

**BEN-Motor and Allied Trades
Benevolent Fund
(Limited by Guarantee)**

Report and Financial Statements

Year Ended

31 March 2007



BDO Stoy Hayward
Chartered Accountants

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Annual report and financial statements for the year ended 31 March 2007

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Reference and administrative details

Company Name	BEN-Motor and Allied Trades Benevolent Fund
Business Name	BEN the automotive industry charity
Charity Number	297877
Company Number	2163894
Registered Social Landlord Number	LH 3766
Principal Office	Lynwood, Sunninghill, Ascot, Berkshire, SL5 0AJ
Auditors	BDO Stoy Hayward LLP, Kings Wharf, 20-30 Kings Road, Reading, Berkshire, RG1 3EX Sayer Vincent LLP, King's House, Orchard Street, Bristol, BS1 5EH
Bankers	Barclays Bank PLC, 1 High Street, Bracknell, Berkshire, RG12 1DR
Solicitors	Field Fisher Waterhouse, 35 Vine Street, London, EC3N 2AA Lewis Silkin, 5 Chancery Lane, Cliffords Inn, London, EC4A 1BL Blake Lapthorn Tarlo Lyons, Harbour Court, Compass Road, North Harbour, Portsmouth, Hampshire, PO6 4ST
Investment Managers/Brokers	Cazenove Investment Fund Management Ltd , 12 Moorgate, London, EC2R 6DA

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

The Trustees are pleased to present their report together with the financial statements of BEN for the year ending 31st March 2007

Directors and Trustees:

The directors of the charitable company (BEN) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the "Trustees"

The Trustees serving during the year and since the year end were as follows -

A B Archer
B Back (Appointed 30 March 2007)
Mrs S A Brownson
S Dewey
T L Evans
B D Ferguson
D Goosey
T V Holmes
M Judge
C Macgowan
Ms K Myers (Resigned 30 March 2007)
G Potts
A Sackett
R Shaw
G Sherley
R Woolcock
A Worthy

Executive Staff

G Barclay	- Chief Executive
Miss J S Brown	- Director, Care Services
B Cottrell CPFA	- Finance Director and Company Secretary
Mrs S Howard	- Personnel Director & Assistant Secretary
R Marriott	- Director of Fundraising and Communications (Until 10 November 2006)

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

BEN – Motor and Allied Trades Benevolent Fund (“BEN”) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 14th September 1987. The Memorandum of Association was altered on 21 September 1995 and the Articles of Association redrafted on 17 April 2007 to allow for current governance arrangements. It is registered as a charity with the Charity Commission and is also a Registered Social Landlord.

Appointment of Trustees

The current Management Board of Trustees (“the Board”) consists of up to 16 members who either approach BEN to express their interest in becoming a Trustee, are themselves approached by a member of the Executive Management Team or who are recommended by a member of the Board. At the Annual General Meeting one-third of the Trustees retire from office. The Trustees to retire by rotation are those who have been longest in office since their last appointment. Retiring Trustees are eligible for re-election.

Trustee Induction and Training

Each member of the Board will undertake induction training, consisting of a briefing by the Executive Management Team and Heads of Departments on their activities. They are furnished with a comprehensive range of information and literature, for future reference. Emphasis is placed on the legal status of a Trustee and the position and responsibilities as Directors of the Company.

Organisation

The Board of Trustees, which has up to 16 members, administers BEN. The Board normally meets six times a year and there are sub-committees covering, Welfare, Finance and Audit, Remuneration and Fundraising & Communications which meet regularly. A Chief Executive is appointed by the Trustees to manage the day-to-day operation of BEN.

To facilitate the effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment, welfare and the operation of the Residential Centres.

The Welfare Committee convenes once a month to consider financial or other assistance for beneficiaries. There are currently 12 members drawn from the motor and allied trades, one of whom is a Board Trustee. The Board receive a report from the committee each time it meets.

The Finance and Audit committee is advisory to the Board and oversees all financial aspects of BEN. It takes delegated responsibility for ensuring there is a framework for accountability, for examining and reviewing all systems and methods of control. The Committee reviews the audited financial statements of BEN and recommends them to the Board. It considers the annual budget in detail and makes recommendations to the Board for its adoption. It reviews reports from external and internal auditors and monitors management actions to implement recommendations. It also oversees tendering for external services including internal and external audit services and considers the appointment, resignation or dismissal of internal and external auditors. In 2006 the committee also became responsible for the overseeing of BEN's Group Personal Pension Plan and Health and Safety.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

Organisation *(continued)*

The Remuneration Committee determines policy and individual remuneration packages of the Executive Management Team. It is required to be sensitive to the wider scene, including the pay and employment conditions in other major charities and the motor and allied industries.

The Fundraising and Communications Committee oversees branding, the targeting of specific sectors and individual donors, and the containment of fundraising costs within existing budgets. The Committee reports to the Board at each meeting.

Related Parties

The charity's wholly owned subsidiary, BENTrade Limited, was established to operate the trading activities of BEN, principally Christmas card sales and corporate events. BENTrade gifts all of its profits to BEN. BENTrade acquired the dormant company Automotive UK Limited (Company Number 04597093) in 2006, as at 31 March 2007 the company remains dormant.

Risk Management

A full and comprehensive risk assessment programme is carried out on a regular basis and reviewed quarterly by the Board. The Board believes this to be appropriate to BEN's size and nature of business.

For the year to 31 March 2007, BEN has been fully compliant with the requirements of Housing Corporation Regulatory Code and Guidance January 2003.

OBJECTIVES AND ACTIVITIES

BEN's objectives and principal activities are to assist and relieve needy persons and their dependants who are employed or have been employed in the motor, agricultural engineering, cycle and allied trades and industries who are United Kingdom or Irish citizens.

BEN achieves its objectives by

- Giving assistance to people in their own homes,
- Giving grants
- Making loans (both secured and unsecured) and
- The provision of nursing and residential care, day care and sheltered housing for elderly and younger disabled people.

The strategies employed to achieve BEN's objectives are to operate

- Welfare Offices in Ascot, Birmingham, Manchester, Newport (Gwent)
- Nursing and Residential Centres in Ascot, Rugby, Southport and Berwick-upon-Tweed and
- Day Care Centre in Coventry

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

ACHIEVEMENTS AND PERFORMANCE

BEN continues to provide a high level of service to all its beneficiaries

Welfare

Welfare Officers make and maintain contact with existing and potential beneficiaries across the UK and Ireland by either visiting them in their own homes or giving support and advice over the telephone. The team provides advice, support, friendship and financial assistance to those suffering hardship and distress. A network of more than 100 volunteers supports the Welfare Officers. Welfare departmental costs totalled £863,339 (£843,065 2005/06).

The Welfare committee considered 762 new cases (813 2005/06) in which financial assistance was given. The total active cases were 5,254 (14,711 people) compared to 5,861 (16,410 people) in the previous year. Over 2,299 contacts (2,555 2005/06) were made to beneficiaries in the year to give help, advice and support and to ensure they obtain all benefits to which they are entitled.

Grants to individuals totalled £685,666 (£777,044 2005/06) in the year. This included £55,460 (£80,280 2005/06) received from other charities for distribution to individuals. BEN provides a vital role in working alongside such organisations to ensure that individuals get the help that is available. Note 6 shows an analysis of Grants made.

