

# **Ben – Motor and Allied Trades Benevolent Fund**

**(Limited by guarantee)**

**Report and Financial Statements for  
the Year Ended 31 March 2018**

Charity number: 297877 (England and Wales) SC039842 (Scotland)  
Company number: 02163894



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## Chair's report

During the year we have undertaken a strategic review of Ben's activities and put detailed plans in place for our two service areas. These are Health & Wellbeing services for automotive industry employees and their family dependents, and Care Services for older people. The direct care services we provide through our care centres and retirement village and the support, advice and guidance we provide to people of the automotive industry require different management arrangements and infrastructure. To develop and enhance services provided by both areas we have realigned our governance and management structures to provide focus on each area. This will enable us to be more agile and proactive to respond to the rapidly changing needs and challenges of our beneficiaries, as well as the impact of Brexit and technological advances on the automotive industry. These changes will enable us to ensure both areas of the charity can operate sustainably and support each other through expert advice and common support services. Our governance changes came into effect in April 2018.

We continue to be proud of the life-changing (and sometimes life-saving) support we provide to those who work, or have worked, in the automotive industry. We've been here for automotive industry people for 113 years and we are dedicated to delivering care and support to enable total health & wellbeing through working and later life. Our focus continues to be on helping people address the issues impacting their health & wellbeing, with the aim of getting to the root cause of their problems, empowering them to make positive changes and get their life back on track.

Our free and confidential support is delivered through a dedicated helpline and a network of client support advisors. We are seeing a high demand for support with mental health issues, with anxiety and depression as two of the biggest reasons people ask us for help, which reflects the challenges within the UK automotive industry today. We have embarked on an ambitious approach to raise awareness of our services, both directly to people in the industry and indirectly via employers through our newly launched Ben4Business programme.

Over the year we have continued to provide high quality, flexible continuing care for everyone whose home is a Ben Care Centre. We were disappointed last year to have received a 'Requires Improvement' CQC rating at our Town Thorns care centre and took prompt action to review and improve the service. We are pleased that our rating has been restored to 'Good', in line with our other registered Care Centres.

We were also delighted to open the second phase of our prestigious Lynwood retirement village in August 2017. In April 2018 our Patron, Her Royal Highness Princess Alexandra, officially opened the village and helped us to celebrate the success of our growing community. The completion of this phase has provided an extra 73 homes in our retirement community and we were delighted to welcome new residents of another 34 apartments into the community.

Our Industry Leader Challenge has also continued to be a great success. Jeremy Hicks, Managing Director of Jaguar Land Rover UK, and his team embarked on and completed an impressive cross-channel team swim raising £214,000 to support Ben. As always, we appreciate and value immensely the support we receive from companies and individuals which enables us to provide the 'support for life', of which we are so proud.

Robin Woolcock

Chair

## Reference and administrative details

Company Name:	BEN-Motor and Allied Trades Benevolent Fund
Company Number:	2163894 (England and Wales)
Charity Number:	297877 (England and Wales) SC039842 (Scotland)
Registered Social Housing Provider Number:	LH 3766
Registered Office:	Lynwood Court, Lynwood Village, Rise Road, Ascot, SL5 0FG
Auditors:	BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL
Bankers:	Barclays Bank Plc The Co-Operative Bank
Solicitors:	Blandy and Blandy LLP
Investment Managers:	Cazenove Capital Management Limited

## Strategic Report and Trustees' Annual Report

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2018, that also meet the Companies Act requirements for a Directors' report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by 'Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015' (SORP).

### Our purpose and activities

Our purpose is to relieve distress and financial hardship by the provision of support and facilities to people and their close dependants, resident in the UK or the Republic of Ireland, who are working or have worked in a qualifying trade or industry.

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 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).

### 'Support for Life': how we achieve our aims and objectives:

The charity achieves its aims and objectives through the provision of care and support to enable total health and wellbeing through working and later life:

#### Health and Wellbeing for the people of the automotive community:

We provide free and confidential advice and support focused on the four main areas of peoples' health and wellbeing: financial, physical, mental and social. These services support people to manage their health proactively and overcome any challenges they face, at whatever stage of life, empowering them to make lasting, positive change.

We deliver our services through:

##### *Preventative support*

The health & wellbeing advice, interactive tools and self-serve content that Ben offers on its website gives people the preventative support they need to keep themselves fit for work and for life. In addition, Ben provides health & wellbeing tips, advice & tools, delivered straight to the inbox of those who sign up to receive them. By providing preventative services online and via email, Ben is helping people to prevent issues arising in the first place.

##### *Help- line and tailored support*

Following an initial conversation with a helpline advisor and verification of a connection to the automotive industry callers are either given advice and guidance from a helpline advisor to address their specific needs, or are allocated a client support advisor who works with them to build a detailed, individual needs assessment and then follows up with a tailored action plan of support.

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#### *Ongoing aftercare*

We give ongoing support to help ensure that people have the necessary tools and support to get their lives back on track - for good. This continuing support helps build confidence and empowers people to make lasting, positive change. Aftercare is an extended support service offered to individuals who require more ongoing support and encouragement. The purpose of aftercare is to give people additional advice and tools to grow their self-esteem, confidence and resilience. People work on a one-to-one basis with an advisor who offers support and mentorship to help people make a lasting, positive change to their lives.

#### *Financial support*

As part of our tailored support we fund, according to need, therapy (e.g. relationship and family counselling) and provide grants (e.g. for home adaptations to accommodate physical incapacity or short breaks for families dealing with life limiting or terminal illness).

#### *Working in partnership with the automotive industry*

We work in partnership with automotive industry companies to support their people through life's challenges and build a stronger, more resilient automotive industry. We can only reach all automotive industry people through companies, so these partnerships are crucial. We are dedicated to working closely with employers to help support their people, and therefore the industry as a whole. Our Ben4Business programme brings together the services that we offer to industry partners in one package, consisting of a range of workplace awareness initiatives, training programmes and information and guidance resources.

#### **Care and housing services**

In addition to our health and wellbeing support, Ben also provides flexible care and support for those in later life through our care services. We own and operate three care centres which provide excellent nursing, residential, dementia and respite care; Lynwood Care Centre, near Ascot, Town Thorns Care Centre near Rugby, and Birch Hill Care Centre in Norham (Berwick upon Tweed), as well as a Day Centre in Coventry. Our care services reflect an individual's right to respect, dignity & personal choice, and are delivered in a homely, welcoming environment. With a continuing and consistent approach to delivering care and support as a person's needs progress, our services deliver 'peace of mind' to relatives and loved ones. Assisted living accommodation is also provided at Town Thorns and Birch Hill sites.

#### **Retirement community**

Our care facilities and services for those in later life include, for the more independent, our award-winning retirement village at Lynwood, near Ascot, Berkshire. Lynwood is designed to make daily life easier for over 65s and promote the physical, emotional and social wellbeing of our residents. Our facilities are designed to enhance independence while ensuring that a full range of services are provided, including a community coffee shop and restaurant, therapy, activities and community events along with assisted living homecare support for those who require this. Our Lynwood Care Centre, Home Care, and Lynwood Retirement Community work together to give the flexible care and support needed at different stages of life.

#### **Public benefit**

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The potential number of those eligible to benefit from Ben's services is estimated to be in excess of four million in the UK and Republic of Ireland. Those eligible for services represent a significant proportion of the UK population and in addition some of Ben's facilities are also provided for the benefit of the wider public. We support beneficiaries who are unable to pay for counselling and provide assessed financial support including subsidised services at our care centres. Therefore, Ben complies with the Charity Commission's guidance on public benefit.

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#### Strategic approach

Our vision is to be an integral part of the automotive industry, providing help and support to employees and dependants throughout their lives and, in so doing, add value to individuals, businesses and the sector in general.

Our approach is to:

- increase the reach, effectiveness and impact of our Health and Wellbeing services by continually improving the support we provide, developing our range of service products and guidance, growing our workplace awareness programmes, and promoting awareness of Ben throughout the automotive industry. We aim to make a real impact by changing lives and strive to ensure that the people who come to us have appropriate support.;
- raise funds from people and businesses in the automotive industry to support our Health and Wellbeing services by raising awareness in the industry of the impact and contribution we make to employees and their dependants;
- deliver a high-quality sustainable service to older people and those living with disability through our three care centres, day centre and retirement village;
- continually improve the quality, effectiveness, and efficiency of the service we give by training and investing in our staff, developing systems and promoting organisational change and agility;

#### Achievements and performance

In 2017/18 we completed a strategic review, restructured our governance, continued with the transformation of our services and support and completed and opened phase 2 of our retirement community, Lynwood Village.

