

REGISTERED COMPANY NUMBER: 08244118 (England and Wales)
REGISTERED CHARITY NUMBER: 1149488 (England and Wales)
REGISTERED CHARITY NUMBER: 20200334 (Republic of Ireland)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY
(A COMPANY LIMITED BY GUARANTEE)**

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

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FOR THE YEAR ENDED 31 DECEMBER 2022

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LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2022**

TRUSTEES	S Carey R H Devine N Dewji L C Gallagher - Co-Chair E Naylor - Co-Chair R O'Loughlin J Vezey
COMPANY SECRETARY	W J Hill
REGISTERED OFFICE	Suffolk Enterprise Centre Felaw Maltings 44 Felaw Street Ipswich Suffolk IP2 8SJ
REGISTERED COMPANY NUMBER	08244118 (England and Wales)
REGISTERED CHARITY NUMBER	1149488 (England and Wales) 20200334 (Republic of Ireland)
AUDITORS	Fortus Audit LLP Chartered Accountants & Statutory Auditor 31 High View Close Hamilton Office Park Leicester Leicestershire LE4 9LJ
BANKERS	Lloyds Bank 79 High Street Chesham Buckinghamshire HP5 1DE
SOLICITORS	Gordon Dadds 80 Brook Street Mayfair London W1K 5DD
INVESTMENT ADVISERS	Brewin Dolphin 12 Smithfield Street London EC1A 9BD

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our History

Back in 1956 a small group of individuals decided to do something about the growing problem of construction families being thrown into poverty as a result of an illness, injury or death of the main breadwinner. Following an evening out and underneath the flashing light of St Mary's Lighthouse, they created the Lighthouse Club.

The objective of the Club was to fundraise within a collegiate friendly environment and pass those funds onto individuals and families within the construction industry who were in financial crisis as a consequence of ill health, injury, disability or bereavement. The Lighthouse Club Benevolent Fund was established in 1962 as a registered charity to act as a conduit between the fundraising activities and the beneficiaries supported.

The Lighthouse symbol soon became a beacon of hope for those within the industry suffering considerable hardship and a new charity was born.

Under the "Lighthouse Club" banner the charity has grown from strength to strength and now operates through 21 independent Regional Clubs in the UK and Ireland, along with a thriving overseas community in Asia Pacific, Middle East, Europe and the Americas. All of our Regional Lighthouse Clubs are run by volunteers who give up their time freely to organise local networking events to raise much needed funds to deliver our charitable work.

During 2012 it was agreed that the Lighthouse Club and the Lighthouse Club Benevolent Fund should be merged into a new charity called the Lighthouse Construction Industry Charity. In doing so the charity would gain more flexibility in the pursuit of its charitable objects and gain a more streamlined governance and reporting structure. This charity was incorporated on 8 October 2012 and commenced operations on 1 January 2013.

On 31 October 2013 the charity merged the assets of the National Lighthouse Club. This organisation was an unincorporated association and up until merger performed the governance and administration functions for the Lighthouse Club membership and the Regional Lighthouse Clubs.

On 31 December 2013 the charity, with the permission of the Charity Commission, also merged the assets of the Lighthouse Club Benevolent Fund Charity (charity number 205670).

Our Mission

The charity exists to deliver the following services to the Construction Community of the UK and Ireland:

To relieve hardship and stress amongst the construction community by:

- Providing financial assistance, welfare and wellbeing advice and emotional and legal support;
 - Promoting initiatives aimed at avoiding accidents and improving safety on construction sites;
 - Supporting educational initiatives aimed at improving employment conditions and career opportunities within the construction industry;
 - Supporting and delivering local and national events that embrace networking, fundraising and fellowship within the construction industry; and
 - Supporting other purposes which are charitable under the law of England and Wales and which the trustees, at their discretion, consider appropriate from time to time.
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LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

How we raise our funds

The charity has five primary income sources:

1. Events

We fundraise through the delivery of events which are also used to recruit new members. These range from sporting dinners, corporate golf days and glamorous dinner dances to "once in a lifetime" physical challenges. As a result the charity has to constantly organise events, pay for marketing, pay for venues, facilities, entertainment, hospitality and other resources required to deliver quality events. Our objective is always to maximise the funds generated by all our events but inevitably significant costs can be incurred. The vast majority of our events are run by our Regional Lighthouse Clubs whose dedication and commitment are at the heart of the charity. The cost of running the Regional Lighthouse Club events are not shown in the annual accounts as they run autonomously from the charity. In accordance with accounting standards, the costs of events are shown in expenditure separate from the income for all central charity events. As a result, the operational cost base of the charity appears inflated when compared to charities that rely on donations and legacy income.

2. Membership Subscriptions

At our events we encourage participants to become Members of the Lighthouse Club. We enjoy the support of over 3,000 individual supporters who donate an annual subscription to the charity. Our supporters do not accrue any benefits nor do they have any voting rights on the operation of the charity.

3. Corporate Engagement

The third key area of income comes from engagement with the corporate community. In September 2018 the charity launched a campaign to engage companies in the construction sector to become company supporters. This requires a company to commit to an annual donation- commencing from £250- to provide annuity income for the charity. As at 31 December 2022, 510 companies had pledged annual support amounting to £807,000. (2021: 260 companies pledged £400,000). We also have a programme to encourage companies to support the charity through their own annual fundraising initiative- called "Lighthouse Day".

4. Trusts, Foundations and Legacies

The charity does not benefit from public sector funding. The vast majority of the funds raised to date have been through regional and central events and have relied upon the support of private individuals and the business community.

5. Donated Goods and Services

The charity receives donations of goods and services from both corporate and individual supporters. These items are often repackaged for auction at our charitable events.

