

Interserve Employee Foundation Limited

Report and Financial Statements

For the year ended 31 December 2017

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REPORT AND FINANCIAL STATEMENTS 2017

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REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES

Jeremy Mead	
Mark Judge	
Stuart Mee	
Emma Philips	
Stephanie Pound	(appointed 15 February 2017)
Kim Pattison	(appointed 5 May 2017)
Tannith Cattermole	(appointed 19 December 2017)
Sarah Madden	(appointed 19 December 2017)
Mark Pickard	(appointed 19 March 2018)
Heather Justina Key	(resigned 28 February 2017)
Stephen Harland	(resigned 28 February 2017)
Sarah Archer	(resigned 5 May 2017)
Laura Spiers	(resigned 17 November 2017)
Maria Agbayani-Buencamino	(resigned 30 November 2017)
Lianne Lawson	(resigned 15 December 2017)
Scott Hill	(resigned 8 February 2018)

REGISTERED OFFICE

Interserve House
Ruscombe Park
Twyford
Reading
RG10 9JU

INDEPENDENT EXAMINERS

JS2 Limited
One Crown Square
Church Street East
Woking
Surrey GU21 6HR

BANKERS

RBS
London Corporate SC
PO Box 39952
2 ½ Devonshire Square
London
EC2M 4XJ

TRUSTEES' REPORT

The trustees who are also directors of the company submit their sixth annual report and the financial statements for the year to 31 December 2017. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting by and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015), and the financial statements comply with the Companies Act 2006.

CONSTITUTION

Interserve Employee Foundation Limited ('IEF') is a charitable company limited by guarantee, registered on 9 December 2011, and is governed by the Memorandum & Articles of Association. It was registered as a charity with the Charity Commission on 9 January 2012.

CHARITABLE OBJECTS

The ultimate aim of the Foundation is to improve the quality of life and life chances for people in the community where we live and operate, utilising the skills, capabilities, resources and enthusiasm of Interserve employees.

IEF's overarching key objectives are:-

- Encourage and facilitate the donation of time by staff "Giving a day of your time" (GADOYT);
- Exploit opportunities and employees' resources and capabilities;
- Encourage Interserve staff from around the world to become engaged in actively making a difference;
- Receive and manage monetary donations from employees, Interserve Plc, suppliers and customers to facilitate appropriate projects that otherwise wouldn't proceed; and
- Capture charitable activities around the Group to celebrate the art of the possible.

ACHIEVEMENTS & PERFORMANCE

The charity is organised through a network of Ambassadors who promote the foundation and help to encourage employees to become engaged in their local communities and support local projects. This includes actively making a difference through:

- Identifying and supporting suitable local projects;
- Connecting opportunities with people able to volunteer their time, and sharing stories to inspire others;
- Ensuring that the efforts of a wide group of people can be harnessed to maximum effect; and
- Organising local fundraising activities which will benefit the wider foundation.

Ambassadors are volunteers who are passionate about the communities and charities they support, and are excited by the outcomes that can be delivered by bringing together the collective skills and commitment of Interserve employees, suppliers and stakeholders. Our Ambassadors' efforts are recognised and celebrated at our annual IEF Ball with awards for 'Ambassador of the Year' and 'Outstanding Achievement'. In 2017 Sarah Madden was awarded 'Ambassador of the Year' and Ramit Singh and Emma Millward jointly received the 'Outstanding Achievement' Award, now re-named the 'Jonathan Dodd Award for Outstanding Contribution' in posthumous honour of a former IEF board member, in recognition of their contribution and ongoing commitment.

2017 was a good year for the IEF; the fifth annual ball in 2017, enabled the directors, together with other donations, to expend £51,839 (2016: £137,369) to employees' nominated charities through its grant programme. Grants are provided to employee nominated charities twice a year (applications received from employees in March and September) and the criteria is decided upon by the directors who look at maximising employee GADOYT. The IEF was impacted though by the challenges that the Interserve Group faced as a business in the last quarter of 2017. This resulted in less engagement by employees in the IEF and reduced focus on GADOYT activities in the last quarter of 2017.

