



DfC

Department
for Communities

www.communities-ni.gov.uk



Northern Ireland Central Investment Fund for Charities

Annual Report and Accounts
to 30 September 2018



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Northern Ireland Central Investment Fund for Charities
Annual Report and Accounts
For the year ended 30 September 2018

Laid before the Northern Ireland Assembly under
Section 34 (2) of the Charities Act (Northern Ireland) 1964
by the Department for Communities.

7 May 2019



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Statement of Accounting Officer's Responsibilities

Under the Charities Central Investment Scheme (Northern Ireland) 1965, as made under section 25 of the Charities Act (Northern Ireland) 1964, the Department for Communities (DfC), after the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999, has directed the Central Investment Fund for Charities to prepare, for each financial year, a Statement of Financial Position and an Income and Expenditure Account.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Northern Ireland Central Investment Fund for Charities (NICIFC) and of its income and expenditure for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- observe the Accounts Direction issued by DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the accounts

- prepare the accounts on a going concern basis.

DoF has appointed the Permanent Secretary as Accounting Officer of the Department. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances under her stewardship, for keeping proper records and for safeguarding assets of the Department, are set out in Managing Public Money Northern Ireland (MPMNI) published by DoF.

The Accounting Officer confirms that, as far as she is aware, there is no relevant audit information of which the Department's auditors are unaware, that she has taken all the steps necessary to make herself aware of any relevant audit information and to establish that the Department's auditors are aware of that information.

She also confirms that the annual report and accounts as a whole are fair, balanced and understandable and takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Governance Statement

1. Introduction

The Governance Statement for DfC has been compiled from work throughout the year to support stewardship, management and control of the Department. It supplements the annual accounts and explains the framework of governance and risk management operated in support of my role as Departmental Accounting Officer.

2. DfC Governance Framework

2.1 Overview of Arrangements

DfC has a corporate governance framework which specifies organisation and governance structures; roles and responsibilities of those charged with governance; and key internal control, risk management and assurance arrangements. The framework is in line with the 'Corporate Governance in Central Government Departments: Code of Good Practice NI 2013' and is available at www.communities-ni.gov.uk/publications/dfc-corporate-governance-framework

The Department operates under the direction and control of the Minister for Communities. The Minister is responsible and accountable to the Assembly for the policies, programmes and actions of the Department. As Permanent Secretary for DfC I am the Minister's principal adviser as well as the administrative head of the Department and the Departmental Accounting Officer.

The NI Assembly was dissolved from 26 January 2017 with an election taking place on 2 March 2017, on which date Ministers ceased to hold office. An Executive was not formed following this election. As a consequence there has been no Minister for Communities during 2017–18. As Permanent Secretary for DfC I am the administrative head of the Department and Departmental Accounting Officer.

I am required to disclose where I, as Accounting Officer, have sought formal Ministerial Direction to proceed where I believe I am being asked to take a course of action that could potentially result in irregular expenditure, impropriety or poor value for money. I can confirm that in the absence of a Minister for Communities no such direction was sought or given.

As Accounting Officer I am personally responsible and accountable for the effective management and organisation of the Department, the efficient and effective use of its resources and the stewardship of its assets. I am assisted in my role as Accounting Officer by a Departmental Management Board which encompasses DfC Deputy Secretaries along with Non-Executive Board Members operating as a collegiate committee under my leadership.

The Board is supported in its role by a Departmental Audit and Risk Assurance Committee (DARAC) and an Information Assurance Committee (DIAC).

2.2 Board Performance and Effectiveness

Minutes of Board meetings are available at www.communities-ni.gov.uk/publications/departmental-management-board-minutes

A Register of Board Interests is maintained and 'Conflicts of Interest' is a standing agenda item for Board meetings where members are asked to declare any interests relating to items on the Board agenda.

Evaluation of Board effectiveness was undertaken following the end of 2017–18 in accordance with the Corporate Governance Code and the Board's Operating Framework. The Board Effectiveness review encompassed: Performance Management; Control and Risk; Information; and Culture. It included assessment of the quality of information used by the Board and identification of areas for improvement.

The 2017–18 effectiveness review confirmed Board oversight of the important issues facing the Department, the quality of information available to the Board and Board compliance with the Corporate Governance Code.