Care of Residents and Housing

The overall costs of Residents and Housing increased by 4.4% from £8,111,686 in 2005/06 to £8,464,963 in 2006/07. Pressures on expenditure continue to be felt in areas such as gas and electric and additional costs to maintain the ageing buildings, particularly at Lynwood. The matrons continue to keep costs under control and ended the year within budgeted expectations.

The service continues to be financially supported by fundraising income of £2.5 million. However, fundraising income fell short of expectations and all service provision had to be reviewed during the year. The campaign to obtain higher levels of fees from local authorities continues.

Nursing and Residential Centres

BEN's four nursing and residential centres provide a range of services including sheltered housing, residential accommodation and nursing beds.

During 2006/7 the highest quality of care continued to be delivered to BEN's residents in the Centres. At the year-end 306 (312) were residing at the four Centres. Average occupancy across the year totalled 307 – 92.7% (309, 91.9% 2005/06).

All centres continue to meet the standards required by the Commission for Social Care Inspection (CSCI) and in a number of areas exceeded them, particularly in the area of quality of life.

Alexandra House in Southport again achieved the Assured Care Level 5, the first in Southport to be awarded this quality assurance standard set by Sefton Metropolitan Council's Social Service Department. This is the highest award available to a care home in the area and guarantees BEN additional income for local authority funded residents.

The Palliative Care Unit at Alexandra House closed in December 2006. This followed an extensive review of all the services that BEN offers, and was an important development to ensure that BEN continues to have effective affordable services.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

Day Centre

Arthur Wilson House in Coventry is the UK's first workplace day care centre. It provides a safe and comfortable environment where anyone with a connection to the motor or allied industries can leave an elderly parent or relative to be cared for during the working day.

Average attendance per day was 19 (19 2005/06). However, limited funding by Social Services restricts the daily attendance of members.

Fundraising Performance

The Board keeps under review the fundraising strategy and return on fundraising costs. The fundraising team raises funds from individuals, companies and trusts.

Overall fundraising income decreased by 16.6% from £5,403,063 in 2005/06 to £4,504,860 in 2006/07. Fundraising costs as a percentage of income received are 29% compared to 26% in 2005/06. However, planned increases in fundraising income over the next three years will enable BEN to provide other services and the percentage is expected to reduce.

Excluding Centenary Income in the year of £53,624 (£359,117 2005/06) underlying fundraising income decreased from £5,043,946 in 2005/06 to £4,451,236 a decrease of £592,710 (11.8%).

BENTrade Performance

BENTrade is the trading company of BEN and donated all of its profits to BEN. This totalled £401,924 (£382,238 2005/06). The company also collected a further £5,700 in donations. See Note 4.

Investment Performance

The Board has adopted the primary objective of a high and steady level of income by investing in UK equities, targeting a yield of 30% in excess of the FTSE All Share Index. The secondary target is to provide capital growth in order that the investment outperforms the FTSE All Share Index on a total return basis after costs over rolling five-year periods. Investment income totalled £243,529 for the year.

The Board believes that the investments are achieving these objectives and meets regularly with Cazenove Investment Fund Management Ltd, BEN's investment managers.

Employees

BEN's work is carried out by a network of over 400 paid employees supported by volunteers. Their dedication and commitment is at the heart of our work. The aim is to attract the best people in all areas through rigorous recruitment procedures. BEN invests in a strong induction process which includes the BEN Knowledge course that equips new starters with information on the entire workings of the organisation.

BEN values its employees by giving them opportunities for training and development. This recognises the commitment of our staff to continuing their own personal and professional development, in order to support the quality of care afforded to our residents and beneficiaries.

The Investors in People standard acknowledges that people are an organisation's greatest asset and for BEN to succeed everyone has to perform well. To achieve this, people need the right knowledge, skills and motivation to work efficiently. Alexandra House, Birch Hill and Lynwood residential centres have each achieved this standard with Town Thorns working towards it.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

Employees (*continued*)

Employee costs totalled £7,793,822 some 65% of overall costs with 89% of our workforce working in our residential or welfare services (Note 26)

SPECIFIC OBJECTIVES 2006/07

The Board set the following objectives for 2006/07

- Implement the recommendations of the Lynwood Development Committee
- Implement the recommendations of the Fundraising & Communications Committee in relation to fundraising targets and branding
- Ensure the effective use of Information Technology
- Continue to extend the reach of the welfare operation
- Limit overdraft usage to £400,000
- Create efficiency savings of 10% of non-payroll costs

Implement the recommendations of the Lynwood Development Committee

Lynwood Residential Centre was the first of BEN's centres to open, and since the late 1940's has been developed to provide a range of accommodation and caring services. To comply with BEN's philosophy of care it is considered that

- Existing nursing and care facilities require upgrading
- The sheltered housing need complete refurbishment or re-building
- To meet the needs of the industry and stated Government policy of enabling as many people as possible to be cared for at home, BEN will have to concentrate on specialist care and rehabilitation

BEN reconvened the Lynwood Development Committee in 2005. The Committee includes Trustees of the Board, the Executive Management Team and the Matron and Assistant Matron of Lynwood. The Committee reported to the Board in 2006 with its recommendations. The recommendations are now being worked into a full plan for the development of the site.

Implement the recommendations of the Fundraising & Communications Committee

The committee agreed that sustainable income is the key to the financial security of BEN. By developing and expanding Payroll Giving and Performance Related Giving over the next three years significant improvements can be made in financial stability and service provision. The target is to double fundraising income by 2010/2011.

There was extensive consultation and research on the approach to branding. The business name that will now be used across BEN is "BEN the automotive industry charity" together with the new Heart Logo. The business name may change and to reflect the sector being worked within. This is still being implemented across BEN to give a fresh new image to the services provided.

Ensure the effective use of Information Technology

The use of information technology in BEN is seen as an essential tool. This includes effective communication both internally and externally. In 2006/07 there were server upgrades, bandwidth expansion and the appointment of a new external contractor to support the users and hardware.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

Continue to extend the reach of the welfare operation

Although the Welfare Department distributed £685,000 (note 6) in 2006/07 this is only part of the work. Support varies from providing advice and assistance with practical help, offering emotional support, working with other agencies to give specialist advice on debt, maximising income and helping families cope with illness or disability. BEN also works with other Charities such as the Royal British Legion and SSAFA (The Soldiers, Sailors, Airmen and Families Association) to ensure that each beneficiary receives the service they need.

Around one in 10 people in the UK are eligible for our help. BEN currently provides assistance to some 15,000 people. There is a need to extend the reach of the welfare operation to reach more of those eligible by working alongside employers, charities and other partners.

Limit overdraft usage to £400,000

The financial difficulties identified in the early part of the financial year put a strain on the overdraft which was set at £500,000. Being prudent, the overdraft was increased to £700,000 in the last quarter of the year to ensure that day to day payments could be made. Following a review of expenditure across all budget headings the highest use of the overdraft facility in the year was actually £328,874 overdrawn.

Create efficiency savings of 10% of non-payroll costs

Non-payroll costs total some 25% of costs. Savings have been made throughout the year in energy, stationery and telephones. Efficiency initiatives continue, to ensure benefits continue to accrue.