Fundraising

The charity is registered with the Fundraising Regulator. Although the charity accepts donations from national and local organisations and private individuals, the charity does not run fundraising campaigns or use third parties to raise funds on our behalf. We do not approach individuals in person, by email, telephone, social media or post to seek donations. We have not received any complaints regarding fundraising.

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and in planning future activities.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Charitable projects

The charity has three key charitable projects, these are:

Welfare and Benevolence

The charity provides a 24/7 Construction Industry Helpline (0345 605 1956) and supporting website www.constructionindustryhelpline.com that provides the gateway to deliver:

Emergency Financial Aid to the construction industry community in times of crisis following an illness, accident, injury or bereavement that forces a family into a state of poverty.

Advice on a range of matters including:

- Mental health and wellbeing issues as an employee or employer;
- Support and advice for sufferers of stress and addiction related illness;
- Advice on matters ranging from divorce to employment (through our partners Law Express);
- Advice on specific tax related issues concerning employment within the construction industry (through our partners RIFT);
- Help to manage and reschedule debt;
- Help to understand the benefits system and entitlement, especially if caring for others; and
- Support on career changes, especially after accident or injury preventing return to work.

Education and Training Initiatives

Finance for re-training within our sector can be accessed via the Construction Industry Helpline and is available to anybody suffering financial hardship or who has suffered an injury or illness that prevents them from returning to work in their original capacity.

Within our Education and Training activity we also review, commission and fund projects aimed at improving the mental wellbeing of our industry workforce and projects aimed at socially disadvantaged young people and young offenders looking to gain qualifications to enter construction or complete apprenticeships.

Health and Safety Improvement Projects

In special circumstances we will review applications from companies and individuals and finance, innovative and implementable ideas, to improve health and safety in the work environment.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Grantmaking policy

Grants are managed and controlled through the Charitable Projects Committee. This Committee is appointed by the trustees and comprises of two trustees and the Chief Executive or the Head of Charity Services. The chairperson is appointed by the trustees.

The Committee convenes as and when needed and at short notice. Conference calls are often used as meeting forums to discuss cases for approval.

The Committee is responsible for approving all charitable projects and charitable giving provided that:

- the project or grant fits the charity's criteria; and
- the chairperson is satisfied that the charity has sufficient funds to accommodate the project.

In the quarterly trustee report the Committee chairperson reports on the projects approved that quarter and attaches details of the projects or grants. Projects which do not fit the charity's criteria, are thought to be sensitive or unusual or where the project has generated a query, are referred to the quarterly trustee board meeting.

The trustees have delegated authority for:

- the approval for all grants <£5,000 to the Head of Charity Services;
- the approval of all projects and grants between £5,000 - £10,000 to the Charitable Giving Committee; and
- all individual grants over £10,000 require the approval of the Trustee Board.

The Head of Charity Services manages the weekly operational process, producing a monthly report for the Charitable Giving Committee. The Committee carries out a quarterly audit on a selection of cases.

Achievements and performance

Our vision is to ensure that "no construction worker or their family should be alone in a crisis".

The charity is constantly striving to develop our support services to meet the urgent and changing needs of our construction community.

Our core objectives for the year remain to:

- * Communicate our Construction Industry Helpline number to as many of the 3.1 million construction workers in the UK and Ireland as possible;
- * Increase corporate engagement through our Lighthouse Day initiative and encourage annual donations through our Company Supporters programme;
- * Help to develop the industry wide programmes that increase resources available to companies to support positive welfare and wellbeing in the industry; and
- * Increase the support and nurture the growth of our Regional Lighthouse Clubs.

Annual summary

During the first quarter of 2022, construction got back to work after the pandemic. However, the outbreak of war in the Ukraine led to soaring domestic inflation, with energy and other household costs increasing significantly. This again put pressure on our helpline and we saw a dramatic increase in helpline calls, as the workforce and their families struggled to make ends meet. This inflationary pressure continued throughout the year and was compounded by an increase in interest rates following political turbulence and a failed Autumn Budget. During this time, a number of long-standing construction companies fell into administration, adding to the stress within our construction community.

The increase in call volumes led our charity to decide to bring our outsourced frontline Helpline service in-house. The introduction of high-quality Helpline advisors has made a significant positive impact, improving our charity's service level as well as increasing the quality of delivery. Whilst call volumes were 23% higher at 3,421 (2021: 2,788), the increase in complex case work was contained at a more manageable 11%, with 1,976 cases arising (2021: 1,788)- statistics justifying our investment in recruiting and training our own Helpline staff.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Our fundraising focus in 2022 concentrated on increasing the companies pledging an annual donation. Our aspirational target was to double our income in this area. To achieve this objective, we hired Regional Lighthouse Ambassadors to engage with local and national organisations within construction and encourage them to contribute. This strategic initiative has been a huge success and our Company Supporters have grown by 250 to 510; they delivered an annual income of £807,000 in 2022. This annuity income has given the charity a significant reliable income base and our intention is to grow this further in 2023.

Charitable Work Examples

Financial & Emotional Support

A painter and decorator contacted us through our website. She was struggling financially and emotionally. Her daughter was ill and suffering from seizures. Caring for her daughter had reduced her ability to work which led to a reduction in income. As a result, she fell behind on her bills and had borrowed money to try and help the situation. Due to the solitary nature of her work, she was often alone with her thoughts which were increasingly getting her down.

We completed a full financial review, ensuring she was receiving the benefits she was entitled to. We referred her to specialist financial organisations (B&CE and CAP) who helped her manage her debts and we supported her through this process. We also provided her with six sessions of counselling. She has now returned to work, feeling more in control and less stressed. She is using coping techniques learned during her counselling to help manage her emotional health.

Trauma

We were contacted by the partner of a scaffolder, who had completed suicide, leaving her and their three children. She could not afford to pay for the funeral. We worked with the DWP and other organisations to pay for the funeral costs.

