

0163894

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

Report and Financial Statements

Year Ended

31 March 2001



**BDO**

BDO Stoy Hayward  
Chartered Accountants

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

**Annual report and financial statements for the year ended 31 March 2001**

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<b>Executive staff</b>	G C Atkinson OBE FIMI - Chief Executive D J Prescott MBE FCIS - Deputy Chief Executive/Secretary Miss J S Brown - Director, Welfare Services Mrs C A Steele MICFM - Director, Funding Development J Skillicorn-Aston - Director, Marketing & Communications
<b>Bankers</b>	Barclays Bank plc, 1 High Street, Bracknell, Berks, RG12 1DR
<b>Solicitors</b>	Field Fisher Waterhouse, 35 Vine Street, London, EC3N 2AA
<b>Investment Managers/Brokers</b>	Cazenove Fund Management Ltd., 12 Moorgate, London, EC2R 6DA
<b>Registered office</b>	Lynwood, Sunninghill, Ascot, Berkshire, SL5 0AJ
<b>Company number</b>	2163894
<b>Charity number</b>	297877
<b>Registered social landlord</b>	LH3766
<b>Auditors</b>	BDO Stoy Hayward, Emerald House, East Street, Epsom, KT17 1HS

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

### **Report of the Management Board for the year ended 31 March 2001**

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The Management Board presents its report together with the audited financial statements for the year ended 31 March 2001.

**OUR MISSION:** to help the strong in our industries to care for colleagues and dependants in time of need.

#### **Objectives and principal activities**

The main activities of the charity are to assist and relieve needy persons and their dependants who are employed or have been employed in the motor, agricultural engineering and cycle and allied trades and industries. The Fund achieves its objectives by giving assistance to people in their own homes by way of grants or loans (both secured and unsecured) and the provision of nursing and residential care, day care and sheltered housing for elderly and younger disabled people.

The Fund operates four nursing and residential centres in the UK, as follows:

Alexandra House, Southport, Merseyside, PR8 1QD

Birch Hill, Norham, Berwick-Upon-Tweed, Northumberland, TD15 2JZ

Lynwood, Sunninghill, Ascot, Berkshire, SL5 0AJ

Town Thorns, Easenhall, Rugby, Warwickshire, CV23 0JE

and a Day Centre, Arthur Wilson House, Humber Road, Coventry, CV3 1LL

In addition to the Welfare Office at Headquarters, the Fund operates two regional Welfare Offices at:

Birmingham - GKN Birfield Extrusions Limited, Old Walsall Road, Great Barr, Birmingham, B42 1DX.

Manchester - Centre House, Village Way, Trafford Park, Manchester, M17 1QG.

There have been no material policy changes in furtherance of the objects.

#### **Management Board (Trustees)**

The members of the Management Board who were directors of the company for the purposes of the Companies Act during the year were:

A B Archer

\*S A Brownson OBE

A Cheyne OBE

T L Evans

B D Ferguson

T V Holmes

R B Ide (resigned 21<sup>st</sup> September, 2000)

K W Keir (appointed 24<sup>th</sup> November, 2000)

N S Lindsay

C Macgowan

\*A B Murray

G D Sherley (appointed 24<sup>th</sup> November, 2000)

\*V E Thomas CBE

¥\*J J Tinker

\*R D Waite

D J Webber FCA

A J Woodley (appointed 24<sup>th</sup> November, 2000)

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

### **Report of the Management Board for the year ended 31 March 2001**

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#### **Management Board (Trustees) (continued)**

\* In accordance with the Company's Articles of Association five members of the Management Board are due to retire at the Annual General Meeting. Retiring members of the Board, as indicated, are eligible for re-election.

¥ Members of Welfare Committee.

#### **Financial Review**

During a difficult year, when income from the vehicle trade and industry was affected by closures, takeovers and rationalisation; combined with poor levels of State benefits for residents in BEN's Homes, the Board are particularly pleased to record a surplus of £66,695 compared with a deficit of £10,143 in 1999/2000. The detailed risk assessment carried out by the Board in 1999 was reviewed in June 2000; this showed that a high proportion of the Fund's income base continued to be robust; the maximum risk being assessed at 6% of incoming resources.

**Incoming Resources** increased by 5.7% (£514,928)

**Fees** from residents decreased by 0.4%. This again reflects the poor funding of long term care and issues affecting occupancy (see page 6).

**Total Fundraising Income**, including restricted, increased by 8.7% (£397,675) and, in spite of the difficulties, general fundraising income (unrestricted) increased by 5.2% (£229,081). This reflects the work of the fundraising team, both staff and volunteers, which enables the Fund to care for colleagues and dependants in time of need. The Board records its thanks and appreciation to the many thousands of individual donors and corporate supporters for their contributions and to volunteers and staff for their dedicated work.

**Donations** included £25,000 from Blakes Benevolent Trust (2000: £100,000), and PFB Hard Luck Fund £150,000 (2000: £NIL).

**Resources expended** (expenditure) increased by 4.9% (£438,090).

Net current liabilities reduced from £365K to £326K.