FINANCIAL REVIEW

It has been a demanding financial year for BEN. Fundraising income fell short of expectations and the cost base across the entire organisation was reviewed. This resulted in some service changes and a drive to become more efficient, whilst at the same time identifying further recurrent fundraising income.

Income at £11.6million saw a reduction of £685,159 in the year. Expenditure increased by £232,654 (2%) in the year to £11.8million to end the year with a deficit of £272,301.

Charitable expenditure increased by £281,632 (2.9%). In overall terms Charitable expenditure increased from 83% in 2005/06 to 84% in 2006/07. This underlines the commitment to maintain a high level of service delivery across BEN, while facing challenging financial circumstances.

Cash and bank balances fell by £506,299 in the year. This was offset by the high bank balance at the end of 2005/06 which enabled BEN to stay within the overdraft limit of £500,000.

Reserves

The Board reviews the level of reserves needed annually. BEN needs free reserves to

- Provide working capital
- Fund any unexpected shortfall in Income and/or increased expenditure
- Provide funds for major repairs/refurbishment of BEN's Properties

The Board has concluded that to allow BEN to be managed efficiently and to provide a buffer for uninterrupted services, an overall objective is to create a reserve equivalent to four months revenue expenditure (£3.9million 2006/07). It has not been possible to create this reserve in 2006/07.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

PENSIONS

BEN Staff Pension and Assurance Scheme (Final Salary Scheme)

Following a Minimum Funding Requirement (MFR) revaluation of the BEN (closed) final salary scheme as at 1 April 2002, a deficiency of £613,000 was disclosed. At the date of signing the Report (31st March 2003) the Actuary estimated that, due to the fall in equity markets, the MFR deficit had increased to £1.2million. BEN will be required to contribute £220,000 per year (£220,000 2006/07) to the closed scheme to achieve the Minimum Funding Requirement. The triennial revaluation will take place in October 2007.

The deficit of the present value of the scheme over the market value (£994,000) is disclosed on the Balance Sheet in accordance with FRS17. See Note 27.

Group Personal Pension Scheme

A Group Personal Pension Scheme with BEN contributing 3% was introduced with effect from 1 April 2002.

PLANS FOR THE FUTURE

In January 2007 the Board held a "Strategy Day" with the Executive Management Team. The day identified BEN's key activities and the areas that should be regarded as core functions. The following priorities were agreed:

Care Homes and Welfare

Review the cost effectiveness of Sheltered Housing and the Day Centre.

Fundraising Strategy

BEN needs to grow revenue through implementing the Fundraising Strategy. However, there are issues with the current database that need considerable investment to rectify. It is also recognised that there needs to be investment in the fundraising management structure.

Trading

BENTrade performs well in generating income and covenanting it to BEN. Other areas of BEN's expertise that could be promoted to generate further income include:

- BEN's training is of a high standard. There is a potential to invest in this to generate income.
- BENCare – to develop a portal type website that could be sold to employers. This may be a revenue opportunity or fundraising 'awareness' opportunity.

Budgets and Finance

Develop a revenue model which will aid budget setting and clearly identify shortfalls in income.

Lynwood Development

Carry out a construction appraisal to assess whether it is feasible for BEN to manage the development process.

Communications

Update the Web Site.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2007

Specific Objectives 2007/08

Work on the strategy is an ongoing process. Specific targets for 2007/08 are

- Introduce Domiciliary Care to Town Thorns Sheltered Units
- Review Service and Cost Effectiveness of the Day Centre
- Review Fundraising Database strategy, develop and implement proposals
- Appoint Director of Fundraising and Communications
- Training Expertise – Investigate Market
- Develop a portal type website for BENCare
- Develop Ratio Targets
- Develop Financial Revenue Model
- Lynwood Development – Construction Appraisal
- Update Website

The Board and Executive Management Team review the Strategy each year to ensure that it remains relevant

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Board is responsible for the preparation of the financial statements for each financial year, which gives a true and fair view of the state of the affairs of BEN, and the surplus or deficit for the year. In preparing these financial statements, the Board has selected suitable accounting policies and then applied them consistently, made reasonable and prudent judgements and estimates, stated whether applicable accounting standards have been followed, subject to any material departures disclosed in the financial statements and prepared the financial statements under the going concern basis unless it is not appropriate to presume that BEN 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 BEN and enable them to ensure that the financial statements comply with the Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2000.

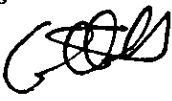
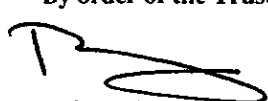
The Board is also responsible for safeguarding the assets of BEN and for taking reasonable steps for the prevention of fraud and other irregularities.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the group's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

A resolution will be proposed at the Annual General Meeting that BDO Stoy Hayward LLP be re-appointed as external auditors to BEN for the ensuing year.

By order of the Trustees



B Cottrell
Secretary

Date 26 July 2007

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Independent auditors' report to the Members of BEN-Motor and Allied Trades Benevolent Fund

We have audited the financial statements of BEN-Motor and Allied Trades Benevolent Fund for the year ended 31 March 2007 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The Trustees' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and other transactions with the charity is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Charities Act 1993 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Charities Act 1993 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

**Independent auditors' report to the Members of BEN-Motor and Allied Trades Benevolent Fund
(continued)**

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity and group affairs as at 31 March 2007 and of its incoming resources and application of resources of the group, including income and expenditure, for the year then ended, and
- have been properly prepared in accordance with the Charities Act 1993

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP
*Chartered Accountants
and Registered Auditors*
Reading

Date 26 July 2007

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

**Consolidated statement of financial activities for the year ended 31 March 2007
(incorporating an income and expenditure account)**

	Note	Unrestricted funds 2007 £	Restricted funds 2007 £	Permanent endowment funds 2007 £	Total 2007 £	Total 2006 £
Incoming resources						
<i>Incoming resources from charitable activities</i>						
Fees and rents	3	5,916,341	-	-	5,916,341	5,818,717
<i>Activities for generating funds</i>						
Fundraising income	3	4,438,363	66,497	-	4,504,860	5,403,063
Trading activities	4	881,841	-	-	881,841	786,312
Investment income		243,529	-	-	243,529	228,469
Net gain on disposal of fixed assets		-	-	-	-	37,867
Other incoming resources		42,696	-	-	42,696	-
Total incoming resources		11,522,770	66,497	-	11,589,267	12,274,428
Resources expended						
Cost of generating funds						
Trading activities	4,5	479,917	-	-	479,917	404,074
Fundraising and publicity	5	1,328,917	-	-	1,328,917	1,428,280
		1,808,834	-	-	1,808,834	1,832,354
Charitable expenditure						
Care of residents and housing	5	8,396,635	68,328	-	8,464,963	8,111,686
Welfare	5	863,339	-	-	863,339	843,605
Grants payable	5,6	630,206	55,460	-	685,666	777,045
Governance costs	5	38,766	-	-	38,766	44,224
Other resources expended		-	-	-	-	20,000
		9,928,946	123,788	-	10,052,734	9,796,560
Total resources expended	5	11,737,780	123,788	-	11,861,568	11,628,914
Net (outgoing)/incoming resources		(215,010)	(57,291)	-	(272,301)	645,514
Net investment gain	7,8	(18)	-	45,749	45,731	581,226
Actuarial gain/(loss) on defined benefit pension scheme	27	413,000	-	-	413,000	(48,000)
Net movement in funds	20	197,972	(57,291)	45,749	186,430	1,178,740

