road  
Tivoli  
Cheltenham  
GL50 2TL

**Internal Auditors**  
Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**Bankers**  
Coutts & Co  
440 Strand  
London  
WC2R 0QS

**Investment Managers**  
UBS AG  
1 Finsbury Avenue  
London  
EC2M 2AN

**Solicitors**  
Bates Wells & Braithwaite LLP  
2 - 6 Cannon Street  
London  
EC4M 6YH

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# **Report of the Trustees**

## **(including the Report of the Directors)**

for the year ended 31 March 2012

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### ***Governing document***

The Bank Workers Charity (BWC) is the working name of the Bankers Benevolent Fund, a charitable company limited by guarantee, with Company Registration number 00019366. Established in 1883 as the Bank Clerks' Orphanage, the name of the Charity was changed in 1963 to the Bank Clerks' Orphans' Fund. Following a merger with the Bankers Beneficent Society in 1986, the name was changed to the Bankers Benevolent Fund (BBF). The BWC brand was adopted in May 2011 to better reflect who we are and the support we deliver.

The BWC is a registered Charity, governed by Articles of Association, copies of which may be obtained from the Company Secretary. It is exempt from tax under the provisions of the Income and Corporation Taxes Act 1988 on its charitable activities.

#### ***Organisation***

The Charity is governed by a General Committee of up to 25 Members, who are the directors of the company for Company Law purposes and trustees for Charity purposes. Trustees are independent of their banks and act as a channel to facilitate support and operational contacts. Each of the major British banks has at least one trustee to act as an interface, larger banks provide two trustees based on the size of the task in communicating with the potential client base. At the date of this report the Charity operates with 17 trustees of whom 4 are retired or former bankers and one is a non-banker possessing skills or special knowledge that the General Committee wishes to retain.

When trustee vacancies arise a search process is initiated to identify suitable candidates in line with any skills gap on the General Committee. Applicants are given the opportunity to discuss their appointment with the Chief Executive. The nominations committee reviews potential candidates before an appointment is made. The Chair of the General Committee will arrange interviews to arrive at a suitable selection. The General Committee may co-opt additional members in an advisory capacity. Alternatively, they may recruit non banking trustees through open advertising where it is considered that special skills would strengthen the capabilities of the General Committee. These trustees would serve on the same terms as the existing trustees and are able to confer with more experienced trustees if necessary.

New trustees are briefed by the Chief Executive to provide them with insights into the operation of the Charity and an understanding of their legal obligations under Charity and Company Law. They also gain a high level understanding of the operation of the Charity by meeting the senior managers during an induction programme. Throughout their tenure they are able to select from a variety of training options depending upon their level of need and experience and the Charity encourages trustees to provide support to each other.

The trustees of the Charity, together with details of the membership of the Sub-Committees, are shown on page 1.

One fifth of the trustees retire each year and may be re-elected subject to approval by the General Committee.

The General Committee meets quarterly and has appointed four standing Sub-Committees: Finance and Investment, to monitor investments and financial performance, Grants and Services, to oversee the policies towards grants and to consider new services, Audit Committee, to monitor the internal and external audit processes and risk management and the Remuneration Committee, to review pay and awards.

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## **Report of the Trustees**

### **(including the Report of the Directors)**

#### **for the year ended 31 March 2012**

The Chief Executive is appointed by the trustees to manage the day to day operations of the Charity. He is supported by a team of eleven (10.2 FTE) who deal with the management and promotion of the Charity, client administration and support, and finance. The team is also responsible for the development of a business plan, detailed budget and three year rolling forecasts, which are then approved annually and adopted by the General Committee.

#### ***Related parties***

The Charity is independent of the banks. None of the trustees have registered any conflict of interest with the Charity's aims and activities.

#### ***Liability of members***

The Charity is a company limited by guarantee and does not have share capital. The liability of each Member in the event of the Charity being wound up is limited to 25 pence.

#### ***Volunteers***

The Charity relies on a large number of contacts in the banking sector, other benevolent funds and social care to put it in touch with potential clients. None of these contacts are paid by the Charity, although some may be paid by other organisations, but the number cannot be quantified. Other than these persons and the trustees, the Charity does not use any other volunteers.

#### ***Risk assessment***

The trustees have a formal risk management process in place and have implemented an annual internal audit to assess business risks and ensure that management implement risk management strategies. This involves identifying the types of risks the Charity faces in the key areas of strategic direction, financial, reputation, legal and statutory, human resources and information communication technology. The trustees prioritise these in terms of potential impact and likelihood of occurrence, including their attitude to the individual risks. The trustees identify means of managing the risks and as part of this process they review the adequacy of the Charity's current internal controls. This information is then used to develop a risk management strategy, including any new controls the trustees consider necessary. The trustees' review has not identified any significant risks, financial or otherwise, which are not monitored or controlled.

#### ***Trustees' responsibilities***

The trustees are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under Company Law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,

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## **Report of the Trustees**

### **(including the Report of the Directors)**

#### **for the year ended 31 March 2012**

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions. These should disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each of the trustees, at the date of this report is aware, there is no relevant audit information of which the Charity's auditor is unaware. Each trustee has taken all the steps that he/she ought to have taken in order to make him/her aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

## **OBJECTIVES AND ACTIVITIES**

### ***Summary of aims and objectives***

The Charity is the only occupational benevolent fund for all current and former bank employees working in the UK and their families. We ensure that our governance arrangements deliver effective strategic direction of our activities. We undertake market research to make sure that our services meet the real needs of our clients. We are striving to become a long term and valued strategic partner of banks in the UK focusing on the improvement in wellbeing and the relief of financial hardship of their staff.

The legal objects of the Charity are

- the advancement of education and the relief of poverty and sickness amongst the children of special categories of employees, and
- the relief of poverty and sickness amongst bank employees, their families, children and dependents

We interpret these objects broadly as the relief of financial hardship and the relief of ill health and disability amongst our clients who comprise two key groups - families and retirees.

### ***Services and Grants***

We are providing an increasingly broad range of services in partnership with leading charities built around our clients' core needs related to money, home and wellbeing issues. We have the experience and knowledge to care and assist. Going beyond financial support to broader, more practical forms of support and guidance, we are helping more bank workers and their families than ever. Our innovative approach is also making a big contribution to wider society. We provide much needed additional funding for delivery charities as we contribute to the costs of meeting the needs of our clients which would otherwise be met by these charities.

