

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Report and Financial Statements

Year Ended: 31 December 2012

Charity No: 205670

THE LIGHTHOUSE CLUB BENEVOLENT FUND

INDEX	PAGE
Legal and Administrative Information	1
Report of the Trustees	2 - 5
Report of the Independent Auditor	6 - 7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 - 15

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Legal and Administrative Information

Charity number	205670
Trustees	J M Everett (Chairman) D Armstrong – deceased 26 August 12 G J Clark – appointed 11 December 12 L Smith S Wright – resigned 16 May 12
Administrator	P Burns
Office	Armstrong House Swallow Street STOCKPORT Cheshire SK1 3LG Tel (0161) 429 0022 Fax (0161) 477 1022
Independent auditor	Grant Thornton UK LLP 3140 Rowan Place John Smith Drive Oxford Business Park South Oxford OX4 2WB
Bankers	Lloyds TSB 79 High Street CHESHAM Bucks HP5 1DE
Solicitors	Gordon Dadds 80 Brook Street Mayfair LONDON W1K 5DD

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Report of the Trustees for the year ended 31 December 2012

The Trustees present their report along with the financial statements of the charity for the year ended 31 December 2012. The financial statements have been prepared in accordance with the accounting policies set out on pages 9-10 and comply with the charity's trust deed and applicable law.

Constitution and Objects

The Lighthouse Club Benevolent Fund is constituted under a trust deed dated 27 March, 1962 and is registered charity number 205670.

The objects of the charity are the relief of poverty suffered as a result of accident, disability or ill-health by persons employed or formerly employed within the building and civil engineering industry and allied trades.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Organisation

The Trustees who have served during the year and since the year-end are set out on page 1. Trustees are appointed by the board of Trustees and serve until they wish to retire. The Trustees are in constant contact via telephone and e-mail in order to assess applications for benevolence. The Trustees are assisted in their work by a network of welfare officers who provide information about each proposed application for benevolence which are assessed bearing in mind the objects of the charity. Without the hard work and dedication of the welfare officers, none of this would be possible.

The day to day operations of The Lighthouse Club Benevolent Fund are managed by the Chairman of the Trustees together with the Administrator.

Trustees recruitment and training

The recruitment of Trustees is considered by the existing Trustees on an annual basis or when a vacancy arises. Training is reviewed annually and is undertaken as required.

Plans for the future

The Trustees are committed to continuing the work of the Lighthouse Club Benevolent Fund and are actively seeking new cases.

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Report of the Trustees for the year ended 31 December 2012 (Continued)

Financial Review and Investment Policy

In the current year 47% of income (2011: 37%) was generated by the The Lighthouse Club who through its branches raise money at various functions such as dinners, ladies evenings, luncheons and other special events. Thanks must go to all Lighthouse Club members and their guests, who have supported the various functions throughout the year.

During the year aid was given to 336 cases, 184 of which received a monthly amount totalling £344,325 (2011: £349,070) and 152 received a one-off lump sum totalling £92,306 (2011: £95,085) to help during a difficult time or deal with a specific problem.

In addition to the above the Lighthouse Club Benevolent Fund has been pleased to finance holidays for some applicants who are disabled together with their carers through the Care Holidays Scheme at a cost of £Nil (2011: £3,786).

In the year to 31 December 2012 benevolence payments decreased by £11,310 over the figure for 2011.

The Lighthouse Club Benevolent Fund shows a deficit for the year of £73,216 (2011: surplus £7,307) being a deterioration of £80,523. This results from a decrease in Voluntary Income received in the year of £87,040 offset by the decrease in charitable payments made in the year of £11,310 which again reduced due to cases coming to a natural end and also the reduction in benevolence requests following the continued down turn in the civil engineering and building sectors in the country due to the prevailing economic climate. There was no restriction on the amount of benevolence given away. The Chairman of Trustees will highlight the deficit for the year to the Council of The Lighthouse Club, which is the main fundraising arm for the Benevolent Fund, and expects the year to 31 December 2013 to show a small deficit, but considers that the current level of funds available of £470,591 at 31 December 2012 will secure charitable payments for the future.

The Trustees are considering a proposal to merge The Lighthouse Club Benevolent Fund with a newly formed charitable organisation, The Lighthouse Construction Industry Charity, a Company limited by guarantee and a registered charity whose objects mirror and expand those of the Lighthouse Club Benevolent Fund. The assets of The Lighthouse Club an unincorporated association would also be merged into the new charity. Subject to approval by the Trustees the merger is expected to take place in the summer of 2013

As in the prior year there are no restrictions on the charity's power to invest.

