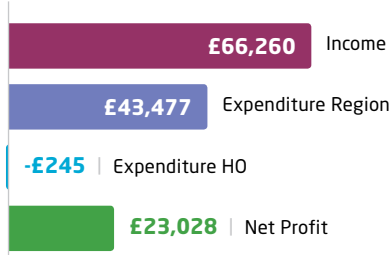
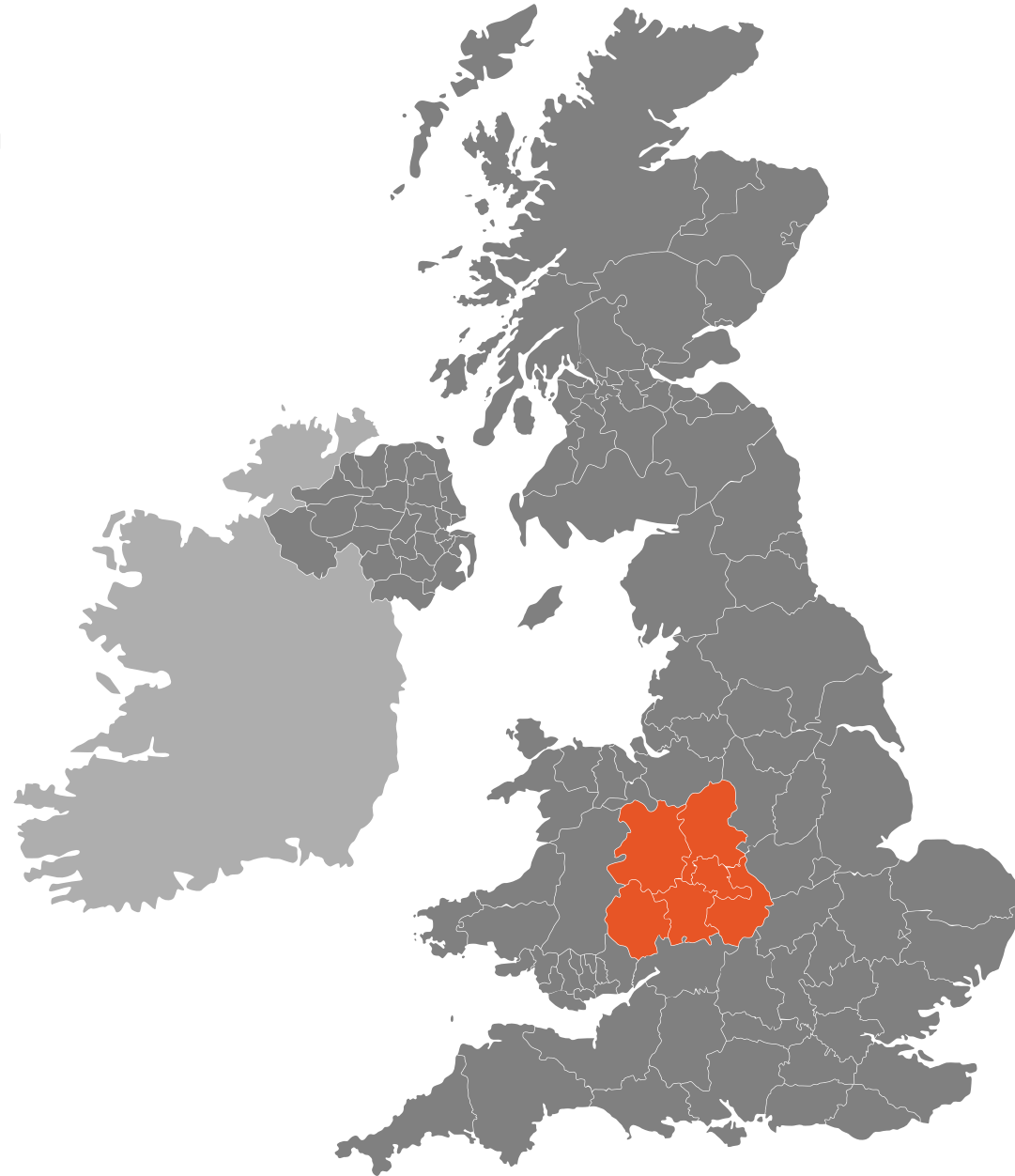


Midlands Regional Committee



- Stewart Gregory (Honorary President) - Schneider Electric Ltd
- Butch Rai (Chairman) - IDS Electrical
- Mike Burnard - Edmundson Electrical Ltd
- Belinda Colwell - Anixter
- Paul McHale - Edmundson Electrical Ltd
- Rachel Hitchcocks - Thorn Lighting
- Nicky Surman - Hager
- Chris Gibson - Rexel UK
- Eddie Featherstone - Newey & Eyre
- John Fellows - Edmundson Electrical Ltd
- Jon Chamberlain - GW Energy
- Robin Weaving - Newey & Eyre