Following our strategic review, the restructured management and governance provides greater focus on the two distinct areas of our charitable activities: Care Services (which covers our care centres and retirement community services) and Health and Wellbeing Services (which covers our wellbeing support to people of the automotive industry). This will enable us to respond more quickly to changes in the different and diverse needs of the two areas and ensure both can operate on a financially sustainable basis. These changes came into operation in April 2018.

We have introduced a programme to further develop our health and wellbeing services with an increased focus on preventative support offered online and via email, to complement the support provided by our helpline and our client support advisors. During the year we launched a Ben4Business programme which sees us working with employers to understand the people challenges their businesses face and agree a programme of awareness and training initiatives to help address those issues. We offer an employee referral service for companies seeking support for their employees and offer a free emergency support service for organisations where there are multiple employees affected by a single issue, such as a sudden colleague death in the work place. We have launched health check services and wellbeing training courses during the year which have been taken up and well received by the industry.

We have reviewed the viability of our care centre services and have committed to improvements to ensure that they continue to provide quality services on a sustainable basis. We have increased the expenditure on the maintenance and improvement of our Town Thorns Care Centre and have commissioned work to design the long-term changes needed to the buildings to ensure that the centre can provide up-to-date care in the future. We continue to be proud of the commitment and passion we bring to the professional task of caring and providing support for older and vulnerable adults. After having received a 'Requires Improvement' CQC rating at our Town Thorns centre we have made necessary changes to ensure that the rating was re-instated as 'Good' on a follow up review. All our registered care services are rated 'Good' by CQC.

The second phase of Lynwood Village completed in August 2017 which provided a further 73 apartments for new residents to join our vibrant community. As at the 31 March 2018, 28 of these apartments had been sold and occupied. The leasehold sales have enabled us to repay the majority of the development bank's loan. The final repayment instalment of £1.4m was made in April 2018.

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As part of our business transformation programme we have selected suppliers for new finance, people management, and workforce systems which will be implemented and deployed over the next two years. We have commenced a review of our other customer facing systems.

#### Criteria and measurement – how we judge success

We measured our success in each of our activities through a variety of key performance indicators (KPIs):

#### Health and Wellbeing services

We have continued to develop our free and confidential wellbeing services which focus on providing life-changing support to the people of the automotive industry. We measured our success by identifying the number of people we support through our various activities and the cost of providing the support. We provided targeted financial assistance through grants and the funding of counselling and services combined with client support to ensure that practical assistance can change our clients' longer-term situations rather than just providing temporary relief. We target to improve efficiency each year by reducing the cost per client supported.

Key performance indicator	2017/18	Target	2016/17
Helpline enquires	3,773	4,300	3,091
Average no of repeat cases	4.5%		7%
Untapped benefits (assistance obtaining benefits to which clients are entitled)	£865k	£1,000k	£986k
People participating in a BenatWork activity	15,000	n/a	n/a

#### Care and housing services

As well as monitoring occupancy rates in our care services, we assessed the quality of our service internally through resident feedback, and externally via the Care Quality Commission rating. Increased care capacity in the market for our Lynwood care centre reduced occupancy during the year though it continues to be above 90%. In view of the market demand we further delayed the opening of our "Heron" unit in Lynwood (this unit opened in July 2018).

Key performance indicator	2017/18	Target	2016/17
Number of Beds available	176	188	176
CQC ratings	Good: All centres	Good	Lynwood : Good Birch Hill: Good Town Thorns: Requires improvement Home Care: Good
Occupancy Rate	92%	95%	96%

#### Retirement community

We successfully opened the second phase of our Retirement Community at Lynwood, welcoming the residents of 34 leasehold properties sold during the year. This was 5 months late due to contractor delays and this led to sales being 15 lower than target. The village has created a supportive community with restaurant and coffee shop facilities, activities, therapy and Homecare services that provide care and support to residents' care requirements.

Key performance indicator	2017/18	Target	2016/17
No of occupied apartments	101	116	85
Occupancy rate	68%	78%	89% (phase 1 only)
Date of Phase 2 completion	August 2018	April 2018	n/a



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#### **Fundraising review**

As well as the income raised through the charitable services provided, we raise funds from both automotive industry businesses and individual contributions through donations, payroll giving and organised events. During the year, we raised £4.2m from charitable donations, a 19% fall compared to 2016/17. We received donations from a number of automotive manufacturers and retailers where donations are based on sales volumes. Changes in volumes and the structure of the industry had a significant impact on the level of these donations. We continue to promote Ben to the wider automotive industry and have promoted 'Backing Ben' as part of our Ben4Business programme launched this year. We have 250 companies supporting us through the Backing Ben programme. We continue to have a successful series of fundraising events including our annual Ben Ball. This year Jeremy Hicks, Managing Director of Jaguar Land Rover UK, led an English Channel team swim in aid of Ben as part of our 'Industry Leader Challenge' raising £214k.

#### **Fundraising activities**

The charity 'solicits or otherwise procures money or other property for charitable purposes' as defined in Section 162a of the Charities Act 2011. We raise funds from individuals and businesses connected to the automotive industry. Such income is presented in our accounts as "voluntary income" and includes legacies and grants.

We managed fundraising activities through the Charity's staff and through selective commercial participators in the automotive industry and, in respect of payroll giving, a professional fundraiser. The day to day management of all income generation is delegated to the executive team, who are accountable to the Trustees. The charity is registered with the Fundraising Regulator and complies with the relevant codes of practice. The conduct of commercial participation schemes and professional fundraisers are monitored by our internal fundraising team and activity is conducted under formal agreements. We have policies and procedures to manage and monitor our fundraising activities and to ensure that vulnerable people and other members of the public are protected from unreasonable behaviours in accordance with Section 162a(2) of the Charities act 2011.

#### **Our volunteers**

Our services are managed and provided by suitably trained staff to ensure that we provide quality care, and our fundraising is managed through experienced colleagues. We use volunteers to help us with social support of care residents and we deploy volunteers' help with some events, such as the fete at our Town Thorns centre, which raises funds to support residents in the centre.

#### **Grants and funded support**

We provided grants to individuals in the automotive community where assistance will help in a crisis or enable people we support to change their lives. These grants were provided to purchase specific goods or services. We usually make direct payment to the supplier of the services provided. Assessment of need and eligibility is carried out by our Health and Wellbeing team on an individual basis, and grants are provided as part of the general advice and support that we give.

#### **Financial review**

##### **Financial performance**

Total income increased from £26.3m to £35.7m with the sale of apartments from the second phase of Lynwood Village and higher village income from the increased occupancy. Care fees and social housing rents fell by £0.2m to £8.4m due to lower occupancy. Commercial trading operations increased with the growth of training income and therapy fees. Donation income fell by £1m with lower income from performance related donations from automotive businesses.

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We generated a surplus of £9.6m (2016: £4.7m). This has enabled us to repay the financial loans taken out to develop the village and Lynwood Care Centre, and will allow us to develop our Care, Health and Wellbeing support and services. Our care and housing charitable activity exceeded its income contribution by £1.3m. Our business change programme is addressing the underlying sustainability of the activity.

Charitable expenditure increased by £3.6m reflecting the increased sales of leasehold apartments, higher running costs of Lynwood Village and care centre staffing costs.

#### **Reserves policy**

The Trustees review the level of reserves annually. The charity needs free reserves to fund any unexpected shortfall in income and/or increased expenditure; and provide funds for major repairs/refurbishment of our properties.

The reserves of the charity group are £42.3m of which £2.1m are designated. The Trustees have concluded that to allow the charity to be managed efficiently and to provide a buffer for uninterrupted services, an overall objective is to maintain unrestricted reserves net of any designated funds at least at a level that is equivalent to four months' worth of routine resources expended, plus capital investment in our care and office facilities, plus working capital net of financing required for any expected major repairs and capital projects. The target level of reserves is £39.7m reflecting the significant level of capital investment in our care centres and the working capital required to fund the properties held for resale in Lynwood Court. This is comprised of our operating reserve of £5.5m and a reserve of £34.2m in respect of our investment in care centre fixed assets, expected repairs, and properties for resale. The charity's general fund was £39.7m; the same as the target reserve. The charity's reserves will increase as the leasehold properties are sold. The Trustees are considering, but have not committed to, capital projects in respect of the refurbishment and development of the Town Thorns site and completion of the development of the Lynwood site. The expected increase in reserves will enable the financing of these projects if they proceed.

The amount of the general fund available after making allowance for funds that only could be realised from the sale of tangible fixed assets and for the amount required to fund capital commitments (see note 30) net of undrawn loan facilities is £17.4m.