TRUSTEES' REPORT

The Foundation's grants help establish long-term relationships to drive positive change – improving facilities, enabling young people to develop new skills and supporting disadvantaged groups around the world. 2017 saw a total 7.3% of Interserve employees took advantage of the scheme with 4306 volunteering days supporting over 300 charities and communities where we live and work. For fifty of these organisations this was our third or more year working with them, and 106 of these had three or more engagements in 2017 alone.

During 2017 we've seen relationships established in previous years continue, while we've also developed new projects in partnership with community groups to:

- Support young people through mentoring, coaching and educational outreach
- Support people living in deprived communities by preventing or relieving poverty
- Support disadvantaged groups including homeless, ex-offenders, disability, ex-service personnel through engagement activities, mentoring, training and outreach
- Improve health and wellbeing of communities
- Improve/refurbish facilities and outdoor space

Some of the highlights from 2017 include:

Creating a wild playground for the children of Broadwood School, Wiltshire

Grant applicants were awarded funds to build a wild childrens' playground at Broadwood Primary School in Wiltshire. Twenty-two volunteers from Interserve, and other supporters, gave 47 volunteer days to clear an overgrown wooded of brambles, build bug hotels, a mud kitchen and pit, a music wall and seating area, and installed balancing beams and a seesaw. The school is attended by the children of many local Interserve employees who wanted to build on this community relationship to support their children's education, health and wellbeing.

Creating an event space to increase income for STEM charity Techniquet, Cardiff

A grant enabled a team of volunteers to provide 24 volunteering days to bring new life to two under-used rooms owned by Welsh charity Techniquet in order to help them find new ways of generating income. Techniquet is a Welsh charity providing STEM (Science, Technology, Engineering and Mathematics) education in Cardiff Bay. Fifteen volunteers helped to strip rooms, and utilising our supply chain and other helpers transformed the rooms to create two fantastic corporate spaces, perfect for 10 people, with outdoor balcony space. We are proud that the first booking was to shoot a segment for live television for 'The One Show'.

TRUSTEES' REPORT

Refreshing a community classroom and garden for Ruddi's Retreat, Huddersfield

A team of 11 volunteers volunteered to help out at Ruddi's Vintage Treat Rooms in Huddersfield. The café provides serves the local community with tea, cake and traditional sweets, with all profits going directly to their charity Ruddi's Retreat, which helps families with young children suffering from the effects and after effects of Cancer Treatment, Life Limiting Illnesses or Bereavement to enjoy a family holiday in a holiday home for free.

Vicki Green, Business Development Manager at Ruddi's said,

'The team that gave up their time to come and revamp our outdoor community classroom and garden area were absolutely amazing! The communication right from the outset was second to none and the staff were extremely polite, helpful and enthusiastic about the whole project.

We were kept in the loop the whole time with regards to resources, timings and volunteer numbers...and equipment and even went the extra mile to drop off items the day before.

Everyone involved spent 7 hours on the job, and they managed to stain all the decking areas and the outdoor classroom, paint windowsills, planters and fencing areas, clear the car park and surrounding areas of leaves and debris, paint the most wonderful mural on the external fire door and just generally make the whole space look fantastic.

In summary, it was an absolute pleasure to meet the Interserve gang and we couldn't have been more pleased of all they achieved in such a short space of time. Thank you."

IEF ambassador tackles malnutrition in rural India

A welfare facility and library was constructed at Topra Primary School in India, as a result of efforts made by Sudhir Tripathi, Interserve Employee Foundation ambassador, who later won Employee of the Year for his tireless efforts both within and outside Interserve. The grant enabled construction of a kitchen and dining room to provide hot meals to encourage more children to come to school to benefit from the 'Midday meal scheme'. This is an Indian government initiative, but prior to the project the school had no hygienic facilities to prepare food nor any dining space. The project's key objective was therefore to address malnutrition, encourage higher attendance, improve children's concentration in class, and empower women through employment provided by the scheme.