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## **Report of the Trustees**

### **(including the Report of the Directors)**

#### **for the year ended 31 March 2012**

We work with leading charities providing expertise and support services across a range of conditions including arthritis, autism, physical and mental disabilities and with people experiencing financial problems

We continue to focus on making a positive impact on the quality of life of the following applicant groups

- Families including the children of bank employees whose families are suffering financial difficulties due to bereavement, ill health or disability and those in crisis situations who need help to get back on their feet
- Retirees including elderly former bank employees facing financial hardship and former bank employees and their dependants on low incomes who are suffering from long-term ill health or disability

#### ***Grants and Services policy***

Our policy aims to provide support for people in need based on early intervention, rather than picking up the pieces at crisis point. We recognise that people in need do not always seek help at an early stage due to lack of awareness, pride, chaotic lifestyles and a variety of other reasons

We want to improve our clients' ability to become self-sufficient and not dependant on long-term grant support. We have developed services for delivery through our website and helpline. In addition our client advisors have the ability to make grants in appropriate cases and refer clients to service delivery partners

Grants (and some services) are subject to an application process which takes into consideration various criteria, including length of banking service, income and savings as well as the individual circumstances and situation of the applicant. All grants are considered objectively on their merits. When we do make a grant, it is made on an entirely discretionary basis and all regular grants are reviewed annually. We are seeking to ensure that as much alternative support is provided so that we can redirect funding to new cases as they arise

Grants up to £10,000 may be approved jointly for payment by two senior members of staff. All grants are reported to the Grants and Services Sub-Committee, who also approve all grants over £10,000

Our approach to determining 'poverty' is based on a comparison of the applicant's income to a figure that is up to 100% of the UK's median household income (after tax and housing costs are taken into account) adjusted to their personal circumstances. The trustees also take into consideration any savings (excluding the family home) broadly in line with the levels at which Income Support is available from the Department of Work and Pensions. We are also aware of the limitations of published average data and we flex our assessment taking into consideration the composition of the household and any particular needs relating to disabilities

#### ***Public Benefit***

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit

The trustees describe, above, the objects of the Charity and the range of clients assisted. They believe that these benefits and those who benefit from the Charity are clear and identifiable and related to the aims of the Charity. The Charity makes every effort to ensure that potential clients in poverty have access



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## Report of the Trustees (including the Report of the Directors) for the year ended 31 March 2012

to its services. They maintain contacts with social services, other charities and the banks' welfare departments to provide points of contact between the Charity and those needing help.

The trustees have identified a potential client population comprising current bank employees, former employees, their families, children and dependents of approximately 1.8 million persons of whom, statistically, some 50,000 may require assistance at some time during their lives. Although there are restrictions placed on the classes of client helped by the Charity, the clients themselves come from a wide range of occupations at all levels within the banking industry and from a number of different banks. In the year to 31 March 2012, £2.3 million (2011: £2.4 million) was spent on supporting 749 clients (2011: 553) with grants and 311 service users (2011: 83) were supported through our charity partners.

The trustees believe that the prevention of poverty is fundamental to the achievement of the relief of poverty. The gap between financial hardship and poverty is very small. The support provided through specialised services, focused grants and other assistance provided by the Charity, aims to keep clients at risk of financial hardship out of poverty. The cost of living is often higher for people with ill health and disabilities, putting an additional strain on their financial situation. Early pro-active support to this group of people provides the best opportunities for them to overcome the challenges they face, making it possible to return to work and attain a reasonable standard of living. Likewise in families with limited income, providing support to help their children to attain a level of education to their best ability helps to keep them from spiralling into poverty in the next generation. The provision of preventative support to those in need is inseparable from the relief of poverty.

### ACHIEVEMENTS AND PERFORMANCE

#### *Developments, activities and achievements*

We had another successful year in the period to 31 March 2012. We achieved a number of important strategic aims and objectives that we set out in our 2011 Report of the Trustees.

We have built both the capability and capacity to deliver the much needed services through the appropriate channels. We have achieved this in a way that has the potential to make a bigger impact on people's lives than ever before.

#### **How did we do this year?**

##### **Key Performance Indicators**

|  | Aim<br>2011/12 | Achieved<br>2011/12 |
|--|----------------|---------------------|
| 1 Total Interventions                      | 5,180          | 7,655               |
| 2 Service Partner unique users             | 610            | 311                 |
| 3 Casework managed beneficiaries           | 870            | 1,028               |
| 4 Helpline Calls                           | 1,000          | 3,149               |
| 5 Website Interventions                    | 2,700          | 3,167               |
| 6 Cash Grants (£)                          | 1,400,000      | 1,208,699           |
| 7 Service Provision & Casework (£) (Note3) | 700,000        | 738,487*            |

\*before write-backs relating to previous year

Our target for service partner usage was very ambitious. Take up grew through the year and we are now more experienced at marketing the availability of these services.

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## **Report of the Trustees (including the Report of the Directors) for the year ended 31 March 2012**

We have invested in a helpline to provide direct support to clients and as a result we have helped more people in need

Our marketing has successfully increased numbers through partner services and cash grants. We have also raised awareness across the sector.

Our main marketing campaign began in May last year. We are very pleased that our helpline and case management targets were exceeded as this means that we helped many more people overall. This has given us confidence that we are moving in the right direction.

- **increasing the number of people that we help**

We continue to implement our strategy, providing holistic and more sustainable solutions to people in need. As a result, we continue to move away from the provision of regular long term grants in favour of finding additional sources of income for clients and developing financial competency skills.

We provided a total of 7,655 interventions this year, an increase of 48% on 2010-11.

We provided these through a variety of means:

Self-service information and interactive tools through our website, [www.bwcharity.org.uk](http://www.bwcharity.org.uk). We have provided 3,167 interventions since May 2011, when our new website was launched, growing from an average of 289 a month in the first 3 months to an average of 361 a month in the final 3 months of the year, an increase of 25%.