Expenditure has been allocated in accordance with the 1995 SORP "Accounting by Charities". Direct charitable expenditure includes support costs (see note to financial statements) and management and administration includes salaries and other costs relating to servicing the Management Board and audit.

Direct charitable expenditure represents 83.7% of the total resources expended (2000 – 84.2%).

Fundraising and publicity costs include gross expenditure on events in accordance with SORP.

With the authority of the Charity Commission, repayments to the Nursing Home and General Endowment Fund will not be required until December 2001.

A further phase of the Lynwood Refurbishment costing £250,000 was authorised by the Board in January 2000 and completed in November 2000.

**Workplace Day Centre** - The Peugeot Motor Company provided an interest free loan of £200,000 repayable over four years; the balance at the year end was £37,500.

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

### **Report of the Management Board for the year ended 31 March 2001**

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#### **Financial Review (Continued)**

The development of BEN's information technology continued; during the year a Wide Area Network (WAN) to link HQ with Regional Welfare Offices was implemented.

The Board confirms that, whilst the Fund is able to meet its current commitments, continuous action is being taken to strengthen finances - both by increasing income and, where possible without affecting the level of service given to beneficiaries, reducing operating costs. The Board considers this vital due to the increasing demands for BEN's welfare services and continuing uncertainties over the provision and funding of long term care.

In March 2001 the Board approved a new Five Year Plan 2001/6 (see Future Developments P6): this includes three key strategic objectives designed to ensure BEN's continuing viability, namely:-

- Income generation - further defining and targeting areas related to the motor vehicle industry.
- Stabilise and narrow the shortfall of fee income over the costs of care at the Residential Centres (QU).
- Development and growth of services to eligible people in the community.

#### **Reserves Policy**

Following detailed assessment of Income and expenditure requirements, BEN needs free reserves to:

- i) provide working capital
- ii) fund any unexpected shortfall in Income and/or increased expenditure
- iii) provide funds for major repairs/refurbishment of the Fund's properties

The Board have approved an overall objective to create a free reserve equal to four months' revenue expenditure (£3 million in 2000/2001). The following steps will be taken to establish free reserves:

- i) continue and develop BEN's vigorous fundraising campaign
- ii) reduce shortfall between fee income and operating costs of Residential Centres
- iii) generate annual surplus

This policy will be reviewed annually. Due to the reasons explained in this report, only limited progress has been made in achieving this objective.

#### **Trustees Responsibilities**

Company law requires the trustees, as directors, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the results of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2000. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

### **Report of the Management Board for the year ended 31 March 2001**

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#### **Investment Powers**

- (a) General Fund**  
As provided by the Trustee Act 2000.
- (b) Common Investment Fund (Pooling scheme funds)**  
As provided by the Trustee Act 2000.
- (c) Nursing Home and General Endowment Fund**

This originally had no investment powers. Following the creation of the Common Investment Fund, the Charities Commission ruled that the Trustee Investments Act 1961 (now repealed) applied to those funds; BEN challenged this and in November 1982 the High Court gave wider powers as follows:

"Subject to the provisos hereinafter contained, any monies for the time being subject to the trusts of the Declaration of Trust dated the 10<sup>th</sup> day of June 1955 and made by Barclays Bank Limited (formerly BEN Custodian Trustees) and requiring investment may, in addition to the range of investment for the time being authorised by the general law for the investment of trust monies (hereinafter called the "authorised range"), be invested in the debentures of debenture stock or preference, ordinary or deferred shares or stock or other marketable security of any corporation howsoever or wheresoever incorporated provided that:

- (i) no funds shall be invested upon any investment not within the authorised range which is not dealt in or quoted upon a recognised stock exchange in the United Kingdom;
- (ii) no monies shall be invested in any shares or stock of a corporation (other than a corporation carrying on banking or insurance business in the United Kingdom) which by reason of not being fully paid up or otherwise carry a liability to contribute by way of calls either in the event of the corporation being wound up or otherwise except those stocks or shares listed on a renounceable document of title; and
- (iii) no money shall be invested in the ordinary or deferred shares or stock of any corporation unless at the time of investment such a corporation shall have paid up capital of at least £250,000 or its equivalent at the current rate of exchange and so that in the case of a corporation having shares of no par value such paid up capital shall be deemed to include the capital sum (other than capital surplus) appearing in the corporation's published accounts in respect of such shares".

The Board confirms that the Fund's investments are held in accordance with these powers.

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

### **Report of the Management Board for the year ended 31 March 2001**

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#### **Internal Financial Control**

The Board is responsible for the Fund's systems of internal financial control. Such a system, whilst seeking to minimise error, can only provide reasonable and not absolute assurance against material misstatement or loss.

The monthly management accounts are reviewed in detail by the Honorary Treasurer and considered by the full Board at each meeting. The draft accounts are first reviewed by the Honorary Treasurer and his deputy in conjunction with senior executive staff and are then submitted for the consideration and approval of the full Board. The Honorary Treasurer and Deputy Honorary Treasurer are involved in preparing financial forecasts.