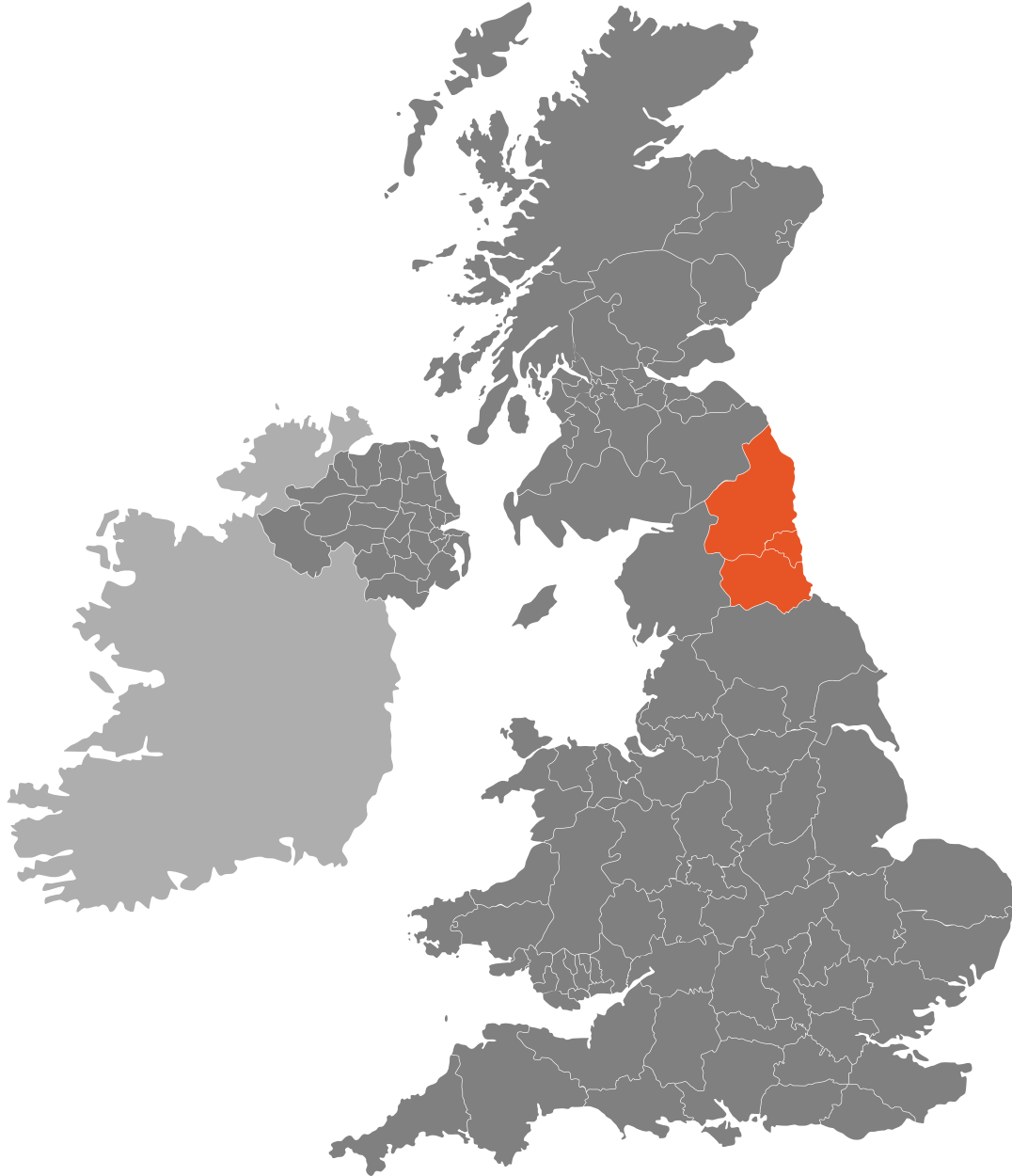
Tyne & Wear Committee



Fred Dickinson (Chairman) - CP Electronics

Fred Hood (Secretary) - McNally and Thompson

Chris Burt - Dougal and Railton



£39,376 Income

£22,298 Expenditure Region

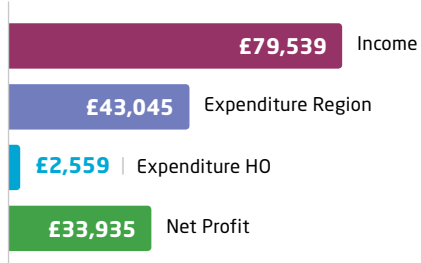
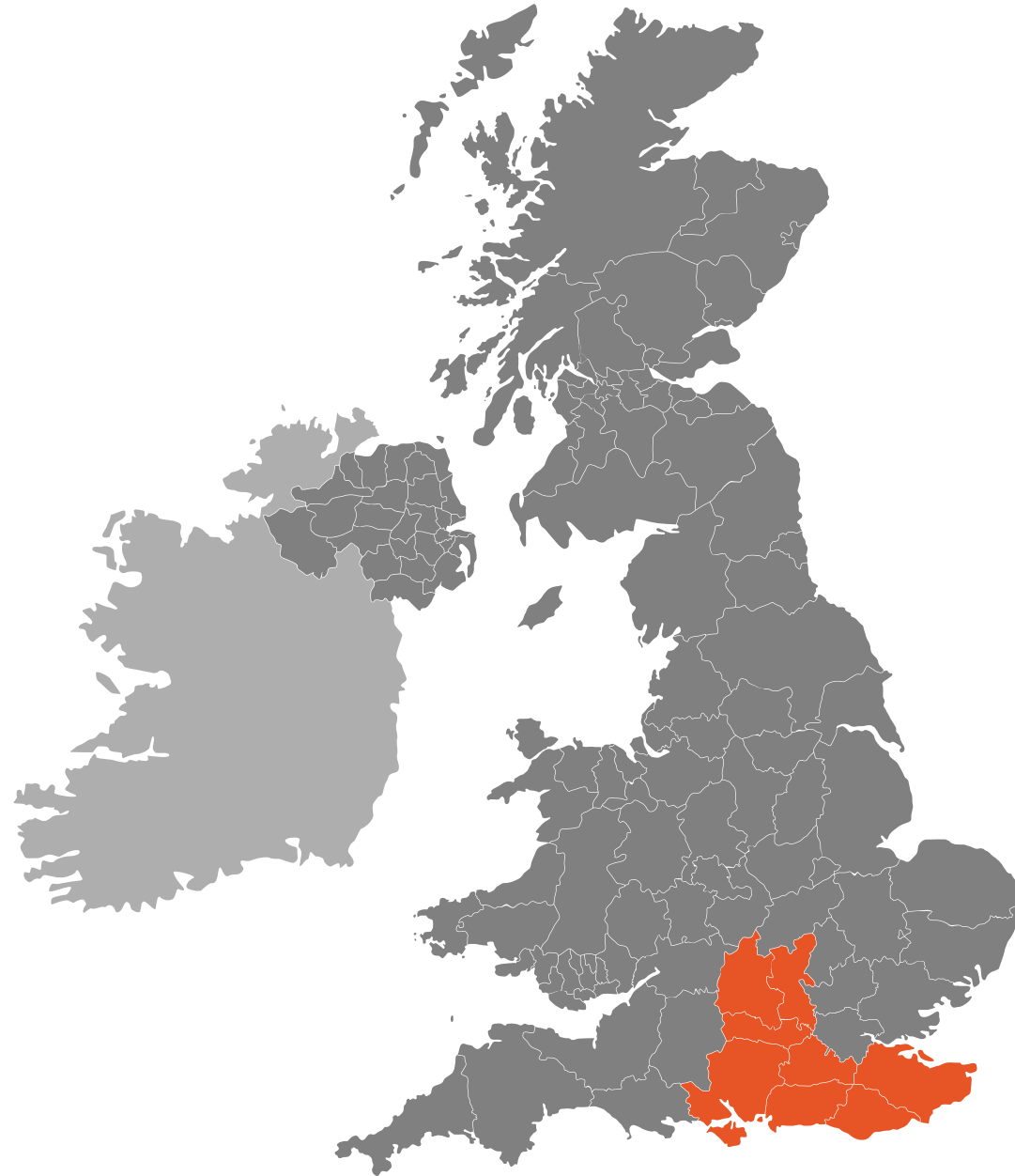
£0 Expenditure HO

£17,078 Net Profit

Southern Regional Committee



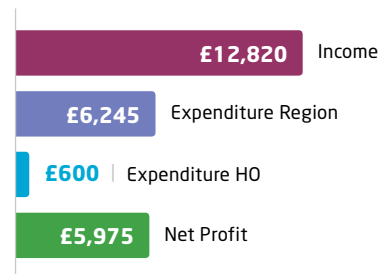
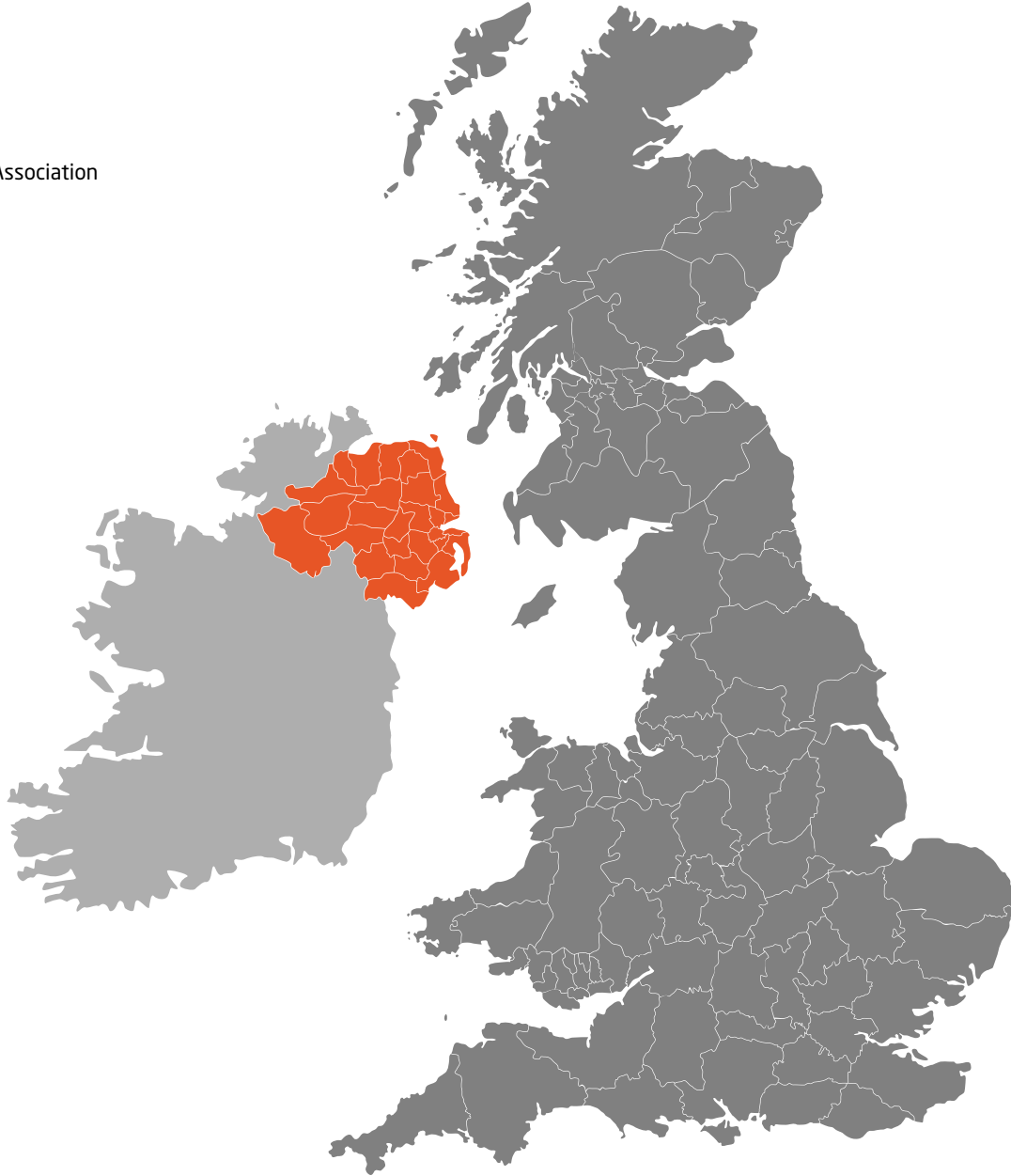
- Ian Lawson (Chairman) - Yesss Electrical
- Mark Mitchell - R & B Star Electrical Wholesaler
- Kevin Rolfe - Legrand Electric Ltd
- Alan Holyoake - Phase Electrical
- Adrian Coveney - BG Electrical Ltd
- Johanne Stimson - Heat Mat
- Paul Russell - Schneider Electric Ltd
- Neil Chapman - Timeguard