Provision of safe outside space for the special needs residents of St Stefanos Foundation

Interserve in Cyprus has had an ongoing relationship with St Stefanos Foundation, and in 2017, with the help of 47 Interserve volunteers and a grant from the Interserve Employee Foundation, the outdoor courtyard was refurbished to provide safe recreational space and a basketball court. St Stefanos Foundation is a shelter in Cyprus whose aim is to protect and care for people with special abilities. Through the provision of specialist expertise, site repair and maintenance works, basketball court and picnic area furniture construction the St Stefanos Foundation can now incorporate recreational therapy into the occupants' daily routine.

A practical partnership with Guardian Angels, Kerala

Guardian Angels, a nonprofit based out of Kerala in India, works towards orphan and destitute children's education and care. A grant was provided to refurbish a room in Guardian Angels' center to convert it to a computer room, installing new flooring and windows, and painting walls. The room will host a unique online mentoring program for the students of the orphanage who need guidance and intervention to improve their life chances. The partnership is ongoing to pair students with Interserve employees via the Each One Teach One (EOTO) online mentoring program through which mentors will lend an ear, advise students on career choices, provide general counselling and guidance, help in school assignments and act as role models to keep students in school and enroll in higher education.

TRUSTEES' REPORT

Throwing a Christmas party for the children of Bluebell Wood Hospice, Sheffield

Interserve has a long-standing relationship with Bluebell Wood Children's Hospice which supports children and young people with life limiting and life threatening conditions. A grant enabled the hospice to throw two Children's Christmas Parties for the 250 children and their families, ensuring that their Christmas was not only relaxing, but magical. Funds enabled hotel hire and catering, a DJ and magician, face painting, henna tattooing, balloon modelling, princess entrainment, and even a snow machine! Father Christmas and his elves attended the party and handed out presents to the children, and their siblings.

Creating a library and reading room for the children of Brooklands Primary School, Greenwich

Brookland's former library was situated in a corridor, and the space did not encourage reading and literacy. With the help of a grant, thirty-two volunteers gave 11 days to create a new library and dedicated reading room from two dis-used rooms. Work involved re-siting pipes and doors, knocking through walls, installing new flooring, building shelving and seating, and painting to create a beautiful, quiet space for the children.

OBJECTIVES

The IEF continues to grow its ambition; its objectives for 2018 are to focus more on distributing grants, and associated fundraising to support this, and to promote alternative forms of volunteering such as coaching and mentoring. The IEF will measure their impact in these areas to evaluate the continued impact in the communities where Interserve works.

FINANCIAL REVIEW

During the year the charity received income of £72,155 (2016: £200,377), the total expenditure amounting to £90,377 (2016: £190,363) leaving an unrestricted deficit of £18,222 (2016 surplus: £10,014) and a fund balance of £45,852 (2016: £64,074).

RISK MANAGEMENT

The Trustees are responsible for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The Board continues to develop a risk management strategy which comprises:

- An annual review of the principal risks and uncertainty the charity face;
- The establishment of policies and systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The biggest risk the charity faces is ensuring funds granted are spent as per the grant request. This is mitigated by the request of receipts of expenditure where necessary and/or photographic and written progress reports on the projects. Most projects where funds are granted also include our "Give A Day Of Your Time" criteria whereby the Interserve Employees are actively engaged in the charitable project.

INVESTMENT POWERS AND POLICIES

The trustees are reviewing the possibility of keeping funds in an interest bearing deposit account and seeking to achieve a rate on deposit which matches or exceeds the inflation as measured by the RPI. Due to wider economic circumstances deposit rates have been depressed and therefore, this was not pursued in the year and the monies held in the usual account. This policy will be kept under review.