The Remuneration Committee determines policy and individual remuneration packages of senior executive staff; it is required to be sensitive to the wider scene, including the pay and employment conditions in other major charities and the motor and allied industries.

The Board has reviewed the effectiveness of the system of internal financial controls at 31 March 2001 and up to date. Consideration has been given to the operation of an internal audit function.

#### **Welfare Services**

In 2000/2001 the Welfare Committee considered 949 new cases in which financial assistance was given (1999/00 - 998).

The total number of active cases increased from 5,954 (11,902 people) to 7,003 (13,833 people), an increase of 17.6% in caseload managed by the welfare team during the year.

Voluntary visitors (BENfriends) play a vital and increasing role in the welfare of BEN's growing "family". During the year around 106 volunteers made 1,256 domicilliary visits to beneficiaries.

The Board is grateful to GKN and Quicks Group for providing offices in Birmingham and Manchester respectively, and to Centrica/AA for providing facilities for the annual Volunteers' Training Conference at their Widmerpool Training Centre.

#### **Residential Centres**

In 2000/2001 the cost of care of residents and housing increased by 3.2% to £6,108,524 (5.7% in 1999/2000), whilst fees (mainly from Local Authority contracts) decreased by 0.4%.

The need to use agency staff, especially at Lynwood, has increased the operating costs as in 1999/00.

Two factors affected the number of available beds and the "snapshot" of occupancy at the year end:-

- Alexandra House - the sheltered hostel rooms have been registered for residential care and are fully occupied. The unit of five palliative care nursing beds, created in 2000, has been fully used and successful. However, at the year end the beds were empty due to lack of NHS funding. The beds were filled in April 2001.

**Report of the Management Board for the year ended 31 March 2001**

**Residential Centres (Continued)**

- Lynwood - during the year the Board decided to de-register the 10 residential care beds in Jaguar House; the accommodation is to be converted into four self-contained flats on a shared ownership basis and work is to commence in July 2001.  
A further phase of the Lynwood refurbishment was completed in November 2000, this created an additional three nursing beds.

At the year end 321 (2000 - 317) people were residing at the four centres (including sheltered housing); 91.7% of available beds (2000 - 89.3%).

Centre	Available Beds		Occupied Beds	
	2001	2000	2001	2000
Alexandra House	57	58	51	52
Birch Hill	36	32	29	32
Lynwood	135	143	131	126
Town Thorns	122	122	110	107
Total	350	355	321	317

The Board is particularly pleased to report that all the centres have external quality assurance and are accredited by an Inside Quality Assurance (IQA) Award. Training continues to be a priority with ongoing courses at NVQ Levels 2 and 3.

In the wider context, the Board and senior staff have considered the implications of the Government's response to the Royal Commission report on paying for long term care and the National Required Standards for Residential and Nursing Homes for Older People (Care Standards Act 2000) which come into operation in 2002 and 2007; whilst BEN already meets the majority of the new standards, action is being taken to ensure that the requirements of the Act are fully met.

Arthur Wilson House is providing much needed day care in Coventry; the Board is pleased to report that under a new management team the level of usage has improved with the average attendance per day increasing from 19 in 1999/2000 to 24 in 2000/2001. However, usage of day care is 80% but only 26% of the Lunch Club places are used.

**Future Developments**

In February 2001 the Board approved a new Five Year Plan "Building a Launchpad" 2001/2006. Its objectives are:-

- Financial consolidation followed by significant income growth.
- To create a working reserve.
- Achieve an overall income growth of 5% per annum for first 4 years, 5% plus a target of £1M in the Centenary year (2005).
- To continue to promote the BENElephant as a nationally recognised emblem of excellence.
- To continue to improve awareness of and attitudes towards BEN.
- To complete the refurbishment of Lynwood in phases as finances allow.
- To review and adapt BEN's residential accommodation continuously in the light of changing patterns of demand.
- To work positively to meet need in the community.
- To review BEN's senior management structure, practices and training to ensure that we are meeting present needs efficiently and preparing for smooth succession to future management teams.
- To prepare for major activity during the Centenary year 2005.



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

### **Report of the Management Board for the year ended 31 March 2001**

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#### **Compliance**

The Board confirms that the financial statements comply with the Fund's governing instrument, the Companies Act 1985, the Housing Act 1996, the Accounting Requirements for Registered Social Landlords General Determination 2000 and the Statement of Recommended Practice Accounting by Charities 1995 (SORP). Details of the accounting policies adopted are included in note 2 to the financial statements (see pages 13 to 15). The trustees have considered FRS18. Their opinion is that the Statement of Recommended Practice Accounting by charities is more appropriate to the charity's circumstances than the Registered Social Landlord SORP. They therefore have prepared their accounts on this basis.

#### **Fixed Assets**

Changes in fixed assets are disclosed in note 3 to the financial statements.

