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

Report and Financial Statements

Year Ended

31 March 2009



BDO Stoy Hayward
Chartered Accountants

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

**Annual report and financial statements
for the year ended 31 March 2009**

Contents

Page:

| | |
|----|--|
| 1 | Report of the Trustees |
| 8 | Report of the independent auditors |
| 10 | Consolidated statement of financial activities |
| 12 | Company and consolidated balance sheet |
| 13 | Consolidated cash flow statement |
| 14 | Notes forming part of the financial statements |
| 36 | Administration information |

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

Annual report and financial statements for the year ended 31 March 2009

The Trustees are pleased to present their report together with the financial statements of the fund for the year ending 31st March 2009.

OBJECTS AND ACTIVITIES

BEN's objects are to relieve distress and financial hardship by the provision of financial support and facilities to people resident in the UK or the Republic of Ireland who:

- (a) are working or have worked in a qualifying trade or industry; or
- (b) are members of a qualifying organisation; or
- (c) are close dependants of any such person.

For the purposes of these objects:

- residence in the UK or the Republic of Ireland shall mean residence which entitles the resident to claim Housing Benefit in the UK or the equivalent benefit in the Republic of Ireland.
- a qualifying trade or industry shall include the motor, agricultural engineering, cycle and allied trades and industries

Facilities may also be provided for the benefit of the wider public (to the extent that these facilities are not required for the benefit of people who do qualify).

BEN achieves its objects 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; those in poverty are not excluded from the opportunity to benefit.

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

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

PUBLIC BENEFIT

The current workforce within the motor and allied industries who are eligible for BEN's services is estimated to total 851,000 employees in the UK and 50,000 in the Republic of Ireland. Potential beneficiaries include current and past employees and their close dependents. The Trustees have reviewed the Charity Commission Guidance on Public Benefit and believe that those eligible for services represent a significant proportion of the UK population and BEN complies with the Charities Act 2006.

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

Annual report and financial statements for the year ended 31 March 2009

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 £764,343 (£745,730 2007/08).

The Welfare committee considered 758 new cases (654 2007/08) to which financial assistance were given. The total active cases were 5,304 (14,851 people) compared to 5,338 (14,946 people) in the previous year. Over 2,608 contacts (2,242 2007/08) 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 £616,364 (£583,583 2007/08) in the year. This included £58,666 (£47,923 2006/2008) 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 1.68% from £8,572,234 in 2007/2008 to £8,716,129 in 2008/09. Despite inflationary pressures, key costs have been driven down during the year resulting in marginal increase in expenditure. The Matrons continue to keep costs under control and ended the year within budgeted expectations.

Of those receiving nursing and residential care 58% are in receipt of state benefits which do not meet the full cost of their care; they are subsidised by BEN. Fee paying residents who exhaust their financial resources continue to be supported by BEN.

The service continues to be financially supported by fundraising income of £2,483,915. 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, respite and permanent nursing beds.

During 2008/09 the highest quality of care continued to be delivered to BEN's residents in the Centres. At the year-end 301 (295 in 2007/2008) were residing at the four Centres. Average occupancy across the year totalled 89.0% (88.6% 2007/2008).

All centres continue to meet the standards required by the Care Quality Commission (CQC) and exceed requirement in many areas. Inspection reports can be viewed or downloaded at www.cqc.org.uk. BEN Centres are particularly commended for their commitment to training of staff, recognised during Adult Learners Week in May 2009. Over 3,000 individual training sessions were completed during the year. All Centres have embraced the principles of the Gold Standards Framework for end of life care with Alexandra house being among the first group of homes in the country to become Gold Standard Framework accredited.

Alexandra House in Southport once again achieved the Assured Care Level 5 which guarantees additional income for local authority funded residents. The staff of Town Thorns' kitchen received a Better Ways of Working award for their moulded food. Birch Hill converted the community hall into two sheltered bungalows and upgraded provision of 7 en-suite toilets and/or showers in the residential centre. Lynwood and Alexandra House both received an "Excellent" grading from CQC – the highest grade possible.

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

Annual report and financial statements for the year ended 31 March 2009

Day Centre

Arthur Wilson House in Coventry was the UK's first workplace day care centre when opened in 1998. 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 in 2007/2008).

Scotland

Fundraising is carried out in Scotland which supports the services provided. BEN provides welfare services to beneficiaries in Scotland and also residential care. To recognise these activities BEN became a registered charity in Scotland in September 2008.

Fundraising Performance

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

The year was an exceptionally challenging year for the fundraising and communications team. In the main this was due to the knock on effect from the economic crisis in the automotive and related industries. Fundraising income fell considerably throughout the year and as result the team strived to control costs with a freeze on non essential communications expenditure.

Overall fundraising income fell by 12.9% from £5,835,803 in 2007/8 to £5,085,965 in 2008/9. Fundraising costs as a percentage of income received increased to 33.0% compared to 26.5% in 2007/2008.

Bentrade Performance

Bentrade is the trading company of BEN and donates all of its profits to BEN. This totaled £191,608 (£359,719 in 2007/2008). The company also collected a further £4,985 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 a rolling five-year period. Investment income totalled £242,683 for the year (£252,845 in 2007/2008).

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

EMPLOYEES AND VOLUNTEERS

In 2008/09 we employed 415 paid employees supported by around 60 bank staff and 180 volunteers; whose dedication enables BEN to provide the care and support our beneficiaries deserve. Of our employees 64.3% were aged over 40, and the majority (82.9%) are female. Our workforce is ethnically diverse with 15% coming from ethnic minorities. In 2008/09 we retained 84.5% of employees. BEN aims to attract the best people in all areas through rigorous recruitment procedures. We invest in a strong induction process which includes familiarisation with all aspects of BEN's operation.

Staff costs including agency payments totalled £8,199,653 some 69.5% of overall costs with 90% of our workforce working in our residential care or welfare services (see note 26).

Communication

Communicating and consulting with our employees is an important part of maintaining relationships and efficiency. Employees can consult with the company via nominated staff representatives.

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

Annual report and financial statements for the year ended 31 March 2009

Equality and Diversity

Attracting and retaining a culturally and socially diverse workforce enables us to recruit the best people and meet the needs of the communities in which we operate. We have written commitments to equal opportunities covering sex, age, gender reassignment, pregnancy, colour, race or nationality, ethnic or national origins, sexual orientation, religion or belief, disability and/or whether someone is married or is a civil partner.

We provide a mix of flexible working arrangements without compromising business efficiency. These help encourage workforce diversity.

Pay and benefits

Pay and benefits are important considerations for everyone. Providing the right level of total reward is particularly important to attract and retain the highest quality of staff.

We aim to provide a competitive reward package and during the year 2008/09 we implemented a revised pay and grade structure for all care staff; this recognises training achievements and willingness to take responsibility.