Our free phone helpline launched in May 2011. It has received 3,149 calls, increasing from 43 enquiries a week at launch to 67 a week in March, a growth of 56%. Our highly skilled advisors have helped 1,028 people through detailed casework support and financial grants.

We have a number of strategic partnerships with charities who support people with specific health needs. Support for disabled people and carers provided by Leonard Cheshire Disability, support for families living with autism provided by the National Autistic Society and support for people living with arthritis provided by Arthritis Care. We have seen an increase of 375% in people supported through these partnerships, rising from 83 in 2011 to 311 this year.

We have provided individual bespoke support through other partners and suppliers, selected to meet the specific needs of our clients and we will grow this further in 2012-13.

During the year we awarded 593 grants compared with 329 the previous year, an increase of 80%. We supported 749 people with these compared with 553 the previous year, an increase of 35%.

- **improve client insights**

We regularly gather client research and review reports produced by expert organisations to help inform the development of new services. During the year we evaluated a number of service development opportunities including provision of cancer therapy, dementia, mental health, domestic violence, relationship breakdown and equity release to fund home repairs and adaptations. This has led to the development of our Family Support Service which will be implemented in the coming year.

We decided to work with The Work Foundation and Robertson Cooper to improve our ability to focus our investment in new services on those areas with most unmet need. We want to make the greatest impact on clients commensurate with effective use of our resources.

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## **Report of the Trustees**

### **(including the Report of the Directors)**

**for the year ended 31 March 2012**

- **engaging with the banks**

This continues to provide us with a major challenge. We have mainly been working with the major banking groups. We recognise that if we are to be effective, we need to align our services with the areas of common interest in banks as employers. As a result, we have developed and agreed detailed communication and service plans with two of the major banks to help raise our profile. Through these we have improved bank staff appreciation of the help that we can give them. We have also built engagement plans to broaden awareness within the next tier of banks employing over 1,000 people in the UK.

We will continue our efforts to build and use new networks and new ideas to ensure that banks perceive us to be relevant and adding value. This will allow us to gain better access to the banks' internal communication channels across the UK and reach people more effectively.

- **explore opportunities for social investment propositions**

We have engaged across the sector and with CASS Business School to explore social investment concepts. We now understand better the opportunities and possible models that could be adopted to deliver impact for people in need. These include the possible use of joint venture vehicles, social impact bonds and payment by result bonds. We have contributed to raising the profile of social investment by showing how this can bring the joint benefit of financial and social return to non-governmental sectors. And, we are now better placed to consider our participation in any new social investment opportunities as they arise.

- **Measuring our impact**

We have implemented a range of methods, both qualitative and quantitative, to assess the impact we make.

- 80% of the people surveyed who accessed our website reported to us that we have given them access to all or most of the information that they needed.
- We have helped people to overcome short term financial difficulties to achieve financial stability by increasing benefits claimed, averaging ~£1,700 per eligible person undertaking intensive casework. We have also provided one-off grants to 359 people, averaging ~£2,000 to alleviate financial hardship. This has improved their confidence in dealing with financial matters by 18%.
- We asked those we have supported to tell us their perception of the impact we've made. They have told us that overall the impact was an improvement of 13% across financial, health, wellbeing, confidence, social and relationships and quality of life.

We have identified case studies from the people we have supported directly as well as those supported by our partners. We can illustrate the depth and breadth of our impact which will help us to produce our first ever detailed impact report, which will be published towards the end of 2012.

### **Project activities**

We undertook significant project activities during the year to launch our new brand and operating model.

- We introduced our new name - the Bank Workers Chanty.
- We launched our new website with significant content and interactive tools to meet the needs identified by client and market insights. This has allowed us to increase our reach within the banking community.
- We put in place our helpline, providing people with bespoke needs assessments and support.

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## **Report of the Trustees**

### **(including the Report of the Directors)**

**for the year ended 31 March 2012**

- We implemented our new customer relationship management software and processes to help us continue to improve our efficiency and effectiveness
- We talked with possible new expert partners to help us meet the needs identified by our insights programme
- We developed a more cost effective approach to service providers on a pay per use basis. We now have four partners i.e. National Autistic Society, Arthritis Care, the Mobility Bureau and Second Careers delivering support on this basis

We have an ongoing focus on improving our governance, through our policies and processes. We also made changes to our Articles of Association which were approved at an EGM on 21<sup>st</sup> July 2011. This allows us to keep up to date with latest best practice and streamline the governance of the Charity.

#### ***Raising awareness of BWC***

We use defined channels for marketing our services through banks, other intermediaries and charities who support people in need. We widened and strengthened our contacts within all the major banks operating in the UK. We are also working on building relationships with more than 130 of the foreign banks operating in the UK through a specific bank campaign.

In addition, we have launched an intermediary campaign to over 400 charities with the aim to raise awareness and encourage client referrals.

The website [www.hereisthecity.com](http://www.hereisthecity.com) is London's fastest growing financial website with more than 800,000 unique users per month. We have capitalised on this by taking up advertorial space, which helps direct traffic to our website, making the site among our top 5 referrers.

#### **PLANS FOR THE FUTURE**

##### **Increasing the number of clients we reach**

We plan to further increase the number of banking people we help. We will work with banks and intermediaries to promote our services in a way which adds value both to introducers and clients. We will make our services more accessible. We will make earlier interventions when problems are first identified by clients. We want to meet the most severe needs of our clients, in particular those who are struggling to find support, and will develop our services accordingly.

We will continue to develop insights into the real needs of our clients through a new research project which aims to explore the boundaries between work and non-work pressures and challenges faced by bank workers, their extent and impact. It will further look at sources of support available both in and out of work.

We will increase our support activities for the banks by aligning what we do for our clients with the challenges faced by their employees. In particular we will explore the opportunities to improve employee and family wellbeing and its impact in the work place for the 400,000 staff employed by banks in the UK. We expect this to provide benefits for our clients and the banks, translating into increased support for our activities in the future. We plan to launch a trial of our new Family Support Service in a major British bank in January 2013 and, if this proves successful, extend this to more banks thereafter.