2.3 DARAC Review of Effectiveness

DARAC also undertook a review of effectiveness at the end of 2017–18 in line with recommended best practice. The review was undertaken using the NAO Audit and Risk Assurance Committee Effectiveness Checklist. This confirmed DARAC's compliance with good practice and the strength of the DfC committee arrangements.

3. Risk Management Arrangements

3.1 Overview

DfC's Risk Management Framework forms part of its corporate governance system and facilitates compliance with the Corporate Governance Code.

The Board considers its Risk Appetite against a range of risk categories on an annual basis. This allows Risk Owners to establish controls and manage risks in line with Board expectations. The Board agrees the risks to be included in the Department's Corporate Risk Register and assigns ownership for each corporate risk. The Corporate Risk Register is presented at each Board meeting and reviewed in detail on a quarterly basis.

3.2 Assurance Framework

Part of the Department's Risk Management process is an agreed Assurance Framework. This includes provision of quarterly Assurance Statements by Deputy Secretaries on their risk management processes and internal control arrangements. Deputy Secretaries use their Assurance Statements to identify any exceptions/material concerns within their Groups or the Arm's Length Bodies (ALBs) for which they are responsible.

This integrated assurance process informs the work of the Department's Governance Unit and supports the reporting process for DARAC.

3.3 Fraud and Whistleblowing Arrangements

The Department's Fraud Policy details responsibilities regarding the prevention of fraud, bribery or serious irregularity within the Department and its ALBs. The procedures to be followed in the event of any fraud being detected or suspected are detailed in the supporting Departmental Fraud Response Plan. Cases under enquiry or investigation are reported to DARAC and the Board on a quarterly basis.

The Department's Raising Concerns (Whistleblowing) guidance and procedures explain how workers can raise concerns about potential wrongdoing and how anyone who is not a member of staff can raise concerns about the proper conduct of public business by the Department or its sponsored bodies. DARAC and the Board are updated on Raising Concerns (whistleblowing) on a quarterly basis.

3.4 Head of Internal Audit Opinion

The Head of Internal Audit (HIA) provides an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the Department's framework of governance, risk management and control. For 2017–18, the HIA provided an overall satisfactory opinion on the Department's arrangements.

Progress against the Annual Internal Audit Plan is monitored by DARAC and an audit database is used to monitor the implementation of outstanding internal audit recommendations where a limited or unacceptable opinion has been reported. The HIA provides an overall opinion based on work undertaken during the year. The HIA opinion for 2017–18 is 'Satisfactory'.

3.5 Key Risks and Issues

The Department's integrated assurance process facilitates the capture and reporting of exceptions/material concerns for both the Department and its ALBs. I receive a quarterly report of matters raised, including matters highlighted in the 2016–17 Governance Statement, where they remain significant.

The Head of Governance provides a Risk and Assurance report which summarises key risks and issues, along with exceptions / material concerns identified through the assurance process, for DARAC consideration on a quarterly basis.

There were no significant issues relating to the NICIFC in 2017–18.

3.6 Conclusion

I am satisfied that DfC has effective governance arrangements in place that I can rely on as Accounting Officer to provide assurance that the public funds and other resources for which I am accountable are deployed effectively. Where significant issues have arisen I am satisfied that appropriate action is being taken to address the issues concerned.



Tracy Meharg
Accounting Officer
Department for Communities

12 April 2019

Fund Overview

Fund Profile

Fund Name	Northern Ireland Central Investment Fund for Charities
Launch Date	1 March 1965
Launch Price	£1
Accounting Period Ends	30 September
Dividends Interim	1 June
Dividends Final	1 December
Share Value at 30 September 2018	1326.54p (2016–17: 1281.42p)
Number of shares in issue at 30 September 2018	3,133,847 (2016–17: 3,058,695)
Number of shareholders in Fund	422 (2016–17: 419)

Fund Profile

The Fund is valued monthly, on the last working day in the month. Details are shown on the Department's website under –

<https://www.communities-ni.gov.uk/articles/northern-ireland-central-investment-fund-charities>.

Entry to the Fund

On 6 May 2015 the Department wrote to all shareholders informing them that they were conducting a review of the Fund and that new additions to the Fund were being temporarily suspended from this date. Aside from this, the Fund continues to operate as usual.