#### **Going concern**

Our consolidated balance sheet remains strong with net current assets of £15.4m. Our debt facilities with the Co-op Bank were repaid in April 2018 and net current assets less the loan repayment are £14m. The Board has reviewed the cash flow projections for the next twelve months after the approval of the financial statements and consider that adequate resources continue to be available to fund the activities of the charity for this period and the foreseeable future. The Trustees are of the view that the group is a going concern.

#### **Investment powers and policy**

The Audit Committee reviews the Charity's investment policy on an annual basis. The charity funds care centres and Retirement Village assets to support charitable activities. The policy is to hold at least 50% of its target operating reserve together with amounts required for committed capital projects in cash equivalents or cash deposits. The balance of available funds are managed to provide investment income while providing easy access to funds if required. Investment income and net gains/losses totalled £0.1m for the year (2017: £0.6m). The Strategic Asset Allocation is 50% UK Equities, 10% Overseas Equities, 20% Fixed Income, 15% Absolute Return and 5% Cash.

#### **Pension liabilities**

We closed our defined benefit pension scheme in 2002. The net liabilities of the scheme fell from £0.3m to a surplus of £0.3m. The surplus has not been recognised as an asset as there is not an irrevocable right to recover the surplus in the future. The charity contributed £0.4m to the pension fund during the year.

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#### **Risk management**

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face; and
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review.

Following a review of the risk management strategy the Trustees have put in place a process whereby the operational committees (The Care Services Board, and Health and Wellbeing Board) review the business risks on a quarterly basis prior to consideration by the Board. The revised process started in April 2018.

Our review has identified that the key risks are:

- Care service provision risks such as the wellbeing and safety of residents, safeguarding, and food hygiene areas, and other events that may challenge the Care Quality Commission rating of our care facilities. These risks are managed by having robust policies and procedures in place, and providing regular awareness training for staff working in these operational areas;
- The impact of a substantial transformation programme arising from the Charity's review of processes and implementation of new systems. The risks include delays to the programmes, loss of key staff, and increased staff turnover. The Charity uses a project management and business change process which includes assessment and mitigation of the risk inherent in the change programme. Oversight of the change process is carried out by the Technology Committee and the Board;
- Business continuity arrangements to ensure services and facilities can be maintained due to unforeseen events. Business continuity risks are assessed, reviewed and tested on an annual basis.

#### **Plans for future periods**

The charity completed a strategic review during 2017-18 and will implement the agreed programme of change during the next five years.

We plan to:

- Complete the sale of apartments in our Lynwood retirement community;
- Re-organise the operation of our care centres to improve care and efficiency;
- Review and undertake development of the Town Thorns site to modernise the care centre and sheltered housing provision.
- Continue to increase awareness of Ben within the automotive sector;
- Focus and expand our Health and Wellbeing offering providing quality direct services and enhanced and easy to access information and guidance;
- Grow our individual fund-raising profile reducing the reliance on corporate donations;
- Implement a substantial programme of system and business process change to enhance efficiency and the quality of service. This will include the deployment of selected systems;
- Withdraw from our sheltered housing activity at our Lynwood site as part of the completion of the development of the site.
- Deliver a range of people-related initiatives to support the development of high-performing teams that will ensure that the charity provides the maximum impact for the people it supports.

# Ben – Motor and Allied Trades Benevolent Fund Report of the Trustees including the Strategic Report for the year ending 31 March 2018



## **Patron**

HRH Princess Alexandra

## **President**

Peter Johnson

## **Directors and Trustees**

The directors of the Company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows:

Robin Woolcock (Chair)  
Tim Holmes (Vice Chair)  
Daksh Gupta (Vice Chair)  
Robin Shaw (Vice Chair)  
Brian Back  
Jeremy Hicks  
Richard Jeffcoat  
Mike Judge  
Gerald Lee  
Steve Nash  
Graeme Potts  
Graham Wheeler (resigned 15 November 2017)  
Pauline Wiseman (resigned 20 September 2017)  
Lesley Upham

The composition of sub committees during the year was:

### **Care Services Committee**

Gerald Lee (Chair)  
Mike Judge (Vice Chair)  
Lesley Upham  
Brian Millin (advisor)

### **Property Development Committee**

Brian Back (Chair)  
Graeme Potts  
Gerald Lee  
Robin Shaw  
Robin Woolcock

### **Fundraising and Marketing Committee**

Robin Shaw (Chair)  
Daksh Gupta  
Jeremy Hicks  
Lesley Upham  
Richard Jeffcoat

### **People Committee**

Tim Holmes (Chair)  
Steve Nash  
Mike Judge  
Graeme Potts

### **Nominations Committee**

Robin Woolcock (Chair)  
Tim Holmes  
Mike Judge  
Richard Jeffcoat  
Pauline Wiseman (to 20 September 2017)

### **Audit (Finance) Committee**

Graeme Potts (Chair)  
Brian Back  
Graham Wheeler (to 15 November 2017)

### **Technology (from 12 May 2017)**

Lesley Upham  
Mark Outhwaite (advisor)  
Dan Coleman (advisor to 6 September 2017)

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#### Key management personnel Ben - Motor and Allied Trades Benevolent Fund:

##### Executive Management Team

Chief Executive	Zara Ross
Finance Director and Company Secretary	David Ellis
Care and Support Services Director	Yvonne Hignell (to 9 March 2018) Stephen Robinson (from 19 March 2018)
Business Development Director	Jools Tait (to 13 April 2018) Matt Wigginton (interim) (from 1 May 2018)
HR Director	Gary Burgham
Marketing and Communications Director	Carol Keller
Property and Facilities Director	Graham Sweetinburgh (to 12 January 2018)
IT and Business Change Director	Sharon Gordon

#### Structure, Governance and Management

##### Governing Document

Ben - Motor and Allied Trades Benevolent Fund is a Company limited by guarantee governed by its Memorandum and Articles of Association dated 24 October 2012. Ben is registered as a charity with the Charity Commission, and the Office of the Scottish Charity Regulator. Ben is also a registered social housing provider.

##### Appointment of Trustees

The Board of Trustees ("the Board") shall consist of at least 6 members who express their interest in becoming a Trustee or are 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

New Trustees undergo an orientation process to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and to inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During their induction, they meet the Executive Management Team and Heads of Departments. They are furnished with a comprehensive range of information and literature, for future reference.

##### Organisation

The Board of Trustees oversee the charity. The Board normally meets four times a year and during the year there have been sub-committees covering Care Services, Audit, Property Development, Nominations, People, Fundraising, Marketing & Communications, and Technology.

The Care Services Committee has provided oversight of the delivery of Ben's quality care and support services. Following the strategic review its role was redefined to cover the operation of Ben's care centre services and Lynwood Village and it was renamed as the Care Services Board. The Care Services Board covers all aspects of the service including financial performance and sustainability, property management and risk review of the services. The oversight of wellbeing support services was transferred to a newly formed Health and Wellbeing Board.

The Health and Wellbeing Board was formed in April 2018 and provides oversight of Ben's health and wellbeing

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services. The Health and Wellbeing Board's scope includes reporting on the services delivered and the fundraising, financial performance, and risk management required to provide these services.

The Audit Committee is advisory to the Board and oversees all financial aspects of Ben. It has 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 their adoption to the Board. It considers the annual budget in detail and makes recommendations to the Board for its approval. It reviews reports from external and internal auditors and monitors management actions to implement recommendations. It also considers the appointment, resignation or dismissal of external auditors. The committee also oversees Ben's Pension Plans and investments.

The revised People & Nominations Committee formed in April 2018 combines the role of the People, Nominations and Remuneration Committees. During the period the Nominations Committee has dealt with Board composition, executive succession, corporate governance and the appointment of new directors. The People & Nominations Committee has determined policy and individual remuneration packages of the Executive Management team and the total reward and employment conditions of other Ben staff groups. The People and Nominations Committee also addresses the development and review of policies and practices relating to employment, resourcing, organisational structure, performance, engagement, staff development and learning activities and succession planning.

The Technology committee was formed in 2017 to oversee and advise on the programme to undertake transformational change and implement key systems.

The Property Development Committee has overseen property development projects and the operation of the Lynwood Village.

The Fundraising and Marketing Committee determined fundraising policies and oversaw the development of new services and Ben's marketing activities. The roles of both of these committees were transferred to the Care Services Board and Health and Wellbeing Board respectively in April 2018.

The Chief Executive is appointed by the Trustees to manage the day-to-day operation of Ben. The Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and the operation of the care centres and health and wellbeing services.