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)**Consolidated statement of financial activities for the year ended 31 March 2007
(incorporating an income and expenditure account)**

	Note	Unrestricted funds 2007 £	Restricted funds 2007 £	Permanent endowment funds 2007 £	Total 2007 £	Total 2006 £
Reconciliation of funds						
Net movement in funds brought forward		197,972	(57,291)	45,749	186,430	1,178,740
Funds brought forward as at 1 April 2006 as originally stated		95,427	5,939,917	7,430,510	13,465,854	14,106,114
Prior year adjustment		-	-	-	-	(1,819,000)
Funds brought forward as at 1 April 2006 as restated		95,427	5,939,917	7,430,510	13,465,854	12,287,114
Funds carried forward at 31 March 2007	20	293,399	5,882,626	7,476,259	13,652,284	13,465,854

All operations are continuing operations

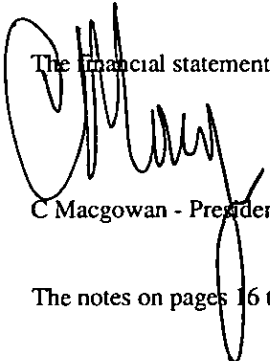
There are no recognised gains and losses other than those shown above

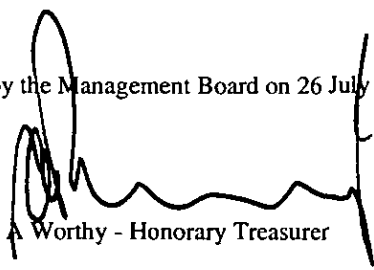
The notes on pages 16 to 39 form part of these financial statements

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)**Balance sheet at 31 March 2007**

		2007		2006	
	Note	Consolidated £	Company £	Consolidated £	Company £
Fixed assets					
Tangible assets	9	9,431,206	9,431,206	9,495,767	9,495,767
Investments	10	5,582,889	5,585,291	5,439,704	5,442,106
		<u>15,014,095</u>	<u>15,016,497</u>	<u>14,935,471</u>	<u>14,937,873</u>
Current assets					
Stock		1,591	-	6,656	-
Debtors	12	612,279	611,880	705,673	784,850
Cash at bank and in hand	13	36,080	31,466	418,682	293,950
		<u>649,950</u>	<u>643,346</u>	<u>1,131,011</u>	<u>1,078,800</u>
Creditors: amounts falling due within one year	14	(748,174)	(743,972)	(630,045)	(580,236)
Net current (liabilities)/assets		<u>(98,224)</u>	<u>(100,626)</u>	<u>500,966</u>	<u>498,564</u>
Total assets less current liabilities		<u>14,915,871</u>	<u>14,915,871</u>	<u>15,436,437</u>	<u>15,436,437</u>
Creditors: amounts falling due after more than one year	15	(269,587)	(269,587)	(303,583)	(303,583)
Total assets excluding pension scheme liability		<u>14,646,284</u>	<u>14,646,284</u>	<u>15,132,854</u>	<u>15,132,854</u>
Pension Scheme liability		<u>(994,000)</u>	<u>(994,000)</u>	<u>(1,667,000)</u>	<u>(1,667,000)</u>
Total net assets including pension liability		<u>13,652,284</u>	<u>13,652,284</u>	<u>13,465,854</u>	<u>13,465,854</u>
Funds	20	<u>13,652,284</u>	<u>13,652,284</u>	<u>13,465,854</u>	<u>13,465,854</u>

The financial statements were approved by the Management Board on 26 July 2007 and signed on its behalf by


C Macgowan - President


A Worthy - Honorary Treasurer

The notes on pages 16 to 39 form part of these financial statements

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Consolidated cash flow statement for the year ended 31 March 2007

	Note	2007	2006
		£	£
Net cash (outflow)/inflow from operating activities	22	(376,652)	421,468
Returns on investments			
Investment income received		243,529	228,469
Interest paid	23	(12,077)	(29,184)
		<u>231,452</u>	<u>199,285</u>
Capital expenditure and financial investment			
Repayment of Housing Corporation grant		-	-
Purchase of tangible assets		(236,559)	(192,857)
Proceeds on sale of tangible assets		-	113,300
Purchase of investments		-	-
Proceeds on sale of investments		266,000	139,241
Mortgage advances/repayments		26,732	9,280
		<u></u>	<u></u>
Net cash inflow from acquisitions and disposals		56,173	68,964
Management of liquid resources			
Cash retained from investment portfolio	25	(390,186)	(139,379)
		<u></u>	<u></u>
Net cash outflow from management of liquid assets		(390,186)	(139,379)
		<u></u>	<u></u>
Net cash (outflow)/inflow before financing		(479,213)	550,338
Financing			
Repayments of bank loans		-	(569)
Repayments of Housing Corporation loan		(32)	(27)
Decrease in other long-term loan		(27,054)	(16,027)
Mortgage loan repayments		-	-
		<u>(27,086)</u>	<u>(16,623)</u>
(Decrease)/increase in cash	25	(506,299)	533,715
Cash at 1 April 2006		418,682	(115,033)
		<u></u>	<u></u>
Cash at 31 March 2007	25	(87,617)	418,682
		<u></u>	<u></u>

The notes on pages 16 to 39 form part of these financial statements

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007

1 Status of company

BEN-Motor and Allied Trades Benevolent Fund is a registered social landlord (as defined under the Housing Act 1996) and a registered charity

2 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of fixed asset investments. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), Accounting and reporting by Charities (SORP 2006) published in March 2006 and applicable accounting standards.

The accounts depart from the requirement to prepare accounts under the Registered Social Landlord SORP (Update 2002). Under FRS18, the trustees considered the 2006 "Accounting and Reporting by Charities" SORP more appropriate to the charity's circumstances and the accounts are prepared on this basis. The following principal accounting policies have been applied:

Income recognition

All incoming resources are included in the SORP when BEN is legally entitled to the income and the amount can be quantified with reasonable accuracy.

- Legacies: entitlement is the earlier of estate account being finalised or cash received.
- Donated Services and Facilities: are recognised as Gifts In Kind and are included at the value to BEN where this can be quantified. No amount is included in the financial statements for services donated by volunteers.

Expenditure

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Charitable expenditure comprises direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Fundraising and publicity costs are those incurred in seeking voluntary contributions for BEN, and in publicising BEN.

Support costs for Management, Personnel, Finance, IT and Facilities are apportioned to categories of expenditure based on either direct costs or head count. See note 5.

Governance costs are the costs of governance arrangements, which relate to the general running of BEN. These activities provide the governance infrastructure which allows BEN to operate and to generate the information required for public accountability. They include the cost of carrying out the meetings and AGM of the Board and the Internal and External Audit Functions.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)

2 Accounting policies (continued)

Fund accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of BEN

Restricted funds are funds subject to specific restriction imposed by donors or by the purpose of the appeal in which they were raised

Permanent endowment funds are funds which the donor has stated are to be held as capital

Fixed assets

Basis of recording carrying values

Freehold land and buildings and all other classes of tangible fixed assets are recorded at historical cost

Depreciation

Freehold land

No depreciation is provided on freehold land

Buildings

Buildings are depreciated on a 1% straight line basis The fitting out elements of the properties are depreciated on a 4% straight line basis

Short leasehold property

Leasehold property is depreciated over the term of the lease

Other tangible assets

Furniture, fixtures and fittings	- 10%-20% straight line basis
Computer equipment	- 25% straight line basis
Vehicles	- 25% reducing balance basis

The policy is to account for capital grants as receivable when BEN becomes entitled to the income

Stock

Stock consists of goods for resale valued at the lower of cost and net realisable value

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)

2 Accounting policies (continued)

Taxation

Under section 505 of the Income and Corporation Taxes Act 1988 BEN, as a registered charity, is able to reclaim taxation suffered on income received under deduction of tax. The taxation recoverable is included with the income to which it relates.