Northern Ireland Regional Committee



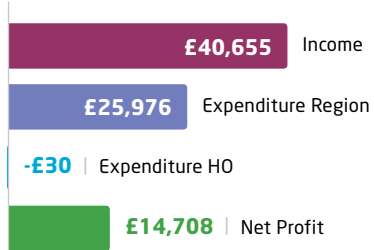
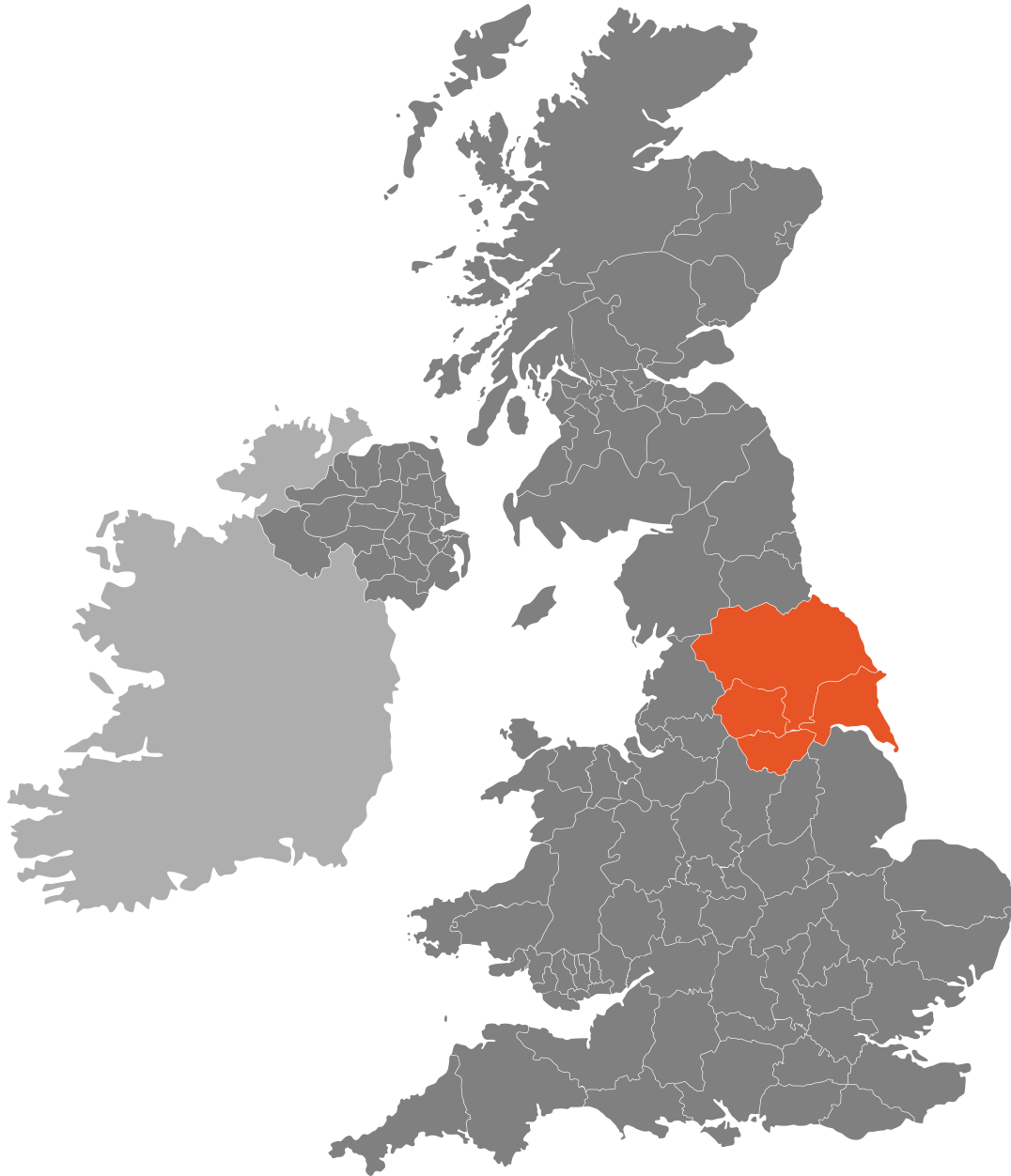
Mervyn Knox (Chairman) - Hager
 Alfie Watterson (Honorary Secretary) - Electrical Contractors' Association
 Karen McAvoy - KMP Ltd
 Michael Dennison - DM Engineering
 Aaron Stephenson
 Gareth Howes - Schneider Electric Ltd



Yorkshire & Sheffield Regional Committee



- Andy Roach (Chairman) - Morgan Sindall
- Eric Dyer MBE (Secretary)
- Roger Freeman (Treasurer)
- Nick Bull
- Dr Martin Green - PX Limited
- Diane Bywell - Time Guard
- Alwyne Booth - Retired
- Mark Ginn - Hagemeyer
- Kerry Conway - BG Electrical
- Graham Coxon (Golf Secretary) - Edmundson Electrical Ltd
- Paul Hodgson - Edmundson Electrical Ltd
- Bob Wingate
- Angus Long - Skanwear
- Russell Long - Skanwear
- Matthew Barnett - Morgan Sindall



A woman with glasses and a green safety vest is smiling while working on a metal structure. She is using a power tool, possibly a drill or a screwdriver, on a metal component. The background shows a large, complex metal structure, possibly a piece of machinery or a large-scale construction project. The scene is outdoors, with some greenery visible in the background.

“We make a living by what we get, but we make a life by what we give.”

> WINSTON CHURCHILL

8. INDUSTRY ORGANISATIONS AND MEDIA

A number of trade publications are supporting the Electrical Industries Charity by publishing articles and offering advertising space free of charge as part of their social responsibility programme, both in print and online. These include: Voltimum, Electrical Wholesaler, Electrical Review, Electrical Times, Professional Electrician, Electrical Contracting News, ECA Today, Highways Electrical News, JIB In the Loop, EDA Newsletter and CABLEtalk.

The Electrical Industries Charity is fortunate to have close ties with many industry organisations who generously provide a platform at their events to raise money and awareness of the Charity. Events in 2016-17 included:

- EDA Annual Dinner
- ECA Gala Dinner & Awards
- EDA Scottish Forum Dinner
- Electrical Times Electrical Industry Awards
- BEAMA Annual Lunch
- HEA/HEMSA Annual Awards
- Electrical Wholesaler Awards

We are also very fortunate to have strong links with trade media who have provided editorial and free advertising in print and online.

- CABLEtalk (Scotland)
- Electrical Contracting News
- Electrical (NI)
- Electrical Times
- Electrical Review
- Electrical Wholesaler
- Professional Electrician
- Voltimum

Business Connections

Being at the heart of our industries means being connected to the companies and businesses that make up the electrical, electronics and energy industries. Through their support and generosity, we can continue to provide the practical support people need to get back on their feet.

ABB	MK Honeywell
Aird Walker & Ralston Ltd	National Grid
Aslec	Newey and Eyre
Awebb	Rexel UK Ltd
B.I. Electrical Services (NI) Ltd	Ross Electrical
Balfour Beatty	RWE npower
Brother	Schneider Electric Ltd
CEF	Select
Dimplex GDC Group	Scott Coppola
E.on UK Plc	Scottish Power
Eaton	SPG Security Systems
EDF Energy	SPG Scotland
Edmundson Electrical Ltd	Stearn
Electric Centre	Sutton Bridge Power Station
Electrium	Thorn Lighting
FMS Fire and Security	Twelve Electric Club
JIB	Weir & McQuiston (Scotland)
Magnox	Western Power Distribution
MEF Ltd	WF Senate

**“The work of
volunteers impacts
on all our lives, even if
we are not aware of it.”**

➤ ANTHONY WORRALL-THOMPSON



9. LEGAL AND ADMINISTRATIVE INFORMATION

The Electrical Industries Charity Limited is a company limited by guarantee, registered in England and Wales (No 2726030) and a charity registered with the Charity Commission for England and Wales (No. 1012131) and the Office of the Scottish Regulator (No SC038811).

Patron	Her Majesty the Queen
Council	The Electrical Industries Charity is governed by a Council which meets a minimum of four times during the year. The President is the Chair of Council, which consists of up to 11 Members including the President.
Members of Council	Council comprises the following Members, who are Trustees and Directors, and who held office during the period: Ms C Connolly Mrs P Cooke (immediate Past President) Ms M Fitzsimons D Gardiner S Gregory (Vice President) John Hogan (resigned January 2017) J Hogan I Lawson P Loke (President) S Mackenzie (Vice President) C Hutchison (resigned February 2017)

Managing Director & Company Secretary	Tessa Ogle
Registered office	36 Tanner Street, London SE1 3LD
Bankers	National Westminster Bank plc Commercial Banking Centre 2nd Floor, County Gate 2, Stacey's Street Maidstone, Kent ME14 1ST
Finance	ExcluServ 175-177 Borough High Street London SE1 1HR
Investment Managers	Investec Wealth & Investment 2 Gresham Street London EC2V 7QP
Statutory Auditors	Haines Watts Old Station House, Station Approach Newport Street Swindon, Wiltshire SN1 3DU
Solicitors	MacRoberts LLP Capella, 60 York Street Glasgow G2 8JX

A well-balanced, inclusive approach, according to certain standards and ideals, is essential for the proper governance of any Charity.