Training and development

BEN is committed to the development of its staff and volunteers. To help colleagues fulfil their career ambitions, and continue their own personal and professional development, the training we offer is designed to provide the necessary skills to perform their duties to the highest standard. During the year over 3,000 training sessions have been held across BEN.

Three of BEN's centres have achieved the Investors in People standard and our remaining locations are working towards this.

Health & Safety and Wellbeing

BEN has a legal and moral responsibility to protect the health & safety of its employees and the people who enter its premises. We operate a system to ensure workplace health & safety is safeguarded and provide a range of occupational health services to colleagues.

PENSIONS

BEN Staff Pension and Assurance Scheme (Final Salary Scheme)

The Plan is administered by BBS Consultants and Actuaries LLP. The Scheme Actuary is Mr P A Bunzl, F.I.A. of BBS.

BEN is paying contributions at the rate of £220,000 per annum. The rate of contributions was reviewed as part of the actuarial valuation as at 1 October 2007.

Group Personal Pension Plan

As a matter of good governance the Finance and General Purposes Committee oversees the administration of the Group Personal Pension Plan. The Plan was introduced on 1 April 2002 with BEN contributing 3% of employees' gross monthly salary.

The Plan is administered by Jelf Corporate Consultancy, part of the Jelf Group plc.

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

Annual report and financial statements for the year ended 31 March 2009

SPECIFIC OBJECTIVES 2008/09

Appoint new Chief Executive

The trustees are grateful to Christopher Macgowan OBE, who operated as Acting Chief Executive from 1 April 2008 pending the recruitment of a permanent appointee. David Main was appointed Chief Executive with effect from 26 January 2009.

Progress Lynwood development to the pre-planning stage

A pre-planning submission was prepared and this was well received by the Planning authorities within the Royal Borough of Windsor and Maidenhead.

Implement Lynwood development communications programme

Initial discussions have taken place with local residents and other interested parties regarding the proposal to re-develop the site and their views are being taken into consideration.

Progress integration of key databases

Work on this project has progressed but resource constraints have prevented its completion.

Implement Fundraising and Communications operational plan for 2009/10

Complete the redevelopment of the BEN website.

Implementation of revised Care Grade/Pay scale model

The new grading and pay arrangements were implemented with effect from October 2008 and have had a favourable impact on staff retention and attendance levels.

Complete and circulate a Staff Handbook

The Staff handbook has been completed and has been issued to all staff joining from January 2009. Copies are also available to all other staff.

Implement the use of 'New Media' channels in BEN's communications

BEN continues to utilise and integrate further technology such as blogs and social networking media so that a wider audience can be reached for minimal expenditure.

Carry out a structural review of BEN's buildings and develop a 10-year maintenance strategy

The review is continuing.

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

Annual report and financial statements for the year ended 31 March 2009

FINANCIAL REVIEW

It has been a year of significant financial pressures for BEN due to the recession and the effect that is being felt by the automotive industries.

The cost base across the entire organisation continues to be challenged as we drive for greater efficiencies from the business, resulting in an increase of just 2.4% in costs.

Income at £11,603,196 saw a decrease of £779,252 in the year. Expenditure increased by £278,168 (2.4%) in the year to £11,792,060 to end the year with a deficit of £188,864, before investment loss and pension transfer.

Charitable expenditure increased by £146,962 (1.5%) in overall terms the ratio of Charitable expenditure remained at 86% 2008/09. This underlines the commitment to maintain a high level of service delivery across BEN, whilst ensuring that financial controls are exercised by the management team.

Cash and bank balances increased in the year by £288,744. Treasury Management remains highly focused with the result the account was not overdrawn during the whole year.

Reserves

The Board review 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 BENs properties

The Board has concluded that to allow the Fund 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 2008/09). The impact of the recession on the Automotive Industry and its ability to support BEN has meant that there has been no progress in creating this reserve in 2008/09.

PLANS FOR THE FUTURE

The following objectives have been set for 2009/10:

- Implement a re-structuring programme following a cost review
- Develop and agree a clearly defined Strategy
- Enhance the development of Key Performance Indicators
- Progress integration of key databases
- Implement the use of "New Media" channels in BEN's communications
- Structural review of BEN's properties

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

Annual report and financial statements for the year ended 31 March 2009

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Board is responsible for the preparation of the financial statements for each financial year, which give 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 judgments 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.

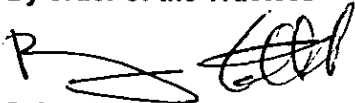
The Board is also responsible for safeguarding the assets of BEN and for taking reasonable steps for the prevention of fraud and other irregularities.

Auditors

All of the current Trustees 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 Trustees 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: 23/7/09

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

Report of the independent auditors for the year ended 31 March 2009

Independent auditors' report to the Members and Trustees 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 2009 which comprise of the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated 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' (who are also the directors of the company for the purposes of company law) responsibilities 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) are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 1985 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts. 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 Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether in our opinion the information given in the report of the trustees is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper and sufficient accounting records, if the charity's financial statements are not in agreement with these 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 transactions with the charity and other members of the group is not disclosed.

We read the report of the trustees 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 Companies Act 1985 and the Charities and Trustee Investment (Scotland) Act 2005 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 Companies Act 1985 or the Charities and Trustee Investment (Scotland) Act 2005 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 group'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)

Report of the independent auditors for the year ended 31 March 2009

Opinion

In our opinion:

- the group financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's affairs as at 31 March 2009 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the parent charitable company financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the parent charitable company's affairs as at 31 March 2009;
- the financial statements have been prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the report of the trustees is consistent with the financial statements.



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

Date 23/7/09

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

Consolidated statement of financial activities for the year ended 31 March 2009 (incorporating an income and expenditure account)