Valued added tax

Valued added tax on most of BEN's expenditure is irrecoverable, and is included with the expenditure to which it relates. On certain items tax is partially recoverable.

Investments

Investments are stated at market value. It is BEN's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the statement of financial activities only includes those unrealised gains and losses arising from the revaluation of the investment portfolio throughout the year. Disclosure is made in note 7 of the difference between the historical cost and the sale proceeds of the investments sold during the year.

Leasing contracts

Instalments on operating lease contracts are charged to the income and expenditure account when they become payable. Assets purchased under finance leases are capitalised and the corresponding lease commitments are shown as obligations to the lessor in the balance sheet. The interest element of the lease payment is charged to the income and expenditure account evenly over the period of the lease.

Pension schemes

The Charity has fully adopted accounting standard FRS17 "Retirement Benefits".

The difference between the fair value of the assets held in the Charity's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected method are recognised in the Charity's balance sheet as a pension scheme asset or liability as appropriate. The annual surplus or deficit on the funding of the scheme is recognised as a "pension reserve surplus/(deficit)" within unrestricted funds – see also note 27 to these financial statements.

Changes in the defined benefit pension scheme asset or liability are charged to the Statement of Financial Activities in accordance with FRS 17.

Shared ownership

Surpluses and deficits arising from the granting of leasehold interests from BEN's freehold properties under shared ownership schemes are taken to the Town Thorns capital fund (note 20).

Consolidated financial statements

BEN's trading subsidiary, BENTrade Limited, has been consolidated into these financial statements on a line by line basis.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)**2 Accounting policies (*Continued*)***Impairment of fixed assets*

The need for any fixed asset impairment write down is assessed by comparison of the carrying value of the asset against the higher of realisable value and value in use

3 Income**Fees and Rents**

	Fees	Rents	Total	Total
	£	(Note 30)	2007	2006
	£	£	£	£
Alexandra House	1,101,259	34,424	1,135,683	1,161,276
Birch Hill	474,918	8,034	482,952	447,050
Lynwood	2,173,139	127,060	2,300,199	2,222,554
Town Thorns	1,800,021	111,030	1,911,051	1,910,549
Arthur Wilson House - Day Centre	86,456	-	86,456	77,288
	<u>5,635,793</u>	<u>280,548</u>	<u>5,916,341</u>	<u>5,818,717</u>

Donations and similar income

	Unrestricted	Restricted	Total	Total
	£	£	2007	2006
	£	£	£	£
Donations and fundraising events	4,070,654	-	4,070,654	4,205,015
Appeals	53,624	11,037	64,661	362,658
Welfare grants	-	55,460	55,460	80,280
Grants	-	-	-	7,000
Gifts in kind	276,112	-	276,112	260,886
Legacies	37,973	-	37,973	487,224
	<u>4,438,363</u>	<u>66,497</u>	<u>4,504,860</u>	<u>5,403,063</u>

Welfare Grants represent funds received from organisations for payment to, or on behalf of individuals, as Welfare Grants. A corresponding amount is included within expenditure under restricted Welfare Grants.

Gifts in kind represent the value of free accommodation and loan vehicles provided for the use of BEN. A corresponding amount is included within expenditure.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)**4 BENTrade Limited**

BEN owns the whole of the issued share capital of its subsidiary BENTrade Limited, a company registered in England and Wales, whose principal activity is the sale of sundry goods through mail order and the holding of commercial fundraising events. All profits made by BENTrade Limited are paid by deed of covenant to BEN-Motor and Allied Trades Benevolent Fund.

	Functions and sponsorship £	Mail order £	Administration costs £	Total 2007 £	Total 2006 £
The results for the year are as follows					
Turnover	784,416	97,425	-	881,841	786,312
Cost of sales and administrative expenses	(403,731)	(65,558)	(10,628)	(479,917)	(404,074)
	<u>380,685</u>	<u>31,867</u>	<u>(10,628)</u>	<u>401,924</u>	<u>382,238</u>
Amount covenanted to charity	(380,685)	(31,867)	10,628	(401,924)	(382,238)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Retained in subsidiary	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
				2007 £	2006 £
Balance sheet					
Current assets				568,768	135,637
Current liabilities				(566,366)	(133,235)
				<u>2,402</u>	<u>2,402</u>

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)

5 Expenditure

Resources expended

	Staff (Note 26)	Depreciation	Other	Support costs	Total 2007	Total 2006
	£	£	£	£	£	£
<i>Cost of generating funds</i>						
Bentrade	98,212	-	381,705	-	479,917	404,074
Fundraising and publicity	689,488	1,092	545,153	93,184	1,328,917	1,428,280
<i>Charitable expenditure</i>						
Care of residents and housing	5,862,741	256,287	1,508,418	837,517	8,464,963	8,111,686
Welfare	495,418	-	314,978	52,943	863,339	843,605
Grants made	-	-	638,716	46,950	685,666	777,045
<i>Governance</i>						
Support cost	647,963	43,741	338,890	(1,030,594)	-	-
Other resources expended	-	-	-	-	-	20,000
	7,793,822	301,120	3,766,626	-	11,861,568	11,628,914

Breakdown of Support Costs apportioned

	Management	Personnel	Finance	IT	Facilities	Total
	£	£	£	£	£	£
Fundraising and publicity	24,284	16,282	35,131	9,861	7,626	93,184
Care of residents and housing	154,427	221,646	223,405	134,235	103,804	837,517
Welfare	16,212	6,402	23,453	3,877	2,999	52,943
Grants made	14,376	5,678	20,798	3,439	2,659	46,950
	209,299	250,008	302,787	151,412	117,088	1,030,594

Included within support costs is an amount of £20,000 of audit fees, £18,000 relates to the audit of BEN-Motor and Allied Trades Benevolent Fund and £2,000 relates to its wholly owned subsidiary, BENTrade Limited. There have been no amounts paid to the auditors in respect of non-audit services.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)

6 Grants payable

One-off grants made to or on behalf of individuals

	Value		2007		2006	
	From £	To £	Number	Total £	Number	Total £
	1	250	1,525	215,747	1,525	220,305
	251	500	695	274,120	800	313,544
	501	750	61	38,419	56	34,928
	751	1,000	20	17,998	33	30,912
	1,001	1,250	3	3,650	9	10,591
	1,251	1,500	-	-	2	2,790
	1,501	1,750	4	6,490	1	1,550
	Greater than	1,751	4	14,645	8	34,448
Total discretionary			2,312	571,069	2,434	649,068
Total weekly grants				114,596		127,977
Total grants made				685,665		777,045