#### **Employees**


Regular meetings are held involving executive staff, managers and supervisors to exchange information about the Fund and financial and economic factors affecting its work. General staff meetings are also held at each residential centre. During the year the Fund provided training for employees at all levels. Alexandra House is an accredited training centre for National Vocational Qualifications in health care; the other Residential Centres provide NVQ training through local colleges.

The Fund supports the employment of disabled people, wherever possible by recruitment, by retraining those who become disabled during their employment, and generally through career development and promotion.

#### **Auditors**

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

#### **On behalf of the Board**



**D J Prescott MBE FCIS**  
**Secretary**

Date: 19 July 2001

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

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

We have audited the financial statements of Ben-Motor and Allied Trades Fund for the year ended 31 March 2001 on pages 10 to 30. These financial statements have been prepared under the accounting policies set out therein.

#### *Respective responsibilities of trustees and auditors*

The trustees' responsibilities, as directors of the company, for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Report of the Management Board – Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2000. We also report to you if, in our opinion, the Report of the Management Board is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed. We read the Report of the Management Board and consider the implications for our report if we become aware of any apparent misstatements within it.


#### *Basis of audit opinion*

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

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

#### *Opinion*

In our opinion the financial statements give a true and fair view of the state of the charitable company and the group's affairs as at 31 March 2001, including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985, Part III of Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2000.

  
**BDO STOY HAYWARD**  
Chartered Accountants  
and Registered Auditors  
Epsom, Surrey

19 July 2001

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

**Report of the auditors**

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**To the Management Board of Ben-Motor and Allied Trades Benevolent Fund**

We have reviewed the Management Board's statement on page 5 relating to internal financial control for registered social landlords in accordance with the Housing Corporation Circular R2-18/96 "Internal Control and Financial Reporting".

*Basis of opinion*

We carried out our review in accordance with Bulletin 1995/1 "Disclosures relating to Corporate Governance" issued by the Auditing Practices Board. The Bulletin does not require us to perform the additional work necessary to, and we do not express an opinion on the effectiveness of either the system of internal financial control or the corporate governance procedures, nor on the ability of the company to continue in operational existence.

*Opinion*

With respect to the Management Board's statement on internal financial control on page 5, in our opinion:

- The Management Board has provided the disclosure required by this circular; and
- The Management Board's statement is not inconsistent with the information of which we are aware from our audit work on the financial statements.

*BDO Stoy Hayward*

**BDO STOY HAYWARD**

*Chartered Accountants  
and Registered Auditors  
Epsom, Surrey*

*19 July 2001*

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

## **Consolidated statement of financial activities for the year ended 31 March 2001 (incorporating an income and expenditure account)**

	Note	Unrestricted funds 2001 £	Restricted funds 2001 £	Permanent endowment funds 2001 £	Total 2001 £	Total 2000 £
<b>Incoming resources</b>						
Fees and rents		3,925,050	2,988*	-	3,928,038	3,942,332
Fundraising income		4,763,981	285,855	-	5,049,836	4,547,070
Less: deferred income		(105,091)	-	-	(105,091)	-
Legacies		246,265	-	-	246,265	236,528
Investment income		371,922	-	-	371,922	250,112
<b>Total incoming resources</b>		<b>9,202,127</b>	<b>288,843</b>	<b>-</b>	<b>9,490,970</b>	<b>8,976,042</b>
<b>Resources expended</b>						
<b>Direct charitable expenditure</b>						
Care of residents and housing	25	5,975,674	132,850	-	6,108,524	5,918,659
Welfare	25	1,395,840	-	-	1,395,840	1,305,440
Support costs	25	385,310	-	-	385,310	342,296
<b>Other expenditure</b>						
Fundraising and publicity	25	1,464,414	-	-	1,464,414	1,352,597
Management and administration of the charity	25	70,187	-	-	70,187	67,193
<b>Total resources expended</b>	25	<b>9,291,425</b>	<b>132,850</b>	<b>-</b>	<b>9,424,275</b>	<b>8,986,185</b>
<b>Net (outgoing)/incoming resources</b>		<b>(89,298)</b>	<b>155,993</b>	<b>-</b>	<b>66,695</b>	<b>(10,143)</b>
Net unrealised investment loss	5,16	(8,219)	-	(486,199)	(494,418)	(59,313)
<b>Net movement in funds</b>		<b>(97,517)</b>	<b>155,993</b>	<b>(486,199)</b>	<b>(427,723)</b>	<b>(69,456)</b>
Funds brought forward		1,111,578	5,892,897	7,651,702	14,656,177	14,725,633
<b>Funds carried forward at 31 March 2001</b>		<b>1,014,061</b>	<b>6,048,890</b>	<b>7,165,503</b>	<b>14,228,454</b>	<b>14,656,177</b>

All operations are continuing operations.