On 11 October 2017 the restriction on new additions to the Fund was lifted following the approval of a policy document to mitigate the perceived conflict of interest with Charity Commission for Northern Ireland (CCNI).

New investments are welcome at any time but new shares in the Fund can only be issued following the next monthly valuation. Pending the next valuation, new investments are invested temporarily and interest accruing is paid with the first dividend. During the year £2,058,912.50 was received for investment, offset by withdrawals of £1,060,634.53. (The amount received for investment differs from the amount invested in Note 11 due to fact that the amount invested in Note 11 is calculated based on the purchase of a whole number of shares. Any remainder is paid out with the first dividend.)

Expenses and Remuneration

In line with legislation, the Department carries all day-to-day administrative costs at no charge. The Northern Ireland Audit Office annual audit fee is charged to the Department as a notional cost and reported in the Departmental Resource Accounts. The members of the Advisory Committee received no remuneration.

Management Fee

The management fee is calculated quarterly in arrears at a rate of 0.4% per annum of the value of the portfolio.

Total fees for the year amounted to £191,411.

Management of the Fund

Finance Management Directorate is responsible for the administration of the Northern Ireland Central Investment Fund for Charities.

Established in 1965 through the Charities Act (Northern Ireland) 1964, the Fund aims to provide Trustees with the opportunity to invest all or part of their funds with the benefit of expert supervision. It is managed by the Department for Communities through recognised fund managers (currently Aberdeen Standard Capital, formerly Standard Life Wealth Limited), but its investment policy is guided by a locally based Advisory Committee appointed by the Department, which meets in February, May, August and November each year.

The current members are:

*Mr P Keers (Chair)

Mr L Todd

Mr D Murphy

Mr J Stewart

*Mr P Keers term expired on the 31 July 2018 and the Department has recently completed a public appointment process to appoint a new Chair and bring the membership back up to full complement. With no Minister currently in place, the Permanent Secretary is unable to make public appointments. The Committee is currently operating with 3 members.

The Department is indebted to the members of the Committee for their continued expert advice and guidance and wishes to express its gratitude on behalf of participating charities.

The Department appoints an external Fund manager who is authorised and regulated by the Financial Conduct Authority to manage the portfolio. The current fund manager is Aberdeen Standard Capital.

Investment Objectives

The primary objective of the Fund is to achieve an annual income return greater than the benchmark yield and thereafter long-term capital growth in real terms. Long-term investors have enjoyed significant capital gains in addition to regular dividends. The value of a share in the Fund increased by 3.5% over the past year and the net income through dividends has decreased by 5.3% over the same period. The Fund's income is distributed to shareholders as dividends, supplemented from a Dividend Equalisation Reserve when necessary.

A Soundly Based Portfolio

The Fund continues to be invested in a mix of fixed interest securities and ordinary shares. The balance between bonds and equities alters from time to time, depending on market conditions. As a proportion of the market

value on 30 September 2018, it was 19% fixed interest (including convertibles), 74% equities and 7% cash. Although the risks of equity investment cannot be eliminated, the fund managers seek to moderate them by investing in a broadly diversified portfolio.

Dividends

The gross dividend income from the Fund has decreased by 4.7% from last year. The aggregate dividend paid in the current year was 43.0p, which is 3.0 pence less than last year.

Yield on shares

The yield on shares in the Fund for the twelve months to 30 September 2018 was 3.24%.

Investment Outlook Statement

Past performance is not a guide to future returns. The value of investments and the income from them can go down as well as up. Investors may not get back the amount invested. Changes in the currency exchange rates may have an adverse effect on the value of investments and income from them.

The Fund manager continues to analyse the market and make the decisions which it believes will benefit the fund.

The Charities Advisory Committee continues to monitor and evaluate the Fund manager to ensure it is complying with the investment objectives, as per the contract, and is in line with stipulated performance benchmarks.

The current benchmark is reviewed annually by the Fund manager and the Charities Advisory Committee to ensure that it is reflective of the investment objectives.

The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

Opinion on financial statements

I certify that I have audited the financial statements of the Northern Ireland Central Investment Fund for Charities for the year ended 30 September 2018 under the Charities Central Investment Fund Scheme (Northern Ireland) 1965. The financial statements comprise: the Income and Expenditure account, the Statement of Financial Position, and the related notes. These financial statements have been prepared under the accounting policies set out within them.