We plan to contact all the banks operating in the UK with whom we do not have a working relationship. This campaign aims to reach 100,000 people working in over 100 banks, mainly in the Greater London area. The campaign is designed to inform these banks about the valuable contribution their employees

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## **Report of the Trustees**

### **(including the Report of the Directors)**

#### **for the year ended 31 March 2012**

make to their and how we can support their employees with life's challenges. We will demonstrate how we can add value to the banks existing employee assistance programmes.

#### **Increasing the scope of our services**

We will develop our Family Support Service to address the needs of hard pressed families coping with money and wellbeing problems and issues in their homes. New services will be developed addressing family relationships, domestic violence, bullying, maternity and work/life balance issues and financial competence, including debt advice.

These new services will be delivered through our unique combination of web, telephone helpline and expert partnerships. We have made it easier for all bank workers to use our information services by removing the traditional requirements to pass income and savings tests. We will be promoting our new services with support from the banks at a more strategic level in future.

We have explored the potential to create a range of new services aimed at helping to overcome some of the biggest challenges facing our clients. We have created a shortlist of areas where we want to undertake further analysis before we make new service investments, including mental health, dementia and the challenges faced by older people.

#### **Ensure future sustainability**

We will explore opportunities to increase our funding streams from the banks. We will approach this in two ways. First to see if we can attract new donors and second to ensure that our existing donors understand the value we add and are willing to support our growth.

In the longer term we will explore opportunities for innovative new social investment propositions which could help us to pursue our charitable purposes and which may generate new financial returns alongside social returns.

Our main objective in participating in social investments will be to bring new services to our clients in a more cost effective and efficient way as well as contributing to our long term financial sustainability. We will seek to add value to the banks in the area of employee engagement and wellbeing. We will try to prove the link between our contribution and the benefits that are achieved from our work. We hope to agree increased corporate donations based on this innovative new approach.

We will continue to improve our focus on cost control and value for money through our processes, suppliers and partners. We will also pay careful attention to the returns generated from our significant reserves.

Measuring our impact and reporting on our progress to encompass qualitative as well as quantitative aspects will play an important part in demonstrating our value to banks and clients.

#### **Key Performance Indicators**

|                                      | <b>2012/13</b> |
|--------------------------------------|----------------|
| 1 Total Interventions                | 9,600          |
| 2 Service Partner unique users       | 400            |
| 3 Casework managed beneficiaries     | 1,100          |
| 4 Helpline Calls                     | 3,400          |
| 5 Website Interventions              | 4,700          |
| 6 Cash Grants (£)                    | 1,450,900      |
| 7 Service Provision and Casework (£) | 649,000        |

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## Report of the Trustees (including the Report of the Directors) for the year ended 31 March 2012

The increase in our targets for interventions, particularly service partner users, is heavily dependent on the successful trial of our new Family Support Service

### Project activities

We will undertake the following activities in support of our business effectiveness

- Complete the integration of our client relationship management system with our financial systems
- Investigate new expert partnerships and develop at least one new service through our innovations framework which is informed by our market and customer insights programme
- Investigate the potential for developing a collaborative approach with other occupational benevolent funds and investors to share in the wider public benefit opportunities that our operating model provides

### FINANCIAL REVIEW

The financial statements for the year ended 31 March 2012 are set out on pages 17 to 26. These were prepared applying the Accounting Policies set out on pages 20 and 21. There were no material changes to the Accounting Policies during the year.

The Charity derives its income from a variety of sources set out below

|   | 2012<br>£        | 2012<br>%  | 2011<br>£        | 2011<br>%  |
|---|------------------|------------|------------------|------------|
| Investment income                         | 1,050,229        | 71         | 1,020,005        | 69         |
| Legacies                                  | 131,688          | 9          | 139,173          | 9          |
| Subscriptions, donations and other income | 287,949          | 20         | 330,502          | 22         |
|   | <u>1,469,866</u> | <u>100</u> | <u>1,489,680</u> | <u>100</u> |

The Charity relies substantially on investment income to support its activities. The trustees have adopted a policy of seeking a total return from investments from a combination of growth and income. The ten year average annual total return target of 6.5% was reduced during the year to 6% due to the prevailing economic conditions worldwide. We will be undertaking a comprehensive review of the risk and reward opportunities relating to our funds to ensure that we have the optimum asset allocation commensurate with our relatively conservative appetite for risk.

Our policy of seeking a total return allows us to plan for longer term service delivery activity by smoothing out the volatility associated with our funds. Therefore to meet our expenditure we need to withdraw some of the capital growth to support our activities. During the year we withdrew £2m from our investment funds to support our objectives. At year end the value of our reserves was £675,000 lower than the previous year.

The trustees are grateful to those who donated to our cause and people who remember us in their wills, but this is not a predictable source of income.

We are also grateful to the banks that make corporate donations. We are keen to demonstrate to them that we are generating outcomes that are valued by their staff, retirees and dependants so that we can ensure these donations continue in future.

The Charity does not actively raise funds from outside the banking community.

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## **Report of the Trustees**

### **(including the Report of the Directors)**

#### **for the year ended 31 March 2012**

During the year we made significant investments in the development of new infrastructure with which to deliver our services. The trustees see this investment as necessary to ensure that we provide the best possible service to a growing number of clients. We have built up our in-house team of client advisors who case manage the increasingly complex and multiple needs of our clients, adding to staff costs. We have also undertaken a major Information Communication Technology project associated with our Client Relationship Management and web delivery.

During the year 79% of our charitable expenditure was spent in delivering grants and services through our casework, helpline and partnerships with other charities. The remaining 21% relates to general management, marketing and operating the charity. We also wrote back unused funds from our partnership programmes during the year.

We increased our resources available for marketing the organisation which we hope and expect will lead to future corporate donations and social investment opportunities.

#### ***Investment policies***

The trustees have delegated the management of the Charity's investments to the Finance and Investment Sub-Committee. On the recommendation of the Finance and Investment Committee the trustee board appointed UBS AG to undertake discretionary management on our behalf. The Finance and Investment Sub-Committee monitors the performance of the investment manager at its quarterly meetings. The committee is supported by our investment consultant who helps the committee members to keep abreast of the developments in the market with which to provide the necessary challenge to our investment manager. The minutes of these meetings are circulated to the members of the General Committee.