#### **Related parties and co-operation with other organisations**

None of our Trustees have received remuneration or other benefit from their work as Trustees with the charity. One Trustee was paid for consultancy work on the review of the re-configuration of our Town Thorns care centre. Details are disclosed in note 15. Any connection between a trustee or senior manager of the charity with a supplier must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

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#### **Trustees' responsibilities in relation to the financial statements**

The charity Trustees (who are also the directors of the Ben - Motor and Allied Trades Benevolent Fund for the purposes of Company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Statement as to disclosure to our auditors**

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware; and
- the Trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of Trustees

A handwritten signature in black ink, appearing to read 'Robin Woolcock'.

Robin Woolcock (Chair)

13 September 2018

# Independent Auditor's Report to the Members of Ben – Motor and Allied Trades Benevolent Fund



## **Opinion**

We have audited the financial statements of Ben – Motor and Allied Trades Benevolent Fund ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2018 which comprise the consolidated statement of financial activities (including consolidated income and expenditure), the consolidated balance sheet, the consolidated statements of cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2018 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

## **Basis for opinion**

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

## **Conclusions related to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The other information comprises the information included in the strategic report and Trustees' annual report, other than the financial statements and our auditor's report thereon. The other information comprises the Chair's, Strategic and Trustees' Annual Report. The Trustees are responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.



# Independent Auditor's Report to the Members of Ben – Motor and Allied Trades Benevolent Fund (continued)



## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities in relation to the financial statements, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# Independent Auditor's Report to the Members of Ben – Motor and Allied Trades Benevolent Fund (continued)



## Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's Trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'BDO UK'.

Malcolm Thixton, Senior Statutory Auditor  
for and on behalf of BDO LLP, Statutory Auditor  
Southampton  
United Kingdom

Date: 19 September 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Ben – Motor and Allied Trades Benevolent Fund  
Consolidated Statement of Financial Activities  
(including consolidated income and expenditure)  
for year ending 31 March 2018



		Unrestricted Funds	Restricted Funds	Group 2018 Total Funds	Group 2017 Total Funds (as re- analysed)
Income:	Note	£'000	£'000	£'000	£'000
Donations and legacies	4	4,191	42	4,233	5,175
<i>Income from charitable activities:</i>					
Care of residents and housing	5	8,437	-	8,437	8,677
Retirement community	5	22,727	-	22,727	11,815
<i>Income from other trading activities:</i>					
Commercial trading operations	6	142	-	142	47
Investment income	7	171	-	171	118
Net gain on sale of assets		-	-	-	499
<b>Total income</b>		<b>35,668</b>	<b>42</b>	<b>35,710</b>	<b>26,331</b>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Commercial trading operations	6	124	-	124	18
Fundraising and publicity	8	1,740	-	1,740	1,640
<i>Expenditure on charitable activities:</i>					
Care of residents and housing	8	10,440	-	10,440	9,950
Retirement community	8	12,353	-	12,353	9,226
Health and wellbeing support	8	1,267	42	1,309	1,547
<b>Total expenditure</b>		<b>25,924</b>	<b>42</b>	<b>25,966</b>	<b>22,381</b>
Net gains/(losses) on investments	19	(112)	-	(112)	494
<b>Net income/ (expenditure)</b>		<b>9,632</b>	<b>-</b>	<b>9,632</b>	<b>4,444</b>
<b>Transfers between funds</b>	27	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses):</b>					
Actuarial gain/ (loss) on defined benefit pension scheme	31	15	-	15	237
<b>Net movement in funds for the year</b>	27	<b>9,647</b>	<b>-</b>	<b>9,647</b>	<b>4,681</b>
<b>Reconciliation of funds</b>					
Total Funds brought forward	27	32,627	-	32,627	27,946
<b>Total funds carried forward</b>	27	<b>42,274</b>	<b>-</b>	<b>42,274</b>	<b>32,627</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Ben – Motor and Allied Trades Benevolent Fund  
Consolidated Balance Sheet  
for year ending 31 March 2018

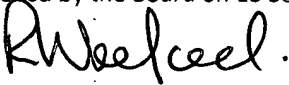


	Note	Group 2018 £'000	Group 2017 £'000	Charity 2018 £'000	Charity 2017 £'000
<b>Fixed Assets:</b>					
Tangible Assets	17,18	22,705	22,999	22,763	23,056
Investments	19	4,170	4,327	4,172	4,329
<b>Total Fixed Assets</b>		<b>26,875</b>	<b>27,326</b>	<b>26,935</b>	<b>27,385</b>
<b>Current assets:</b>					
Property held for resale		12,015	18,614	13,196	20,444
Stock		-	13	-	13
Debtors	20	3,654	3,125	3,765	3,178
Cash at bank and in hand	21	2,985	1,849	2,638	1,753
<b>Total Current Assets</b>		<b>18,654</b>	<b>23,601</b>	<b>19,599</b>	<b>25,388</b>
<b>Liabilities:</b>					
Creditors: falling due within one year	22	(3,225)	(6,638)	(3,009)	(6,598)
<b>Net Current assets</b>		<b>15,429</b>	<b>16,963</b>	<b>16,590</b>	<b>18,790</b>
<b>Total assets less current liabilities</b>		<b>42,304</b>	<b>44,289</b>	<b>43,525</b>	<b>46,175</b>
Creditors: falling due after more than 1 year	23	(30)	(11,405)	(30)	(11,405)
<b>Net assets excluding pension liability</b>		<b>42,274</b>	<b>32,884</b>	<b>43,495</b>	<b>34,770</b>
Pension Scheme liability	31	-	(257)	-	(257)
<b>Net assets including pension</b>		<b>42,274</b>	<b>32,627</b>	<b>43,495</b>	<b>34,513</b>
<b>The funds of the charity:</b>					
Unrestricted funds:					
General fund	27	39,637	30,503	40,859	32,389
Revaluation Reserves	27	441	679	441	679
Designated funds	27	2,196	1,445	2,196	1,445
<b>Total unrestricted funds</b>		<b>42,274</b>	<b>32,627</b>	<b>43,496</b>	<b>34,513</b>
Restricted funds	27	-	-	-	-
<b>Total Charity Funds</b>		<b>42,274</b>	<b>32,627</b>	<b>43,496</b>	<b>34,513</b>

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of income and expenditure in these financial statements. The net income for the year of the parent charity for the year was £9,080,000 (2016: £5,100,000).

The notes at pages 22 to 44 form part of these financial statements.

Approved by the Board on 13 September 2018 and signed on its behalf by:

  
Chairman  
Robin Woolcock

Ben – Motor and Allied Trades Benevolent Fund  
Consolidated Statement of Cash Flows  
for year ending 31 March 2018



		2018 Total Funds	2017 Total Funds
	Note	£'000	£'000
<b>Cash from (used in) operating activities</b>	29	15,223	(803)
<b>Cash flows from investing activities</b>			
Investment income received	7	171	118
Purchase of tangible fixed assets		(657)	(680)
Purchase of investments	19	(430)	(1,447)
Proceeds on sale of investments		481	1,257
<b>Cash provided by (used in) investing activities</b>		<b>(435)</b>	<b>(752)</b>
Interest paid	28	(269)	(409)
Repayments of borrowings		(13,385)	(1,116)
Cash inflows from new borrowings		-	2,656
<b>Cash (used in)/ from financing activities</b>		<b>(13,654)</b>	<b>1,131</b>
Net cash (outflow)/inflow		1,134	(424)
Cash and cash equivalents at the beginning of the year		1,849	2,273
<b>Total cash and cash equivalents at the end of the year</b>		<b>2,983</b>	<b>1,849</b>

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### **1 Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

BEN- Motor and Allied Trades Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### **b) Re-analysis of prior year**

The analysis of prior charitable activities has been re-presented to include rent associated with Lynwood Village within the retirement community activity instead of 'Care – rents and fees'.

#### **c) Preparation of the accounts on a going concern basis**

The Charity reported a cash inflow of £1,134,000 for the year on a group basis.

Based on the group's cash flow projections for the period ending twelve months from the date of approval of these financial statements the Trustees consider that the group will continue to operate and meet all of its committed expenditure and debt as they fall due.

On this basis the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

#### **d) Group financial statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiaries, BenTrade Ltd and Rise Lodge Developments Ltd, on a line-by-line basis.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### **e) Income from Donations, Events and Legacies**

Income from donations, events and legacies is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Where income is received before any performance conditions are fulfilled income is deferred until the criteria for recognition are met.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement occurs when there is sufficient evidence that a gift has been left to the charity and that the executors are satisfied that the relevant assets are not required to satisfy any claims on the estate. Receipt of a legacy, in whole or in part, is only considered probable when probate has been granted, the executors have established there are sufficient assets, after settling liabilities to pay the legacy and any conditions have been met or within the control of the charity. Legacy income is only recognised when it can be measured reliably. Where the criteria for income recognition have not been met because the amount cannot be measured with sufficient reliability then the legacy is treated as a contingent asset and disclosed if material.