One-off grants include amounts received and paid on behalf of other organisations to individuals. The total of such receipts is £55,460 (2006 £80,280) and is included in restricted donations. See Note 3.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)

7 Listed investments

	Endowment Funds Nursing Home and General Fund £	Common Investment Fund £	General fund £	Total £
<i>Cost</i>				
Market value at 1 April 2006	2,992,215	1,959,503	272	4,951,990
Disposals	-	(266,000)	-	(266,000)
Net investment gain/(loss) (note 8)	4,984	40,765	(18)	45,731
	<hr/>	<hr/>	<hr/>	<hr/>
Market value at 31 March 2007	2,997,199	1,734,268	254	4,731,721
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Market value</i>				
Listed in the UK	2,997,199	1,734,268	254	4,731,721
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Historical cost</i>				
At 31 March 2007	2,548,920	1,258,184	90	3,807,194
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2006	2,548,920	1,437,161	90	3,986,171
	<hr/>	<hr/>	<hr/>	<hr/>
Unrealised gains at 31 March 2007	448,279	476,084	164	924,527
	<hr/>	<hr/>	<hr/>	<hr/>
Realised investment gains/(losses) based on historical cost	-	(87,023)	-	(87,023)
	<hr/>	<hr/>	<hr/>	<hr/>

The narrow and wider range of the Common Investment Fund were combined during the year

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)**8 Endowment funds**

	Nursing Home and General Fund £	Common Investment Fund £	Total £
Balance at 1 April 2006	5,465,184	1,965,326	7,430,510
Gain on revaluation of investments	4,984	40,765	45,749
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2007	5,470,168	2,006,091	7,476,259
	<hr/>	<hr/>	<hr/>
Represented by			
Listed investments	2,997,199	1,734,268	4,731,467
Bank balances	489,219	271,823	761,042
Amount owed by general fund	1,983,750	-	1,983,750
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2007	5,470,168	2,006,091	7,476,259
	<hr/>	<hr/>	<hr/>

On 25 March 1992 the Charity Commissioners approved an order enabling £3,050,000 to be lent to the General Fund by the Nursing Home and General Endowment fund. The minimum annual repayments are £132,250. By a revised Order of the Charity Commission the total amount must be repaid by 31 December 2022.

The Common Investment Fund consists of the following funds which have been consolidated into a single fund

Name of fund	%	Group Fund £	Income £
Lord Austin Memorial Fund	60.16%	1,206,864	48,341
Viscount Wakefield Educational Fund	0.91%	18,255	731
Viscount Nuffield Fund	1.65%	33,100	1,326
Willoughby Trust Fund	1.07%	21,465	860
Lynwood Endowment Fund	36.05%	723,196	28,968
Sir James Percy Memorial Fund	0.16%	3,210	129
	<hr/>	<hr/>	<hr/>
	100%	2,006,090	80,355
	<hr/>	<hr/>	<hr/>

The Endowment Fund Trust Deeds provide that capital monies must be accumulated and are not available for expenditure on general welfare, the running of homes or administration. However the income from the endowment funds can be used for those purposes.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)

9 Tangible fixed assets (Consolidated)

	Freehold property £	Leasehold property £	Furniture, fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<i>Cost</i>						
At 1 April 2006	12,151,897	366,056	1,382,739	554,117	245,810	14,700,619
Less accumulated grants	(870,671)	-	(6,806)	-	-	(877,477)
Additions	11,281,226	366,056	1,375,933	554,117	245,810	13,823,142
Disposals	-	-	50,493	19,344	166,722	236,559
At 31 March 2007	11,281,226	366,056	1,426,426	573,461	412,532	14,059,701
<i>Depreciation</i>						
At 1 April 2006	2,538,078	95,494	940,064	520,193	233,546	4,327,375
Charge for year	114,624	13,320	91,714	26,142	55,320	301,120
Disposals	-	-	-	-	-	-
At 31 March 2007	2,652,702	108,814	1,031,778	546,335	288,866	4,628,495
<i>Net book value</i>						
At 31 March 2007	8,628,524	257,242	394,648	27,126	123,666	9,431,206
At 31 March 2006	8,743,148	270,562	435,869	33,924	12,264	9,495,767
Land values included within property amount to £750,000 (2006 £750,000)						

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)**Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)****9 Tangible fixed assets (continued)**

The cumulative interest included in the cost of freehold land and buildings at the year end was £454,375 (2006 - £454,375)

An impairment review of the converted freehold property was carried out at 31 March 2005 and this disclosed that the net realisable values or value in use of the properties was higher than the carrying values at historical cost and therefore no provision for impairment is necessary

The depreciation for the year of freehold property was £114,624 of which £57,777 (2006 £57,777) has been charged against restricted funds. The depreciation of leasehold property amounted to £13,320 of which £10,553 (2006 £10,553) has been charged against restricted funds

Grants repaid to the Housing Corporation amounted to £Nil (2006 - £Nil)

10 Investments

	2007		2006	
	£	£	£	£
Endowment funds				
Listed investments (note 7,8)		4,731,467		4,951,718
Cash		761,051		362,792
		<hr/>		<hr/>
		5,492,518		5,314,510
General fund				
Listed investments (note 7)	254		272	
Cash	221		8,294	
Mortgages and loans (note 11)	89,896		116,628	
	<hr/>		<hr/>	
		90,371		125,194
		<hr/>		<hr/>
Total per consolidated financial statements		5,582,889		5,439,704
BENTrade Limited (Note 4)		2,402		2,402
		<hr/>		<hr/>
Total per company financial statements		5,585,291		5,442,106
		<hr/>		<hr/>

In addition to the above investments the endowment funds are owed £1,983,750 (2006 £2,116,000) from the general fund (see note 8)

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)**11 Mortgages and loans**

	2007 £	2006 £
The sum represents advances to beneficiaries		
Secured on freehold and long leasehold properties	40,516	42,860
Unsecured	49,380	73,768
	<u>89,896</u>	<u>116,628</u>

12 Debtors

	2007 Consolidated £	Company £	2006 Consolidated £	Company £
Gross fees and rent arrears	371,480	371,480	328,769	328,769
Less provision for bad and doubtful debts	(65,421)	(65,421)	(65,241)	(65,241)
	<u>306,059</u>	<u>306,059</u>	<u>263,528</u>	<u>263,528</u>
Fees and rents receivable	306,059	306,059	263,528	263,528
Prepayments and accrued income	138,439	138,439	208,552	208,552
Other debtors	167,781	167,382	233,593	229,344
Due from subsidiary	-	-	-	83,426
	<u>612,279</u>	<u>611,880</u>	<u>705,673</u>	<u>784,850</u>

13 Cash at bank and in hand

	2007 Consolidated £	Company £	2006 Consolidated £	Company £
Payroll giving account	31,466	31,466	18,086	18,086
Cash in hand	4,614	-	400,596	275,864
	<u>36,080</u>	<u>31,466</u>	<u>418,682</u>	<u>293,950</u>

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)**14 Creditors: amounts falling due within one year**

	2007		2006	
	Consolidated	Company	Consolidated	Company
	£	£	£	£
Bank loans (note 16)	20,753	20,753	13,847	13,847
Loan advance by Housing Corporation (note 18)	36	36	32	32
Bank overdraft (note 17)	123,697	123,697	-	-
Creditors and accruals	450,949	408,753	463,251	413,442
Other taxes and social security costs	152,739	152,739	152,915	152,915
Due from subsidiary	-	37,994	-	-
	<u>748,174</u>	<u>743,972</u>	<u>630,045</u>	<u>580,236</u>