As previously mentioned, the trustees have adopted a total return policy and have set performance goals to achieve a minimum 6% per annum return (post fees) averaged over a ten year cycle. Our investment portfolio is diversified to manage risk and volatility. The asset allocation currently set for the investment manager is 25% in UK Equities, 25% in Overseas Equities, 10% in Hedge Funds, 10% in Commercial Property and 30% in Corporate and Government bonds or cash. We permit an agreed tolerance around these limits to allow for flexibility in dealing with market conditions. The actual allocation at 31 March 2012 is reported in note 7 on page 25. With the exception of Corporate / Government Bonds and commercial property, investment is achieved by using a 'best of breed' approach. This allocation is reviewed quarterly by the Finance and Investment Sub-Committee. There are no special restrictions on the Charity's power to invest and no specific ethical constraints adopted.

The investment policy continues, within market constraints, in line with benchmarks and market conditions to protect the Charity's long term capital and income from the effects of inflation, and without taking excessive risk, to achieve real gains in both capital and income. At present there is no particular ethical investment policy, although the Board has decided to review this in 2013.

Since 2008 the annualised return on investments has been 5.2% versus the benchmark which has returned 5.8%. This apparent underperformance is related to our holdings of fixed interest stocks which may yet restore performance to benchmark. The performance of the fund manager is reviewed every three years and the next planned review will take place in 2013.

#### ***Funds and Reserves***

The Charity's reserves of £44.33m comprise largely investments and bank deposits generating the income which sustains either wholly or in part the Charity and its activities. The movements on reserves for the year are reported in the Statement of Financial Activities on page 17. These include a net unrealised gain on the value of investments for the year of £1.7m (2011 – gains £2.1m) resulting from market movements.

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## **Report of the Trustees**

### **(including the Report of the Directors)**

### **for the year ended 31 March 2012**

The trustees actively manage investment returns to achieve total return targets including long term preservation of capital values. These targets are monitored annually in the business plan, against a three year rolling planning cycle of income and expenditure. The trustees project a net average annual income requirement from investments and bank deposits over the next three years of £2.9m after taking account of other sources of income, to meet the cost of ongoing activities and operating costs. Based on a target total return of 6% this level of income requires reserves of £48.3m.

Investment income is the Charity's main long term source of income and is susceptible to market fluctuations. The annual forecast for non-investment income over the next 3 years is £400,000. The trustees believe that sufficient income will be generated to fund future budgeted expenditure in the medium term, although they will embark on income growth activities when the service set is considered to be sufficiently attractive as a fundraising proposition. In the longer term the Board has the ability to reduce discretionary grant making and service spending to a level commensurate with available reserves.

#### ***Going Concern***

The General Committee considers the Charity's finances to be sound and that it is able to fulfil all its obligations and commitments without delay or shortfall in the realisation of the assets of its funds. Having assessed the Charity's financial position and plans for the foreseeable future, the trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

#### **AUDITORS**

A resolution to re-appoint Crowe Clark Whitehill LLP, Statutory Auditor, will be proposed at the annual general meeting of the Charity for the ensuing year.

This report was approved by the trustees and signed on their behalf by

**TONY RAMOS**



Chair of Trustees

25 October 2012



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## **Independent Auditor's Report to the Members of the Bankers Benevolent Fund operating as Bank Workers Charity**

We have audited the financial statements of the Bankers Benevolent Fund for the year ended 31 March 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 11

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements

We read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Sally Kirby

Senior Statutory Auditor

For and on behalf of

**Crowe Clark Whitehill LLP**

Statutory Auditor

London



~~25 October~~ 2012

# Statement of Financial Activities (incorporating an Income and Expenditure Account) year ended 31 March 2012

|  | Notes | 2012<br>£          | 2011<br>£          |
|--|-------|--------------------|--------------------|
| <b>INCOMING RESOURCES</b>  |       |                    |                    |
| <i>Incoming resources from generated funds</i>                           |       |                    |                    |
| Voluntary income   | 1     | 419,637            | 469,675            |
| Investment income  |       | 1,050,229          | 1,020,005          |
| <b>Total incoming resources</b>  |       | <b>1,469,866</b>   | <b>1,489,680</b>   |
| <b>RESOURCES EXPENDED</b>  |       |                    |                    |
| <i>Costs of generating funds</i>   |       |                    |                    |
| Cost of generating voluntary income                                      |       | 59,438             | 35,285             |
| Investment management costs  |       | 52,487             | 52,721             |
| <b>Total cost of generating funds</b>                                    | 4     | <b>111,925</b>     | <b>88,006</b>      |
| <i>Charitable activities</i>   |       |                    |                    |
| Support for Child Education  |       | 439,149            | 566,403            |
| Support for Retirees and Families  |       | 1,888,293          | 1,840,874          |
| <b>Total cost of charitable activities</b>                               | 3     | <b>2,327,442</b>   | <b>2,407,277</b>   |
| <i>Governance costs</i>  |       |                    |                    |
| Governance costs   | 4     | 77,643             | 74,596             |
| <b>Total resources expended</b>  |       | <b>2,517,010</b>   | <b>2,569,879</b>   |
| <i>Net (outgoing) resources before other recognised gains and losses</i> |       | <b>(1,047,144)</b> | <b>(1,080,199)</b> |
| Realised investment (losses) / gains                                     |       | <b>(1,334,639)</b> | <b>121,388</b>     |
| <i>Net (outgoing) resources, being net (expenditure)</i>                 |       | <b>(2,381,783)</b> | <b>(958,811)</b>   |
| Net unrealised gains on investment assets                                | 7     | 1,706,677          | 2,069,135          |
| <b>Net movement in funds</b>   |       | <b>(675,106)</b>   | <b>1,110,324</b>   |
| <i>Reconciliation of funds</i>   |       |                    |                    |
| Total funds brought forward 1 April 2011                                 |       | 45,003,184         | 43,892,860         |
| <b>Total funds carried forward 31 March 2012</b>                         |       | <b>44,328,078</b>  | <b>45,003,184</b>  |

All funds are unrestricted income funds. The results shown above are derived from continuing activities. There are no recognised gains or losses other than are stated above.

The accounting policies and notes on pages 20-26 form part of these financial statements.