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

**f) Trading income**

Income from the supply of goods and services for fund raising purposes is recognised when the goods are provided or services are performed

**g) Income from Charitable activities**

Fees and rents are recognised once the service has been performed. Fees and rents in advance are deferred and held on the balance sheet.

Income on the sale of leasehold interests represents the fair value received and receivable, net of value added tax, during the year, and is recognised on legal completion of properties.

**h) Donated services, goods and facilities**

*Donated professional services, goods and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. More information about their contribution can be found in the Trustees' annual report.*

On receipt, donated professional services, goods and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations.

**i) Investment Income**

Dividends from investment funds and Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the income paid or payable by the Fund Managers and the Bank.

**j) Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### k) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds comprise the costs of fundraising activities and commercial trading including the catering outlets and their associated support costs.

Expenditure on charitable activities includes direct staff costs attributable to care of residents, housing, the retirement village, and welfare services and other activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

### l) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Company's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 11

### m) Operating leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating lease rent is charged on a straight-line basis over the term of the lease. Neither the Company nor the Group has any Finance Leases.

### n) Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

Asset Category	Useful Life
Freehold buildings	50 years
Plant and Equipment	5 years -10 years
Motor Vehicles	4 years
Computer hardware and software	3 years

No depreciation is provided on freehold land. Leasehold property is depreciated over the term of the lease. No depreciation is charged until asset is ready for use.

### o) Investments

Investments are stated at market value. The charity keeps 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 19 of the difference between the historical cost and the sale proceeds of the investments sold during the year.



**p) Stock**

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Property held for resale consists of assets held at the lower of cost and net realisable value. Development costs are allocated across individual units in proportion to floor area.

**q) Interest payable**

Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development. Interest costs are calculated on the effective interest method. Costs of development are allocated across the units based on floor area.

**r) Taxation**

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

The subsidiary companies make qualifying donations to Ben. When a qualifying donation is expected to be made after the reporting date no corporation tax liability is provided for in respect of the subsidiary profits to which the donations relates.

**s) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**t) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**u) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**v) Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value or initial fair value and subsequently measured at their settlement value with the exception of bank loans and financial assets in respect of ground rent receivable which are subsequently measured at amortised cost using the effective interest method. Future ground rents receivables under the grant of a long leasehold interest are recognised at present value as a financial asset when the lease is granted.

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### w) Pensions

Ben Staff Pension and Assurance Scheme (Final Salary Scheme) was closed on 31 March 2002. The amount paid into the Scheme by the employer in the year was £365,000 (2017: £334,000). The triennial actuarial valuation of the Scheme was carried out in October 2016. The Trustees are satisfied that any foreseeable change in employer's contributions can be budgeted for without detriment to the charity's ongoing activities. The Scheme assets and liabilities, and its performance, are disclosed in note 31.

The Group Personal Pension Plan (Defined Contributions Plan) was introduced on 1 April 2002 with the charity matching employees' contribution up to 3% of employees' gross salary. The annual contributions to the Plan are shown in note 13.

### x) Critical accounting estimates and judgements -estimated pension liabilities

The Charity operates a defined benefit pension scheme, in accordance with the accounting policy as stated above. The future pension liabilities that will arise and the expected return on scheme assets are based upon various assumptions such as mortality rates, investment returns and future inflation. The calculations require the use of estimates (note 31).

## 2 Legal status of the Company

Ben-Motor and Allied Trades Benevolent Fund is a Company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

## 3 Financial Performance of the Charity

The consolidated statement of financial activities includes the results of the Charity's two wholly owned subsidiaries BenTrade Ltd, which operates the groups trading services, and Rise Lodge Developments Ltd which provides design and build services to the members of the Ben Group. The subsidiaries donated £126,671 to Ben this year (2017: £1,041,739). BenTrade has resolved to make a donation of all its profits to Ben and no corporation tax liability has been accounted for in respect of these profits.

### The summary financial performance of the charity alone is:

	2018 £'000	2017 £'000
Income	35,843	26,283
Gift aid from subsidiary companies	127	1,042
Expenditure on charitable and fundraising activities	(26,890)	(22,225)
<b>Net income</b>	<b>9,080</b>	<b>5,100</b>
Net gains on investments	(112)	494
Other recognised gains / (losses)	15	237
<b>Net movement in funds for the year</b>	<b>8,983</b>	<b>5,831</b>
Total funds brought forward	34,513	28,682
<b>Total funds carried forward</b>	<b>43,496</b>	<b>34,513</b>
Represented by:		
Unrestricted funds	43,496	34,513
Restricted funds	-	-

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 4 Income from donations and legacies

	Unrestricted funds £'000	Restricted Funds £'000	2018 Total Funds £'000	Unrestricted funds £'000	Restricted Funds £'000	2017 Total Funds £'000
Donations and fundraising events	3,933	42	3,975	4,734	48	4,782
Legacies	129	-	129	236	-	236
Donated goods and facilities	129	-	129	157	-	157
<b>Total</b>	<b>4,191</b>	<b>42</b>	<b>4,233</b>	<b>5,127</b>	<b>48</b>	<b>5,175</b>

The Charity is grateful to the donors of goods and facilities. The estimated value of these of goods and facilities is recognised within incoming resources as a donation, and an equivalent charge included within the Charity's costs. The donated goods are vehicles which are used by the Charity in carrying out its activities. The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102) the economic contribution of general volunteers is not recognised in the accounts.

### 5 Income from charitable activities

	2018 Total Funds £'000	2017 Total Funds (Restated) £'000
Care and housing - Fees and rents	8,437	8,677
Retirement community – Fees and rents	1,874	1,765
Retirement community - Leasehold sales	20,853	10,050
<b>Total income from charitable activities</b>	<b>31,164</b>	<b>20,492</b>

All income from charitable activities in 2018 and 2017 relates to the unrestricted fund.

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 6 Trading activities

The charity has two wholly owned subsidiaries, incorporated in England and Wales, BenTrade Ltd (company number 01437707), 'BenTrade', which operates commercial trading operations and Rise Lodge Developments Ltd (company number 7299615), 'Rise Lodge', which provides design and build services to the members of the Ben Group. Both subsidiaries donate all their profits to Ben and they donated £127,000 this year (2017: £1,041,000). Both subsidiaries have a 31 March year end and control is achieved through ownership of 100% of their respective share capital.

The summary financial performance of the subsidiaries is:

	<b>BenTrade</b>	<b>Rise Lodge</b>	<b>Subsidiary Total</b>	<b>Elimination</b>	<b>Group Total</b>	<b>Group Total</b>
<b>Profit and Loss for the period ended 31 March</b>	<b>2018 £'000</b>	<b>2018 £'000</b>	<b>2018 £'000</b>	<b>2018 £'000</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
Turnover	142	1,534	1,676	(1,534)	142	47
Cost of sales and administration costs	(124)	(1,407)	(1,531)	1,407	(124)	(18)
<b>Net profit</b>	<b>18</b>	<b>127</b>	<b>145</b>	<b>(127)</b>	<b>18</b>	<b>29</b>
Amount donated to the charity	-	(127)	(127)	127	-	(29)
<b>Retained in subsidiary</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>The assets and liabilities of the subsidiaries were:</b>						
Current assets	138	603	741	-	741	1,891
Current liabilities	(120)	(603)	(723)	-	(723)	(1,889)
<b>Total net assets</b>	<b>18</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>18</b>	<b>2</b>
<b>Aggregate share capital and reserves</b>	<b>18</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>18</b>	<b>2</b>

### 7 Investment income

The group's investment income of £171,000 (2017: £118,000) arises from dividends from investment funds and interest on funds held on deposit.

**8 Expenditure on raising funds and charitable activities:**

Resourced Expended	Activities undertaken directly					Total	
	Staff	Leasehold sales and Depreciation	Welfare funding	Other	Support	Total	Total
	(note 13)		(note 10)		(note 11)	2018	2017
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Expenditure on raising funds:</b>							
Commercial Activities	101	-	-	23	-	124	18
Fundraising and publicity	911	-	-	682	147	1,740	1,640
<b>Total</b>	<b>1,012</b>	<b>-</b>	<b>-</b>	<b>705</b>	<b>147</b>	<b>1,864</b>	<b>1,658</b>
<b>Charitable Expenditure</b>							
Care of residents and housing	5,411	724	-	2,948	1,357	10,440	9,950
Retirement community	1,047	8,361	-	2,176	769	12,353	9,226
Health and wellbeing Support	721	56	196	192	144	1,309	1,547
Central support Costs	1,531	31	-	855	(2,417)	-	-
<b>Total</b>	<b>8,710</b>	<b>9,172</b>	<b>196</b>	<b>6,171</b>	<b>(147)</b>	<b>24,102</b>	<b>20,723</b>
<b>Total Expenditure</b>	<b>9,722</b>	<b>9,172</b>	<b>196</b>	<b>6,876</b>	<b>-</b>	<b>25,966</b>	<b>22,381</b>

Expenditure on charitable activities was £24,102,000 (2017: £20,723,000) of which £24,060,000 was unrestricted (2017: £20,675,000) and £42,000 was restricted (2017: £48,000).