15 Creditors: amounts falling due after more than one year

	2007		2006	
	Consolidated	Company	Consolidated	Company
	£	£	£	£
Loan advance by Housing Corporation (note 18)	30,920	30,920	30,956	30,956
Bank loans (note 16)	238,667	238,667	272,627	272,627
	<u>269,587</u>	<u>269,587</u>	<u>303,583</u>	<u>303,583</u>

16 Bank loans

	2007	2006
	£	£
Due within one year	21,453	20,511
Due within two to five years	102,481	97,983
Due in more than five years	135,486	167,980
	<u>259,420</u>	<u>286,474</u>

17 Bank overdraft

Barclays Bank PLC has provided facilities up to £500,000 (2006 - £500,000) with temporary excesses for general operating purposes. The overdraft, whilst repayable on demand, is subject to periodic reviews.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)**Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)****18 Housing Corporation loans**

The mortgage advance from the Housing Corporation, which is secured by a charge on BEN's Lynwood property, is repayable by instalments under the annuity method over a period of 60 years (first payment March 1983) at a rate of interest of 14% as follows

	2007 £	2006 £
Repayable by instalments		
Due within one year	36	32
Due within two to five years	206	180
Due in more than five years	30,714	30,776
	<hr/>	<hr/>
	30,956	30,988
	<hr/>	<hr/>

19 Obligations under operating leases

	2007 £	2006 £
The net annual obligation under operating leases is as follows		
Agreement expiring		
- in one year or less	4,577	4,577
- between one and five years	33,709	33,709
	<hr/>	<hr/>
	38,286	38,286
	<hr/>	<hr/>

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)

20 Summary of fund balances

	Restricted funds				Designated funds				Total	
	Town Thorns Capital Fund	Lynwood Capital Fund	Day Centre	Grants	Centenary Appeal Reserve	Cyclical Maintenance Reserve (Note 21)	General Fund	Pension Reserve (Note 27)		
£	£	£	£	£	£	£	£	£		
Balance brought forward at 1 April 2006	7,430,510	3,986,748	1,686,133	260,037	7,000	175,529	261,648	1,325,249	(1,667,000)	13,465,854
Movements in the year	45,749	(40,680)	(6,063)	(10,548)	-	-	-	(475,028)	673,000	186,430
Movement between funds	-	-	-	-	-	43,425	(9,062)	(34,363)	-	-
Balance carried forward at 31 March 2007	7,476,259	3,946,068	1,680,070	249,489	7,000	218,954	252,586	815,858	(994,000)	13,652,284
Represented by										
Tangible assets	-	3,946,068	1,761,261	257,242	-	218,954	-	3,247,681	-	9,431,206
Investments	5,492,509	-	-	-	-	-	-	90,380	-	5,582,889
Current assets	-	-	7,893	-	7,000	-	-	635,057	-	649,950
Current liabilities	-	-	-	-	-	-	-	(748,174)	-	(748,174)
Long term liabilities and provisions	-	-	-	-	-	-	-	(269,587)	-	(269,587)
Inter-fund loans and transfers	1,983,750	-	(89,084)	(7,753)	-	-	252,586	(2,139,499)	-	-
Pension liability	-	-	-	-	-	-	-	-	(994,000)	(994,000)
Balance carried forward at 31 March 2007	7,476,259	3,946,068	1,680,070	249,489	7,000	218,954	252,586	815,858	(994,000)	13,652,284
Unrealised gains (note 7)	924,363	-	-	-	-	-	-	164	-	924,527

Restricted funds are funds subject to specific restrictions imposed by donors or by the general objectives of BEN. Designated funds are funds set aside for specific purposes and are created and managed at the discretion of the Trustees. The Centenary Appeal, which came to an end in 2006/07, represents the appeal funds that have been invested in fixed assets. The Pension Reserve has been created as a result of the implementation of FRS17.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)**21 Cyclical Maintenance Reserve**

	Lynwood Sheltered Housing £	Alexandra House Hostel £	Birch Hill Sheltered Housing £	Town Thorns Sheltered Housing £	2007 Total £	2006 Total £
At 1 April 2006	86,055	16,657	6,200	152,736	261,648	239,890
Transfer from general funds	9,084	876	1,560	12,168	23,688	23,439
Expenditure during the year	(24,000)	-	(8,750)	-	(32,750)	(1,681)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2007	71,139	17,533	(990)	164,904	252,586	261,648
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The reserve is to provide funds for the maintenance of housing association properties

22 Reconciliation of net (outgoing)/incoming resources to net cash (outflow)/inflow from operating activities

	2007 £	2006 £
Net (outgoing)/incoming resources before revaluations	(272,301)	645,514
Gain on disposal of fixed assets	-	(37,867)
Payments into defined benefit pension scheme	(220,000)	(220,000)
Net financial change on defined benefit pension scheme	(40,000)	20,000
Depreciation charge	301,120	286,454
Investment income	(243,529)	(228,469)
Interest payable	12,077	29,184
Change in debtors and stocks	16,044	(684,200)
Change in creditors	69,937	610,852
	<hr/>	<hr/>
	(376,652)	421,468
	<hr/>	<hr/>

23 Interest payable

All interest payable relates to loans and overdrafts repayable within 5 years and amounted to £12,077 (2006 - £29,184)

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)**24 Reconciliation of net cash flow to movement in net debt**

	2007 £	2006 £
(Decrease)/increase in cash in the year	(506,299)	533,715
Cash inflow from repayment of loans	27,089	16,655
Cash inflow from increase in liquid resources	390,186	139,379
	<hr/>	<hr/>
Change in net debt	(89,024)	689,749
Net debt at 1 April 2006	472,339	(217,410)
	<hr/>	<hr/>
Net debt at 31 March 2007	383,315	472,339
	<hr/>	<hr/>

25 Analysis of changes in net debt

	At 1 April 2006 £	Cash flow £	At 31 March 2007 £
Cash in hand	418,682	(382,602)	36,080
Overdraft	-	(123,697)	(123,697)
	<hr/>	<hr/>	<hr/>
	418,682	(506,299)	(87,617)
Debt due within one year	(13,847)	(6,906)	(20,753)
Debt after one year	(303,582)	33,995	(269,587)
Investment portfolio cash (note 10)	371,086	390,186	761,272
	<hr/>	<hr/>	<hr/>
Total	472,339	(89,024)	383,315
	<hr/>	<hr/>	<hr/>

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)**26 Employee costs**

	2007 £	2006 £
Total employee costs during the year were		
Salaries and wages	7,143,151	6,886,551
Employer's National Insurance contributions	562,615	510,742
Pension costs	88,056	98,259
	<hr/>	<hr/>
	7,793,822	7,495,552
	<hr/>	<hr/>
The number of employees earning more than £50,000 in the year are as follows	Number	Number
£50,001 - £60,000	-	2
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
	<hr/>	<hr/>

The above figures include car and fuel benefit which range from £477 - £8,214. Vehicles are loaned to BEN by companies in the motor industry therefore at no cost to BEN. Such vehicles are regarded as gifts in kind and are included in the Statement of Financial Activities.