10. STRUCTURE, GOVERNANCE & MANAGEMENT

10.1 THE ROLE OF COUNCIL

Council leads and controls the Electrical Industries Charity via the Managing Director to deliver the organisation's aims and objectives and to set strategic direction and policy so as to uphold its mission, vision and values.

10.1.1 Council responsibilities

In directing the affairs of the Electrical Industries Charity, ensuring it is solvent, well run and delivering the outcomes for which it was founded, Council's strategic and leadership responsibilities (which cannot be delegated) are to:

- ensure compliance with the objects, purposes and values of the Electrical Industries Charity and with its governing instrument (Memorandum and Articles of Association);
- approve policies, plans and budgets to achieve those objectives and to monitor performance against them;
- ensure the solvency, financial strength and good performance of the organisation;
- ensure the Electrical Industries Charity complies with all relevant laws, regulations and requirements of its regulators (taking appropriate advice);
- set and maintain a framework of delegation and internal control;
- agree or ratify all policies and decisions on matters which might create significant risk to the organisation, financial or otherwise;
- approve financial statements for each financial year which give a true and fair view of the position.

10.1.2 Council Members and their statutory responsibilities

The Council Members are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Operations Accepted Accounting Practice).

Company law requires the Council Members to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council Members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 charitable company will continue in business.

The Council Members are responsible for keeping proper accounting records that 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as Council Members are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Council Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

10.1.3 Appointment to Council

All appointments to Council are subject to approval by Council. Names are put forward either to fill a vacancy on Council which arises during the year; as part of The Electrical Industries Charity's retirement processes (as set out in the Articles of Association); or to fill a skills gap on Council.

Council considers those individuals whose skills and experience meet the needs of the organisation in the following (broad) areas:

- governance
- welfare
- fundraising, marketing, business and relationship development
- finance, asset management, investments
- IT systems
- stakeholders and branches
- staff HR, health and safety

A President may be appointed by Council for a period of two years or more. The President's role is to chair Council meetings, to provide leadership and focus on the Electrical Industries Charity's activities and to be the principal point of contact between Council and the Managing Director.

The President may be assisted by Vice President(s) in furtherance of the President's role externally, but not necessarily on Council.

10.1.4 Council Members' training

Induction – a full pack of information relating to roles and responsibilities, strategic issues and reports on activities is given to new Council Members, together with one-to-one training and advice (usually by the Managing Director) as required.

Training can also be provided by:

- formal sessions at Council as required
- attending training sessions provided by third parties
- informal advice and circulation of papers and reports.

The trustees' role is to ensure transparency for the industry.

10.2 SUB GROUPS OF COUNCIL

President's Group - To discuss and review proposals presented by the Managing Director and review and make recommendations to Council on specific issues. The President's Group comprises the President, Vice Presidents, Immediate Past President, up to two Council Members and the Managing Director when required.

Welfare Audit Group - This sub group provides independent assessment of the quality and effectiveness of the Electrical Industries Charity's welfare care programmes. The Welfare Audit Group met four times in 2016-17. Welfare Audit Group members during 2016/17: J Ong (Chair), M. Sullivan, J. Leggot, A. Boldero, B. Venables, R. Radford, B. Whitfield and M. Dore.

Working Groups were set up during the year to provide specialist advice and support to the Managing Director and reports to the Council.

Finance, Business Planning, Investment and IT - The purpose of the Finance Working Group (FWG) is to oversee the systems, controls and processes that may have an impact on the Charity's ability to meet its objectives. This Working Group reports to the Council on matters regarding their financial responsibilities including financial risk management. Its role includes Budgeting and Financial Performance, Internal Financial Control and Financial Risk Management, Financial Reporting and External Audit, Reserves and Investments, and IT Strategy. Members during 2016-17: D. Gardiner, C. Hutchison and J. Hogan (both now resigned).

powerBall - The purpose of the powerBall Working Group is to support the fundraising team in ensuring the Charity's flagship fundraising event builds on its reputation as the best charity event in the electrical industry's calendar. Members during 2016-17: I. Lawson, S. Mackenzie, S. Gregory and P. Loke.

10.3 MANAGEMENT AND STAFF

The Managing Director is the senior member of staff who reports to and is accountable to Council. The Managing Director is responsible for all operational aspects of the Charity's activities and also has a leading role in devising the strategy and taking recommendations to Council for review and approval.

There are departmental functions for charitable (welfare) services, fundraising and marketing, employing nine staff. Financial processing and IT support are outsourced under contract with ExcluServ and TechQuarters. The Electrical Industries Charity has a Finance and Office Administrator who acts as the liaison with ExcluServ and supports the Managing Director and manages other aspects of office administration.


10.4 ACCOMMODATION AND FACILITIES

The Head Office is based in London in leased offices in the London Bridge area. Thanks to the generosity of Calon Energy at the Sutton Bridge Power Station, office space is provided to one of our Caseworkers in Lincolnshire at no cost to the Electrical Industries Charity.

10.5 VOLUNTEERS

The benefit from a volunteer base with dedicated input into the Electrical Industries Charity's activities is incalculable. All Council Members and sub group Members are volunteers and devote considerable time and effort.

The Regional Committees covering England, Scotland and Northern Ireland boasted over 100 volunteer members who actively raise funds and awareness for the Charity.

A photograph of Margaret Mead, an elderly woman with short, wavy, light-colored hair, smiling warmly at the camera. She is wearing a dark red, sequined, spaghetti-strap dress and a necklace with a large, ornate pendant. The background is a blurred red carpet event with other people in formal attire and bright lights.

**“Never doubt
that a small group of
thoughtful, committed
citizens can change
the world. Indeed,
it’s the only thing
that ever has.”**

> MARGARET MEAD

11. FUTURE PLANS

2016/2017 saw us launch our Strategic Roadmap “Challenge 2025”. Challenge 2025 outlines an ambitious but achievable plan to become the leading charity offering preventative and high impact solutions that genuinely meet the wellbeing needs of the electrical and energy industries. Challenge 2025 is the roadmap for the future of our Charity and our commitment to serve our industry by continuing the ethos that has underpinned who we are and what we do for the last 100 years.

Our plans for the future are designed to be simple and meaningful. We will focus on becoming a leading provider offering preventative and high impact solutions, genuinely meeting the wellbeing needs of the electrical and energy industries.

There are a number of major issues that the industry will face over the next 10 years, which include a skills shortage and pension poverty. But these are not the only issues because we are also facing a time when one in four homes in the UK will have a carer’s responsibility, one in three people will be affected by cancer, and stress will become the number one reason for absenteeism in the workplace.

All of these issues require the attention of our industry and, more importantly, financial investment. Raising awareness in our industry network is therefore key and our aim is to attract more people to our growing range of services and support solutions. We know that life presents many challenges for people and we have set high standards of customer satisfaction which we strive to achieve.

Developing a proposition for a new digital service platform will be another key area for us as it will enable the Charity to reach a wider audience. Our digital strategy will build communities to increase our brand awareness together with our profile, penetration, effectiveness and impact. It will be a step change upgrade of our digital marketing and delivery capability.

We also want to be seen as a place for people to come when they face challenges related to their wellbeing. We will therefore develop our services accordingly. Over the coming years we will increase our focus on providing more interventions to educate and help people to avoid problems occurring particularly in relation to debt management.

We will continue to build on our four wellbeing programmes ensuring that we are better able to meet the needs of the people in our industry. We will ensure that we have distinct support packages for both employees and employers and we will continue to demonstrate the impact of the work we do, linking it to the benefits we provide both to the individual and employer. Our partnerships will provide us with unparalleled access to specialist support services that have an end point in mind for our industry people.

2016

BRINGING IT ALL TOGETHER

- ✓ 10 year investment strategy developed and implemented

The investment portfolio was transferred to UBS in March 2017. Updated strategy signed off by the board.

- ✓ Marketing materials for four key service programmes developed and delivered to stakeholders

Marketing materials have now been created for all four programmes, along with all the support material to roll out to companies implementing our business programmes. A catalogue of all materials has been created, as well as the EIC "About Us" video.

- ✓ Digitalise the operating platform of event management through the integration of events and finance systems

Arlo (online event management booking system) was rolled out in 2016 along with the integration of Xero. Training has been rolled out to all event staff, and reports are now automated for bookings. This is a huge achievement for the Charity.

- ✓ Websites redesigned

The website was finalised in December, going live on 18th December. The Charity and Trading Company websites are all branded with the new programmes and linked into the online events booking system.

- ✓ Industry penetration at 10%

The industry reach was at 175,000 people through business programmes, media reach, events and communication, achieving over 10% to our 1.3 million industry representatives.