TRUSTEES' REPORT

RESERVES POLICY AND GOING CONCERN

The Foundation will review its operations and plans in order to develop a reserves policy appropriate to its long term strategy, the Trustees do not have any loans to bridge the gap between spending and receiving of income. They are developing a strategy to cover unplanned emergency giving and also to make the Foundation more resilient and self-reliant going forward

PUBLIC BENEFIT

The Trustees have had due regard to the guidance issued by the Charities Commission on public benefit when reviewing the charity's objectives and planning future activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Interserve Employee Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 20 December 2011. It is a registered charity with the Charity Commission.

The board of trustees administer the charity. The board normally meets monthly and there are sub-committees covering development, communications, ambassador networks and stakeholders. The sub-committees meet quarterly. A Chair is appointed by the Trustees to manage the day to day operations of the charity.

None of the Trustees received remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a contractor or other charity must be disclosed to the full board of trustee in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

There are no employees of the charity, all administration of the charity is through volunteers' time given through the 'Give a Day of the Time' volunteering days as allowed by Interserve Plc.

TRUSTEES' RESPONSIBILITIES

The charity trustees (who are also the directors of the company) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Company law and the law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the income and expenditure for that period. In preparing financial statements, the trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation;
- state whether the policies adopted are in accordance with the Companies Act 2006, applicable accounting standards and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Memorandum and Articles. 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.

SMALL COMPANY EXEMPTIONS

This report is prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

TRUSTEES' REPORT

STATEMENT AS TO DISCLOSURE TO OUR EXAMINERS

In so far as the Trustees are aware at the time of approving our trustee annual report:

- there is no relevant information being information need by the examiner in connection with preparing their report, and
- the trustee having made enquiries of fellow directors have each taken steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the examiner is aware.

By order of the Board

A handwritten signature in black ink, appearing to be 'Stephanie Pound', with a stylized flourish at the end.

Trustee
Stephanie Pound

19 September 2018

INDEPENDENT EXAMINERS' REPORT

I report on the financial statements of the charitable company for the year ended 31 December 2017, which are set out on pages 11 to 15. This report is made solely to the charity's trustees, as a body. My work has been undertaken so that I might state to the charity's trustees those matters which I am required to state to them in an independent examiners report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for my examination, for this report, or for the statement I have given below.

Respective responsibilities of trustees and independent examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me cause to believe that in any material respect:

- the accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts did not accord with the accounting records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102)

I have come across no other matter in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



John A Speed FCA
JS2 Limited
One Crown Square
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Surrey
GU21 6HR

19 September 2018

STATEMENT OF FINANCIAL ACTIVITIES
Incorporating an Income and Expenditure Account
Year Ended 31 December 2017

	Note	Unrestricted 2017 £	Unrestricted 2016 £
Income			
Donations and legacies		15,503	37,010
Other trading activities: Fundraising events		56,652	163,367
Total income		<u>72,155</u>	<u>200,377</u>
Expenditure			
Raising funds		36,079	51,555
Charitable activities:			
Direct	2	52,768	137,518
Support	3	1,530	1,290
		<u>54,298</u>	<u>138,808</u>
Total expenditure		<u>90,377</u>	<u>190,363</u>
Net income for the year / Net Movement in funds	1	(18,222)	10,014
Fund balance brought forward at 1 January		<u>64,074</u>	<u>54,060</u>
Fund balance carried forward at 31 December		<u>45,852</u>	<u>64,074</u>

There are no recognised gains or losses other than those shown in the statement of financial activities.

All of the above results are derived from continuing activities.