The Bankers Benevolent Fund  
Registered Company No. 0019366

**Balance Sheet**  
**31 March 2012**

|  | Notes | 2012<br>£         | 2011<br>£         |
|--|-------|-------------------|-------------------|
| Investments  | 7     | <u>44,494,725</u> | <u>45,125,521</u> |
| <b>Current Assets</b>                                |       |                   |                   |
| Debtors  | 8     | 171,823           | 205,677           |
| Cash at bank   |       | <u>134,100</u>    | <u>205,021</u>    |
|  |       | 305,923           | 410,698           |
| <b>Creditors amounts falling due within one year</b> | 9     | <u>(472,570)</u>  | <u>(533,035)</u>  |
| <b>Net Current (Liabilities)</b>                     |       | <u>(166,647)</u>  | <u>(122,337)</u>  |
| <b>Total Assets less Current Liabilities</b>         |       | <u>44,328,078</u> | <u>45,003,184</u> |
| <b>Funds</b>   |       |                   |                   |
| Unrestricted income funds                            |       | <u>44,328,078</u> | <u>45,003,184</u> |

The financial statements were approved and authorised for issue by the trustees in General Committee and signed on their behalf on 25 October 2012 by

*cb. Ramos*

TONY RAMOS,  
Chair of Trustees

The accounting policies and notes on pages 20-26 form part of these financial statements

## Cash Flow Statement for the year ended 31 March 2012

|   | Notes | 2012<br>£        | 2011<br>£        |
|---|-------|------------------|------------------|
| Net cash (outflow) from activities                  | 1     | (1,073,755)      | (1,026,829)      |
| Capital expenditure and financial investment inflow | 2     | <u>1,002,834</u> | <u>831,464</u>   |
| (Decrease) in cash                                  | 3     | <u>(70,921)</u>  | <u>(195,365)</u> |

### NOTES TO THE CASH FLOW STATEMENT

*1 Reconciliation of net incoming resources to net cash inflow/(outflow) from operating activities*

|   | 2012<br>£                 | 2011<br>£                 |
|---|---------------------------|---------------------------|
| Net (outgoing) resources for the year               | (1,047,144)               | (1,080,199)               |
| Decrease in debtors                                 | 33,854                    | 32,084                    |
| (Decrease) / Increase in creditors                  | <u>(60,465)</u>           | <u>21,286</u>             |
| <b>Net cash (outflow) from operating activities</b> | <b><u>(1,073,755)</u></b> | <b><u>(1,026,829)</u></b> |

*2 Capital expenditure and financial investment*

|  | 2012<br>£               | 2011<br>£             |
|--|-------------------------|-----------------------|
| Purchase of investments & cash invested in portfolio       | (14,346,241)            | (8,988,294)           |
| Proceeds from sale of investments                          | 15,296,156              | 9,768,493             |
| Investment management charges                              | <u>52,919</u>           | <u>51,265</u>         |
| <b>Capital expenditure and financial investment inflow</b> | <b><u>1,002,834</u></b> | <b><u>831,464</u></b> |

*3 (Decrease) in cash*

|                     | Balance<br>31 March<br>2012<br>£ | Balance<br>31 March<br>2011<br>£ | Change in<br>year<br>2012<br>£ | Change in<br>year<br>2011<br>£ |
|---------------------|----------------------------------|----------------------------------|--------------------------------|--------------------------------|
| <b>Cash at Bank</b> | <b><u>134,100</u></b>            | <b><u>205,021</u></b>            | <b><u>(70,921)</u></b>         | <b><u>(195,365)</u></b>        |

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# Accounting Policies

## year ended 31 March 2012

### **Basis of Preparation**

These financial statements have been prepared under the historical cost convention (modified by the revaluation of investments) and in accordance with applicable United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. They comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (revised 2005) ('the SORP') and with the Companies Act 2006. The financial statements continue to be prepared on a going concern basis for the reasons summarised on page 14 of the Report of the Trustees.

### **Investments**

Investments are included in the balance sheet at market value. Gains and losses on the disposal of investments are accounted for in the period the disposal takes place as the difference between the net sale proceeds and the opening market value, or cost if purchased during the year.

Transactions involving the receipt or payment of foreign currency have been translated into sterling at rates of exchange ruling on the date of such payments. The value of overseas investments has been translated into sterling at the rate of exchange ruling on the balance sheet date.

Listed investments are valued at the balance sheet date at closing prices. Investment gains/losses are recorded in the Statement of Financial Activities. Investments bequeathed to the Charity are taken into the portfolio at their market value at the date of transfer.

### **Tangible Fixed Assets**

Expenditure on tangible fixed assets is capitalised if the cost of individual assets exceeds £1,000. The cost of other items is written off as incurred. At the balance sheet date all items were fully depreciated.

Depreciation is calculated to write off the cost of tangible fixed assets by equal instalments over 3 years, their expected useful life. Assets which are no longer used by the Charity are treated as disposals in the year when they ceased to be used.

### **Pension Costs**

The company operates a non-contributory pension arrangement providing a defined contribution of 10% of salary into either the employee's choice of a stakeholder or private pension arrangement. Contributions are charged in the Statement of Financial Activities as due.

### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty.

Individual subscriptions and other donations are included in incoming resources when these are received, with the corresponding income tax recoverable under Gift Aid. Corporate Donations are included in incoming resources when these are receivable. Life subscriptions are accounted for in full as soon as they are receivable.

Pecuniary legacies, residuary legacies and legacies subject to a life interest are all recognised when the Charity is advised by the personal representatives of an estate that payment will be made or property is transferred and the amount involved can be quantified.

Investment income consists of interest and dividend income. Interest income is accounted for on a receivable basis. Dividend income is accounted for on receipt.

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# Accounting Policies

## year ended 31 March 2012

### Resources expended

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

All outgoing resources are included in the Statement of Financial Activities on an accruals basis inclusive of any irrecoverable VAT. These include support costs which are apportioned pro-rata to the direct costs of charitable activities. Grants payable, which are included in direct charitable activities, are recognised as a liability when the Charity is under an actual or constructive obligation to make a transfer to a third party. Such grants payable in future periods, where constructive obligations exist at the balance sheet date, are treated as liabilities at the balance sheet date.

Governance costs comprise costs for running of the Charity itself as an organisation and of statutory compliance.