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

\*This represents the net movement in the RSF (rent surplus funds) for the year (see note 29)

The notes on pages 13 to 30 form part of these financial statements

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

Balance sheet at 31 March 2001

		2001		2000	
	Note	Consolidated £	Company £	Consolidated £	Company £
<b>Fixed assets</b>					
Tangible assets	3	9,871,647	9,871,504	9,875,618	9,875,444
Investments	4	4,714,062	4,716,463	5,213,900	5,216,301
		<u>14,585,709</u>	<u>14,587,967</u>	<u>15,089,518</u>	<u>15,091,745</u>
<b>Current assets</b>					
Property held for resale		35,063	35,063	35,063	35,063
Stock		15,782	-	1,164	-
Debtors	7	465,046	485,306	472,182	493,397
Cash at bank and in hand	8	59,651	50,264	98,382	71,655
		<u>575,542</u>	<u>570,633</u>	<u>606,791</u>	<u>600,115</u>
<b>Creditors: amounts falling due within one year</b>	9	(901,696)	(899,045)	( 971,524)	(967,075)
<b>Net current liabilities</b>		<u>(326,154)</u>	<u>(328,412)</u>	<u>(364,733)</u>	<u>(366,960)</u>
<b>Total assets less current liabilities</b>		<u>14,259,555</u>	<u>14,259,555</u>	<u>14,724,785</u>	<u>14,724,785</u>
<b>Creditors: amounts falling due after more than one year</b>	10	(31,101)	(31,101)	(68,608)	(68,608)
		<u>14,228,454</u>	<u>14,228,454</u>	<u>14,656,177</u>	<u>14,656,177</u>
<b>Funds</b>					
<b>Permanent endowment funds</b>	16	7,165,503	7,165,503	7,651,702	7,651,702
<b>Restricted funds</b>					
Town Thorns Capital Fund		4,283,558	4,283,558	4,416,408	4,416,408
Lynwood Capital Fund		1,420,876	1,420,876	1,190,521	1,190,521
Day Centre		302,244	302,244	276,744	276,744
Birmingham CC Grant	30	30,000	30,000	-	-
Rent surplus fund	29	12,212	12,212	9,224	9,224
<b>Designated fund</b>					
Cyclical Maintenance	17	185,679	185,679	169,919	169,919
<b>General fund</b>		<u>828,382</u>	<u>828,382</u>	<u>941,659</u>	<u>941,659</u>
	21	<u>14,228,454</u>	<u>14,228,454</u>	<u>14,656,177</u>	<u>14,656,177</u>

The financial statements were approved by the Management Board on 19/2/01 and signed on its behalf by:  
 Mrs Sue Brownson OBE - President D J Webber FCA - Honorary Treasurer

*Sue Brownson*  
*D J Webber*

The notes on pages 13 to 30 form part of these financial statements

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

## Cash flow statement for the year ended 31 March 2001

	Note	2001	2000
		£	£
<b>Net cash (outflow)/inflow from operating activities</b>	18	(4,565)	121,166
<b>Returns on investments</b>			
Investment income received		371,922	250,112
Interest paid		(10,435)	(15,485)
		<u>361,487</u>	<u>234,627</u>
<b>Capital expenditure and financial investment</b>			
Repayment of Housing Corporation grant		-	(3,242)
Purchase of tangible assets		(427,127)	(236,312)
Proceeds on sale of tangible assets		48,238	42,525
Purchase of investments		(2,386,690)	(744,626)
Proceeds on sale of investments		2,715,411	669,278
Mortgage loan repayments/(advances)		5,473	(7,593)
		<u></u>	<u></u>
<b>Net cash outflow from acquisitions and disposals</b>		(44,695)	(279,970)
<b>Management of liquid resources</b>			
Cash withdrawn/(retained in) from investment portfolio		(328,763)	75,310
		<u></u>	<u></u>
<b>Net cash (outflow)/inflow from management of liquid assets</b>		(328,763)	75,310
		<u></u>	<u></u>
<b>Net cash (outflow)/inflow before financing</b>		(16,536)	151,133
<b>Financing</b>			
Repayments in bank loans		(17,066)	(34,707)
Repayments of Housing Corporation loan		(7)	(12)
(Decrease)/increase in other long-term loan		(50,000)	(50,000)
		<u>(67,073)</u>	<u>(84,719)</u>
<b>(Decrease)/increase in cash</b>		(83,609)	66,414
Cash at 1 April 2000		(29,687)	(96,101)
		<u></u>	<u></u>
<b>Cash at 31 March 2001</b>	20	<u>(113,296)</u>	<u>(29,687)</u>

The notes on pages 13 to 30 form part of these financial statements

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

### **Notes forming part of the financial statements for the year ended 31 March 2001**

---

#### **1 Status of company**

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

#### **2 Accounting policies**

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of fixed asset investments, and comply with the Statement of Recommended Practice 1995 (SORP) "Accounting by Charities" and applicable accounting standards. The accounts depart from the requirement to prepare their accounts under the Registered Social Landlord SORP. Under FRS18 the trustees considered the 1995 Accounting by Charities SORP more appropriate to the charity's circumstances and the accounts are prepared on this basis. The following principal accounting policies have been applied:

##### *Income recognition*

All income is accounted for on a receivable basis.