- ✓ Restructuring of welfare services to outwards facing service model

The welfare restructure included right-sizing the team from 3 to 2, transitioning the roles to an external-facing model and ensuring more integration with the fundraising team. I am very pleased to say this has happened and the quality of the support the industry is receiving is far superior. This has been reflected in WAG minutes and audits.

- ✓ 22% of income out in financial grants

Although grant numbers have reduced slightly, this doesn't take into account gifts in kind in terms of materials and products donated to cases by industry partners as part of the PPP programme. A salesforce solution has been finalised for this FY to account for this in the future.

- ✓ Partnerships expanded with JTL, SECTT, JIB and EDA for apprentice support

JTL and SECTT jointly sent out our brochure to all apprentices in March 2016. JIB issued our material in all certification packs for businesses (800 packs in February). The apprentice support programme was rolled out to all training providers in March through a JIB training day.

- ✓ Lottery platform digitalised

The lottery has been completely redesigned and the ability to sign up online is complete.

2017

BRANDING AND GROWTH (EXTERNAL FOCUS)

- Upgrade the online platform for welfare services to access services completely digitally
- Major fundraising for a cause - Mt Kilimanjaro (£100, 000)
- Relaunching monthly newsletter communications to target regional case studies and who we help case studies
- Business programmes rolled out in 25 organisations and all industry associations
- Business development programmes and partnership management model launched
- Industry penetration at 12%
- 25% of income out in financial grants
- 15% increase in powerLottery subscriptions
- Establish Regional Volunteer of the month award
- Establish a fundraising database



2018

EMBRACING TECHNOLOGY

- Establishment of a Junior Council
- Full integration of IT system into Xero and CRM and completely cloud based.
- Working Group established for a major push on client awareness
- powerLottery grown by 25,000 subscriptions
- Review of our base offering and bring in link with modern needs
- Expansion of event sponsorship
- Reinvigorate personal giving campaign
- Viral Challenges (see industry leaders jump out of planes)
- Connect with organisations such as JTL to introduce EIC to their apprentices

2019

HELPING MORE THROUGH PARTNERSHIPS

- Major fundraising for a cause - CEO's campaign to raise £100,000
- Campaign around top 10 helps the Charity can give - target leadership
- 5p plastic bag donations from Electrical Retailers Campaign
- Partnership with Citizens Advice Bureau
- Alliance with the Electronics Industry
- Industry penetration at 22%
- 35% of income out in financial grants
- 15% increase in powerLottery subscriptions
- Promote gifts in memory of those who had a close connection to the Charity

2020

SUPPORTING AN EDUCATION REVOLUTION

- Investment portfolio covers operating overhead expenses (now every £ invested goes back to the industry)
- Sponsor STEM - Education at the grass roots level
- Scholarship programme launched with industry partners
- Industry penetration at 25%
- 40% of income out in financial grants
- 15% increase in powerLottery subscriptions

2021

PENSION POVERTY A SUSTAINABLE MODEL

- Major fundraising for a cause - Focus on carers grants (£200,000)
- Industry penetration at 30%
- 40% of income out in financial grants
- 15% increase in powerLottery subscriptions
- Legacy Giving and In Memory Campaign

2022

VOLUNTEERISM

- > A Life of Service Award awarded at powerBall (Special Award)
- > Regional Volunteer Award nominated by each committee and given at powerBall
- > Industry penetration at 32%
- > 40% of income out in financial grants
- > 15% increase in powerLottery subscriptions

2024

MORE APPRENTICESHIPS = SUSTAINABLE INDUSTRY

- > Marketing programme around payroll-giving
- > Industry penetration at 35%
- > 40% of income out in financial grants
- > 10% increase in powerLottery subscriptions

2023

FURTHER EDUCATION

- > Major fundraising for a cause (£200,000 ask)
- > Industry penetration at 33%
- > 40% of income out in financial grants
- > 15% increase in powerLottery subscriptions

2025

CANCER - HELPING MORE THROUGH STRATEGIC HEALTH PARTNERSHIPS

- > Major cancer cases over the last 10 years (reflection of where and who we helped)
Not just an industry problem
- > Major fundraising for a cause (£200,000 ask)
- > Industry penetration at 40%
- > 45% of income out in financial grants
- > 5% increase in powerLottery subscriptions



THE ELECTRICAL INDUSTRIES CHARITY LIMITED REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

CONTENTS

TRUSTEES' FINANCIAL REVIEW	58
INDEPENDENT AUDITORS' REPORT	65
GROUP STATEMENT OF FINANCIAL ACTIVITIES	67
GROUP AND COMPANY BALANCE SHEET	68
NOTES TO FINANCIAL STATEMENTS	69

Registered with Charity Commission Number: 1012131
Registered as a Charity in Scotland Number: SC038811
Registered Company Number: 2726030

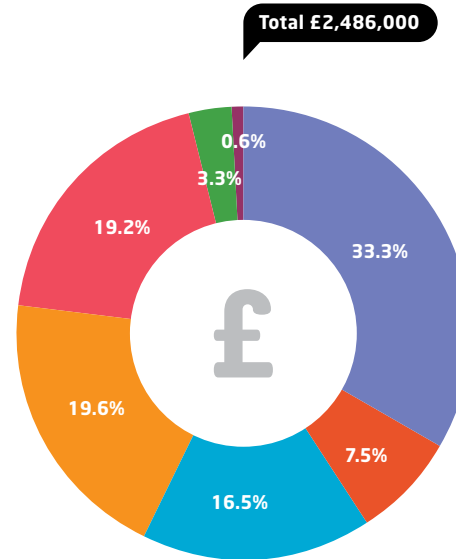
TRUSTEES' FINANCIAL REVIEW

FINANCIAL POSITION

The financial statements incorporate the results of the trading subsidiary Electrical Industries Trading Company Limited. The subsidiary administered powerBall and Scotland regional industry events and will administer all industry events next financial year. Total income increased from £1.776m in 2015/16 to £2.486m in 2016/17. This is attributed to better focus on individual fundraising around the Challenge for a Cause events and refocusing the asset allocations in our investment portfolio.

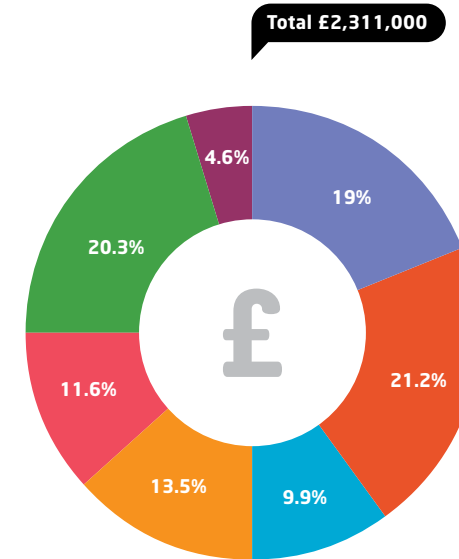
Total costs increased from £2.076m in 2015/16 to £2.311m in 2016/17. The cost increases were a direct result of increasing the amount of financial grants and more investment in services supporting those in the industry with mental health problems.

The resources expended have been allocated to cost headings in accordance with the SORP. The basis of allocation is disclosed in accounting policies note (e) on page 70. Certain income streams of the Charity are seasonal while costs are incurred on an ongoing basis throughout the year.



WHERE THE MONEY CAME FROM

- Investments **£829k**
- Donations & legacies **£187k**
- Lottery proceeds **£410k**
- Regional Committees events **£487k**
- powerBall **£477k**
- Fundraising at Head Office **£81k**
- Other fundraising **£15k**

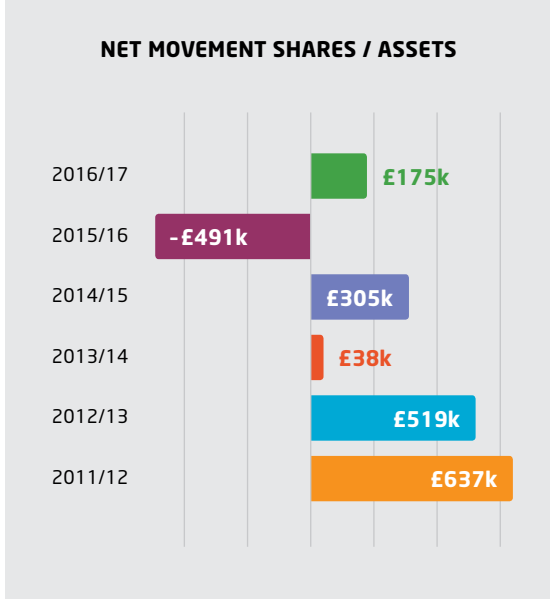
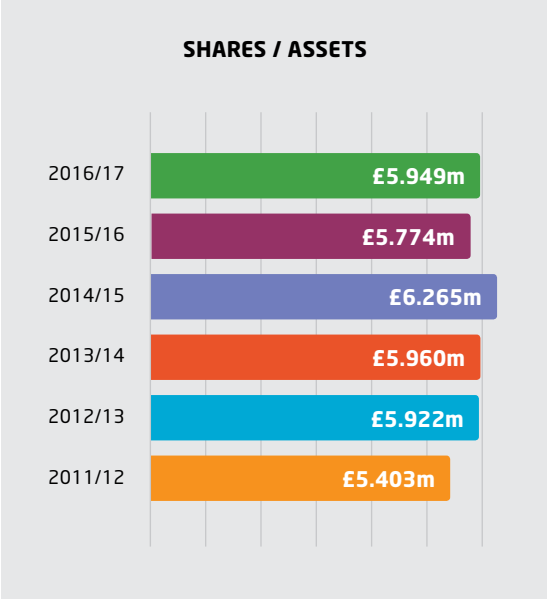


HOW WE SPENT THE MONEY

- Direct financial assistance **£438k**
- Support, helpline, advice & information **£490k**
- Lottery prizes & administration **£229k**
- Regional Committees events **£311k**
- powerBall **£267k**
- Other fundraising **£470k**
- Governance and management **£106k**

NET ASSETS

Net assets amounted to £5.949m as at 31 March 2017, which is up on last year due to a buoyant market and refocusing of the asset allocations in the portfolio.