**9 Income and expenditure relating to charitable activities**

Charitable activity	Income	Expenditure	Net Income	Net Income (Re-analysed note 1(b) )
	2018	2018	2018	2017
	£'000	£'000	£'000	£'000
Care of residents and housing	8,437	10,440	(2,003)	(1,273)
Retirement community	22,727	12,353	10,374	2,589
Health and wellbeing support	-	1,309	(1,309)	(1,547)
<b>Total</b>	<b>31,164</b>	<b>24,102</b>	<b>7,062</b>	<b>(231)</b>

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 10 Welfare funding and Grant activity

The Charity makes welfare grants to support individual beneficiaries when a need is assessed by the Charity's Health and Wellbeing services team. All grants payable in note 9 were made to individuals or directly to suppliers of goods and services for the benefit of a nominated individual.

### 11 Governance and Support costs

Support activity	Allocation to charitable activities				Total Expenditure	Basis of Allocation
	Raising funds	Care of residents and housing	Health and wellbeing support	Retirement Community		
	£'000	£'000	£'000	£'000	£'000	
Governance	6	37	5	46	94	Expenditure
Management	29	170	22	216	437	Expenditure
HR	44	479	47	175	745	Employees-FTE
Finance	17	97	12	123	249	Expenditure
IT	36	407	41	148	632	Headcount
Facilities	15	167	17	61	260	Expenditure
<b>Total</b>	<b>147</b>	<b>1,357</b>	<b>144</b>	<b>769</b>	<b>2,417</b>	

### 12 Net income for the year

Net income is stated after charging:	2018 £'000	2017 £'000
Operating leases – equipment	42	7
Depreciation	943	820
Bank interest payable	269	446
Auditor's remuneration – current year	24	27
Auditor remuneration – prior year	(2)	12
Accountancy services	7	36

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 13 Staff and trustee costs

Staff costs	2018 £'000	2017 £'000
Salaries and wages	8,674	8,416
Social security costs	786	754
Expenses of defined benefit pension scheme	122	85
Contribution to defined contribution pension scheme	140	133
<b>Total</b>	<b>9,722</b>	<b>9,388</b>

The number of employees earning more than £60,000 in the year is as follows:

Employee Earnings	2018 Number	2017 Number
£60,000 - £70,000	4	3
£70,000 - £80,000	2	2
£80,000 - £90,000	1	3
£90,000 - £100,000	2	-
£100,000 - £110,000	-	1
£110,000 - £120,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
£140,000 - £150,000	-	-
£150,000 - £160,000	1	-

The total amount of contributions paid into the Ben Group Pension Scheme in relation to employees earning more than £60,000 in the year was £16,158 (2017: £13,451). The total number of staff in the scheme on 31 March 2018 was 405 (2017: 301).

The Charity Trustees were not paid or received any other benefits from employment with the Charity or its subsidiaries in the year (2017: £nil). One Board member received reimbursement of expenses for travel in the year of £555 (2017: £1,184). No trustee received remuneration for their services as a trustee in the year.

The key management personnel of the Charity comprised the Trustees, the Chief Executive, the Finance Director, Director of Business Development, HR Director, Director of Care and Support Services, Marketing & Communications Director, Property and facilities Director and Business Change and IT Director, and Property and Facilities Director. The total employee benefits of the key management personnel of the charity were £839,633 (2017: £ 902,378). This includes car benefit which ranges from £0 to £11,458 per annum. Some cars are loaned to Ben by companies in the motor industry at no net cost to Ben. Such vehicles are treated as donated goods and are included in the Statement of Financial Activities (see note 4).

Redundancy and employee termination costs were £126,000 (2017: £74,000). Redundancy and termination costs are recognised when there is a present obligation arisen from a notice given or agreement made which results in a reasonable expectation that the cost will be incurred. As at 31 March 2018 £66k was accrued and not paid (2017: £19k).

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 14 Staff Numbers

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

	2018	2017
Care of residents and housing	236	252
Health and Wellbeing support	24	26
Retirement village	86	84
Administration and management	38	26
Fundraising	14	16
<b>Total</b>	<b>398</b>	<b>404</b>

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

	2018	2017
Care of residents and Housing	230	219
Welfare support Services	23	26
Retirement village	58	74
Administration and management	37	25
Fundraising	14	16
<b>Total</b>	<b>362</b>	<b>360</b>

### 15 Related party transactions

Rise Lodge Developments Limited provides Design and Build services to the Charity. The cost of the services during the year was £1,534,366 (2017: £12,698,323). The Charity has provided services to Rise Lodge Developments Limited. The cost of the services was £nil (2017: £133,066). Rise Lodge Developments Limited donated its profits to the Charity. The donation was £126,671 (2017: £1,013,138). At the year-end the net amount outstanding from the Charity to Rise Lodge Developments Limited was £383,451 (2017: £1,546,331).

BenTrade Limited donated its profits to the Charity after the reporting date. The donation during the year was £nil (2017: £28,602). At the year-end the net amount outstanding from BenTrade to the Charity was £111,362 (2017: £64,370).

Gerald Lee, a trustee of the Charity, provided care consultancy services of £11,978 (2017: £5,965) to Rise Lodge Developments Limited. £nil was outstanding at the year-end (2017: £nil).

The aggregate amount of donations received by the Charity from Trustees and other related parties including Rise Lodge Developments Limited and BenTrade Limited was £130,272 (2017: £1,046,628).

### 16 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.



# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 17 Tangible fixed assets – Group

	Freehold property	Leasehold property	Furniture fixtures and fittings	Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost:</b>						
As at 1 April 2017	25,641	215	1,711	260	416	28,243
Additions	436		206	11	10	663
Transfer from properties for re-sale	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Disposals	-	-	(10)	-	(12)	(22)
<b>As at 31 March 2018</b>	<b>26,077</b>	<b>215</b>	<b>1,907</b>	<b>271</b>	<b>414</b>	<b>28,884</b>
<b>Depreciation:</b>						
As at 1 April 2017	3,864	215	677	174	314	5,244
Charge for the year	507	-	330	68	38	943
Transfers	-	-	-	-	-	-
On disposals	-	-	(5)	-	(3)	(8)
<b>As at 31 March 2018</b>	<b>4,371</b>	<b>215</b>	<b>1,002</b>	<b>242</b>	<b>349</b>	<b>6,179</b>
<b>Net book value</b>						
<b>As at 31 March 2018</b>	<b>21,706</b>	<b>-</b>	<b>905</b>	<b>29</b>	<b>65</b>	<b>22,705</b>
<b>As at 1 April 2017</b>	<b>21,777</b>	<b>-</b>	<b>1,034</b>	<b>86</b>	<b>102</b>	<b>22,999</b>

Ben – Motor and Allied Trades Benevolent Fund  
Notes to the Financial Statements



**18 Tangible fixed assets – Charity**

	Freehold property	Leasehold property	Furniture fixtures and fittings	Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost:</b>						
As at 1 April 2017	25,698	215	1,711	260	416	28,300
Additions	436	-	206	11	10	663
Transfer from properties for re-sale						
Transfers	-	-	-	-	-	-
Disposals	-	-	(10)	-	(12)	(22)
<b>As at 31 March 2018</b>	<b>26,134</b>	<b>215</b>	<b>1,907</b>	<b>271</b>	<b>414</b>	<b>28,941</b>
<b>Depreciation:</b>						
As at 1 April 2016	3,864	215	677	174	314	5,244
Charge for the year	506	-	330	68	38	942
Transfers	-	-	-	-	-	-
On disposals	-	-	(5)	-	(3)	(8)
<b>As at 31 March 2018</b>	<b>4,370</b>	<b>215</b>	<b>1,002</b>	<b>242</b>	<b>349</b>	<b>6,178</b>
<b>Net book value</b>						
<b>As at 31 March 2018</b>	<b>21,764</b>	<b>-</b>	<b>905</b>	<b>29</b>	<b>65</b>	<b>22,763</b>
<b>As at 1 April 2017</b>	<b>21,834</b>	<b>-</b>	<b>1,034</b>	<b>86</b>	<b>102</b>	<b>23,056</b>