Shortly after, while the family were struggling with their recent bereavement, a fire destroyed the family home and they lost all their possessions. The impact of all this trauma was extremely difficult for them; the children found it difficult to process these massive changes to their lives and as a result they began to demonstrate disruptive and harmful behaviour.

We arranged bereavement counselling for the family and worked with the children's school to provide additional support. We were also able to provide support for Post Traumatic Stress. Working with the Local Authority, we were able to provide suitable accommodation conveniently located to the children's school and closer to friends and family. We also worked to ensure that they were financially stable.

Injury & suicidal thoughts

A client was referred for support. He had injured his back, could not work and was unable to pay his bills. The pain from his injury and despair at his situation, left him feeling suicidal and he did attempt to take his life. We quickly undertook a safeguarding assessment due to the client's distress. We encouraged him to seek medical advice and provided counselling twice a week to help stabilise him.

We arranged for emergency food and utility payments while we worked with the local Adult Services Team to put necessary services in place including adaptations to his home. We paid for one month's car insurance to keep him mobile. We also undertook a complete financial assessment and partnered with CAP to provide him with financial advice and support.

The twice a week counselling, led to the psychiatric hospital signing him off. His GP has reviewed his pain medication. The client was on suicide watch when he came to us but is now safe and supported with financial support after a bereavement.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Financial support after a bereavement

We were contacted by a client whose stepfather was tragically killed in a car accident by someone driving a stolen car. Her stepfather was the sole bread winner and had looked after all of the household finances.

We worked with the family to organise their finances, including applying for all the benefits they were entitled to claim. We provided them with a grant for 3 month's rent payments until all their benefits were released and paid. The client has thanked us for our support and prompt response during a very distressing and traumatic time.

Apprentice - Mental Health

We were contacted by an apprentice electrician's mother who was concerned for her son. During the Covid-19 pandemic, the client had been furloughed and this impacted his mental health. So much so, that he has been sectioned under the Mental Health Act, twice with suspected psychotic episodes.

Unable to work, he was made redundant. He didn't tell anyone and as a result, got into rent arrears. He received notice that unless his arrears were paid, he would be evicted.

His mother thought that her son might be on the autism spectrum. She paid to have a private assessment because he was too old to get one through the NHS. The client was diagnosed with autism.

We worked with the Rainy Day Trust and the Electrical Industries Charity and through matched funding we were able to clear the arrears and secure the client's tenancy. We also supported the client in applying for entitled benefits, including PIP. The rent is now paid directly to the landlord, securing his tenancy. The client is also receiving support from the National Autistic Society and is doing well.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRATEGIC REPORT

The charity has delivered a year of strong financial performance in 2022, demonstrating its financial and operational robustness over a period of increased need for its services and in the face of further economic uncertainty for the sector.

Income

The charity delivered income growth of 62% in 2022 (2021: 6%). The increase is primarily due to significant increase in annual company supporters and a return of event income through our national and regional fundraising events.

Donations and legacies

Donations and legacies received during the year were £2,095,368 (2021: £1,581,083). As mentioned above, this sharp increase was primarily due to the focus on increasing the number of companies that donate on an annual basis and a restoration of event activity at Regional Lighthouse Club level.

Our 21, Regional Lighthouse Clubs throughout the UK and Ireland made a significant contribution to the charity; their donations totalled £442,508 (2021: £182,912). These Regional Lighthouse Clubs are volunteer-led and are the backbone of the charity. The charity is extremely grateful for their significant contributions and for the time and dedication of our regional volunteer committees.

The charity did not receive any legacy income from the Charles Newman Memorial Fund in 2022 (2021: £50,000).

Income from charitable activities

Charitable activities income totalled £1,592,590 (2021: £701,861). This significant increase was primarily due to the return of national event income. In addition to the charity's annual Christmas Lunch, the charity staged a very successful White Collar Boxing Night, a "4 Peaks" challenge" climbing the highest mountains in Scotland, England, Wales and Ireland in 48 hours and an "On Yer Bike" challenge charity bike ride in Ireland from Leitrim to Killarney. The number of events in 2022 is unlikely to be repeated as it was a catch up on cancelled events due to the pandemic.

During 2022 the charity completed its contractual obligation to the CITB and finalised the Building Mental Health project.

Grants totalling £135,610 (2021: £217,781) were paid to the charity.

The charity is grateful to all our donors for their generosity.

Operating costs

Total operating costs grew 59% to £3,016,517 (2021: £1,903,571)

Costs expended on raising funds was directly attributed to the increase in the number of nationally run events and increased to £794,190 (2021: £332,427). The charity recognises that there are significant costs to organising national events and each year we try to improve our efficiency and margins on events. The target margin for events is 30%. In 2022, the margin achieved was 45% (2021: 30%).

Staff and office costs

A strategic decision was taken in 2022 to bring "in house" and fully staff our own helpline. In previous years the front-line helpline advisers were subcontracted to a third party, while our case workers were employed by the charity. To facilitate this, the charity also invested in a new cloud-based phone system. This system delivers call management control and allows all our Helpline Advisors and Case Workers to operate effectively from home. This decision has been a huge success in terms of operational efficiency and quality of service.

During 2022 the charity also invested heavily in regional charity development resources to accelerate the Company Supporter initiative. Total staff and office costs (excluding direct event costs) rose by 84% to £1,956,798 (2021: £1,061,877)

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Charitable activities

Total expenditure on the delivery of charitable services grew 40% to £1,548,020 (2021: £1,107,549)

2022 has been another year of unprecedented growth in terms of the delivery of charitable services. Further studies commissioned by the charity with Glasgow Caledonian University revealed that the suicide rate within construction during the pandemic period had increased while all other industries remained stable. The study also demonstrated that it was 3 times more likely to see a suicide in construction than any other industry and this rose to 8 times for ground workers and trades. This research galvanised the charity's resolve in 2022 to accelerate its activity to increase awareness of our charitable support to the "boots on the ground" and increase its engagement with construction companies and supply chains in the UK and Ireland.