In my opinion the financial statements:

- give a true and fair view of the state of Northern Ireland Central Investment Fund for Charities' affairs as at 30 September 2018 and of the expenditure and income and movement in Members' Share Capital for the year then ended; and
- have been properly prepared in accordance with the Charities Central Investment Fund Scheme (Northern Ireland) 1965 and the Department for Communities directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly

and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of Northern Ireland Central Investment Fund for Charities in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion the information given in the Fund Overview for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of the Accounting Officer Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Charities Central Investment Fund Scheme (Northern Ireland) 1965.

I am required to obtain 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or

error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

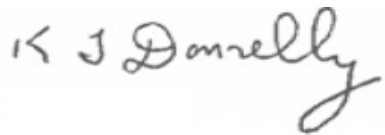
Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Report

I have no observations to make on these financial statements.

A handwritten signature in black ink that reads "KJ Donnelly". The signature is written in a cursive style with a large, sweeping 'J'.

KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU
29 April 2019

Income and Expenditure Account for Year Ended 30 September 2018

	Notes	2017-18 £	2016-17 £
Gross Investment Income	1b	1,383,653	1,452,020
Management Charges	1c	(191,411)	(186,305)
General Expenses	1e	(5,459)	–
Release from Capital	1c	153,411	149,305
Net Income		1,304,194	1,415,020
Distribution of Income:			
Dividends Payable	9	1,309,011	1,410,642
Sum transferred (from)/to Dividend Equalisation Reserve		31,183	4,378
		1,340,194	1,415,020

Statement of Financial Position as at 30 September 2018

	Notes	2017-18 £	2016-17 £
Fixed Assets:			
Investments at Mid-Market Value	2, 3	39,074,258	38,113,661
Total non-current assets		39,074,258	38,113,661
Current Assets:			
Dividends Received	3	895,499	995,809
Dividends Receivable	1b, 6	118,587	138,036
Sundry Receivables	3,7	2,031,189	639,619
Dividend Equalisation Reserve Fund	12	151,792	120,609
Bank/Cash		210,272	6,818
Total current assets		3,407,339	1,900,891
Total assets		42,481,597	40,014,552
Current Liabilities:			
Attributed Income – New Entrants	8	(205,510)	(–)
Dividends Payable (Final)	9	(654,161)	(771,928)
Accrued Management Fees	10	(50,256)	(47,513)
Accruals	1e	(583)	(–)
Total current liabilities		(910,510)	(819,441)
Assets less liabilities		41,571,087	39,195,111
Capital:			
Members' Share Capital	11	41,419,295	39,074,502
Dividend Equalisation Reserve	12	151,792	120,609
Total Capital		41,571,087	39,195,111

Tracy Meharg

Tracy Meharg

Accounting Officer

Department for Communities

12 April 2019

Notes to the Accounts

1. Accounting Policies

(a) Basis of preparation

The accounts have been prepared using the historical cost convention and in accordance with the Charities Act (Northern Ireland) 1964. Investments are valued at mid-market values on the balance sheet date.

(b) Income Policy

Interest on cash temporarily invested and on international bonds, convertible loan stocks and other fixed interest stocks is accrued on a day-to-day basis, gross of UK taxation. It is shown under net assets as dividends receivable, as per paragraph 20 of the Charities Central Investment Fund Scheme (Northern Ireland) 1965.

Special Dividends

There has been a trend, in recent years, by PLCs to make payments to shareholders by way of special dividend and other means. After review in November 2013 the Department (under advice from the Advisory Committee) has taken the decision that these payments should be reviewed on a case by case basis to determine whether it is more appropriate to allocate them to capital or income.

(c) Management Charges

The Department allocates the amount of the management fee which relates to administration costs to the income and expenditure account and the balance to the capital account. In conjunction with the Fund manager, it has been agreed that the most appropriate estimate of the split would be 20% against the income and expenditure account and 80% against the capital account. The total management fee for the 2017–18 year is £191,411. Of this, £38,000 (rounded to the nearest £1,000) has been charged to the income and expenditure account and £153,411 to the capital account.