| | Note | Unrestricted funds 2009 £ | Restricted funds 2009 £ | Permanent endowment funds 2009 £ | Total 2009 £ | Total 2008 £ |
|---|------|------------------------------------|----------------------------------|--|--------------------|--------------------|
| Incoming resources | | | | | | |
| <i>Incoming resources from charitable activities</i> | | | | | | |
| Fees and rents | 3 | 6,232,214 | | | 6,232,214 | 6,258,186 |
| <i>Activities for generating funds</i> | | | | | | |
| Fundraising income | 3 | 4,398,820 | 191,726 | | 4,590,546 | 5,078,773 |
| Trading activities | 4 | 495,419 | - | - | 495,419 | 757,030 |
| Investment income | | 242,683 | - | - | 242,683 | 252,845 |
| Net gain on disposal of fixed assets | | - | - | - | - | 2,600 |
| Other incoming resources | | 16,754 | - | - | 16,754 | 19,574 |
| Commercial Rents | | 25,580 | - | - | 25,580 | 11,440 |
| Total incoming resources | | 11,411,470 | 191,726 | - | 11,603,196 | 12,382,448 |
| Resources expended | | | | | | |
| Cost of generating funds | | | | | | |
| Trading activities | 4,5 | 303,811 | - | - | 303,811 | 397,311 |
| Fundraising and publicity | 5 | 1,372,484 | - | - | 1,372,484 | 1,147,778 |
| | | 1,676,295 | - | - | 1,676,295 | 1,545,089 |
| <i>Charitable expenditure</i> | | | | | | |
| Care of residents and housing | 5 | 8,630,989 | 85,140 | - | 8,716,129 | 8,572,234 |
| Welfare | 5 | 764,343 | - | - | 764,343 | 745,730 |
| Grants payable | 5,6 | 557,698 | 58,666 | - | 616,364 | 583,583 |
| Governance costs | 5 | 18,929 | - | - | 18,929 | 67,256 |
| Other resources expended | | - | - | - | - | - |
| | | 9,971,959 | 143,806 | - | 10,115,765 | 9,968,803 |
| Total resources expended | 5 | 11,648,254 | 143,806 | - | 11,792,060 | 11,513,892 |
| Net (outgoing)/incoming resources | | (236,784) | 47,920 | - | (188,864) | 868,556 |
| Net investment gain/(loss) | 7,8 | (55,636) | - | (784,785) | (840,421) | (424,446) |
| Actuarial gain/(loss) on defined benefit pension scheme | 27 | (962,000) | - | - | (962,000) | 774,000 |
| Net movement in funds | 20 | (1,254,420) | 47,920 | (784,785) | (1,991,285) | 1,218,110 |

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

Consolidated statement of financial activities
for the year ended 31 March 2009
(incorporating an income and expenditure account) (Continued)

| | Note | Unrestricted funds 2009 £ | Restricted funds 2009 £ | Permanent endowment funds 2009 £ | Total 2009 £ | Total 2008 £ |
|---|------|------------------------------------|----------------------------------|--|--------------------|--------------------|
| Reconciliation of funds | | | | | | |
| Net movement in funds brought forward | | (1,254,420) | 47,920 | (784,785) | (1,991,285) | 1,218,110 |
| Funds brought forward as at 1/4/2008 | | 1,967,790 | 5,819,175 | 7,083,431 | 14,870,396 | 13,652,286 |
| Funds carried forward at 31 March 2009 | 20 | 713,370 | 5,867,095 | 6,298,646 | 12,879,111 | 14,870,396 |

All operations are continuing operations.

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

The notes on pages 14 to 35 form part of these financial statements

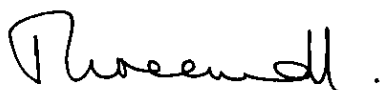
Ben-Motor and Allied Trades Benevolent Fund (Limited by Guarantee)

Balance sheet
at 31 March 2009

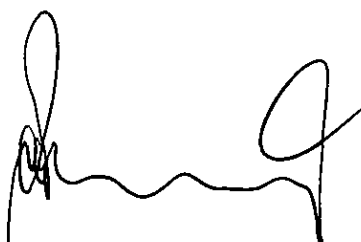
| | | 2009 | | 2008 | |
|--|-------|-------------------|-------------------|-------------------|-------------------|
| | Note | Consolidated £ | Company £ | Consolidated £ | Company £ |
| Fixed assets | | | | | |
| Tangible assets | 9 | 9,038,563 | 9,038,563 | 9,197,130 | 9,197,130 |
| Investments | 10,11 | 4,442,320 | 4,444,721 | 5,291,399 | 5,293,801 |
| | | <u>13,480,883</u> | <u>13,483,284</u> | <u>14,488,529</u> | <u>14,490,931</u> |
| Current assets | | | | | |
| Property held for resale | | 106,268 | 106,268 | - | - |
| Stock | | 39,168 | 29,181 | 10,346 | 6,167 |
| Debtors | 12 | 827,869 | 934,483 | 776,848 | 725,272 |
| Cash at bank and in hand | 13 | 155,982 | 22,043 | 437,993 | 436,769 |
| | | <u>1,129,287</u> | <u>1,091,975</u> | <u>1,225,187</u> | <u>1,168,208</u> |
| Creditors: amounts falling due within one year | 14 | <u>(760,687)</u> | <u>(725,776)</u> | <u>(599,494)</u> | <u>(544,917)</u> |
| Net current (liabilities)/assets | | <u>368,600</u> | <u>366,199</u> | <u>625,693</u> | <u>623,291</u> |
| Total assets less current liabilities | | <u>13,849,483</u> | <u>13,849,483</u> | <u>15,114,222</u> | <u>15,114,422</u> |
| Creditors: amounts falling due after more than one year | 15 | <u>(228,372)</u> | <u>(228,372)</u> | <u>(243,826)</u> | <u>(243,826)</u> |
| Total assets excluding pension scheme liability | | <u>13,621,111</u> | <u>13,621,111</u> | <u>14,870,396</u> | <u>14,870,396</u> |
| Pension Scheme liability | | <u>(742,000)</u> | <u>(742,000)</u> | - | - |
| Total net assets including pension liability | | <u>12,879,111</u> | <u>12,879,111</u> | <u>14,870,396</u> | <u>14,870,396</u> |
| Funds | 20 | <u>12,879,111</u> | <u>12,879,111</u> | <u>14,870,396</u> | <u>14,870,396</u> |

The financial statements were approved by the Management Board on 23 July 2009 and signed on its behalf by

President



Honorary Treasurer



The notes on pages 14 to 35 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 2009

| | Note | 2009 | 2008 |
|--|------|------------------|------------------|
| | | £ | £ |
| Net cash inflow from operating activities | 22 | (397,789) | 502,483 |
| Returns on investments | | | |
| Investment income received | | 242,683 | 252,845 |
| Interest paid | 23 | (12,608) | (18,174) |
| | | <u>230,075</u> | <u>234,671</u> |
| Capital expenditure and financial investment | | | |
| Repayment of Housing Corporation grant | | - | - |
| Purchase of tangible assets | | (107,383) | (58,006) |
| Proceeds on sale of tangible assets | | - | - |
| Purchase of investments | | (526,605) | (139,355) |
| Proceeds on sale of investments | | 83,981 | 83,981 |
| Mortgage advances/repayments | | 8,659 | 6,178 |
| | | <u>(625,329)</u> | <u>(107,262)</u> |
| Net cash (outflow)/inflow from acquisitions and disposals | | (625,329) | (107,262) |
| Management of liquid resources | | | |
| Cash retained from investment portfolio | 25 | 526,605 | (83,770) |
| | | <u>526,605</u> | <u>(83,770)</u> |
| Net cash outflow from management of liquid assets | | 526,605 | (83,770) |
| Net cash (outflow)/inflow before financing | | (266,438) | 546,123 |
| Financing | | | |
| Repayments of bank loans | | - | - |
| Repayments of Housing Corporation loan | | (57) | (35) |
| Decrease in other long-term loan | | (22,249) | (20,488) |
| Mortgage loan repayments | | - | - |
| | | <u>(22,306)</u> | <u>(20,523)</u> |
| (Decrease)/increase in cash | 25 | (288,744) | 525,610 |
| Cash at 1 April 2008 | | 437,993 | (87,617) |
| Cash at 31 March 2009 | 25 | <u>149,249</u> | <u>437,993</u> |