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 19 Fixed asset investments

	Group £'000	Charity £'000
<b>Market value at 1 April 2017</b>	<b>4,327</b>	<b>4,329</b>
Additions	430	430
Disposals	(475)	(481)
Net investment gain	(112)	(107)
<b>Market value at 31 March 2018</b>	<b>4,170</b>	<b>4,172</b>
<b>Historical cost at 31 March 2018</b>	<b>3,729</b>	<b>3,731</b>
At 1 April 2017	3,648	3,650
<b>Unrealised gains at 31 March 2018</b>	<b>441</b>	<b>441</b>
<b>Realised gains based on historical cost</b>	<b>131</b>	<b>131</b>

Fixed asset investments for the Charity includes £2,500 (2017: £2,500) of investments in subsidiaries held at cost

Subsidiary Company	Constitution/ Country of registration	Company Number	Registered Office
BenTrade Limited	Limited Company registered in England and Wales	01437707	Lynwood Court, Lynwood Village, Rise Road, Ascot, SL5 0FG
Rise Lodge Developments Limited	Limited Company registered in England and Wales	7299615	Lynwood Court, Lynwood Village, Rise Road, Ascot, SL5 0FG

The following listed investments represented more than 5% of the value of the portfolio as at 31 March 2018:

	Number of units	Market value £'000	% of portfolio
Majedie UK Equity Fund, Shs Class -X- GBP Income	282,002	£416	10%
The Equity Income Trust for, Charities	819,589	£426	10%
Trojan Income Fund, Class -S-, Trojan Investment Funds	199,616	£360	9%
Vanguard S&P 500 UCITS ETF, Shs Ptg. Exchange Traded Fund USD	10,355	£370	9%
Vanguard FTSE UK All Share Index	3,242	£351	8%
Schroder Charity Equity Fund, Units -A	549,548	£333	8%
Schroder Strategic Credit Fund	2,193	£215	5%

Ben – Motor and Allied Trades Benevolent Fund  
Notes to the Financial Statements



20 Debtors

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Ground rent receivable	2,084	1,323	2,084	1,323
Trade debtors	313	170	313	170
Other debtors	871	1,294	871	1,283
Prepayments and accrued income	386	338	386	338
Amount due from subsidiary undertaking	-	-	111	64
<b>Total</b>	<b>3,654</b>	<b>3,125</b>	<b>3,765</b>	<b>3,178</b>

21 Cash and cash equivalents

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Cash equivalents – liquidity bonds	211	20	-	20
Cash in hand	2,774	1,829	2,638	1,733
<b>Total</b>	<b>2,985</b>	<b>1,849</b>	<b>2,638</b>	<b>1,753</b>

22 Creditors: amounts falling due within one year

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Bank loan (note 24)	1,433	3,443	1,433	3,443
Creditors and accruals	1,757	3,173	1,163	1,587
Taxation and social security costs	35	22	30	22
Amount due to subsidiary undertakings	-	-	383	1,546
<b>Total</b>	<b>3,225</b>	<b>6,638</b>	<b>3,009</b>	<b>6,598</b>

23 Creditors: amounts falling due after more than one year

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Bank loans (note 24)	-	11,375	-	11,375
Housing Corporation (note 25)	30	30	30	30
<b>Total</b>	<b>30</b>	<b>11,405</b>	<b>30</b>	<b>11,405</b>

## 24 Bank loans

	Group 2018 £'000	Group 2017 £'000	Charity 2018 £'000	Charity 2017 £'000
Due within one year	1,433	3,443	1,433	3,443
Due within two to five years	-	11,375	-	11,375
<b>Total</b>	<b>1,433</b>	<b>14,818</b>	<b>1,433</b>	<b>14,818</b>

The Co-Op Bank has a fixed charge over Ben's assets. The Charity's loan from the Co-op bank consists of two Facilities. Facility A is repayable quarterly at 1/60th of the amount due with the balance repayable in April 2018. The cost of the loan facility A is LIBOR plus 3%. Facility C was repaid during the year. The cost of loan facility C was LIBOR plus 2.5%. The Charity has no undrawn loan facilities as at the year-end (2017:£3,300,000).

## 25 Housing Corporation Loans

The mortgage advance from the Housing Corporation, which is secured by a charge on a social housing part of 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:

	Group 2018 £'000	Group 2017 £'000	Charity 2018 £'000	Charity 2017 £'000
Due within one year	-	-	-	-
Due within two to five years	1	1	1	1
Due in more than five years	29	29	29	29
<b>Total</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>

## 26 Financial instruments

	Group 2018 £'000	Group 2017 £'000	Charity 2018 £'000	Charity 2017 £'000
<b>Financial assets:</b>				
Financial assets measured at fair value through income and expenditure	4,170	4,327	4,172	4,329
Financial assets measured at amortised cost	6,099	4,568	5,863	4,526
<b>Financial liabilities:</b>				
Financial liabilities measured at amortised cost	(2,961)	(17,745)	(2,751)	(17,706)

Financial assets measured at fair value through income and expenditure comprise fixed asset investments in unlisted company shares and investments in a portfolio of listed investment funds.

Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors, other debtors, ground rent receivable and amounts owed by subsidiary undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, bank loans and amounts due to subsidiary undertakings.

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 27 Analysis of net movement in funds

Group						
Fund Name	Fund balance b/f	Income	Expenditure	Transfers	Net gains	Fund balance c/f
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds: non-designated</b>						
General fund	30,503	35,668	(25,899)	(650)	15	39,637
Revaluation reserve	679	-	-	(126)	(112)	441
<b>Unrestricted funds: designated</b>						
Ground rent fund	1,323	-	-	761	-	2,084
Lynwood capital	16	-	-	-	-	16
maintenance fund						
Cyclical maintenance fund	106	-	(25)	15	-	96
<b>Total designated funds</b>	<b>1,445</b>	<b>-</b>	<b>(25)</b>	<b>776</b>	<b>-</b>	<b>2,196</b>
<b>Total unrestricted funds</b>	<b>32,627</b>	<b>35,668</b>	<b>(25,924)</b>	<b>-</b>	<b>(97)</b>	<b>42,274</b>
<b>Restricted funds:</b>						
Almonised grants	-	42	(42)	-	-	-
<b>Total restricted funds</b>	<b>-</b>	<b>42</b>	<b>(42)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total funds</b>	<b>32,627</b>	<b>35,710</b>	<b>(25,966)</b>	<b>-</b>	<b>(97)</b>	<b>42,274</b>

Charity						
Fund Name	Fund balance b/f	Income	Expenditure	Transfers	Net gains	Fund balance c/f
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted Funds: non-designated</b>						
General fund	32,389	35,928	(26,823)	(650)	15	40,859
Revaluation reserve	679	-	-	(126)	(112)	441
<b>Unrestricted Funds: designated</b>						
Ground rent fund	1,323	-	-	761	-	2,084
Lynwood capital	16	-	-	-	-	16
maintenance fund						
Cyclical maintenance fund	106	-	(25)	15	-	96
<b>Total designated Funds</b>	<b>1,445</b>	<b>-</b>	<b>(25)</b>	<b>776</b>	<b>-</b>	<b>2,196</b>
<b>Total unrestricted Funds</b>	<b>34,513</b>	<b>35,928</b>	<b>(26,848)</b>	<b>-</b>	<b>(97)</b>	<b>43,496</b>
<b>Restricted funds:</b>						
Almonised grants	-	42	(42)	-	-	-
<b>Total Restricted funds</b>	<b>-</b>	<b>42</b>	<b>(42)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total funds</b>	<b>34,513</b>	<b>35,970</b>	<b>(26,890)</b>	<b>-</b>	<b>(97)</b>	<b>43,496</b>

# Ben – Motor and Allied Trades Benevolent Fund

## Notes to the Financial Statements



### 27 Analysis of net movement in funds (continued)

#### Funds:

**Revaluation Reserve:** represents the unrealised gain on investments held by the charity;

**Ground Rent Fund:** represents the present value of future ground rents due in respect of Lynwood Village. The fund is released to the General Reserve as the rents are received;

**Lynwood Capital maintenance fund:** capital funds are received when an apartment in Lynwood Village is re-sold. These funds are allocated to a maintenance fund and held for major property repair costs of the village.

**Cyclical maintenance fund:** funds are held for non-routine maintenance costs for sheltered accommodation in Town Thorns and Lynwood.

**Almonised funds:** represents specified grants received from other charities and organisations which support Ben's Health and Wellbeing activities.