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Report of the Trustees for the year ended 31 December 2012 (Continued)

Reserves Policy

It is the policy of the charity to maintain funds at a level sufficient to enable it to cover the current level of benevolence together with a reserve to cover any possible increased level of grants and to enable the charity to respond to the applications for first aid grants.

Risk Management

The Trustees have examined the major strategies and operational risks to which the charity is exposed and systems have been established to mitigate those risks. These are reviewed annually by the Trustees.

Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and group's transactions and disclose with reasonable accuracy at anytime the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE LIGHTHOUSE CLUB BENEVOLENT FUND**Report of the Trustees for the year ended 31 December 2012 (Continued)****Auditor**

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with the Charities Act 1993, as amended by the Charities Act 2011.

Approved by the Trustees and signed on their behalf by;

J M Everett,
Chairman
23 May 2013

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE LIGHTHOUSE CLUB BENEVOLENT FUND

We have audited the financial statements of The Lighthouse Club Benevolent Fund for the year ended 31 December 2012 which comprise Statement of Financial Activities, the Balance Sheet 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).

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and 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 4 the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 (APB's) Ethical Standards for Auditor.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2012, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE LIGHTHOUSE CLUB BENEVOLENT FUND**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford

23 May 2013

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Statement of Financial Activities for the year ended 31 December 2012

	Note	Designated funds £	Undesignated funds £	Total Unrestricted funds 2012 £	Total Unrestricted funds 2011 £
Incoming resources					
Incoming resource from generated funds					
Voluntary income	2	-	426,478	426,478	513,518
Investment income		1,656	1,222	2,878	1,576
Total incoming resources		1,656	427,700	429,356	515,094
Resources expended					
Costs of generating funds					
Costs of generating voluntary income		-	56,672	56,672	51,899
Investment management costs		-	1,165	1,165	1,166
Charitable activities	4	-	436,631	436,631	447,941
Governance costs		-	8,104	8,104	6,781
Other resources expended		-	-	-	-
Total resources expended	3	-	502,572	502,572	507,787
Net incoming/(outgoing) resources before transfers		1,656	(74,872)	(73,216)	7,307
Transfers		-	-	-	-
Net income and expenditure and movement in funds		1,656	(74,872)	(73,216)	7,307
Total funds brought forward at 1 January 2012		59,670	484,137	543,807	536,500
Total funds carried forward at 31 December 2011	8	61,326	409,265	470,591	543,807

There were no recognised gains or losses other than the excess of expenditure for the year. The accompanying notes form an integral part of these financial statements.

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Balance sheet at 31 December 2012

	Note	2012		2011
		£	£	£
Fixed assets				
Tangible assets for use by the charity	5		160	264
Current assets				
Debtors	6	171,688		139,618
Cash at bank and in hand		<u>301,357</u>		<u>406,512</u>
		473,045		546,130
Creditors - amounts falling due within one year	7	<u>2,614</u>		<u>2,587</u>
			470,431	543,543
Net current assets			<u>470,591</u>	<u>543,807</u>
Funds	8			
Designated			61,326	59,670
Undesignated			<u>409,265</u>	<u>484,137</u>
			<u>470,591</u>	<u>543,807</u>

Approved by the Board of Trustees on 23 May 2013 and signed on its behalf by

J.M. Everett
Chairman

The accompanying notes form an integral part of these financial statements.

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Notes forming part of the Financial Statements for the year ended 31 December 2012

1. Principal Accounting Policies

(a) Basis of Preparation

These financial statements combine the accounts of all funds which are governed by the terms of the Trust Deed dated 27 March, 1962.

These financial statements do not include the financial statements of branches of The Lighthouse Club. Donations from these branches are only recognised when received.

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005). The accounting policies have remained unchanged and are set out below.

(b) Going Concern

It is the Trustees intention to make a donation equal to the funds held in the Lighthouse Club Benevolent Fund to a new charitable company incorporated with similar charitable objectives to the Lighthouse Club Benevolent Fund. The grant of funds is expected to be completed before 31 December 2013 and the Trustees have considered the basis of preparing the current financial statements of the Lighthouse Club Benevolent Fund and have prepared them on a break-up basis and no adjustments have been necessary to the assets or liabilities at the balance sheet date.

(c) Fund Accounting

Details of the nature and purpose of each fund is set out in note 8.

(d) Voluntary Income

All donations are included in income on receipt.

Donations under deed of covenant together with the associated income tax recovery are recognised as income when the donation is received.

(e) Fixed Assets and Depreciation

Fixed assets are included in the financial statements at their historical cost and are written off over their estimated useful lives by equal annual instalments by depreciation through the income and expenditure account.