The charity's vision is that "no construction worker or their family should be alone in a crisis". The aim is to surround every construction worker with options to improve their welfare and wellbeing by giving them easy access to a portfolio of services.

Building Mental Health

Expenditure on the Building Mental Health project was £155,543 (2021: £233,191). The aim of the project was to give the workforce access to a "Wellbeing Champion" on as many sites as possible in the UK and Ireland. A mental health first aid qualification was seen as the "gold standard" to equip volunteers with the necessary knowledge to help signpost the individuals seeking help to get support. The charity completed its obligations to this contract with CITB. This project saw the charity manage the training and introduction of 278 Mental Health First Aid Instructors into construction who in turn have trained over 11,000 Mental Health First Aiders in the industry. The total Social Value created by this project is over £9,000,000 for a £1,000,000 total investment and has been recognised as one of the most successful CITB projects.

Welfare and benevolence

Expenditure on welfare and benevolence charity services increased by 71% to £945,767 (2021: £551,901)

The charity helpline along with the caseworkers provide the resources to deliver welfare and benevolence for the charity.

The charity is working hard to create awareness of our charitable support within our industry and as a result of the turbulent economic climate and two major awareness campaigns "Help inside the Hard Hat" and "Make it Visible On Site", the number of clients contacting the helpline rose 23%. The new in-house helpline advisors, coupled with the caseworkers, coped extremely well with this increased volume and delivered a NPS score of 96%

Education and training

The expenditure on education and training dropped 34% to £153,312 (2021: £230,084). This drop in expenditure was expected as the industry got back to work, the opportunity to attend wellbeing focussed scheduled masterclasses reducing. The charity has now refocussed its education and training via a Wellbeing Academy where individuals can access wellbeing and soft skills training on a self-paced basis.

Health and safety innovation

Total spend of health and safety innovation grew 350% to £267,413 (2021: 59,421). 87% of the workforce within construction are men and the two biggest problems in getting this workforce to seek help when in crisis is; awareness that services are available; and overcoming the stigma of asking for help. In 2022 the charity was approached by Ford Motor Company to collaborate on this issue. "Make It Visible On Site" was the initiative created. Ford delivered free of charge two multi coloured Transit vans and the charity resourced the vans with trade operatives that had Mental Health First Aid training and had lived experience of mental health issues. These teams were then sent onto sites around the UK and Ireland with the express purpose of opening the conversation on workplace wellbeing and informing the workforce of the help available. This initiative has been a hugely successful wellbeing and welfare project. During 2022 the two teams visited over 173 sites in the UK and Ireland and worked with over 8,000 "boots on the ground". The project has also activated 25 critical interventions where individuals with suicidal ideation were given immediate access to counselling.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Governance Costs

Governance costs in 2022 dropped 21% to £25,985 (2021: £32,952)

On a net basis, the charity is pleased to report an unrestricted fund operational surplus of £671,441 (2021: £464,864); however this was reduced to £454,244 (2021: £449,454) by a heavy loss on revaluation on investments of £217,197 as a result of the timing of the year-end coinciding with a reduction in stockmarket sentiment (2021: gain of £70,081).

Reserves Policy

Historically, the charity's objective has been to spend no less than 50% of our net income on Welfare & Benevolence activities and over the medium-term, to donate its entire surplus, subject to maintaining a prudent level of reserves to cover the impact of any significant loss of income as well as its contractual and statutory liabilities.

At the year end, the charity held funds amounting to £3,127,834 (2021: £2,673,590), of which £2,542,222 (2021: £2,367,890) were unrestricted, £500,000 (2021: £250,000) were designated from the unrestricted fund and £85,612 restricted (2021: £55,700).

The trustees consider that:

- unrestricted funds should represent the funds available to the charity for investment in new charitable projects or to create additional income
- designated funds should be maintained at a level calculated to enable the charity to continue its activity for at least six months in the event of loss of income. Designated funds were increased by £250,000 in 2022 to £500,000. It should be noted that £62,168 of the designated funds is thanks to the bequest of Harry Collins.
- demand for the charity's services is on a steep upward trajectory and the current level of reserves is appropriate.

The level of reserves is monitored by the audit and governance committee and is reviewed on an annual basis.

Investment policy and performance

During the year, the trustees invested a further £1,000,000 of the charity's cash reserves with investment manager Brewin Dolphin, (2021: £0). The total cash investment stands at £1,750,000.

The investment valuation resulted in a 2022 loss of £217,197 (2021: Gain £70,081) as a result of the timing of the year-end coinciding with a reduction in stockmarket sentiment.

Investments are held in Brewin Dolphin's Risk category 6; representing moderate investment risk.

Whilst all funds invested can be returned to cash within 48 hours, the charity intends to hold these for more than 12 months and they consequently have been included in the balance sheet as fixed asset investments.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRATEGIC REPORT

Risk management

The trustees examine and review quarterly the major strategic, business and operational risks which the charity faces and confirm that systems have been established so that the risks may be effectively monitored and their impact mitigated as far as possible. The principal risks identified by the trustees and the control procedures used to mitigate those risks are:

Risk

Major downturn in charity giving due to government policy change, major disaster or major economic downturn

Insufficient reserves to meet the charity's needs

Vulnerable person issues

Fraud / misappropriation causing loss of income, reputation or relationship damage

Response

Ensure a broad range of funding sources resulting in no excessive dependency on a single donor or income stream.

Ensure management information is timely and accurate. Also regularly review the forward commitments against the level of reserves.

Develop a policy and implement for volunteers with access to vulnerable people. Ensure contracted programme partners have up to date vulnerable person policies and processes.

Ensure financial controls and authorisation limits are implemented. Track central and regional activities, income and use of the charity name. Investigate where any problems are identified.