The notes on pages 14 to 35 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 2009

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 2005) published in March 2005 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 2005 "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 2009 (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 2009 (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 2009 (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 (Note 30) £ | Total 2009 £ | Total 2008 £ |
|----------------------------------|------------------|-------------------------|--------------------|--------------------|
| Alexandra House | 1,228,089 | 32,066 | 1,260,155 | 1,332,092 |
| Birch Hill | 518,831 | 10,652 | 529,483 | 493,439 |
| Lynwood | 2,117,651 | 121,950 | 2,239,601 | 2,285,200 |
| Town Thorns | 1,956,416 | 113,571 | 2,069,987 | 2,015,196 |
| Arthur Wilson House - Day Centre | 132,988 | - | 132,988 | 132,259 |
| | <u>5,953,975</u> | <u>278,239</u> | <u>6,232,214</u> | <u>6,258,186</u> |

Donations and similar income

| | Unrestricted £ | Restricted £ | Total 2009 £ | Total 2008 £ |
|----------------------------------|-------------------|-----------------|--------------------|--------------------|
| Donations and fundraising events | 3,859,058 | - | 3,859,058 | 4,407,055 |
| Appeals | - | 133,060 | 133,060 | 10,904 |
| Welfare grants | - | 58,666 | 58,666 | 47,923 |
| Grants | - | - | - | 34,782 |
| Gifts in kind | 189,162 | - | 189,162 | 452,669 |
| Legacies | 350,600 | - | 350,600 | 125,440 |
| | <u>4,398,820</u> | <u>191,726</u> | <u>4,590,546</u> | <u>5,078,773</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 2009 (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 2009 £ | Total 2008 £ |
|--|--------------------------------------|--------------------|------------------------------|-----------------------|--------------------|
| The results for the year are as follows: | | | | | |
| Turnover | 423,080 | 72,339 | - | 495,419 | 757,030 |
| Cost of sales and administrative expenses | (241,675) | (56,701) | (5,435) | (303,811) | (397,311) |
| | <u>181,405</u> | <u>15,638</u> | <u>(5,435)</u> | <u>191,608</u> | <u>359,719</u> |
| Amount covenanted to charity | (181,405) | (15,638) | 5,435 | (191,608) | (359,719) |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Retained in subsidiary | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | 2009 | 2008 |
| | | | | £ | £ |
| Balance sheet | | | | | |
| Current assets | | | | 304,264 | 545,881 |
| Current liabilities | | | | (301,862) | (543,479) |
| | | | | <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 2009 (Continued)

5 Expenditure

Resources expended

| | Staff (Note 26) £ | Depreciation £ | Other £ | Support costs £ | Total 2009 £ | Total 2008 £ |
|---------------------------------|-------------------------|-------------------|------------|-----------------------|--------------------|--------------------|
| <i>Cost of generating funds</i> | | | | | | |
| Bentrade | 45,430 | - | 258,381 | - | 303,811 | 397,311 |
| Fundraising and publicity | 808,413 | 4,531 | 404,611 | 154,929 | 1,372,484 | 1,147,778 |
| <i>Charitable expenditure</i> | | | | | | |
| Care of residents and housing | 6,228,495 | 240,689 | 1,395,122 | 851,823 | 8,716,129 | 8,572,234 |
| Welfare | 423,878 | - | 193,062 | 147,403 | 764,343 | 745,730 |
| Grants made | - | - | 616,364 | - | 616,364 | 583,583 |
| Governance | - | - | 18,929 | - | 18,929 | 67,256 |
| Support cost | 693,437 | 20,730 | 439,988 | (1,154,155) | - | - |
| | 8,199,653 | 265,950 | 3,326,457 | - | 11,792,060 | 11,513,892 |

Breakdown of Support Costs apportioned

| | Management £ | Personnel £ | Finance £ | IT £ | Facilities £ | Total £ |
|-------------------------------|-----------------|----------------|--------------|---------|-----------------|------------|
| Fundraising and publicity | 43,043 | 8,347 | 10,800 | 42,496 | 50,243 | 154,929 |
| Care of residents and housing | 295,919 | 102,848 | 74,251 | 33,389 | 345,416 | 851,823 |
| Welfare | 23,551 | 3,476 | 5,910 | 17,697 | 51,869 | 102,503 |
| Grants made | 20,885 | 3,082 | 5,240 | 15,693 | - | 44,900 |
| | 383,398 | 117,753 | 96,201 | 109,275 | 447,528 | 1,154,155 |

Included within support costs is an amount of £20,000 of audit fees, £19,000 relates to the audit of BEN-Motor and Allied Trades Benevolent Fund and £1,000 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 2009 (Continued)

6 Grants payable

One-off grants made to or on behalf of individuals

| Value | | 2009 | | 2008 | |
|---------------------|---------|--------|------------|--------|------------|
| From £ | To £ | Number | Total £ | Number | Total £ |
| 1 | 250 | 1,439 | 207,343 | 1,354 | 189,776 |
| 251 | 500 | 769 | 285,486 | 727 | 274,841 |
| 501 | 750 | 40 | 23,430 | 22 | 13,688 |
| 751 | 1,000 | 23 | 20,680 | 21 | 19,605 |
| 1,001 | 1,250 | 3 | 3,575 | 2 | 2,070 |
| 1,251 | 1,500 | 1 | 1,295 | 4 | 5,652 |
| 1,501 | 1,750 | - | - | - | - |
| Greater than | 1,751 | 2 | 5,161 | 3 | 8,465 |
| Total discretionary | | 2,277 | 546,970 | 2,133 | 514,097 |
| Total weekly grants | | | 69,394 | | 69,486 |
| Total grants made | | | 616,364 | | 583,583 |

One-off grants include amounts received and paid on behalf of other organisations to individuals. The total of such receipts is £58,666 (2008: £47,923) and is included in restricted donations. See Note 3.

In addition to Grants made, the team provides advice, support, and friendship to those suffering hardship and distress. Welfare costs, including grants made and support costs, totalled £1,380,707 (£1,329,313 2007/08).