The rates applicable are:

Office equipment	10%
Computer equipment	33 $\frac{1}{3}$ %
Facsimile	25%

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Notes forming part of the Financial Statements for the year ended 31 December 2012

(f) Investment Income

Interest is accrued on a daily basis and is credited on this basis in the Statement of Financial Activities.

(g) Expenditure

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred in generating funds;
- charitable expenditure incurred directly to the fulfilment of the charity's objectives;
- expenditure incurred in the governance costs of the charity.

(h) Recognition of liabilities

Liabilities are recognised when there is a legal and constructive obligation committing the charity to the expenditure.

2. Voluntary income

	Designated	Undesignated	2012	2011
	£	£	Total	Total
			£	£
Donations from branches	-	200,115	200,115	188,700
Other donations	-	126,478	126,478	207,040
Corporate appeal	-	50,450	50,450	77,049
Dinner/Ball donation from the Lighthouse Club	-	49,435	49,435	40,729
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Total voluntary income	-	426,478	426,478	513,518
	=====	=====	=====	=====

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Notes forming part of the Financial Statements for the year ended 31 December 2012

3. Resources expended

	Costs of generating voluntary income £	Investment management £	Charitable activities (note 4) £	Governance costs £	2012 Total £	2011 Total £
Salary - Administrator	32,499				32,499	32,499
National Insurance - Administrator	3,468				3,468	3,489
Stationery, postage and telephone	3,964				3,964	4,329
Travelling, subsistence and meeting expenses				6,029	6,029	4,631
Administration Charges	10,000				10,000	5,000
Lighthouse Club Office rent	5,280				5,280	5,030
Audit fee and taxation work				2,075	2,075	2,150
Depreciation	104				104	105
Insurance	1,186				1,186	1,177
Sundries	171				171	270
Bank charges		1,165			1,165	1,166
Donations			436,631		436,631	444,155
Care holidays			-		-	3,786
Total 2012	56,672	1,165	436,631	8,104	502,572	
Total 2011	51,899	1,166	447,941	6,781		507,787

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Notes forming part of the Financial Statements for the year ended 31 December 2012

4. Charitable activities

	Designated £	Undesignated £	2012 Total £	2011 Total £
Cases supported by donations	-	436,631	436,631	444,155
Care holidays	-	-	-	3,786
	<u>-</u>	<u>436,631</u>	<u>436,631</u>	<u>447,941</u>

5. Fixed Assets

	Computer Equipment £	Office Equipment £	Facsimile £	Total £
Cost				
At 1 January 2012	473	1,045	200	1,718
Additions	-	-	-	-
At 31 December 2012	<u>473</u>	<u>1,045</u>	<u>200</u>	<u>1,718</u>
Depreciation				
At 1 January 2012	419	836	199	1,454
Provided in the period	52	52	-	104
At 31 December 2011	<u>471</u>	<u>888</u>	<u>199</u>	<u>1,558</u>
Net book amount at 31 December 2012	<u>2</u>	<u>157</u>	<u>1</u>	<u>160</u>
Net book amount at 31 December 2011	<u>54</u>	<u>209</u>	<u>1</u>	<u>264</u>

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Notes forming part of the Financial Statements for the year ended 31 December 2012

6. Debtors

	2012 £	2011 £
Amount due from The Lighthouse Club	169,729	137,647
Other debtors	1,959	1,971
	<u>171,688</u>	<u>139,618</u>

7. Creditors

	2012 Total £	2011 Total £
Other creditors	2,614	2,587
	<u>2,614</u>	<u>2,587</u>

8. Unrestricted funds

	Designated £	Undesignated £	Total £
At 1 January 2012	59,670	484,137	543,807
Incoming Resources	1,656	427,700	429,356
Expenditure	-	(502,572)	(502,572)
Gains/(losses)	-	-	-
Transfers	-	-	-
At 31 December 2012	<u>61,326</u>	<u>409,265</u>	<u>470,591</u>

Unrestricted designated funds

During 2002 a bequest from the estate of Mr Harry Collins, a founder Trustee was received of £50,413. The Trustees agreed to place this in a designated fund named The Harry Collins Reserve Fund for use if other financial resources of the Benevolent Fund become insufficient for immediate purposes.

THE LIGHTHOUSE CLUB BENEVOLENT FUND

Notes forming part of the Financial Statements for the year ended 31 December 2012

8. Unrestricted funds (continued)**Unrestricted undesignated funds.**

These comprise those funds which the Trustees are free to use in accordance with the charitable objects.

9. Trustees

No remuneration was paid to Trustees during the year.

During the year, 2 Trustees (2011: 2 Trustees) were reimbursed for travelling expenses totalling £1,802 (2011: £541)