(d) Gains and Losses

Surplus/deficiency on revaluation and profit/loss arising from sales of investments are taken to the capital account.

(e) General Expenses

This is the cost of running the public appointment competition.

2. Fixed Asset Investments

Custody of the assets of the Fund is the responsibility of the Department for Communities.

3. Portfolio as at 30 September 2018

	2017–18			2016–17		
	Cost Price £	Market Value ¹ £	%	Cost Price £	Market Value ¹ £	%
Fixed Interest Bonds	7,716,127	8,065,706	19%	7,023,383	7,729,853	19%
Ordinary Shares	22,249,437	31,008,552	74%	22,212,494	30,383,808	77%
Total Value as per Balance Sheet	29,965,564	39,074,258	93%	29,235,877	38,113,661	96%
Dividends Received		915,934 ²	2%		989,741 ²	2%
Cash held (Sundry receivables)		2,031,189	5%		639,619	2%
Total Value of Portfolio		42,021,381	100%		39,743,021	100%

¹ Value at mid-market price at 30 September less, in the case of fixed interest stocks, interest accrued to that date.

² The value for dividends received differs from that on the balance sheet due to the amount of £20,464 which was transferred to the dividend equalisation reserve on the guidance of the Charities Advisory Committee. (2016–17: £6,068 was transferred from the DER.)

4. Distribution of Holdings

	2017-18			2016-17		
	Holding	Market Value £	Total Market Value %	Holding	Market Value £	Total Market Value %
FIXED INTEREST						
British Government Bonds		3,147,184	7.49%		2,966,055	7.46%
GBP Bonds		4,070,764	9.69%		3,868,684	9.73%
Global/International Bond Funds	1,780,257	847,759	2.02%	1,780,257	895,114	2.25%
EQUITIES						
Oil & Gas Producers						
BP PLC	232,470	1,369,946	3.26%	202,268	965,425	2.43%
Royal Dutch Shell	55,550	1,493,739	3.55%	47,480	1,089,429	2.74%
Total SA	19,445	967,399	2.30%	19,445	779,275	1.96%
Chemicals						
Air Liquide SA	–	–	–	4,166	414,634	1.04%
Covestro AG	8,360	520,145	1.24%	9,470	606,958	1.53%
Basic Resources						
Antofagasta ORD	46,950	401,423	0.96%	46,950	445,555	1.12%
Rio Tinto	16,730	649,124	1.54%	18,715	649,972	1.64%
Construction & Materials						
Persimmon	17,100	404,415	0.96%	17,100	441,522	1.11%
Industrial Goods & Services						
ASML Holding	2,580	370,187	0.88%	–	–	–
CRH	14,690	369,013	0.88%	14,690	416,755	1.05%
Ferguson PLC	5,172	336,956	0.80%	8,837	432,659	1.09%
Food & Beverages						
Anheuser-Busch	5,380	360,472	0.86%	–	–	–
Fevertree Drinks	15,190	548,055	1.30%	–	–	–
Nestle SA	7,460	477,321	1.14%	7,938	496,316	1.25%
Unilever	12,760	537,962	1.28%	12,760	551,104	1.39%

	2017-18			2016-17		
	Holding	Market Value £	Total Market Value %	Holding	Market Value £	Total Market Value %
Personal & Household Goods						
Estee Lauder Companies INC	4,270	476,274	1.13%	5,460	439,486	1.11%
Reckitt Benckiser	5,299	371,778	0.88%	5,299	361,021	0.91%
Health Care						
AstraZeneca PLC	9,360	558,137	1.33%	10,850	537,617	1.35%
BB Biotech AG	8,790	471,634	1.12%	8,730	438,116	1.10%
Dechra Pharmaceuticals	22,630	492,881	1.17%	24,700	503,880	1.27%
GlaxoSmithKline	45,205	694,710	1.65%	45,205	672,876	1.69%
Lilly Eli & Co	9,270	763,393	1.82%	9,270	591,718	1.49%
Medtronic	7,933	598,978	1.43%	7,933	460,365	1.16%
Novartis AG	6,170	407,232	0.97%	6,170	394,339	0.99%
Roche Holdings AG	3,590	667,474	1.59%	3,930	749,055	1.88%
Retail						
Amazon Com	450	691,698	1.65%	546	391,549	0.99%
Inditex (Ind. De Diseno)	15,430	358,842	0.85%	–	–	–
Media						
Relx PLC	27,440	443,430	1.06%	31,430	514,509	1.29%
WPP	–	–	–	23,000	318,550	0.80%
Telecommunications						
Deutsche Telekom AG NPV	–	–	–	17,674	245,871	0.62%
Koninklijke KPN	192,260	389,744	0.93%	147,780	378,445	0.95%
Vodafone Group	355,808	585,304	1.39%	355,808	742,927	1.87%
Utilities						
Enel	116,230	456,792	1.09%	–	–	–
National Grid Plc	75,240	595,449	1.42%	92,775	857,798	2.16%
Penon	46,640	332,636	0.79%	46,640	371,721	0.94%
Severn Trent	–	–	–	24,061	522,846	1.32%