### 28 Interest payable

Interest payable related to loans and overdrafts repayable within 5 years of which £269,000 (2017: £446,000) was expensed in the year and Lynwood Development loan interest roll-up of £33,000 (2017: £ 38,000) were capitalised in the year.

### 29 Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2018 £'000	Group 2017 £'000
<b>Net income/ (expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>9,632</b>	<b>4,444</b>
Payments into defined benefit pension scheme	(365)	(334)
Net finance charge on defined benefit pension scheme	123	103
Depreciation charge	943	820
Interest income shown in investing activities	(171)	(118)
Interest payable	269	448
Change in properties for resale	6,599	(4,084)
Transfer from/(to) fixed assets to properties for resale	-	(656)
Unrealised gains /(losses) on Investments	112	(494)
Decrease in stock	13	-
Increase in debtors	(529)	(934)
(Decrease)/ increase in creditors	(1,403)	2
<b>Net cash from/(used in) operating activities</b>	<b>15,223</b>	<b>(803)</b>

### 30 Capital commitments and contingent liabilities

At 31 March 2018 the Company committed £588,000 in contracted amounts due to the development of its Lynwood site (2017: £2,828,000) by a Guarantee to the trading subsidiary, Rise Lodge Developments Limited, who had signed the design and build contract.

### 31 Defined benefit pension scheme

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 most recent formal actuarial valuation was calculated as at 30 September 2016. The pension cost for the period to 31 March 2018 is assessed in accordance with the advice of a professionally qualified actuary.

	2018	2017
Valuation method	Projected Unit	Projected Unit
Discount rate	2.6%	2.5%
Inflation rate (RPI)	3.5%	3.5%
Pension increase in deferment (CPI)	2.5%	2.5%
Pension increase in payment (RPI, max 5%)	3.4%	3.4%
Base Mortality Tables	S2PMA / S2PFA	S2PMA / S2PFA
Mortality Projection Basis	CMI (2017) core projection with 1.5% p.a. long term rate	CMI (2016) core projection with 1.5% p.a. long term rate
Future Life Expectancy at age 65:		
- Male / Female currently 65	22.1 / 24.0	22.2 / 24.1
- Male / Female currently 45	23.8 / 25.8	23.9 / 25.9

The breakdown of the assets into the major categories of investments at the year-end, as a percentage of the total scheme assets is:

	2018	2017
Equities	50%	50%
Gilts	20%	21%
Corporate bonds	29%	28%
Cash	1%	1%

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 2018 £'000	Value at 31 March 2017 £'000
Market value of assets	9,667	9,531
Present value of scheme liabilities	(9,414)	(9,788)
Surplus/(shortfall)	253	(257)
Irrecoverable surplus	(253)	-
<b>Recoverable surplus/(shortfall)</b>	<b>-</b>	<b>(257)</b>

The surplus is not treated as recoverable since Ben does not have an irrevocable right to the surplus.



### 31 Defined benefit pension scheme (continued)

An analysis of the amount charged to the income and expenditure account during the year is as follows:

	2018	2017
	£'000	£'000
Current service cost	-	-
Past service cost	-	-
Interest income	(239)	(275)
Interest cost	240	294
Expenses	122	85
<b>Total charge (credit) to income and expenditure account</b>	<b>123</b>	<b>104</b>

An analysis of changes in the present value of defined benefit obligations:

	2018	2017
	£'000	£'000
<b>Opening defined benefit obligations</b>	<b>9,788</b>	<b>8,806</b>
Interest cost	240	294
Actuarial (gain) / loss	-	(313)
Change in actuarial assumptions	(219)	1,326
Benefits received/(paid)	(395)	(325)
<b>Closing defined benefit obligations</b>	<b>9,414</b>	<b>9,788</b>

An analysis of changes in the fair value of assets:

	2018	2017
	£'000	£'000
<b>Opening value of assets</b>	<b>9,531</b>	<b>8,082</b>
Expected return	239	275
Expenses	(122)	(85)
Employers contribution	365	334
Difference between actual and expected return	49	1,250
Benefits received/(paid)	(395)	(325)
<b>Closing defined benefit obligations</b>	<b>9,667</b>	<b>9,531</b>

During the year ended 31 March 2018 Ben made payments totalling £364,455 (2017: £334,422)

**31 Defined benefit pension scheme (continued)**

**An analysis of changes in obligations less value of assets:**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Opening year	257	724
Closing year	-	257
Decrease/(increase)	257	467
Contributions paid	(365)	(334)
Expected return less interest cost	1	19
Expenses	122	85
Actuarial gain/ (loss)	15	237

**Amounts for the current and four previous years:**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fair value of assets	9,667	9,531	8,082	8,382	7,355
Present value of liabilities	(9,414)	(9,788)	(8,806)	(9,445)	(8,117)
Surplus/ (shortfall)	253	(257)	(724)	(1,063)	(762)
Recoverable surplus	N/A	N/A	N/A	N/A	N/A
Irrecoverable surplus	253	N/A	N/A	N/A	N/A
Experience gains (losses) on assets	N/A	N/A	N/A	N/A	(118)
Experience gain (losses) on liabilities	N/A	N/A	N/A	N/A	(128)

For the purposes of FRS 102, the actuary has projected the results from the 31 March 2018 actuarial valuation to provide the following information about the financial position of the scheme as at 31 March 2019:

<b>Projected shortfall as at 31 March</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Surplus/(Shortfall) bfw	253	(257)	(724)	(1,063)	(762)
Current service cost	-	-	-	-	-
Past Service cost	-	-	-	-	-
Interest cost	(240)	(240)	(294)	(288)	(343)
Interest income on assets	240	239	275	260	385
Expected expenses	(88)	(86)	(64)	(62)	-
Contributions to be paid	375	365	335	325	315
Interest on irrecoverable surplus	11	-	-	-	-
Projected surplus/ (shortfall) cfw	551	21	(472)	(828)	(405)
Irrecoverable surplus	(551)				
Recoverable surplus/ (shortfall) cfw	-	21	(472)	(828)	(405)

### 31 Defined benefit pension scheme (continued)

#### Projected amount charged to the SOFA for

	2019	2018	2017	2016	2015
	£'000	£'000	£'000	£'000	£'000
Expected expenses	(240)	86	64	62	-
Interest income on assets	240	(239)	(275)	(260)	(385)
Interest cost	88	240	294	288	343
<b>Projected credit to the profit and loss account</b>	<b>88</b>	<b>87</b>	<b>83</b>	<b>90</b>	<b>(42)</b>

The projected amounts to be charged to the SOFA for 2018/19 were assessed in March 2018 and may not reflect subsequent changes in market conditions.

#### Sensitivity analysis

#### Defined Benefit Obligations as at

31 March 2018

£'000

Increase/decrease discount rate by 0.1% p.a.

(145) / +140

Increase/decrease assumed rate of inflation by 0.1% p.a.

+61 / (70)

The Scheme holds several annuity policies in respect of some pensioners which were included in the Scheme's annual report and accounts as at 30 September 2018 at a value of £1.4 million (2017: £1.47 million). These policies have not been included in the assets and liabilities disclosed in this note. If the policies were included the assets and liabilities would both be increased by £1.4m (2017: £1.47 million). There is no impact on the net balance sheet value.

### 32 Registered social housing provider requirements

Financial statements in the format required by the Accounting by Registered Social Housing Providers (Update 2015) are shown in note 32. The details required by the Homes and Communities Agency in relation to registered social housing providers' costs are shown below:

	Birch Hill	Lynwood	Town Thorns	Total 2018	Total 2017
	£'000	£'000	£'000	£'000	£'000
<b>Rents receivable</b>					
Gross rents receivable	40	55	45	140	223
Less rent losses from voids	(26)	-	-	(26)	(34)
<b>Net rents receivable</b>	<b>14</b>	<b>55</b>	<b>45</b>	<b>114</b>	<b>189</b>
Service charge income	6	11	94	111	146
<b>Turnover from Social Housing Lettings</b>	<b>19</b>	<b>66</b>	<b>139</b>	<b>225</b>	<b>335</b>
<b>Surplus/ (loss)</b>	<b>(5)</b>	<b>(33)</b>	<b>(62)</b>	<b>(100)</b>	<b>21</b>
<b>Housing stock</b>					<b>units</b>
Sheltered housing rented	9	38	14	61	55
Shared ownership			22	22	26
<b>Total units</b>	<b>9</b>	<b>38</b>	<b>36</b>	<b>83</b>	<b>81</b>
<b>Voids</b>	<b>66%</b>	<b>-%</b>	<b>-%</b>	<b>19%</b>	<b>15%</b>

Vacant units at Lynwood and Town Towns were not available for letting during the year.