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

Notes forming part of the financial statements
for the year ended 31 March 2009 (Continued)

7 Listed investments

| | Endowment Funds | | General fund | Total |
|---|-------------------------------|------------------------|-----------------|------------------|
| | Nursing Home and General Fund | Common Investment Fund | | |
| | £ | £ | £ | £ |
| <i>Cost</i> | | | | |
| Market value at 1 April 2008 | 2,787,203 | 1,505,236 | 70,210 | 4,362,649 |
| Additions | 324,445 | 202,160 | - | 526,605 |
| Disposals | - | - | - | - |
| Net investment gain/(loss) (note 8) | (448,995) | (335,790) | (55,636) | (840,421) |
| | | | | |
| Market value at 31 March 2009 | 2,662,653 | 1,371,606 | 14,574 | 4,048,833 |
| | | | | |
| <i>Market value</i> | | | | |
| Listed in the UK | 2,662,653 | 1,371,606 | 14,574 | 4,048,833 |
| | | | | |
| <i>Historical cost</i> | | | | |
| At 31 March 2009 | 2,870,615 | 1,430,979 | 90,147 | 4,391,741 |
| | | | | |
| At 31 March 2008 | 2,548,920 | 1,228,819 | 90,147 | 3,867,886 |
| | | | | |
| Unrealised gains at 31 March 2009 | (207,962) | (59,373) | (75,573) | (342,908) |
| | | | | |
| Realised investment gains/(losses) based on historical cost | 2,750 | - | - | 2,750 |

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

Notes forming part of the financial statements
for the year ended 31 March 2009 (Continued)

8 Endowment funds

| | Nursing Home and General Fund £ | Common Investment Fund £ | Total £ |
|---|---|-----------------------------------|------------------|
| Balance at 1 April 2008 | 5,260,172 | 1,823,296 | 7,083,468 |
| Gain/(loss) on revaluation of investments | (448,995) | (335,790) | (784,785) |
| Amount Forgiven | (1,983,750) | - | (1,983,750) |
| | <hr/> | <hr/> | <hr/> |
| Balance at 31 March 2009 | 2,827,427 | 1,487,506 | 4,314,933 |
| | <hr/> | <hr/> | <hr/> |
| Represented by: | | | |
| Listed investments | 2,662,653 | 1,371,606 | 4,034,259 |
| Bank balances | 164,774 | 115,900 | 280,674 |
| | <hr/> | <hr/> | <hr/> |
| Balance at 31 March 2009 | 2,827,427 | 1,487,506 | 4,314,933 |
| | <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. By an order of the Charity Commission dated 22 September 2008 the original Order of March 1992 ceased to have effect and the outstanding balance of £1,983,750 was forgiven.

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% | 894,884 | 50,057 |
| Viscount Wakefield Educational Fund | 0.91% | 13,536 | 757 |
| Viscount Nuffield Fund | 1.65% | 24,544 | 1,373 |
| Willoughby Trust Fund | 1.07% | 15,916 | 890 |
| Lynwood Endowment Fund | 36.05% | 536,246 | 29,995 |
| Sir James Percy Memorial Fund | 0.16% | 2,380 | 133 |
| | <hr/> | <hr/> | <hr/> |
| | 100% | 1,487,506 | 83,205 |
| | <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 2009 (Continued)

9 Tangible fixed assets (Consolidated)

| | Freehold property £ | Leasehold property £ | Furniture, fixtures and fittings £ | Computer equipment £ | Motor vehicles £ | Total £ |
|--|---------------------------|----------------------------|---|----------------------------|------------------------|------------|
| Cost | | | | | | |
| At 1 April 2008 | 12,151,599 | 366,056 | 1,474,526 | 578,535 | 424,530 | 14,995,246 |
| Less accumulated grants | (870,671) | - | (6,806) | - | - | (877,477) |
| | | | | | | |
| At 31 March 2009 | 11,280,928 | 366,056 | 1,467,720 | 578,535 | 424,530 | 14,117,769 |
| Additions | 67,498 | - | 39,885 | - | - | 107,383 |
| Disposals | - | - | - | - | - | - |
| | | | | | | |
| At 31 March 2009 | 11,348,426 | 366,056 | 1,507,605 | 578,535 | 424,530 | 14,225,152 |
| Depreciation | | | | | | |
| At 1 April 2008 | 2,767,327 | 122,134 | 1,121,033 | 560,228 | 349,917 | 4,920,639 |
| Charge for year | 114,624 | 13,320 | 80,896 | 9,404 | 47,706 | 265,950 |
| | | | | | | |
| At 31 March 2009 | 2,881,951 | 135,454 | 1,201,929 | 569,632 | 397,623 | 5,186,589 |
| Net book value | | | | | | |
| At 31 March 2009 | 8,466,475 | 230,602 | 305,676 | 8,903 | 26,907 | 9,038,563 |
| | | | | | | |
| At 31 March 2008 | 8,513,601 | 243,922 | 346,687 | 18,307 | 74,613 | 9,197,130 |
| | | | | | | |
| Land values included within property amount to £750,000 (2008: £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 2009 (Continued)

9 Tangible fixed assets (continued)

The cumulative interest included in the cost of freehold land and buildings at the year end was £434,375 (2008 - £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 (2008: £57,777) has been charged against restricted funds. The depreciation of leasehold property amounted to £13,320 of which £10,553 (2008: £10,553) has been charged against restricted funds.

Grants repaid to the Housing Corporation amounted to £Nil (2008 - £Nil).

10 Investments

| | 2009 £ | 2009 £ | 2008 £ | 2008 £ |
|---|----------------|------------------|----------------|------------------|
| Endowment funds | | | | |
| Listed investments (note 7, 8) | | 4,034,259 | | 4,292,439 |
| Cash | | 280,674 | | 807,279 |
| | | <u>4,314,933</u> | | <u>5,099,718</u> |
| General fund | | | | |
| Listed investments (note 7) | 14,574 | | 70,210 | |
| Cash | 37,754 | | 37,754 | |
| Mortgages and loans (note 11) | 75,059 | | 83,718 | |
| | <u>127,387</u> | | <u>191,682</u> | |
| Total per consolidated financial statements | | 4,442,320 | | 5,291,400 |
| BENTrade Limited (Note 4) | | 2,401 | | 2,401 |
| Total per company financial statements | | <u>4,444,721</u> | | <u>5,293,801</u> |

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

Notes forming part of the financial statements
for the year ended 31 March 2009 (Continued)

11 Mortgages and loans

| | 2009 £ | 2008 £ |
|---|---------------|---------------|
| The sum represents advances to beneficiaries: | | |
| Secured on freehold and long leasehold properties | 34,633 | 39,916 |
| Unsecured | 40,426 | 43,802 |
| | <u>75,059</u> | <u>83,718</u> |