### Basis of cost allocation between support costs for activities and governance

|                                       |                                   |
|---------------------------------------|-----------------------------------|
| Staff costs                           | Estimate of how staff spend time  |
| Premises and utilities                | Pro rata to staff cost allocation |
| Services and other operating expenses | Actual and estimated usage        |
| Professional fees                     | Actual cost                       |
| Depreciation                          | Pro rata to staff cost allocation |

### Provision for liabilities and charges

Provision is made on a prudent basis where an obligation arises as a result of a commitment arising from a past event and it is probable that the Fund will make a transfer of benefits to satisfy such obligation after the end of the financial year. Provision is made on the trustees' best estimate of the benefits to be transferred.

### Loan Grants

Where payments for property alterations are made as repayable interest free loans but the date on which repayment is due to be made, under the terms of the loan, is unknown at the balance sheet date the loan is treated as a grant in the year of payment, whether made either in full or as instalments. These payments are charged to the statement of financial activities in the year they are made and no debtor is carried forward.

### Taxation

The Charity is exempt from Corporation Tax on its charitable activities. The Charity is not registered for VAT and is unable to recover VAT incurred.

### Status of the funds

All the funds of the Bank Workers Charity are held as unrestricted funds. The trustees have complete discretion for the use of these funds in pursuance of the Charity's objects.

# Notes to the Financial Statements

## year ended 31 March 2012

### 1 Voluntary income

|   | 2012<br>£      | 2011<br>£      |
|---|----------------|----------------|
| Individual subscriptions and donations (Note 2) | 90,949         | 96,425         |
| Corporate donations (Note 2)                    | 197,000        | 202,000        |
| Other donations                                 | -              | 32,077         |
| Legacies  | 131,688        | 139,173        |
|   | <b>419,637</b> | <b>469,675</b> |

### 2 Individual and Corporate Subscriptions and Donations

Members and other donors, together with their total contributions were, as follows

| Bank                       | Individual<br>Subscribers<br>and<br>Donations<br>£ | Corporate<br>Donations<br>£ | 2012<br>Total<br>Donations<br>£ | 2011<br>Total<br>Donations<br>£ |
|----------------------------|--|-----------------------------|---------------------------------|---------------------------------|
| Subscriptions from         |  |                             |                                 |                                 |
| Members and Donors         | 90,949   | -                           | 90,949                          | 96,425                          |
| Barclays                   | -  | 30,000                      | 30,000                          | 30,000                          |
| Citibank                   | -  | 25,000                      | 25,000                          | 25,000                          |
| HSBC                       | -  | 40,000                      | 40,000                          | 40,000                          |
| Lloyds Banking Group       | -  | 60,000                      | 60,000                          | 60,000                          |
| National Australia Banking | -  | 2,000                       | 2,000                           | 2,000                           |
| Group                      | -  | 30,000                      | 30,000                          | 30,000                          |
| Royal Bank of Scotland     | -  | 10,000                      | 10,000                          | 10,000                          |
| Santander                  | -  | -                           | -                               | 5,000                           |
| Standard Chartered         | -  | -                           | -                               | -                               |
| <b>Total 31 March 2012</b> | <b>90,949</b>                                      | <b>197,000</b>              | <b>287,949</b>                  | <b>298,425</b>                  |

The analysis by bank is based upon bank groups as at the balance sheet date



## Notes to the Financial Statements

### year ended 31 March 2012

#### 3. Charitable expenditure

|  | 2012<br>£                 | 2011<br>£               |
|--|---------------------------|-------------------------|
| <b>Cash Grants</b>                       |                           |                         |
| Child Education                          | 287,072                   | 186,076                 |
| Families                                 | 109,801                   | 102,942                 |
| Retirees                                 | 811,826                   | 902,365                 |
|  | <u>1,208,699</u>          | <u>1,191,383</u>        |
| <b>Service delivery / Client Support</b> |                           |                         |
| <i>Service Provision and Casework</i>    |                           |                         |
| Partners Programme                       | 262,151                   | 306,946                 |
| Helpline                                 | 45,640                    | -                       |
| Partners Programme write-backs           | (109,270)                 | -                       |
|  | <u>198,521</u>            | <u>306,946</u>          |
| <i>Operating Costs - Client Support</i>  |                           |                         |
| Staff costs                              | 296,225                   | 195,876                 |
| Employment costs                         | 25,671                    | 44,314                  |
| Premises and utilities                   | 20,970                    | 23,127                  |
| Service development costs                | 20,733                    | 133,793                 |
| ICT costs                                | 55,271                    | 56,313                  |
| Operating costs                          | 11,826                    | 53,868                  |
|  | <u>430,696</u>            | <u>507,291</u>          |
| <b>Operating Costs - General</b>         |                           |                         |
| Staff costs                              | 242,366                   | 220,882                 |
| Pensions                                 | 24,112                    | 25,367                  |
| Employment costs                         | 19,437                    | 11,079                  |
| Premises & utilities                     | 25,164                    | 26,080                  |
| Marketing                                | 82,126                    | 23,370                  |
| ICT costs                                | 22,706                    | 14,078                  |
| Business overheads                       | 73,615                    | 80,801                  |
|  | <u>489,526</u>            | <u>401,657</u>          |
| <b>Total</b>                             | <u><u>£ 2,327,442</u></u> | <u><u>2,407,277</u></u> |

# Notes to the Financial Statements

## year ended 31 March 2012

### 4 Support costs

|                      | Cost<br>of Gen Funds<br>£ | Charitable<br>Activities<br>£ | Governance<br>Costs<br>£ | 2012<br>Total<br>£ | 2011<br>Total<br>£ |
|----------------------|---------------------------|-------------------------------|--------------------------|--------------------|--------------------|
| Staff Costs          | 49,029                    | 538,591                       | 25,826                   | 613,446            | 416,758            |
| Other Staff Costs    | -                         | 69,220                        | -                        | 69,220             | 80,760             |
| Premises & utilities | 7,870                     | 46,134                        | 3,170                    | 57,174             | 49,207             |
| Investment Mgt Fees  | 52,487                    | -                             | -                        | 52,487             | 52,721             |
| Fundraising Costs    | 2,539                     | -                             | -                        | 2,539              | 2,323              |
| Professional Fees    | -                         | 26,581                        | 11,187                   | 37,768             | 79,457             |
| Audit Fees           |                           |                               |                          |                    |                    |
| External Audit       | -                         | -                             | 17,700                   | 17,700             | 12,600             |
| Internal Audit       | -                         | 16,301                        | -                        | 16,301             | 13,398             |
| Operating Costs      | -                         | 63,292                        | 19,760                   | 83,052             | 97,270             |
| ICT Costs            | -                         | 77,977                        | -                        | 77,977             | 70,391             |
| Marketing Costs      | -                         | 82,126                        | -                        | 82,126             | 34,361             |
| <b>Total</b>         | <b>111,925</b>            | <b>920,222</b>                | <b>77,643</b>            | <b>1,109,790</b>   | <b>909,246</b>     |