BALANCE SHEET
31 December 2017

	Note	2017 £	2016 £
CURRENT ASSETS			
Cash at bank and in hand		75,953	100,744
Accrued income		-	-
		<u>75,953</u>	<u>100,744</u>
CREDITORS: amounts falling due within one year	4	<u>(30,101)</u>	<u>(36,670)</u>
NET CURRENT ASSETS		<u>45,852</u>	<u>64,074</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>45,852</u>	<u>64,074</u>
NET ASSETS		<u><u>45,852</u></u>	<u><u>64,074</u></u>
FUNDS			
General Fund – unrestricted		<u>45,852</u>	<u>64,074</u>
NET ASSETS		<u><u>45,852</u></u>	<u><u>64,074</u></u>

For the year ending 31 December 2017 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. They were approved, and authorised for issue, by the directors on 19 September 2018 and signed on their behalf by:



Trustee

Stephanie Pound

NOTES TO THE ACCOUNTS
Year Ended 31 December 2017

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements' and key sources of uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

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 Ireland (FRS 102) Update Bulletin 1 – (Charities SORP (FRS102)), and the Companies Act 2006.

Interserve Employee Foundation meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 the restatement of comparative items was needed. No restatements were required.

c) Preparation of the accounts on a going concern basis

The Trustees believe that the charity has adequate resources to continue in operational existence for the foreseeable future and the financial statements are prepared on a going concern basis.

d) Income

Income is recognised when the charity has entitlement to the funds. All income is accounted for on a receivable basis. The charity benefits greatly from the support and fundraising of its volunteers. In accordance with FRS102 and Charities SORP (FRS102) the economic contribution of the general volunteers is not recognised in the accounts.

e) Donated services and facilities

Donated professional services and facilities are recognised as income when the charity has control of them. In accordance with the Charities SORP (FRS 102) the general volunteer time of the Interserve employees is not recognised. No donated services have been recognised in the year.

f) Fund accounting

General funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

g) Expenditure and allocation of support costs

Charitable expenditure comprises expenditure related to the direct furtherance of the charity's charitable objectives. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with use of the resources.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the reporting accountant's fees and costs linked to the strategic management of the charity.

h) Grants

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

NOTES TO THE ACCOUNTS
Year Ended 31 December 2017

i) Taxation

As a registered charity, Interserve Employee Foundation Limited is exempt from taxation of income and gains within section 505 of the Taxes Act 1988 or section 256 of the Charities Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charge has arisen in the year.

j) Company status

The company is Limited by guarantee and has no share capital. In the event of the charity being wound up the liability in respect of the guarantee is limited to £10 per member of the charity.

k) Leases

The charity has no leases.

2. CHARITABLE EXPENDITURE

Charitable expenditure includes the following direct costs of activities:

	2017	2016
	£	£
Grants awarded	51,839	137,369
Other administrative costs	929	149
	<u>52,768</u>	<u>137,518</u>

Grants awarded by nature of the grant:

	2017	2016
	£	£
Adults	7,300	4,000
Charity	-	650
Community	12,670	45,978
Disabilities	-	5,675
Homeless	-	1,500
Individual	1,500	3,000
Youth	30,369	76,566
	<u>51,839</u>	<u>137,369</u>
Grants Awarded	<u>51,839</u>	<u>137,369</u>

A full breakdown of grants awarded is available on request.

NOTES TO THE ACCOUNTS
Year Ended 31 December 2017

3. GOVERNANCE

Governance expenditure includes the following direct costs of activities:

	2017 £	2016 £
Governance: Accounting & Independent Examination	1,530	1,290
	<u>1,530</u>	<u>1,290</u>

4. CREDITORS:

Creditors: Amounts falling due within one year

	2017 £	2016 £
Accounting & Independent Examination	1,440	2,580
Other administrative costs	300	40
Grants payable	28,361	34,050
	<u>30,101</u>	<u>36,670</u>

5. TRUSTEES' REMUNERATION AND REIMBURSEMENT OF EXPENSES AND RELATED PARTY TRANSACTIONS

The key management personnel of the Charity comprise the Trustees. No trustees received nor waived any remuneration for their services during the year (2016: nil). No trustees received reimbursement for out of pocket expenses during the year (2016: nil).