	2017-18			2016-17		
	Holding	Market Value £	Total Market Value %	Holding	Market Value £	Total Market Value %
Banks						
Danske Bank	–	–	–	20,100	599,426	1.51%
HSBC Holdings PLC	187,610	1,256,612	2.99%	187,610	1,382,873	3.48%
Swedbank AB	41,555	792,340	1.89%	41,555	857,572	2.16%
Insurance						
Aviva	63,000	308,385	0.73%	63,000	324,135	0.82%
Beazley PLC	74,000	422,540	1.01%	–	–	–
Phoenix Group Holdings	–	–	–	51,790	391,532	0.99%
Prudential PLC	45,924	808,033	1.92%	45,924	820,432	2.06%
Zurich Insurance	2,357	571,737	1.36%	2,357	537,037	1.35%
Financial Services						
Close Bros Group	–	–	–	19,660	289,985	0.73%
Real Estate						
American Tower Corp	3,950	440,521	1.05%	3,950	402,902	1.01%
Technology						
Accenture	5,856	764,934	1.82%	5,856	590,299	1.49%
Alphabet Inc	690	639,522	1.52%	690	501,426	1.26%
Apple Inc	4,342	752,377	1.79%	4,342	499,150	1.26%
Facebook Inc	3,756	474,062	1.13%	3,756	478,899	1.20%
Microsoft Corporation	10,320	906,733	2.16%	11,957	664,431	1.67%
Sage Group	83,420	489,175	1.16%	83,420	582,689	1.47%
Taiwan Semiconductor Manufacturing Ads	13,605	461,070	1.10%	13,605	381,482	0.96%
UK Equity Funds						
Aberforth Smaller Companies Trust	29,859	397,722	0.95%	42,659	557,127	1.40%
Global/International Equity Funds						
BNY MFM Newton Asian	–	–	–	322,698	399,726	1.01%
Pinebridge Global Funds	15,000	191,700	0.46%	–	–	–

	2017-18			2016-17		
	Holding	Market Value £	Total Market Value %	Holding	Market Value £	Total Market Value %
Property Funds						
Charities Property Fund	318,000	409,791	0.98%	318,000	386,640	0.97%
Empiric Student Property	290,742	279,984	0.67%	290,742	294,376	0.74%
Tritax Big Box	309,421	456,396	1.09%	309,421	440,615	1.11%
Alternative						
Apax Global Alpha	245,816	335,539	0.80%	245,816	371,182	0.93%
Bilfinger Berger Global	218,091	320,594	0.76%	218,091	308,599	0.78%
Greencoat UK Wind	312,038	400,033	0.95%	–	–	–
HICL Infrastructure Co Ltd	–	–	–	170,299	266,177	0.67%
International Public P'tnership	264,500	399,924	0.95%	264,500	417,646	1.05%
John Laing Infrastructure Fund	–	–	–	373,860	481,149	1.22%
The Renewables Infrastructure	341,000	383,284	0.91%	341,000	371,008	0.93%
31 Infrastructure	75,000	183,000	0.44%	–	–	–
Total Fixed Interest and Equities		39,074,258	92.99%		38,113,661	95.90%
CASH						
Dividends Received		915,934	2.18%		989,741	2.49%
Cash Held (Sundry Receivables)		2,031,381	4.83%		639,619	1.61%
Total Holdings		42,021,381	100%		39,743,021	100%

5. Future Calls

There were no outstanding calls on partly paid stocks due for payment after the period end.