Future plans

2022 was a year of considerable growth and the charity attained its aspirational target of doubling the number of people supported and also doubling the number of Company Supporters that fund the charity.

The charity's vision remains as "No construction worker or their family should be alone in a crisis".

Looking forward, the charity will be focussing on awareness and breaking down the stigma of accessing support by increasing activity through the "Make It Visible On Site" initiative. This is a labour intensive and expensive project to run but the returns on social impact and saving lives far outweighs the costs. Investment in resources to grow Company Supporters and engage with the Regional Lighthouse Clubs will be maintained along with investment in industry-wide initiatives to collaborate and unify industry best practice.

The charity will continue to build on the success of the launch of its Wellbeing Academy. This will be promoted heavily as a free proactive educational service aimed at improving wellbeing within the workforce and soft skills training for people managers.

Due to the significant growth in 2022, focus in 2023 will be on the internal systems and processes that underpin the charity's operations. All work processes will be evaluated and optimised and where possible automated to reduce the need for manual processing and to improve management information for decision-making.

The generosity of those who have and continue to support our charity remains vital to allow us to maintain our support for the construction industry.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The Lighthouse Construction Industry Charity is a company limited by guarantee in the United Kingdom, company number 0824418, incorporated on 8 October 2012 and is a registered charity, number 1149488. The charity is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

S Carey
R Devine
N Dewji
L Gallagher
E Naylor
R O Loughlin
J Vezey

The charity is governed by its trustees, which are also its directors under company law.

New trustees are appointed by the board of trustees which seeks to ensure that there is a broad range of relevant skills and experience on its body.

The trustees provide their time at no charge to the charity.

Management

The charity employs a full time Chief Executive, who is supported by full time and part time staff. In addition, a number of external contractors are engaged to carry out certain operations of the charity.

The Chief Executive prepares a detailed business plan and an annual financial budget which are reviewed by the trustees. The performance of the charity is measured by the trustees against both the business plan and the annual budget on a quarterly basis.

Governance

The board of trustees meets at least four times each year. The charity seeks to involve as many trustees as possible in different aspects of its operations, for example sitting on internal committees, helping organise events, liaising with Regional Lighthouse Clubs, attending Regional Lighthouse Club committee meetings and functions, and assisting with our charitable projects.

In order to promote good governance and best practice, the board of trustees has three committees:

The Audit and Governance Committee:

Has a trustee chairperson and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. Its responsibility is to ensure that all matters of good governance and best practice are effective throughout the entire organisation of the charity. Its responsibility is also to consider reports from the auditor and advise the board of trustees on financial control and effectiveness.

This committee also reviews the remuneration of the Chief Executive and other key staff members on an annual basis. Remuneration of key personnel is benchmarked against charities of a similar size and complexity. Awards are given on the basis of performance against the charity's objectives.

The Charitable Projects Committee:

Has a trustee chairperson and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. This committee communicates regularly by email, phone or in person to review all charitable projects. Its responsibilities are to review and authorise all the charity's project proposals whether these be individual one off applications for financial support, monthly applications for financial support or grants for other charitable activities within our charter.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Nominations Committee:

Has a trustee chairperson and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. Its responsibility is to continually review the members of the board, identify skill gaps within our governance structure and nominate potential candidates to the board as new trustees.

The trustees are provided with detail of their responsibilities as charity trustees upon their appointment. This includes a copy of the Charity Commission's "Essential Trustee" booklet.

Trustees are encouraged to attend training events to brief them on their legal and other obligations under charity and company law, whilst assisting them in their role as a board member.

Regional Lighthouse Clubs

The charity is supported by 21 Regional Lighthouse Clubs run by their own volunteer Committees. These Regional Lighthouse Clubs operate independently and are tied to the charity through an affiliate agreement.

The charity is very much indebted to the Regional Lighthouse Clubs. These Clubs are staffed entirely by volunteers (more than 150 in all), who are drawn from their membership and include a chairperson, a secretary, a treasurer and a welfare officer. The constitution of each Club can be different but is broadly based on a central model and they are tied to the charity via an affiliate agreement. This agreement grants the Club the right to use the charity's name and logo and sets out an operating framework to protect both the charity and the Club.

The Regional Lighthouse Clubs operate throughout almost the entirety of the British Isles. The Clubs deliver fundraising and networking events throughout the year and pass over the surplus takings by way of a donation to the charity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Lighthouse Construction Industry Charity for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 the trustees are aware:

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

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

AUDITORS

The auditors, Fortus Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 27/4/23 and signed on the board's behalf by:



.....
E Naylor - Co-Chair - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

Opinion

We have audited the financial statements of Lighthouse Construction Industry Charity (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant so specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charitable company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Buckby FCA (Senior Statutory Auditor)
for and on behalf of Fortus Audit LLP
Chartered Accountants & Statutory Auditor
31 High View Close
Hamilton Office Park
Leicester
Leicestershire
LE4 9LJ

Date: 9/5/2023

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	2,045,368	50,000	2,095,368	1,581,083
Charitable activities					
Building Mental Health	7	-	135,610	135,610	217,781
Other trading activities	5	1,441,710	-	1,441,710	478,248
Investment income	6	<u>15,270</u>	<u>-</u>	<u>15,270</u>	<u>5,832</u>
Total		<u>3,502,348</u>	<u>185,610</u>	<u>3,687,958</u>	<u>2,282,944</u>
EXPENDITURE ON					
Raising funds	8	1,468,342	155	1,468,497	796,022
Charitable activities					
Building Mental Health	9	-	155,543	155,543	233,191
Welfare & Benevolence		945,767	-	945,767	551,901
Education & Training		153,312	-	153,312	230,084
Health & Safety Innovation		267,413	-	267,413	59,421
Governance costs		<u>25,985</u>	<u>-</u>	<u>25,985</u>	<u>32,952</u>
Total		<u>2,860,819</u>	<u>155,698</u>	<u>3,016,517</u>	<u>1,903,571</u>
Net gains/(losses) on investments		<u>(217,197)</u>	<u>-</u>	<u>(217,197)</u>	<u>70,081</u>
NET INCOME		424,332	29,912	454,244	449,454
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>2,617,890</u>	<u>55,700</u>	<u>2,673,590</u>	<u>2,224,136</u>
TOTAL FUNDS CARRIED FORWARD		<u>3,042,222</u>	<u>85,612</u>	<u>3,127,834</u>	<u>2,673,590</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

GAINS AND LOSSES

The statement of financial activities includes all gains and losses recognised in the year.