12 Debtors

| | 2009 Consolidated £ | 2009 Company £ | 2008 Consolidated £ | 2008 Company £ |
|---|---------------------------|----------------------|---------------------------|----------------------|
| Gross fees and rent arrears | 204,493 | 204,493 | 304,971 | 304,971 |
| Less provision for bad and doubtful debts | (65,421) | (65,421) | (65,421) | (65,421) |
| | <u>139,072</u> | <u>139,072</u> | <u>239,550</u> | <u>239,550</u> |
| Fees and rents receivable | 516,793 | 516,793 | 269,567 | 269,567 |
| Prepayments and accrued income | 172,004 | 169,077 | 219,364 | 216,155 |
| Other debtors | - | 109,541 | - | - |
| Due from Subsidiary | | | | |
| | <u>827,869</u> | <u>934,483</u> | <u>728,481</u> | <u>725,272</u> |

13 Cash at bank and in hand

| | 2009 Consolidated £ | 2009 Company £ | 2008 Consolidated £ | 2008 Company £ |
|------------------------|---------------------------|----------------------|---------------------------|----------------------|
| Payroll giving account | 22,043 | 22,043 | 30,361 | 30,361 |
| Cash in hand | 133,939 | - | 407,632 | 406,408 |
| | <u>155,982</u> | <u>22,043</u> | <u>437,993</u> | <u>436,769</u> |

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

Notes forming part of the financial statements
for the year ended 31 March 2009 (Continued)

14 Creditors: amounts falling due within one year

| | 2009 Consolidated £ | 2009 Company £ | 2008 Consolidated £ | 2008 Company £ |
|---|---------------------------|----------------------|---------------------------|----------------------|
| Bank loans (note 16) | 19,128 | 19,128 | 25,992 | 25,992 |
| Loan advance by Housing Corporation (note 18) | 48 | 48 | 36 | 36 |
| Bank overdraft (note 17) | 6,733 | 6,733 | - | - |
| Creditors and accruals | 734,396 | 699,485 | 378,199 | 323,622 |
| Other taxes and social security costs | 382 | 382 | 146,900 | 146,900 |
| Due from subsidiary | - | - | - | - |
| | <u>760,687</u> | <u>725,776</u> | <u>551,127</u> | <u>496,550</u> |

15 Creditors: amounts falling due after more than one year

| | 2009 Consolidated £ | 2009 Company £ | 2008 Consolidated £ | 2008 Company £ |
|---|---------------------------|----------------------|---------------------------|----------------------|
| Loan advance by Housing Corporation (note 18) | 30,817 | 30,817 | 30,886 | 30,886 |
| Bank loans (note 16) | 197,555 | 197,555 | 212,940 | 212,940 |
| | <u>228,372</u> | <u>228,372</u> | <u>243,826</u> | <u>243,826</u> |

16 Bank loans

| | 2009 £ | 2008 £ |
|------------------------------|----------------|----------------|
| Due within one year | 19,128 | 25,992 |
| Due within two to five years | 124,166 | 124,166 |
| Due in more than five years | 73,389 | 88,774 |
| | <u>216,683</u> | <u>238,932</u> |

The Bank Loan provided by Barclays Bank PLC is mortgaged on Alexandra House, Southport.

17 Bank overdraft

Barclays Bank PLC has provided facilities up to £500,000 (2008 - £500,000) with temporary excesses for general operating purposes. The overdraft, whilst repayable on demand, is subject to periodic reviews. The overdraft facility is secured on Alexandra House, Southport.

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

Notes forming part of the financial statements
for the year ended 31 March 2009 (*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:

| | 2009 £ | 2008 £ |
|------------------------------|-----------|-----------|
| Repayable by instalments: | | |
| Due within one year | 48 | 42 |
| Due within two to five years | 270 | 236 |
| Due in more than five years | 30,547 | 30,629 |
| | <hr/> | <hr/> |
| | 30,865 | 30,907 |
| | <hr/> | <hr/> |

19 Obligations under operating leases

The net annual obligation under operating leases is as follows:

| | 2009 £ | 2008 £ |
|------------------------------|-----------|-----------|
| Agreement expiring: | | |
| - in one year or less | 5,493 | 62,600 |
| - between one and five years | 103,588 | 131,402 |
| | <hr/> | <hr/> |
| | 109,081 | 194,002 |
| | <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 2009 (Continued)

20 Summary of fund balances

| | Restricted funds | | | Designated funds | | | | Total |
|---|---|-------------------------------------|------------------------------|--------------------|-------------|-------------------------------------|--|--------------------------------------|
| | Permanent Endowment (Note 8) £ | Town Thorns Capital Fund £ | Lynwood Capital Fund £ | Day Centre £ | Grants £ | Centenary Appeal Reserve £ | Cyclical Maintenance Reserve (Note 21) £ | Pension Reserve (Note 27) £ |
| Balance brought forward at 1 April 2008 | 7,083,431 | 3,905,389 | 1,673,874 | 238,941 | 971 | 218,954 | 276,275 | 14,870,396 |
| Movements in the year | (2,768,535) | (40,679) | 99,489 | (10,548) | (342) | - | - | (742,000) |
| Movement between funds | - | - | - | - | - | - | 22,278 | - |
| Balance carried forward at 31 March 2009 | 4,314,896 | 3,864,710 | 1,773,363 | 228,393 | 629 | 218,954 | 298,553 | (742,000) 12,879,111 |
| Represented by: | | | | | | | | |
| Tangible assets | - | 3,864,710 | 1,656,774 | 228,393 | - | 218,954 | - | 9,038,563 |
| Investments | 4,314,933 | - | - | - | - | - | - | 4,442,319 |
| Current assets | - | - | 116,589 | - | 629 | - | - | 1,129,288 |
| Current liabilities | - | - | - | - | - | - | - | (760,687) |
| Long term liabilities and provisions | - | - | - | - | - | - | - | (228,372) |
| Inter-fund loans and transfers | (37) | - | - | - | - | - | 298,553 | - |
| Pension liability | - | - | - | - | - | - | - | (742,000) |
| Balance carried forward at 31 March 2009 | 4,314,896 | 3,864,710 | 1,773,363 | 228,393 | 629 | 218,954 | 298,553 | (742,000) 12,879,111 |
| Unrealised gains/(losses) | (267,335) | - | - | - | - | - | - | (342,908) |

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.