##### *Expenditure*

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

Direct charitable expenditure comprises direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Fundraising and publicity costs are those incurred in seeking voluntary contributions for the Fund, and in publicising the Fund. Management and administration costs are those incurred in connection with the management of the Fund's assets, organisational administration and compliance with constitutional and statutory requirements.

##### *Fund accounting*

General funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Fund.

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

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

##### *Fixed assets*

##### *Basis of recording carrying values*

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

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

**Notes forming part of the financial statements for the year ended 31 March 2001**

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### **2 Accounting policies (continued)**

#### *Fixed assets (continued)*

##### *Depreciation*

##### *Freehold land and buildings*

No depreciation is provided on freehold land.

##### *Converted properties*

It is the Charity's practice to maintain freehold buildings in a continual state of sound repair. The Trustees consider that the lives of these assets and their residual values, based upon professional advice obtained, are such that their depreciation would not be material. Following the introduction of Financial Reporting Standard 15, the Trustees carry out annual impairment reviews and where there is an indication that there is a material impairment in the carrying value of these assets, they are re-stated at the Trustees' estimate of the net realisable value or value in use, whichever is the higher.

##### *Constructed properties*

Constructed properties are depreciated as follows:

Construction	- 2% straight line basis
Fitting out	- 4% straight line basis

##### *Short leasehold property*

Leasehold property is depreciated over the term of the lease.

Depreciation is currently 5% straight line basis.

##### *Other tangible assets*

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

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

##### *Stock*

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

##### *Taxation*

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



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

### **Notes forming part of the financial statements for the year ended 31 March 2001**

---

#### **2 Accounting policies (Continued)**

##### *Valued added tax*

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

##### *Investments*

Investments are stated at market value. It is the Fund's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the statement of financial activities only includes those unrealised gains and losses arising from the revaluation of the investment portfolio throughout the year. Disclosure is made in note 5 of the difference between the historical cost and the sale proceeds of the investments sold during the year.

##### *Leasing contracts*

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

##### *Pension costs*

The regular cost of providing pensions and related benefits is charged to the income and expenditure account over the employees' service lives on the basis of a percentage of pensionable payroll. Any difference between the cost charged and the amounts paid by the Fund is treated as a prepayment or accrual.

##### *Shared ownership*

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

##### *Consolidated financial statements*

The Fund's trading subsidiary, Bentrade Limited, has been consolidated into these financial statements.

##### *Prior year adjustment*

Restricted funds have been restated to include the restricted rent surplus fund in accordance with the accounting requirements for Registered Social Landlords General Determination.]

##### *Impairment of fixed assets*

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

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

Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)

## **3 Tangible fixed assets (*Consolidated*)**

	Converted buildings £	Constructed buildings £	Leasehold property £	Furniture, fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<i>Cost</i>							
At 1 April 2000	4,123,331	7,605,265	211,056	808,939	381,257	165,785	13,295,633
Less accumulated grants	(498,334)	(393,594)	-	(6,806)	-	-	(898,734)
	<u>3,624,997</u>	<u>7,211,671</u>	<u>211,056</u>	<u>802,133</u>	<u>381,257</u>	<u>165,785</u>	<u>12,396,899</u>
Additions	242,669	-	-	120,664	51,799	11,995	427,127
Disposals	-	(48,238)	-	-	-	-	(48,238)
	<u>3,867,666</u>	<u>7,163,433</u>	<u>211,056</u>	<u>922,797</u>	<u>433,056</u>	<u>177,780</u>	<u>12,775,788</u>
At 31 March 2001							
<i>Depreciation</i>							
At 1 April 2000	-	1,714,250	21,106	400,218	293,274	92,433	2,521,281
Charge for year	-	203,873	10,553	99,719	47,379	21,336	382,860
Disposals	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2001	-	1,918,123	31,659	499,937	340,653	113,769	2,904,141
<i>Net book value</i>							
At 31 March 2001	<u>3,867,666</u>	<u>5,245,310</u>	<u>179,397</u>	<u>422,860</u>	<u>92,403</u>	<u>64,011</u>	<u>9,871,647</u>
At 31 March 2000	<u>3,624,997</u>	<u>5,497,420</u>	<u>189,950</u>	<u>401,915</u>	<u>87,983</u>	<u>73,352</u>	<u>9,875,618</u>

Consolidated fixed assets above include £8 (2000 - £11) of computer equipment at net book value which relate to Bentrade Limited and £136 of furniture, fixtures and fittings which relate to Bentrade Limited (2000 - £163).

Land values included within property amount to £750,000 (2000: £750,000).

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

Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)

### 3 Tangible fixed assets (*Consolidated*)

The cumulative interest included in the cost of freehold land and buildings at the year end was £454,375 (2000 - £454,375).

An impairment review of the converted freehold property was carried out at 31 March 2001 and this disclosed that the net realisable values or value in use of the properties was higher than the carrying values at historical cost and therefore no provision for impairment is necessary.

The depreciation for the year of Town Thorns is £203,873 of which £132,850 (2000: £132,850) has been charged against the restricted fund. The depreciation for the year of the Day Centre is £10,553.