INVESTMENT STRATEGY

The Electrical Industries Charity is a benevolent charity managed by Trustees, whose purpose is to provide people in the electrical industries a hand-up in their time of need.

The financial objective of the Charity is to grow real value of the investment portfolio while generating a stable and sustainable return; to fund a shortfall of income and to ensure grant giving remains at 25% or higher of total income. The inflation measure most relevant to the Charity's expenditure is the Retail Price Index.

The Charity has approximately £5m in a balanced investment portfolio with investment manager, UBS.

The Charity aims to distribute grants of between £400k and £500k per annum but this can vary from year to year depending on the number of financial grant applications and investment returns. The operating expenditure has remained relatively consistent over the last three years.

The Trustees of the Charity have delegated decision making on investment matters to the Finance Working Group (Committee) and appointed an Independent Investment Advisor to work with the Committee in undertaking quarterly reviews and biannual reviews with our investment manager.

INVESTMENT OBJECTIVES

- The Charity seeks to produce the best financial return within an acceptable level of risk.
- The investment objective is to generate a return of 5% per annum over the long term, after expenses.
- This should allow the Charity to at least maintain the real value of the assets, while providing funding for annual expenditure and grant making.
- The Charity adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that if in any one year the total return is insufficient to meet the budgeted shortfall in income, then the Charity will take out cash to fund the shortfall from the investment.
- In the long term the real value of the Charity will still be maintained in accordance with the investment objective above.

RISK

ATTITUDE TO RISK

The Charity relies on the investment return to fund shortfall in income.

Financial grants have largely been operating at 20% to 27% of income for the last 10 years. The Charity approach to risk is to place risk where it is best placed to be managed, hence the appointment of the Independent Financial Advisor and retaining UBS to manage our investment with a clear mandate to obtain returns of 5% net per annum.

The Trustees are able to tolerate volatility of the capital value of the Charity, as long as the Charity is able to meet its commitments through either income or liquid capital assets.

USE OF LEVERAGE

Kubera Wealth have provided cash flow models showing the inclusion of leverage within the portfolio to increase the potential return without increasing the volatility of assets within the portfolio.

In brief, UBS will provide a loan facility secured against the investment portfolio at a rate of 1.8% over the 3 month LIBOR * (circa 0.5%) and these funds will be invested to provide income and capital growth.

The portfolio managers will alter the style of the portfolio to ensure cover is in place for interest payments.

Here is an example of how it works:

£5,000,000 Original Portfolio at 5% growth = £250,000

£2,500,000 cash from loan at 5% growth = £125,000

£2,500,000 loan at 2.3% interest = £57,500

Net profit from leverage = £317,500 which is an increased net growth of 6.35% over the original 5%.

ASSETS

The invested assets can be invested widely and should be diversified by asset class, by manager and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable for the Charity.

The Finance Working Group supported by the Charity's Independent Investment Advisor will have a role of reviewing UBS (the Investment Manager) portfolio but will not direct investment decision. Kubera are charged with agreeing a suitable asset allocation strategy with UBS, which is set so as to achieve the overall investment objective. Annually the Finance Working Group will advise UBS of cash-flow needs.

Additionally Kubera Wealth are to review the performance of UBS against both their own panelled peer group and also against industry benchmarks.

CURRENCY

- The base currency of the investment portfolio is sterling.
- Investment may be made in non-sterling assets depending on market conditions within the investment portfolio.
- Hedging is permitted.

LIQUIDITY REQUIREMENTS

The Charity aims to distribute financial grants of between £400 and £500k per annum. This can be funded from both income and the investment.

The trustees wish to keep at least 25% of the assets in investments that can be realised within three months. To allow for volatility of capital values, the Trustees wish to maintain at least 1 year's worth of budgeted grant making in liquid investments. A minimum of 4% of the total investment portfolio should be kept in cash or near cash investments at all times.

TIME HORIZON

The Charity is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure this sustainability. The Charity adopts a long-term investment time horizon focused on certainty over the next 10 years.

* London interbank offered rate, the basic rate of interest used in lending between banks on the London interbank market and also used as a reference for setting the interest rate on other loans.

STAFF & TRUSTEES

The number of employees during the year, whose gross pay and benefits within the following bands, was:

Banding	Group 2016 No.	Group 2017 No.
£20,001 – £30,000	5	5
£30,001 – £40,000	1	3
£40,001 – £50,000	0	1
£50,001 – £60,000	0	0
£60,001 – £70,000	0	0
£70,001 – £80,000	1	0
£80,001 – £90,000	0	0
£90,001 – £100,000	0	0
£100,001 – £110,000	1	0
£110,001 – £120,000	0	1

a) Remuneration

The pay of all staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the Charity, the Trustees' benchmark against pay levels in other benevolent associations and other charities of a similar size and take into account industry experience. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 25% for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Ms Ogle brings substantial experience and skills in managing large and complex operations to the Electrical Industries Charity, strengths that are reflected in her salary, which is on a level comparable with that of others of like position in the sector. Our market research showed that, in the same year, the median pay of other charity chief executives was £135,700 and the median pay of industry managing directors was £149,800.

b) Trustees

Two of the 12 Trustees were reimbursed expenses which amounted to £2,600. This represents travel and subsistence incurred in attending meetings and events in their official capacity. As permitted by the Articles of Association, the Trustees have the benefit of a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. It was in force throughout the last financial year and is currently in force. The Charity purchased and maintained throughout the year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

FINANCIAL HEALTH

Council is satisfied there are sufficient income streams and reserves to enable the organisation to provide for its current and planned welfare activities without jeopardising the organisation's financial health. The Council has invested time in revising the investment strategy for 2016/2017 and appointing an independent financial advisor to provide expert advice and assist with managing Investec.

PRINCIPAL FUNDING SOURCES

The principal sources of funds are:

- the proceeds of functions and events organised by the organisation and branches (volunteer groups) throughout the country;
- voluntary donations from companies and individuals, collections at various events and legacies and donations in memoriam;
- structured giving by means of Power Draws and powerLottery, payroll-giving and other workplace schemes;
- income from investments.

RESERVES POLICY

The Council considers the adequate level of unrestricted reserves to be 12 months' worth of overall expenditure.

The current level of reserves is in excess of this level but a clear strategy is in design, to increase the level of activity in the organisation using the current reserves to fund such expansion, leaving the desired level of reserves : turnover ratio within the next five years.

DESIGNATED FUNDS

Designated funds are part of unrestricted funds which Council have earmarked for particular projects, without restricting or committing the funds legally.

The designation may be cancelled by the Council if they later decide that the Charity should not proceed or continue with the project for which the funds were designated.

AUDITORS

In accordance with the Companies Act 2006, it is proposed to re-appoint Haines Watts at the forthcoming 2017 Annual General Meeting.

REVIEW OF OTHER ACTIVITIES

Public Benefit

Council Members confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

The Electrical Industries Charity's aims and objectives are detailed in this Report, together with information on the Charity's activities during the year. The organisation does not know precisely the number of people who could claim to be engaged in the electrical, electronics and energy industries, or are retired from these industries, and therefore eligible for help. The electrical, electronics and energy industries comprise diverse groups of industry sectors and sources of this information are inconclusive. For planning purposes, the Electrical Industries Charity works on the basis that there are an estimated 1.3 million people who could describe their working life as having a connection to the industries the Charity serves.

Council Members consider that the Charity's welfare programmes and outreach activities, which this Report shows, fulfil the public benefit test. The Electrical Industries Charity's programmes in sourcing and assisting the take-up of benefits and allowances, collaborating with other charities and organisations, signposting to other services and support networks and making financial grants have, the Trustees believe, a real impact and are of benefit to a significant proportion of the UK population.