### 5. Trustees' remuneration

No member of the General Committee received any remuneration in the year (2011 - none) Six (2011 - Six) members of the General Committee were reimbursed £3,386 (2011 - £1,988) for their travelling and other out of pocket expenses where they were not claimable from another source

### 6. Staff costs

|                                 | 2012<br>£      | 2011<br>£      |
|---------------------------------|----------------|----------------|
| Salaries                        | 511,842        | 409,712        |
| Social security costs           | 60,602         | 38,771         |
| Pension contributions (Note 10) | 41,002         | 29,852         |
| <b>Total</b>                    | <b>613,446</b> | <b>478,335</b> |

The average weekly number of employees during the year was

11

7 6

One employee received annual emoluments (excluding pension contributions) in the band £110,001 to £120,000 (2011 in the band £90,001 to £100,000 - one) Pension contributions made on behalf of this employee were £9,068 (2011 - £8,355)

# Notes to the Financial Statements

## year ended 31 March 2012

### 7. Investments

#### Valuation

|  | 2012<br>£         | 2011<br>£         |
|--|-------------------|-------------------|
| Market value at 1 April 2011   | 45,125,521        | 43,766,462        |
| Cash transfers and dividends reinvested                              | (979,705)         | (791,421)         |
| Acquisitions at cost   | 14,346,241        | 8,988,295         |
| Disposals at 1 April 2011 value or cost if purchased during the year | (15,651,090)      | (8,855,685)       |
| Investment management fees paid                                      | (52,919)          | (51,265)          |
| Gains on revaluation   | 1,706,677         | 2,069,135         |
| Valuation at 31 March  | <u>44,494,725</u> | <u>45,125,521</u> |
| Historical cost at 31 March  | <u>39,502,158</u> | <u>40,411,112</u> |

The valuation at 31 March 2012 comprised:

|                       | 2012              |                   | 2011              |                   |
|-----------------------|-------------------|-------------------|-------------------|-------------------|
|                       | Cost              | Market value      | Cost              | Market value      |
|                       | £                 | £                 | £                 | £                 |
| UK Equities           | 10,652,091        | 11,988,628        | 12,898,938        | 14,021,315        |
| Overseas Equities     | 9,828,214         | 11,969,731        | 9,704,351         | 12,335,974        |
| Hedge Funds           | 4,177,202         | 4,419,321         | 4,181,555         | 4,513,114         |
| Fixed Income          | 9,584,092         | 10,782,861        | 9,489,845         | 10,072,885        |
| Charity Property Fund | 3,999,967         | 4,073,582         | 3,999,967         | 4,045,777         |
| Cash                  | 1,260,592         | 1,260,602         | 136,456           | 136,456           |
| Total investments     | <u>39,502,158</u> | <u>44,494,725</u> | <u>40,411,112</u> | <u>45,125,521</u> |

#### Market value of material investments over 5% of the portfolio

UK Equities - Threadneedle Investment UK equity £2,292,700, JO Hambro CAP Management UK £2,625,468 and iShares Plc FTSE 100 Fund £4,215,020

North American - iShares S&P 500 SHS £2,546,200 and L&G US Index Fund £2,370,060

### 8. Debtors

|                | 2012<br>£      | 2011<br>£      |
|----------------|----------------|----------------|
| Accrued income | 164,467        | 147,000        |
| Other debtors  | <u>7,356</u>   | <u>58,677</u>  |
|                | <u>171,823</u> | <u>205,677</u> |

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## Notes to the Financial Statements

### year ended 31 March 2012

#### 9. Creditors: amounts falling due within one year

|                         | 2012<br>£      | 2011<br>£      |
|-------------------------|----------------|----------------|
| Tax and Social Security | 16,595         | 14,695         |
| Grants Payable          | 262,865        | 261,813        |
| Other Creditors         | 56,746         | 77,685         |
| Accruals                | 136,364        | 178,842        |
|                         | <u>472,570</u> | <u>533,035</u> |

#### 10 Pension scheme

Employees receive an employer contribution to a stakeholder scheme or any other private pension arrangement of their choice

#### 11 Loan Grants

At 31 March 2012 loan grants totalling £155,000 (2011 £126,785) have been made which are repayable only on the death of the beneficiary, or beneficiaries (who are husband and wife) or if they move from the property concerned. No repayments were received in the year.

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## Schedule of Legacies

Year ended 31 March 2012

|                                 | £              |
|---------------------------------|----------------|
| J E Davies                      | 12,799         |
| M G Dykes                       | 30,550         |
| D B Flanagan Testamentary Trust | 840            |
| M M Gell                        | 69,627         |
| D M Huskisson                   | 500            |
| S H Potter                      | 16,152         |
| M M Tamlyn                      | 1,000          |
| Miscellaneous                   | 220            |
|                                 | <hr/>          |
| <b>Total</b>                    | <b>131,688</b> |

This schedule does not form part of the statutory financial statements

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## Further Information

Further details about the work of the Charity, both as a provider of charitable help to those in need and as an appropriate recipient of charitable giving by those connected with banking, can be obtained from the Charity at -

Bank Workers Charity  
Pinnars Hall  
105 – 108 Old Broad Street  
London EC2N 1EX

Tel 020 7216 8981  
Fax 020 7216 8987

e-mail [info@bwcharity.org.uk](mailto:info@bwcharity.org.uk)

[www.bwcharity.org.uk](http://www.bwcharity.org.uk)