Grants repaid to the Housing Corporation amounted to £nil (2000 - £3,242).

During the year various motor manufacturers and suppliers donated motor vehicles on a loan basis. At 31 March 2001 the charity enjoyed the benefit of 30 (2000 - 31) loaned vehicles. These assets are not shown in the financial statements.

### 4 Investments

	2001		2000	
	£	£	£	£
<b>Endowment Funds</b>				
Listed investments (note 16)		4,195,759		5,010,679
Cash (note 16)		324,743		(3,978)
		<hr/>		<hr/>
		4,520,502		5,006,701
<b>General Fund</b>				
Listed investments (note 5)	36,487		44,706	
Cash	995		953	
Mortgages and loans (note 6)	156,078		161,540	
	<hr/>		<hr/>	
		190,560		207,199
		<hr/>		<hr/>
Total per consolidated financial statements		4,714,062		5,213,900
Bentrade Limited (note 23)		2,401		2,401
		<hr/>		<hr/>
Total per company financial statements		4,716,463		5,216,301
		<hr/>		<hr/>

In addition to the above investments the endowment funds are owed £2,645,000 (2000 - £2,645,000) from the general fund (see note 16).

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

Notes forming part of the financial statements for the year ended 31 March 2001 (Continued)

## 5 Listed investments

	Endowment Funds			General fund	Total
	Nursing Home and General Fund	Common narrow range	Investment wider range	fund	
	£	£	£	£	£
<i>Cost</i>					
Market value at 1 April 2000	2,868,227	184,012	1,958,440	44,706	5,055,385
Additions	1,822,293	183,061	381,336	-	2,386,690
Disposals	(1,837,482)	(183,112)	(696,069)	-	(2,716,663)
Net investment gain/(loss) (note 16)	(179,920)	(7,103)	(297,924)	(8,219)	(493,166)
Market value at 31 March 2001	2,673,118	176,858	1,345,783	36,487	4,232,246
<i>Market value</i>					
Listed in the UK	2,673,118	176,858	1,345,783	36,487	4,232,246
<i>Historical cost</i>					
At 31 March 2001	2,731,687	182,677	1,453,992	40,000	4,408,356
At 31 March 2000	2,773,516	206,921	1,821,601	40,000	4,842,038
Unrealised gains/(losses) at 31 March 2001	(58,569)	(5,819)	(108,209)	(3,513)	(176,110)
Realised investment gains/(losses) based on historical cost	26,640	24,193	52,876	-	103,709

## 6 Mortgages and loans

	2001 £	2000 £
This sum represents advances to beneficiaries:		
Secured on freehold and long leasehold properties	64,098	64,604
Unsecured	91,969	96,936
	156,067	161,540

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

Notes forming part of the financial statements for the year ended 31 March 2001 *(Continued)*

## **7 Debtors**

	<b>2001</b>		<b>2000</b>	
	<b>Consolidated</b>	<b>Company</b>	<b>Consolidated</b>	<b>Company</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross arrears	277,877	277,877	250,061	250,061
Less provision bad and doubtful debts	(67,894)	(67,894)	(84,594)	(84,594)
	<hr/>	<hr/>	<hr/>	<hr/>
Fees and rents receivable	209,983	209,983	165,467	165,467
Taxation refunds	1,235	1,235	81,850	81,850
Prepayments and accrued income	87,922	87,922	145,303	145,303
Other debtors	165,906	159,914	79,562	67,349
Due from subsidiary	-	26,252	-	33,428
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>465,046</b>	<b>485,306</b>	<b>472,182</b>	<b>493,397</b>
	<hr/>	<hr/>	<hr/>	<hr/>

## **8 Cash at bank and in hand**

Payroll giving account	17,602	17,602	45,526	45,526
Cash in hand	42,049	32,662	52,856	26,129
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>59,651</b>	<b>50,264</b>	<b>98,382</b>	<b>71,655</b>
	<hr/>	<hr/>	<hr/>	<hr/>

In addition to these sums a total of £30,926 (2000 - £31,470) is held in trust on behalf of residents.

## **9 Creditors: amounts falling due within one year**

	<b>2001</b>		<b>2000</b>	
	<b>Consolidated</b>	<b>Company</b>	<b>Consolidated</b>	<b>Company</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans (note 11)	3,515	3,515	20,581	20,581
Bank overdraft (note 12)	172,947	172,947	128,069	128,069
Interest free loans (note 14)	44,323	44,323	56,824	56,824
Creditors and accruals	598,187	595,536	682,424	677,975
Other taxes and social security costs	82,724	82,724	83,626	83,626
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>901,696</b>	<b>899,045</b>	<b>971,524</b>	<b>967,075</b>
	<hr/>	<hr/>	<hr/>	<hr/>

**BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)**Notes forming part of the financial statements for the year ended 31 March 2001 *(Continued)***10 Creditors: amounts falling due after more than one year**

	<b>2001</b>		<b>2000</b>	
	<b>Consolidated</b>	<b>Company</b>	<b>Consolidated</b>	<b>Company</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Loan advance by Housing Corporation (note 13)	31,101	31,101	31,108	31,108
Other interest free loan (note 14)	-	-	37,500	37,500
	<u>31,101</u>	<u>31,101</u>	<u>68,608</u>	<u>68,608</u>

**11 Bank loans**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	3,515	20,581
	<u>3,515</u>	<u>20,581</u>

**12 Bank overdraft**

Barclays Bank PLC has provided facilities up to £500,000 (2000 - £500,000) with temporary excesses for general operating. The overdraft, whilst repayable on demand, is subject to periodic reviews.