The notes form part of these financial statements

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	14	13,219	3,709
Investments	15	<u>1,679,287</u>	<u>892,352</u>
		1,692,506	896,061
CURRENT ASSETS			
Debtors	16	447,609	356,055
Cash in hand		<u>1,278,640</u>	<u>1,865,064</u>
		1,726,249	2,221,119
CREDITORS			
Amounts falling due within one year	17	<u>(290,921)</u>	<u>(443,590)</u>
NET CURRENT ASSETS		<u>1,435,328</u>	<u>1,777,529</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,127,834</u>	<u>2,673,590</u>
NET ASSETS		<u>3,127,834</u>	<u>2,673,590</u>
FUNDS	20		
Unrestricted funds:			
General fund		2,542,222	2,367,890
Six month contingency fund		<u>500,000</u>	<u>250,000</u>
		<u>3,042,222</u>	<u>2,617,890</u>
Restricted funds		<u>85,612</u>	<u>55,700</u>
TOTAL FUNDS		<u>3,127,834</u>	<u>2,673,590</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27/14/22 and were signed on its behalf by:


.....
L C Gallagher - Co-Chair - Trustee


.....
E Naylor - Co-Chair - Trustee

The notes form part of these financial statements

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>417,416</u>	<u>462,353</u>
Net cash provided by operating activities		<u>417,416</u>	<u>462,353</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(14,978)	(3,552)
Purchase of fixed asset investments		(1,370,301)	(491,035)
Sale of fixed asset investments		357,575	75,752
Cash transferred to investment portfolio		8,594	417,074
Interest received		7	3
Dividends received		<u>15,263</u>	<u>5,829</u>
Net cash (used in)/provided by investing activities		<u>(1,003,840)</u>	<u>4,071</u>
Change in cash and cash equivalents in the reporting period			
		(586,424)	466,424
Cash and cash equivalents at the beginning of the reporting period		<u>1,865,064</u>	<u>1,398,640</u>
Cash and cash equivalents at the end of the reporting period		<u>1,278,640</u>	<u>1,865,064</u>

The notes form part of these financial statements

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	454,244	449,454
Adjustments for:		
Depreciation charges	5,468	1,936
Losses/(gain) on investments	217,197	(70,081)
Interest received	(7)	(3)
Dividends received	(15,263)	(5,829)
(Increase)/decrease in debtors	(91,554)	33,900
(Decrease)/increase in creditors	<u>(152,669)</u>	<u>52,976</u>
Net cash provided by operations	<u>417,416</u>	<u>462,353</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	<u>1,865,064</u>	<u>(586,424)</u>	<u>1,278,640</u>
	<u>1,865,064</u>	<u>(586,424)</u>	<u>1,278,640</u>
Total	<u>1,865,064</u>	<u>(586,424)</u>	<u>1,278,640</u>

The notes form part of these financial statements

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. CHARITY INFORMATION

Lighthouse Construction Industry Charity is a private company limited by guarantee incorporated in England and Wales. The registered office is Suffolk Enterprise Centre, Felaw Street, Ipswich, Suffolk IP2 8SJ.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The regional Lighthouse Clubs are all independent unincorporated associations and as such their income, expenditure and balance sheets are not included in these accounts.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income comprises membership, donations, income receivable from events organised during the year, charitable activities and interest receivable.

Donations are recognised when received and comprise amounts received which are not connected to fundraising events.

Legacies are recognised when the income is known and probable.

The charitable activity income relates to the training of Mental Health trainers, which is recognised on completion of each cohort.

All other income is accounted for on a receipts basis with related gift aid recognised when a claim is submitted.

Donations in kind are included in income when the benefit to the charity is reasonably quantifiable and measurable. Donated goods are not recognised if not practical to do so at the point of the gift. Donated goods and services where practical are valued by the trustees at the amount the charity would have been willing to pay for the goods or services on the open market.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds comprise the costs associated with attracting voluntary income and the costs of fundraising. These include the expenses of events hosted, promotional activities, staff and other costs directly involved with these activities.

2. ACCOUNTING POLICIES - continued

Expenditure

Charitable activities comprise grants and donations paid or unconditionally committed to charitable projects. In addition these include the cost associated with the Building Mental Health project.

Support costs, which include the governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity. These are allocated between raising funds and charitable activities.

All costs are allocated between the expenditure categories on the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis including time spent.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The charity has adopted a policy of only capitalising assets with a cost of £500 or more.

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by the trustees as a contingency fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Employee benefit

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees do not consider there to be any key sources of estimation uncertainty that have a significant impact on the amounts recognised in the financial statements.

4. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	2,043,292	1,559,400
Gift aid	<u>52,076</u>	<u>21,683</u>
	<u>2,095,368</u>	<u>1,581,083</u>

Donations and legacies

	2022 £	2021 £
Regional Lighthouse Club Donations	442,508	182,912
Company Donations	1,540,107	1,309,094
Individual Donations	95,493	63,917
General Donations	<u>17,260</u>	<u>25,160</u>
	<u>2,095,368</u>	<u>1,581,083</u>

Apart from a company donation of £50,00 in 2022, all of the total income from donations during 2022 and 2021 was by way of unrestricted funds.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

5. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events	<u>1,441,710</u>	<u>478,248</u>

Other trading activities

	Unrestricted funds income 2022	Direct event costs 2022	Net income 2022
Christmas Lunch	463,262	(334,123)	129,139
Boxing Night	565,166	(254,848)	310,318
Marathon	49,374	(2,237)	47,137
BAFTA Awards	40,100	(1,732)	38,368
Challenges	251,511	(123,776)	127,735
Other	72,297	(77,474)	(5,177)
	<u>1,441,710</u>	<u>(794,190)</u>	<u>647,520</u>

	Unrestricted funds income 2021	Direct event costs 2021	Net income 2021
Christmas Lunch	409,565	(223,775)	185,790
Golf	10,392	-	10,392
Marathon	10,682	-	10,682
Rugby	18,100	(40,500)	(22,400)
Challenges and other	19,966	(68,152)	(48,186)
Christmas Raffle	9,543	-	9,543
	<u>478,248</u>	<u>(332,427)</u>	<u>145,821</u>

All of the total income during 2022 and 2021 from other trading activities was by way of unrestricted funds.

6. INVESTMENT INCOME

	2022	2021
	£	£
Income from listed investments	15,263	5,829
Interest receivable	<u>7</u>	<u>3</u>
	<u>15,270</u>	<u>5,832</u>

All of the total income during 2022 and 2021 from investments was by way of unrestricted funds.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021
	Activity	£	£
Services provided under contract	Building Mental Health	<u>135,610</u>	<u>217,781</u>

All of the total income during 2022 and 2021 from charitable activities was by way of restricted funds.

8. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Staff costs	852,168	530,565
Marketing	107,020	70,204
Other fundraising costs	106,623	44,445
Direct event costs (note 5)	794,190	332,427
Regional support	17,686	11,592
Office costs	91,883	61,508
Bad debts	450	-
Foreign exchange loss	(18,690)	9,200
Depreciation	5,468	1,936
Less: expenditure allocated to Welfare and Benevolence	<u>(488,301)</u>	<u>(265,855)</u>
	<u>1,468,497</u>	<u>796,022</u>

All of the total costs of raising funds during 2022 and 2021 were by way of unrestricted funds.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. CHARITABLE ACTIVITIES COSTS

	Welfare & Benevolence 2022 £	Education & Training 2022 £	Health & Safety Innovation 2022 £	Total 2022 £	Total 2021 £
One off Grants	420,325	-	-	420,325	244,538
Monthly Grants	165	-	-	165	73
Welfare and Benevolence Office	488,301	-	-	488,301	265,855
Construction Industry Helpline	36,976	-	-	36,976	41,435
Education and Training	-	308,855	-	308,855	463,275
Health and Safety Innovation	-	-	267,413	267,413	59,421
	<u>945,767</u>	<u>308,855</u>	<u>267,413</u>	<u>1,522,035</u>	<u>1,074,597</u>
Analysis by fund					
Unrestricted funds	945,767	153,312	267,413	1,366,492	841,406
Restricted funds	-	155,543	-	155,543	233,191
	<u>945,767</u>	<u>308,855</u>	<u>267,413</u>	<u>1,522,035</u>	<u>1,074,597</u>
For the year ended 31 December 2021					
Unrestricted funds	551,901	230,084	59,421		841,406
Restricted funds	-	233,191	-		233,191
	<u>551,901</u>	<u>463,275</u>	<u>59,421</u>		<u>1,074,597</u>

During 2022, of the total costs of charitable activities, £1,366,492 (2021 - £841,406) were from unrestricted funds and £155,543 (2021 - £233,191) were by way of restricted funds.

Grants payable

During the year the Charity received 3,421 (2021: 2,788) calls for support to the Helpline. 2,151 (2021: 1,788) of these calls were managed by our case workers. Our case workers organised food delivery, rent and utility bill payment, replacement white goods, counselling and direct grants, totalling £393,983 (2021: £237,435).

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

10. SUPPORT COSTS

	Governance costs
	£
Governance costs	<u>25,985</u>

Support costs, included in the above, are as follows:

Governance costs

	2022 Governance costs £	2021 Total activities £
Auditors' remuneration	8,250	8,000
Legal and professional fees	5,073	11,640
Trustee Meetings	1,530	5,691
Management Fees	<u>11,132</u>	<u>7,621</u>
	<u>25,985</u>	<u>32,952</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	8,250	8,000
Depreciation - owned assets	<u>5,468</u>	<u>1,936</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

13. STAFF COSTS

	2022 £	2021 £
Wages and salaries	754,635	473,925
Social security costs	75,028	43,028
Other pension costs	<u>22,505</u>	<u>13,612</u>
	<u>852,168</u>	<u>530,565</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2022	2021
National Office	9	7
Welfare and Benevolence	<u>14</u>	<u>7</u>
	<u><u>23</u></u>	<u><u>14</u></u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	1	1
£70,001 - £80,000	<u>1</u>	<u>-</u>
	<u><u>2</u></u>	<u><u>1</u></u>

14. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2022	9,915
Additions	<u>14,978</u>
At 31 December 2022	<u><u>24,893</u></u>
DEPRECIATION	
At 1 January 2022	6,206
Charge for year	<u>5,468</u>
At 31 December 2022	<u><u>11,674</u></u>
NET BOOK VALUE	
At 31 December 2022	<u><u>13,219</u></u>
At 31 December 2021	<u><u>3,709</u></u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

15. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2022	892,352
Additions	1,370,301
Disposals	(357,575)
Revaluations	(217,200)
Cash deposits invested	(12,723)
Other SoFA changes	4,132
	<u>1,679,287</u>
At 31 December 2022	<u>1,679,287</u>
NET BOOK VALUE	
At 31 December 2022	<u>1,679,287</u>
At 31 December 2021	<u>892,352</u>