Risk

The Trustees have considered the major risks to which the Charity is exposed and have reviewed those risks and established systems and procedures to appropriately manage those risks.

The Trustees rely on a formal risk management process implemented by the Finance Working Group in order to assess business risks and to ensure that charity management implement risk management strategies aligned with the values of the Charity. This involves identifying the type of risk the Charity faces in key areas of strategic direction such as operational, financial, reputational, legal and statutory, human resources and IT. The trustees prioritise these in terms of risks, potential

impacts and likelihood of occurrence. Managing risk through this process, the Trustees also review the adequacy of the Charity's internal controls; this information is then used to develop a risk management strategy including any new controls the Trustees consider necessary.

The Charity's Trustees have identified the key risks aligned with income streams (investments, event management, and lottery income). One of the key risks to the Charity is that of losses on investments due to market conditions, which would impact the Charity's ability to meet its current grant levels while maintaining current expenditure levels. In order to minimise the market volatility risk, the Charity adopts a diversified investment portfolio.

The organisation carries out risk assessments of all activities, together with a review of procedures and actions required to mitigate and control identified risks. Council Members receive formal reports and updates as required.

Appreciation and thanks

To the admirable band of volunteers, especially in branches, members of sub groups and the staff team, for all their efforts, achievements and support, the Council wishes to record its appreciation and thanks.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board of Trustees on 26/10/2017 and signed on its behalf by:



Paul Loke
President and Council Member



Stuart Mackenzie
Vice President and Council Member

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ELECTRICAL INDUSTRIES CHARITY LIMITED

We have audited the financial statements of Electrical Industries Charity Limited for the year ended 31 March 2017 which comprise the Group Statement of Financial Activities, the Group and Parent charitable company Balance Sheet, Cash Flow Statement and the related notes. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its 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 charitable company, the charitable company's members as a body and its trustees 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 Trustees' Responsibilities Statement set out on page 2 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under these Acts.

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. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 group's and charitable parent company's affairs as at 31 March 2017 and of the groups 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

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

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; 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.

Independent auditor reviewed on 26/10/2017 and signed by:



Susan Plumb

Senior Statutory Auditor

For and on behalf of Haines Watts, Statutory Auditor
Old Station House, Station Approach
Newport Street, Swindon
SN1 3DU

Haines Watts is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GROUP STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2017

				2017	2016
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	££000	££000	££000	££000
INCOME					
Income from:					
Donations and legacies	2	174	13	187	164
Trading activities at Branches		426	-	426	475
Trading activities at Head Office	3	275	282	557	539
Trading activities from subsidiary	5	474	-	474	387
Investments	4	144	23	167	128
Other income		13	-	13	83
Total income		1,506	318	1,824	1,776
EXPENDITURE					
Raising funds					
Raising funds at Branches	6	259	-	259	342
Raising funds at Head Office		327	260	587	534
Raising funds by subsidiary		431	-	431	271
Charitable activities					
Support, advice and helpline	6	433	-	433	347
Financial assistance (grants)		365	73	438	324
Other charitable costs	6	57	-	57	57
Other costs					
Governance and management costs	6	100	6	106	201
Total expenditure		1,972	339	2,311	2,076

				2017	2016
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	££000	££000	££000	££000
Net gains / (losses) on investments		570	92	662	(191)
NET INCOME £ EXPENDITURE		104	71	175	£491£
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		104	71	175	£491£
RECONCILIATION OF FUNDS					
Total funds brought forward		4,982	792	5,774	6,265
TOTAL FUNDS CARRIED FORWARD	17	5,086	863	5,949	5,774

There are no other realised gains and losses other than those shown in the above Statement of Financial Activities.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 69 to 76 form part of these financial statements.

GROUP AND COMPANY BALANCE SHEET

AS AT 31 MARCH 2017

Company Number: 2726030

	Notes	2017		2016	
		££000	££000	££000	££000
		Group	Charity	Group	Charity
FIXED ASSETS					
Tangible assets	10	8	8	13	13
Investments	11	5,522	5,522	5,120	5,119
Programme related investments	12	131	131	144	144
		5,661	5,661	5,277	5,276
CURRENT ASSETS					
Debtors	13	342	285	459	369
Cash at bank and in hand		288	184	375	328
		630	469	834	697
CREDITORS: Amounts falling due within one year					
	14	(342)	(181)	(337)	(199)
NET CURRENT ASSETS		288	288	497	498
NET ASSETS		5,949	5,949	5,774	5,774
ELECTRICAL INDUSTRIES CHARITY'S FUNDS					
Restricted	17	863	863	792	792
Designated	17	50	50	50	50
Unrestricted	17	5,036	5,036	4,932	4,932
TOTAL FUNDS		5,949	5,949	5,774	5,774

The notes on pages 69 to 76 form part of these financial statements.

Approved and authorised for issue by the Members of Council
on 26/10/2017 and signed on its behalf by:



Paul Loke
President and Council Member



Stuart Mackenzie
Vice President and Council Member

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2017

		2017	2016
	Notes	££000	££000
Cash flow from operating activities		(359)	(209)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(1)	(6)
Receipts from sales of tangible fixed assets		-	-
Receipts from sale of investments		258	-
Receipts from programme related investments		13	21
Payments for programme related investments		-	(8)
Net cash flow from investing activities		£89£	£202£
Cash flow from financing activities			
Interest paid		-	-
Interest received		2	2
Net cash flow from financing activities		2	2
Net decrease in cash and cash equivalents		£87£	£200£
Cash and cash equivalents at start date 2016		375	575
Cash and cash equivalents at end date 2017		288	375

The notes on pages 69 to 76 form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of accounting

The Electrical Industries Charity Limited is a company limited by guarantee in the United Kingdom. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the Charity's operations and principal activities are explained in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2001, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Consolidation

The Electrical Industries Charity Trading Limited is a wholly owned subsidiary of the charitable company. Accordingly the results of the subsidiary are consolidated on a line by line basis into these financial statements. The charitable company has taken advantage of section 408 of the Companies Act 2006 to not publish its own Statement of Financial Activities.

(b) Branch accounting

The financial statements include the assets and accumulated funds, and the income and expenditure of the branches and where the accounting is not done centrally these are compiled from returns supplied by Branch Treasurers.

(c) Income and expenditure account

An income and expenditure account has not been prepared as the operating surplus would be identical to that shown by the statement of financial activities as shown on page 17.

(d) Income

Income is accounted for on the following basis:

- Subscriptions and donations are accounted for when received.
- Investment income is accounted for on an accruals basis.
- Legacies are accrued if the Charity's legal entitlement can be confirmed and the sum can be quantified.
- Other incoming resources are accounted for when received.
- Restricted income and expenditure is treated as restricted within the terms of the agreement with the funder.

(e) Resources expended

Expended including irrecoverable VAT is charged to the Statement of Financial Activities on an accruals basis.

Charitable Activities

Expenditure on charitable activities comprises those costs directly attributable to the activities including grants, the administration of grants and the provision of advice and support. Included within charitable activities expenditure is an appropriate allocation of support costs (see below).

Governance

Governance costs include the costs of complying with the Companies Act, the Charities Act and meeting the information and compliance requirements of the Charity Commission. These costs include the preparation and audit of the annual report and financial statements. Governance costs also include the estimated cost of preparing the information required by the Trustees to manage the Charity's affairs.

Support costs

Support costs comprise costs such as administration, finance, IT and general management which are necessary to the delivery of the activities of the Charity but are not directly attributable to a given activity. Support costs are allocated to charitable activities' cost of generating funds or governance on a consistent basis. Details are given in note 6.

Grants

Grants expenditure includes the payment of monetary grants to beneficiaries and expenditure made in providing beneficiaries with goods and services. Grant expenditure is recognised once the award of a grant has been approved and communicated to the recipient on the basis that the Charity is at that point morally obliged to pay the grant.

(f) Tangible assets

Fixed assets are recorded at cost. Depreciation is calculated at rates estimated to write off the cost of assets over their estimated useful lives. The annual rates in use are:

Furniture, vehicles and equipment - 20%

Computer software - 33%

Motor vehicles - 20%

(g) Donated assets

Donated assets are included in fixed assets at an estimate of their value to the Charity at the date of receipt.

(h) Investments

Fixed Asset Investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activity.