The amount paid to the highest paid director excluding pension contributions, including car and fuel benefit was £95,632 (2006 - £94,292 - the Chief Executive).

The total amount of contributions paid into the BEN Group Personal Pension Scheme in relation to employees earning more than £50,000 in the year was £4,222. The total number of staff in the scheme as at 31 March 2007 was 134.

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

	2007 Number	2006 Number
Residential homes	350	334
Welfare	23	23
Administration and management	15	13
Appeals and publicity	29	30
	<hr/>	<hr/>
	417	400
	<hr/>	<hr/>

As at 31 March 2007, the actual total number of employees was 411 (2006 - 406).

No Management Board members received any remuneration in the year. One (2006 - Nil) Management Board members received reimbursement of expenses for travel in the year of £1,233 (2006 - £Nil).

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)

27 Defined benefit pension scheme

BEN operates a defined benefit scheme for employees, which is funded by contributions from both the members and the company. The pension cost is assessed in accordance with the advice of a professionally qualified actuary and the most recent actual valuation, which was under the projected unit method, was carried out as at 1 October 2000. The valuation of the scheme as at 1 October 2000 showed the actuarial valuation of the assets to be £3,599,000. The value of liabilities in respect of service before 1 October 2000 was £4,156,000 resulting in a past service deficiency of £557,000. During the year ended 31 March 2007 BEN made payments totalling £220,000 (2006 £220,000).

The scheme was closed on 31 March 2002. As a result, under the projected unit method, the current service cost will increase as the members of the scheme approach retirement. BEN will be required to contribute £220,000 per year to the closed scheme to restore the Minimum Funding Requirement to 90%.

Financial Reporting Standard 17 'Retirement Benefits' (FRS 17)

FRS 17 was fully adopted during the year ended 31 March 2006. The impact of FRS 17 is significant as an additional liability equal to the deficit in the defined benefit scheme of £994,000 (2006 - £1,667,000) is recognised in BEN's balance sheet.

The defined benefit scheme was last fully reviewed as at 31 March 2007 when a report was made by an external qualified actuary. The actuary has completed the following information about the financial position of the scheme as at 31 March 2007.

	2007	2006	2005
Valuation method	Triennial	Triennial	Triennial
Discount rate	5.4% per annum	5.0% per annum	5.5% per annum
Inflation rate	3.2% per annum	3.0% per annum	2.5% per annum
Rate of increase in salaries	n/a	n/a	n/a
Rate of increase for pensions in payment			
Prior to 5 April 1997	3% per annum	3% per annum	3% per annum
After 6 April 1997	2.75% per annum	2.75% per annum	2.5% per annum

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)

27 Pension scheme (continued)

The assets in the scheme and the expected rate of return were

	Long term expected rate of return at 31 March 2007	Market value at 31 March 2007 £'000	Long term expected rate of return at 31 March 2006	Market value at 31 March 2006 £'000	Long term expected rate of return at 31 March 2004	Market value 31 March 2004 £'000	Long term expected rate of return at 31 March 2003	Market value 31 March 2003 £'000
Equities	7.4%	4,732	7.5%	4,826	7.5%	3,825	7.75%	3,403
Bonds	5.0%	1,052	5.0%	877	5.5%	766	5.5%	577
Property	6.5%	-	6.5%	-	6.5%	-	6.5%	-
Cash	5.0%	294	4.5%	330	4.75%	271	3.75%	191
Total market value of assets		6,078		6,033		4,862		4,171
Present value of scheme liabilities		(7,072)		(7,700)		(6,681)		(7,632)
Deficit in the scheme		(994)		(1,667)		(1,819)		(3,461)

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)

27 Pension scheme (continued)

Analysis of the amount charged to operating surplus

	2007 £'000
Current service cost	-
Past service cost	-
	<hr/>
Total operating charge	-
	<hr/>

Analysis of the amount credited to other financial charges

	2007 £'000
Expected return on pension scheme assets	410
Interest on pension scheme liabilities	(370)
	<hr/>
Net return	40
	<hr/>

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (*Continued*)

27 Pension scheme (*continued*)

Analysis of the amount that is recognised in a statement of financial activities for the year ended 31 March 2007

	2007
	£'000
Actual return less expected return on pension scheme assets	-
Experience gains and losses arising on the scheme liabilities	-
Changes in assumptions underlying the present value of the scheme liabilities	413
	<hr/>
Actuarial gain	413
	<hr/>
Movement in deficit during the year	
	2007
	£'000
Deficit in scheme at beginning of the year	(1,667)
Movement in year	
Contributions	220
Other finance gain	40
Actuarial gain	413
	<hr/>
Deficit in scheme at end of the year	(994)
	<hr/>
History of experience gains and losses	2007
	2006
Difference between expected and actual return on scheme assets	
Amount £'000	-
Percentage of scheme assets	0%
Experience gains and losses on scheme liabilities	
Amount £'000	-
Percentage of the present value of the scheme liabilities	0%
Total amount recognised in statement of financial activities	
Amount £'000	(413)
Percentage of the present value of the scheme liabilities	6%

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

Notes forming part of the financial statements for the year ended 31 March 2007 (Continued)

28 Capital commitments and contingent liabilities

At 31 March 2007 there were no outstanding commitments contracted for (2006 - £nil)

29 Registered social landlord requirements

Financial statements in the format required by the Accounting Requirements for Registered Social Landlords General Determination 2000 are shown on page 39. The details required by the Housing Corporation in relation to registered social landlord staff costs are

	2007 £	2006 £
Staff costs during the year	102,920	104,511
Social security costs	11,796	11,978
Other pension costs	3,244	3,294
	<u>117,960</u>	<u>119,783</u>

The average number of employees of BEN involved with housing association activities during the year was 26 (2006 - 26). The Trustees do not receive payment for Housing Association work.

	2007 £	2006 £
Auditors' fees - Housing Association	<u>2,350</u>	<u>2,350</u>

None of the Trustees received remuneration in respect of Housing Association work. Further disclosure of emoluments are given in note 26 to the accounts.

BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)

**Registered social landlord financial statements
Summary of expenditure on letting activities for the year ended 31 March 2007**

30	Alexandra House £	Birch Hill £	Lynwood £	Town Thorns £	2007 Total £	2006 £
Gross rents receivable	34,424	8,034	129,652	113,297	285,407	364,723
Less rent losses from voids	-	-	(2,593)	(2,266)	(4,859)	(10,515)
Net rents receivable	34,424	8,034	127,059	111,031	280,548	354,208
Expenditure on lettings						
Services	29,485	5,137	30,424	43,530	108,576	126,673
Management	11,401	3,662	14,417	20,529	50,009	41,998
Routine maintenance	2,402	10,510	39,838	15,811	68,561	62,765
Other costs	-	-	4,337	-	4,337	3,189
Provision for bad debts	-	-	-	-	-	-
Total expenditure	43,288	19,309	89,016	79,870	231,483	234,625
Deficit/(surplus)	(8,864)	(11,275)	38,043	31,161	49,065	119,583
Rent arrears	-	-	2,318	7,401	9,719	13,224
Housing stock						
Sheltered housing rented	-	-	41	11	52	54
Hostel	3	-	-	-	3	5
LSE	-	8	2	-	10	10
Shared ownership	-	-	2	30	32	32
	3	8	45	41	97	101