	2022 £	2021 £
Investments at fair value comprise:		
UK equities	392,939	164,925
Other equities	773,666	445,339
Property	35,491	23,889
Commodities	41,930	37,273
Bonds	139,558	99,958
Other investments	170,466	103,094
Cash product	115,954	-
Cash	9,283	17,874
	<u>1,679,287</u>	<u>892,352</u>

Cost or valuation at 31 December 2022 is represented by:

	Listed investments £
Valuation	<u>1,679,287</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	298,912	294,829
Other debtors	262	18,980
VAT	1,057	-
Prepayments and accrued income	<u>147,378</u>	<u>42,246</u>
	<u>447,609</u>	<u>356,055</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	63,615	62,014
Social security and other taxes	23,007	12,591
VAT	-	12,284
Other creditors	6,674	-
Accruals	152,433	100,079
Deferred income	<u>45,192</u>	<u>256,622</u>
	<u>290,921</u>	<u>443,590</u>

Included within deferred income is £nil (2021 - £184,000) of deposits received arising from the boxing event ticket sales.

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	21,292	21,280
Between one and five years	<u>33,142</u>	<u>54,391</u>
	<u>54,434</u>	<u>75,671</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Fixed assets	13,219	-	13,219	3,709
Investments	1,679,287	-	1,679,287	892,352
Current assets	1,640,637	85,612	1,726,249	2,221,119
Current liabilities	<u>(290,921)</u>	<u>-</u>	<u>(290,921)</u>	<u>(443,590)</u>
	<u>3,042,222</u>	<u>85,612</u>	<u>3,127,834</u>	<u>2,673,590</u>

20. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	Transfers between funds	At 31.12.22
	£	£	£	£
Unrestricted funds				
General fund	2,367,890	424,332	(250,000)	2,542,222
Six month contingency fund	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>500,000</u>
	2,617,890	424,332	-	3,042,222
Restricted funds				
Building mental health	55,700	(20,088)	-	35,612
Other restricted funds	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	<u>55,700</u>	<u>29,912</u>	<u>-</u>	<u>85,612</u>
TOTAL FUNDS	<u>2,673,590</u>	<u>454,244</u>	<u>-</u>	<u>3,127,834</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,502,348	(2,860,819)	(217,197)	424,332
Restricted funds				
Building mental health	135,610	(155,698)	-	(20,088)
Other restricted funds	50,000	-	-	50,000
	<u>185,610</u>	<u>(155,698)</u>	<u>-</u>	<u>29,912</u>
TOTAL FUNDS	<u>3,687,958</u>	<u>(3,016,517)</u>	<u>(217,197)</u>	<u>454,244</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	1,903,026	464,864	2,367,890
Six month contingency fund	250,000	-	250,000
	<u>2,153,026</u>	<u>464,864</u>	<u>2,617,890</u>
Restricted funds			
Building mental health	71,110	(15,410)	55,700
	<u>71,110</u>	<u>(15,410)</u>	<u>55,700</u>
TOTAL FUNDS	<u>2,224,136</u>	<u>449,454</u>	<u>2,673,590</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,065,163	(1,670,380)	70,081	464,864
Restricted funds				
Building mental health	217,781	(233,191)	-	(15,410)
	<u>2,282,944</u>	<u>(1,903,571)</u>	<u>70,081</u>	<u>449,454</u>
TOTAL FUNDS	<u>2,282,944</u>	<u>(1,903,571)</u>	<u>70,081</u>	<u>449,454</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £22,505 (2021: £13,612).

22. RELATED PARTY DISCLOSURES

The remuneration of key management personnel is as follows:

	2022 £	2021 £
Aggregate compensation	<u>185,943</u>	<u>125,519</u>

The charity is not aware of any transactions relating to the transfer of resources, services or obligations between related parties, regardless of whether a price was charged, during the accounting period.

The trustees are drawn from the construction world and therefore there may be donations and other transactions between the charity and the companies that the trustees work for.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,043,292	1,559,400
Gift aid	<u>52,076</u>	<u>21,683</u>
	2,095,368	1,581,083
Other trading activities		
Fundraising events	1,441,710	478,248
Investment income		
Income from listed investments	15,263	5,829
Interest receivable	<u>7</u>	<u>3</u>
	15,270	5,832
Charitable activities		
Services provided under contract	<u>135,610</u>	<u>217,781</u>
Total incoming resources	3,687,958	2,282,944
EXPENDITURE		
Raising donations and legacies		
Wages	754,635	473,925
Social security	75,028	43,028
Pensions	22,505	13,612
Marketing	107,020	70,204
Other fundraising costs	106,623	44,445
Direct event costs (note 5)	794,190	332,427
Regional support	17,686	11,592
Office costs	91,883	61,508
Bad debts	450	-
Foreign exchange loss	(18,690)	9,200
Depreciation of tangible fixed assets	5,468	1,936
Less: expenditure allocated to Welfare and Benevolence	<u>(488,301)</u>	<u>(265,855)</u>
	1,468,497	796,022
Charitable activities		
One off grants	420,325	244,538
Monthly grants	165	73
Welfare and benevolence office	488,301	265,855
Construction industry helpline	36,976	41,435
Education and training	308,855	463,275
Health and safety innovation	<u>267,413</u>	<u>59,421</u>
	1,522,035	1,074,597

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LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Support costs		
Governance costs		
Auditors' remuneration	8,250	8,000
Legal and professional fees	5,073	11,640
Trustee Meetings	1,530	5,691
Management Fees	<u>11,132</u>	<u>7,621</u>
	<u>25,985</u>	<u>32,952</u>
Total resources expended	<u>3,016,517</u>	<u>1,903,571</u>
Net income before gains and losses	671,441	379,373
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(217,197)</u>	<u>70,081</u>
Net income	<u>454,244</u>	<u>449,454</u>

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