(i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Funds

Unrestricted funds 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. DONATION INCOME

	Restricted Funds	Unrestricted Funds	Total Funds 2017	Total Funds 2016
	££000	££000	££000	££000
Donations by:				
Companies	13	64	77	61
Individuals	-	47	47	78
Gifts in kind	-	17	17	-
Legacies	-	46	46	25
	13	174	187	164

3. TRADING ACTIVITIES AT HEAD OFFICE

	Restricted Funds	Unrestricted Funds	Total Funds 2017	Total Funds 2016
	££000	££000	££000	££000
Annual Ball (powerBall)	-	43	43	86
Lottery income	207	203	410	423
Kilimanjaro Challenge	75	-	75	-
Other functions	-	29	29	30
	282	275	557	539

4. INVESTMENT INCOME

	Restricted Funds	Unrestricted Funds	Total Funds 2017	Total Funds 2016
	££000	££000	££000	££000
Interest on deposits & bank accounts	-	1	1	2
Investment income	23	143	166	126
	23	144	167	128

5. ACTIVITIES FROM SUBSIDIARY UNDERTAKING

	2017	2016
	££000	££000
Turnover	474	387
Cost of sales and administration costs	(431)	(271)
Net profit	43	116
Amount gift aided to the Charity	(43)	(116)
Retained by the subsidiary	-	-
Assets	251	217
Liabilities	(251)	(217)
Net assets	-	-

The wholly owned trading subsidiary The Electrical Industries Trading Company Limited pays all its profits to the Charity under the gift aid scheme.

6. EXPENDITURE

	Direct staff costs	Other direct costs	Allocated support costs	Total costs 2017	Total costs 2016
	££000	££000	££000	££000	££000
Fundraising					
Fundraising by Branches	-	243	16	259	342
Fundraising by Head Office	121	450	16	587	534
Fundraising by subsidiary	38	393	-	431	271
Charitable activities					
Support, advice & Help Line Services	223	115	95	433	347
Financial assistance (grants)	-	438	-	438	324
Other charitable costs	21	36	-	57	57
Governance and management costs	-	90	16	106	201
	403	1,765	143	2,311	2,076

Governance and management costs for 2016 were significantly more than for 2017 as a result of civil legal proceedings costs and costs relating to the upgrading of the Charity's systems and processes to ensure more robust financial management and controls.

	2017	2016
	££000	££000
Support costs were as follows:		
Information technology	10	7
Premises and facilities	62	58
Accountancy and finance costs	32	54
Other costs	25	80
Consultancy	14	9
Professional fees	-	15
	143	223
Total expenditure for the year includes:		
Audit fees	9	8
Depreciation	5	5

7. STAFF COSTS AND NUMBERS

	2017	2016
	££000	££000
Total remuneration of employees was:		
Salaries	361	321
Social Security costs	35	34
Pension contributions	7	6
	403	361

One employee in 2016/17 received annual remuneration in the band of £100,000 - £109,999. (2015/2016 one employee in the band of £100,000 - £109,999).

The average number of employees during the year based on full-time equivalents was 10 (2016: 7) They were engaged in the following activities:

	2017	2016
Management	1	1
Support, advice and Helpline services	3	2
Fundraising	4	2
Business development	1	1
Finance and administration	1	1
	10	7

The Charity operates a defined contribution scheme for its staff. Pension contributions for the year amounted to £7k (2016 £6k).

Total redundancy/termination payments amount to £14k (2016: £3k)

Key management remuneration

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the Charity. The total compensation paid to key management personnel for services provided to the Charity was £120,525 (2016: £138,091).

8. COUNCIL MEMBERS' REMUNERATION

No fees are paid to Council Members for their services as Board Members. Directly incurred expenses are reimbursed, if claimed, and in 2017 totalled £2,600 paid to two Council Members (2016: £1,748 to one Council Member).

9. PARENT CHARITABLE COMPANY

The unconsolidated surplus of the parent charitable company for the year was £175k.

10. TANGIBLE ASSETS

	Computer Equipment	Total
	££000	££000
Cost or valuation		
At 1 April 2016	34	34
Additions	1	1
Disposals	(3)	(3)
At 31 March 2017	32	32
Depreciation		
At 1 April 2016	21	21
Charge for the year	6	6
Disposals	(3)	(3)
At 31 March 2017	24	24
Net Book Value		
At 31 March 2017	8	8
At 31 March 2016	13	13

No fixed assets are held by the trading subsidiary.

11. INVESTMENTS

Charity

	2017	2016
	££000	££000
Investments held		
Market value at 31 March 2016	5,119	5,340
Unrealised investment gains/(loss)	662	(221)
Cash withdrawn	(259)	-
Market value at 31 March 2017	5,522	5,119
Cost at 31 March 2017	3,101	3,359
Market value comprises		
UK Fixed Interest	489	292
Overseas Fixed Interest	542	567
UK Equities	1,155	1,153
Overseas Equities	1,352	1,282
Alternative Assets	652	531
Property	306	311
Emerging Economies	57	44
Cash	174	227
Loan Careways Trust	-	9
RWENBS	795	703
	5,522	5,119

Group

	2017	2016
	££000	££000
Investments - as above	5,522	5,119
Investment in subsidiary	-	-
	5,522	5,119

The Charity holds 100% of the issued share capital of The Electrical Industries Trading Company Limited, a company registered in England and Wales. The trading subsidiary administers the annual powerBall event along with other industry events.

12. PROGRAMME RELATED INVESTMENTS - GROUP

Loans are made to beneficiaries at nil or bank base interest rates when the financial circumstances of the beneficiary and/or the purpose of the expenditure makes a grant inappropriate.

	2017	2016
	££000	££000
Opening balances at 1 April 2016	144	158
Advanced in year	-	7
Redeemed in year	(13)	(21)
Closing balance at 31 March 2017	131	144

Included in loans to beneficiaries are loans of £52,380 on which no interest is charged (2016: £82,577). During the year interest rates in the range of 0.5% to 2.33% (2016: 0.5% to 2.33%) were charged on the remaining loans.

Loans to beneficiaries of £51,027 (2016: £53,597) are secured by a charge on the borrowers' residential property.

No programme related investments were held by the subsidiary.

13. DEBTORS

	Group 2017	Charity 2017	Group 2016	Charity 2016
	££000	££000	££000	££000
Amounts falling due within one year				
Branch debtors	8	8	8	8
Other debtors	174	84	288	139
Amount owed from group undertakings	-	80	-	80
Prepayments and accrued income	160	113	163	142
	342	285	459	369

A working capital loan of £80,000 has been granted to the trading subsidiary. Interest is charged annually in arrears at the rate of 1% above the Bank of England base rate and the loan is secured on the assets of the subsidiary. The loan is repayable on demand.

14. CREDITORS

	Group 2017	Charity 2017	Group 2016	Charity 2016
	££000	££000	££000	££000
Amounts falling due within one year				
Trade creditors	22	21	61	57
Taxation and social security	8	-	3	-
Accruals and deferred income	312	160	273	142
	342	181	337	199

Included on the above is deferred income at 31 March 2017 of £181,191 for the group and £80,832 for the Charity, all of which is released in the next period.

15. FINANCIAL COMMITMENTS - GROUP AND CHARITY

	2017	2016
	££000	££000
Total future minimum lease payments under operating leases are as follows:		
Not later than one year	32	41
Later than one and not later than five years	4	36
Later than one and not later than five years	-	-
	36	77

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Total Funds 2017	Total Funds 2016
	££000	££000	££000	££000
Tangible fixed assets	-	8	8	13
Investments	795	4,727	5,522	5,120
Programme related investments	-	131	131	144
Current assets	91	539	630	834
Current liabilities	(23)	(319)	(342)	(337)
Net assets at 31 March 2017	863	5,086	5,949	5,774

17. RESTRICTED FUNDS / UNRESTRICTED FUNDS / DESIGNATED

17.1 Restricted Funds

	1 April 2016	Income	Expenditure	Transfers	31 March 2017
	££000	££000	££000	££000	££000
RWENBS	761	316	(238)	-	839
Edmundson	31	13	(20)	-	24
Kilimanjaro Challenge	-	75	(75)	-	-
	792	404	£333£	£	863

Restricted funds comprise the following:

RWENBS - Following a successful merger with the Charity, RWE Npower Benevolent Society ceased to exist on 23 January 2015. The Trustees have assumed responsibility for investments and cash balances held by the Charity for the purposes of providing practical support and financial assistance to employees and pensioners of RWE Npower.

Edmundson - The Charity has entered into an agreement with Edmundson Electrical Limited to provide practical support and financial assistance to their employees and pensioners from a fund set up with a donation from the company.

Kilimanjaro Challenge - The Charity set up a fundraising event dedicated to supporting research into a specific form of cancer and to provide financial assistance to a nominated family.

17.2 Unrestricted Funds / Designated

	1 April 2016	Income	Expenditure	Transfers	31 March 2017
	££000	££000	££000	££000	££000
General funds	4,932	2,076	(1,972)	-	5,036
Designated – Disaster Relief Fund	50	-	-	-	50
	4,982	2,076	£1,972£	£	5,086

Designated funds comprise the following:

Disaster Relief Fund - To cover costs associated with supporting people affected by winter storms and flooding.

18. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017	2016
	££000	££000
Net surplus / (deficit) for year	175	(491)
Interest receivable	(2)	(2)
Depreciation and impairment of tangible fixed assets	6	5
(Gains) / losses on investments	(661)	221
Movement in debtors	117	114
Movement in creditors	6	(56)
Net cash flow from operating activities	(359)	(209)

19. CONTROLLING INTEREST

The charity was under the control of the trustees throughout this and the previous period.



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