6. Dividends Receivable

Dividends receivable are made up as follows:

	2017-18 £	2016-17 £
Accrued interest on bonds	85,276	95,847
Dividends due on equities	33,311	42,189
Dividends Receivable as at 30 September	118,587	138,036

7. Sundry Receivables

This balance represents the cash balance held by the Fund manager on behalf of the Fund.

8. Advance Contributions

This balance represents money received for investment which has not yet been allocated to shares in the Fund.

9. Dividends Payable (Final)

The Department proposed to pay a final dividend for the year of 21p (2016-17: final dividend 25p) per share. This was paid in December 2018.

An interim dividend of 22p was paid in June 2018 (2016-17: interim dividend 21p).

10. Accrued Management Fees

The management fee is calculated quarterly in arrears at a rate of 0.4% per annum of the value of the portfolio.

11. Members' Share Capital

Members' share capital is made up as follows:

	2017-18 £	2016-17 £
Members' share capital as at 1 October	39,074,502	37,483,149
Investments	2,058,791	-
Withdrawals	(1,060,634)	(143,163)
Net profit on sale of investments	1,371,936	909,209
Net loss on sale of investments	(72,427)	(179,842)
Appreciation on revaluation of investments	200,538	1,154,454
Management fees	(153,411)	(149,305)
Members' Share Capital as at 30 September	41,419,295	39,074,502

No individual material gains or losses were made on the sale of investments for the 2017-18 year. There were no failed investments in the 2017-18 year.

12. Dividend Equalisation Reserve (DER)

The purpose of the DER is to regulate distributions of income in order to avoid or reduce fluctuations in the amounts distributed.

	2017-18 £	2016-17 £
DER as at 1 October	120,609	116,231
Sums transferred from DER	31,183	4,378
DER as at 20 September	151,792	120,609

13. Historical Analysis of Share Value and Annual Dividend

Valuation Date	Share Value	Annual Dividend	Yield %
30 September 2008	856.11p	44.00	5.14
30 September 2009	881.43p	39.00	4.42
30 September 2010	942.75p	39.00	4.14
30 September 2011	893.25p	40.00	4.48
30 September 2012	973.84p	40.00	4.11
30 September 2013	1057.62p	40.00	3.78
30 September 2014	1116.58p	40.00	3.58
30 September 2015	1078.25p	43.00	3.99
30 September 2016	1224.78p	41.00	3.35
30 September 2017	1281.42p	46.00	3.59
30 September 2018	1326.54p	43.00	3.24

14. Related Party Transactions

Under the Charities Act (NI) 1964 and the Charities Order 1987 the Department acts as trustee to some 300 charitable donations and bequests. It is the Department's policy to invest the capital of these in the Northern Ireland Central Investment Fund for Charities unless prevented by the charity's governing instruments. In the 2017–18 year dividends to the value of £246,229 were paid to these charities (2016–17: £298,712).

In addition related party transactions occur when the investment management company (Now Aberdeen Standard Capital since re-brand in January 2019) invests NICIFC funds in its own products/funds. This is only permitted with full approval of the Advisory Committee and the Department.

The following are the related party transactions and balances for the year ended 30 September 2018:

1) Investment – BNY MFM Newton Asian Inc	2017–18			2016–17		
	Number of Shares	Market Value £	Total Market Value %	Number of Shares	Market Value £	Total Market Value %
Balance at 1 October	322,698	393,659	1.04	322,698	393,659	1.04
Movement	(322,698)	(393,659)			6,067	
Balance as at 30 September	–	–	–	322,698	399,726	1.01

2. Investment – SLW (CI) Ltd Offshore Styg Fixed Int	2017–18			2016–17		
	Number of Shares	Market Value £	Total Market Value %	Number of Shares	Market Value £	Total Market Value %
Balance at 1 October	1,780,258	895,114	2.63	1,780,258	899,208	2.63
Movement		(47,355)			(4,094)	
Balance as at 30 September	1,780,258	847,759	2.02	1,780,258	895,114	2.25

15. Events after the Reporting Period

There were no adjusting or non-adjusting events between the end of the reporting period and the date the financial statements were authorised for issue.

The Accounting Officer authorised the issue of these financial statements on 29 April 2019

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