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

Notes forming part of the financial statements
for the year ended 31 March 2009 (Continued)

21 Cyclical Maintenance Reserve

| | Lynwood Sheltered Housing £ | Alexandra House Hostel £ | Birch Hill Sheltered Housing £ | Town Thorns Sheltered Housing £ | 2009 Total £ | 2008 Total £ |
|--------------------------------|--------------------------------------|-----------------------------------|---|---|--------------------|--------------------|
| At 1 April 2008 | 80,223 | 18,409 | 570 | 177,072 | 276,274 | 252,586 |
| Transfer from general funds | 9,084 | 876 | 1,560 | 12,168 | 23,688 | 23,688 |
| Expenditure during the year | (1,409) | - | - | - | (1,409) | - |
| At 31 March 2009 | 87,898 | 19,285 | 2,130 | 189,240 | 298,553 | 276,274 |

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

| | 2009 £ | 2008 £ |
|--|------------------|----------------|
| Net (outgoing)/incoming resources before revaluations | (188,864) | 866,556 |
| Payments into defined benefit pension scheme | (220,000) | (220,000) |
| Net financial change on defined benefit pension scheme | - | - |
| Depreciation charge | 265,950 | 292,143 |
| Investment income | (242,683) | (252,845) |
| Interest payable | 12,608 | 18,174 |
| Change in debtors and stocks | (164,678) | (138,055) |
| Change in creditors | 139,878 | (65,490) |
| | (397,789) | 502,483 |

23 Interest payable

All interest payable relates to loans and overdrafts repayable within 5 years and amounted to £12,608 (2008 - £18,174).

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

Notes forming part of the financial statements
for the year ended 31 March 2009 (*Continued*)

24 Reconciliation of net cash flow to movement in net debt

| | 2009 £ | 2008 £ |
|---|-----------|-----------|
| (Decrease)/increase in cash in the year | (288,744) | 525,609 |
| Cash inflow from repayment of loans | 22,318 | 20,522 |
| Cash inflow from increase in liquid resources | (526,605) | 83,770 |
| | <hr/> | <hr/> |
| Change in net debt | (793,031) | 629,901 |
| Net debt at 1 April 2008 | 1,013,208 | 383,307 |
| | <hr/> | <hr/> |
| Net debt at 31 March 2009 | 220,177 | 1,013,208 |
| | <hr/> | <hr/> |

25 Analysis of changes in net debt

| | At 1 April 2008 £ | Cash flow £ | At 31 March 2009 £ |
|-------------------------------------|----------------------------|-------------------|-----------------------------|
| Cash in hand | 437,993 | (282,011) | 155,982 |
| Overdraft | - | (6,733) | (6,733) |
| | <hr/> | <hr/> | <hr/> |
| | 437,993 | (288,744) | 149,249 |
| Debt due within one year | (25,992) | 6,864 | (19,128) |
| Debt after one year | (243,826) | 15,454 | (228,372) |
| Investment portfolio cash (note 10) | 845,033 | (526,605) | 318,428 |
| | <hr/> | <hr/> | <hr/> |
| Total | 1,013,208 | (793,031) | 220,177 |
| | <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 2009 (Continued)

26 Employee costs

| | 2009 £ | 2008 £ |
|---|------------------|------------------|
| Total employee costs during the year were: | | |
| Salaries and wages | 7,576,132 | 7,512,435 |
| Employer's National Insurance contributions | 553,910 | 545,934 |
| Pension costs | 69,611 | 82,126 |
| | <u>8,199,653</u> | <u>8,140,495</u> |
| The number of employees earning more than £60,000 in the year are as follows: | Number | Number |
| £60,000 - £70,000 | 2 | 2 |
| £70,001 - £80,000 | 1 | - |
| £80,001 - £90,000 | - | - |
| £90,001 - £100,000 | - | 1 |
| | <u></u> | <u></u> |

The above figures include car benefit which ranges from £5412 - £16,906. 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 (Director of Fundraising & Communications) excluding pension contributions, including car benefit was £73,556 (2008 - £95,486 – 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 £18,465. The total number of staff in the scheme as at 31 March 2009 was 125.

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

| | 2009 Number | 2008 Number |
|-------------------------------|----------------|----------------|
| Residential homes | 345 | 346 |
| Welfare | 22 | 21 |
| Administration and management | 14 | 15 |
| Appeals and publicity | 27 | 26 |
| | <u>408</u> | <u>408</u> |

As at 31 March 2009, the actual total number of employees was 415 (2008: 414).

One Management Board member received remuneration of £34,283 (2008 nil) for acting as Interim Chief Executive. One other Board member received reimbursement of expenses for travel in the year of £1,753 (2008 - £1,419).

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

Notes forming part of the financial statements for the year ended 31 March 2009 (Continued)

27 Defined benefit pension scheme

BEN operates a defined benefit scheme for employees. Following the closure of the scheme to all future benefit accrual from 1 April 2002, the scheme is now funded exclusively by the company. The pension cost is assessed in accordance with the advice of a professionally qualified actuary and the most recent actuarial valuation, which was under the defined accrued benefit method, was carried out as at 1 October 2007. The valuation of the scheme as at 1 October 2007 showed the market value of the assets to be £6,406,000 and the value of liabilities to be £6,937,000, resulting in a deficiency of £531,000. During the year ended 31 March 2009 BEN made payments totalling £220,000 (2008: £220,000).

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

The impact of FRS 17 is significant as an additional liability equal to the deficit in the defined benefit scheme of £742,000 (2008 - £Nil) is recognised in BEN's balance sheet.

For the purposes of FRS 17, the actuary has projected the results from the 1 October 2007 actuarial valuation to provide the following information about the financial position of the scheme as at 31 March 2009:

| | 2009 | 2008 |
|--|----------------|----------------|
| Valuation method | Projected unit | Projected unit |
| Discount rate | 6.7% per annum | 6.7% per annum |
| Inflation rate | 2.9% per annum | 3.5% per annum |
| Rate of increase in salaries | n/a | n/a |
| Rate of increase for pensions in payment | | |
| - Prior to 5 April 1997 | 3% per annum | 3% per annum |
| - After 6 April 1997 | 2.9% per annum | 3.3% per annum |
| Mortality tables | PMA92 / PFA 92 | PMA92 / PFA 92 |
| Mortality projection basis | Medium cohort | Medium cohort |
| Expected return on assets at year-end | 7.0% per annum | 7.9% per annum |

The expected return on assets reflects the following breakdown of the assets into the major categories of investments at the year-end, as a percentage of the total scheme assets:

| | 2009 | 2008 |
|-----------------|------|------|
| Equities | 45% | 56% |
| Gilts | 40% | 21% |
| Corporate bonds | 7% | 19% |
| Cash | 8% | 4% |

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

Notes forming part of the financial statements for the year ended 31 March 2009 (Continued)

27 Pension scheme (continued)

The market value of the scheme's assets and the present value of the liabilities at the year-end were as follows:

| | Value at 31 March 2009 £'000 | Value at 31 March 2008 £'000 |
|-------------------------------------|---------------------------------------|---------------------------------------|
| Market value of assets | 5,502 | 6,178 |
| Present value of scheme liabilities | (6,244) | (6,067) |
| Surplus (shortfall) | <u>(742)</u> | <u>111</u> |
| Recoverable Surplus | - | 0 |
| Irrecoverable Surplus | - | 111 |

An analysis of the amount charged to the profit and loss account during the year is as follows:

| | 2009 £'000 | 2008 £'000 |
|--|---------------|---------------|
| Current service cost | 0 | 0 |
| Past service cost | 0 | 0 |
| Expected return on assets | (399) | (376) |
| Interest cost | 399 | 376 |
| Total charge (credit) to profit and loss account | <u>0</u> | <u>0</u> |

A reconciliation of the change in the present value of the pension liabilities over the year is as follows:

| | 2009 £'000 | 2008 £'000 |
|------------------------------------|---------------|---------------|
| Opening defined benefit obligation | 6,067 | 7,072 |
| Current service cost | 0 | 0 |
| Past service cost | 0 | 0 |
| Interest cost | 399 | 376 |
| Actuarial (gain) / loss | 211 | (450) |
| Change in actuarial assumptions | (211) | (702) |
| Benefits received (paid) | <u>(222)</u> | <u>(229)</u> |
| Closing defined benefit obligation | <u>6,244</u> | <u>6,067</u> |

A reconciliation of the change in the value of the assets over the year is as follows:

| | 2009 £'000 | 2008 £'000 |
|---|---------------|---------------|
| Opening value of assets | 6,178 | 6,078 |
| Expected return | 399 | 376 |
| Employer's contributions | 220 | 220 |
| Difference between actual and expected return | (1,073) | (267) |
| Benefits received (paid) | <u>(222)</u> | <u>(229)</u> |
| Closing value of assets | <u>5,502</u> | <u>6,178</u> |

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

Notes forming part of the financial statements
for the year ended 31 March 2009 (Continued)

27 Pension scheme (continued)

A summary of the amounts for the last five years is shown below:

| | 2009 £'000 | 2008 £'000 | 2007 £'000 | 2006 £'000 | 2005 £'000 |
|--|---------------|---------------|---------------|---------------|---------------|
| Market value of assets | 5,502 | 6,178 | 6,078 | 6,033 | 4,862 |
| Value of liabilities | (6,244) | (6,067) | (7,072) | (7,700) | (6,681) |
| Surplus / (shortfall) | (742) | 111 | (994) | (1,667) | (1,819) |
| Recoverable surplus | - | 0 | - | - | - |
| Irrecoverable surplus | - | 111 | - | - | - |
| Experience gains (losses) on assets | (1,073) | (267) | 0 | 878 | 151 |
| Experience gains (losses) on liabilities | (211) | 450 | 0 | 0 | 892 |

28 Capital commitments and contingent liabilities

At 31 March 2009 there were no outstanding commitments contracted for (2008 - £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 35. The details required by the Housing Corporation in relation to registered social landlord staff costs are:

| | 2009 £ | 2008 £ |
|-----------------------------|----------------|----------------|
| Staff costs during the year | 138,466 | 103,915 |
| Social security costs | 15,870 | 11,910 |
| Other pension costs | 4,364 | 3,275 |
| | <u>158,700</u> | <u>119,100</u> |

The average number of employees of BEN involved with Housing Association activities during the year was 25 (2008 - 26). The Trustees do not receive payment for Housing Association work.

| | 2009 £ | 2008 £ |
|--------------------------------------|--------------|--------------|
| Auditors' fees - Housing Association | 2,300 | 2,200 |
| | <u>2,300</u> | <u>2,200</u> |

None of the Trustees received remuneration in respect of Housing Association work. Further disclosures 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 2009 (Continued)

| 30 | Alexandra House £ | Birch Hill £ | Lynwood £ | Town Thorns £ | 2009 Total £ | 2008 £ |
|--------------------------------|----------------------|-----------------|--------------|------------------|-----------------|-----------|
| Gross rents receivable | 34,262 | 10,703 | 127,653 | 117,351 | 289,970 | (287,098) |
| Less rent losses from voids | (2,196) | (51) | (5,703) | (3,780) | (11,731) | (4,960) |
| Net rents receivable | 32,066 | 10,652 | 121,950 | 113,571 | 278,239 | (282,138) |
| Expenditure on lettings | | | | | | |
| Services | 18,416 | 8,199 | 44,411 | 61,792 | 132,818 | 106,845 |
| Management | 5,515 | 2,176 | 12,428 | 15,484 | 35,603 | 49,909 |
| Routine maintenance | 962 | - | - | 3,083 | 4,045 | (4,474) |
| Other costs | - | - | 19 | - | 19 | 4,332 |
| Provision for bad debts | - | - | - | - | - | - |
| Total expenditure | 24,893 | 10,375 | 56,858 | 80,359 | 172,485 | 156,612 |
| (Deficit)/surplus | 7,173 | 277 | 65,092 | 33,212 | 105,754 | (125,526) |
| Rent arrears | - | - | - | - | - | 3,098 |
| Housing stock | | | | | | |
| Sheltered housing rented | - | - | 41 | 10 | 51 | 52 |
| Hostel | 3 | - | - | - | 3 | 3 |
| LHOP | - | 8 | 2 | - | 10 | 10 |
| Shared ownership | - | - | 2 | 31 | 33 | 32 |
| | 3 | 8 | 45 | 41 | 97 | 97 |

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

**Administration information
for the year ended 31 March 2009**

Reference and administrative details

Company Name: BEN-Motor and Allied Trades Benevolent Fund

Business Name: BEN the automotive industry charity

Charity Number: 297877 (England and Wales)
SC039842 (Scotland)

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 Capital Management Ltd., 12 Moorgate, London,
EC2R 6DA

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

Administration information for the year ended 31 March 2009

Directors and Trustees:

The Directors of the charitable company 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
Mrs S A Brownson
S Dewey
T L Evans
B D Ferguson
D Goosey
J Greenwell (appointed 24th July 2008)
T V Holmes
M Judge
C Macgowan
G Potts
A Sackett
R Shaw
D Taylor (appointed 25th September 2008)
R Woolcock
A Worthy

Executive Staff

| | |
|-----------------|---|
| D. Main | - Chief Executive (appointed 26 th January 2009) |
| C. Macgowan OBE | - Interim Chief Executive (from 1 April 2008 until 25 January 2009) |
| Miss J S Brown | - Director, Care Services |
| B Cottrell CPFA | - Finance Director & Company Secretary |
| Mrs. S Howard | - Personnel Director & Assistant Secretary |
| C. Davis | - Director, Fundraising & Communications |