**13 Housing Corporation loans**

The mortgage advance from the Housing Corporation, which is secured by a charge on the Fund'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:

	<b>2001</b>	<b>Restated</b>
	<b>£</b>	<b>2000</b>
		<b>£</b>
Repayable by instalments:		
Due within five years	110	96
Due in more than five years	30,991	31,012
	<u>31,101</u>	<u>31,108</u>

**14 Interest free loans**

These loans are advances of income under deposited deeds of covenant and are repayable by the operation of the deeds. The sums will be credited to income over the term of the deeds.

All interest free loans are repayable within five years.

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

Notes forming part of the financial statements for the year ended 31 March 2001 (Continued)

## 15 Obligations under operating leases

	2001 £	2000 £
The net annual obligation under operating leases is as follows:		
Agreement expiring:		
- in one year or less	375	576
- between one and five years	28,403	17,242
- after five years	1,034	-
	<u>29,812</u>	<u>17,818</u>

## 16 Endowment funds

	Common Investment Fund narrow range £	Common Investment Fund wider range £	Common Investment Fund total £	Nursing Home and General Fund £	Total £
Balance at 1 April 2000	183,867	1,954,486	2,138,353	5,513,349	7,651,702
(Loss)/Gain on revaluation of investments	(7,103)	(297,924)	(305,027)	(179,920)	(484,947)
Other costs	(92)	(213)	(305)	(947)	(1,252)
	<u>176,672</u>	<u>1,656,349</u>	<u>1,833,021</u>	<u>5,332,482</u>	<u>7,165,503</u>
Balance at 31 March 2001	176,672	1,656,349	1,833,021	5,332,482	7,165,503
Represented by:					
Listed investments	176,858	1,345,783	1,522,641	2,673,119	4,195,760
Bank balances	(186)	310,566	310,380	14,363	324,743
Amount owed by general fund	-	-	-	2,645,000	2,645,000
	<u>176,672</u>	<u>1,656,349</u>	<u>1,833,021</u>	<u>5,332,482</u>	<u>7,165,503</u>
Balance at 31 March 2001	176,672	1,656,349	1,833,021	5,332,482	7,165,503

On 25 March 1992 the Charity Commissioners approved an order enabling £3,050,000 to be lent to the General Fund by the Nursing Home and General Endowment fund. The minimum annual repayments are £132,250. By a revised Order of the Charity Commission, repayments will not be required until December 2001. The total amount must be repaid by 31 December 2021.

This situation is under review in light of recent Charity Commission Operational Guidance – 'Endowed Charities: A Total Return Approach to Investment'.

**BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)****Notes forming part of the financial statements for the year ended 31 March 2001 (Continued)****16 Endowment funds (Continued)**

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

<b>Name of fund</b>	<b>%</b>	<b>Group Fund £</b>	<b>Income £</b>
Lord Austin Memorial Fund	60.16	1,102,745	65,540
Viscount Wakefield Educational Fund	0.91	16,680	991
Viscount Nuffield Fund	1.65	30,245	1,798
Willoughby Trust Fund	1.07	19,613	1,166
Lynwood Endowment Fund	36.05	660,804	39,274
Sir James Percy Memorial Fund	0.16	2,934	174
	100.00	1,833,021	108,943

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

**17 Cyclical Maintenance Reserve**

	<b>Lynwood Sheltered Housing £</b>	<b>Alexandra House Hostel £</b>	<b>Birch Hill Sheltered Housing £</b>	<b>Town Thorns Sheltered Housing £</b>	<b>2001 Total £</b>	<b>2000 Total £</b>
1 April 2000	66,944	11,641	7,404	83,930	169,919	158,800
Transfer from general funds	8,306	804	1,296	11,100	21,506	21,540
Expenditure during the year	(5,746)	-	-	-	(5,746)	(10,421)
31 March 2001	69,504	12,445	8,700	95,030	185,679	169,919

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



**BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)**Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)**18 Reconciliation of net incoming resources to net cash (outflow)/inflow from operating activities**

	2001 £	2000 £
Net incoming resources before revaluations	66,695	(10,143)
Depreciation charge	382,860	368,291
Investment income	(371,922)	(250,112)
Interest payable	10,435	15,485
(Increase)/decrease in debtors and stocks	6,865	(39,652)
(Decrease)/increase in creditors	(99,498)	37,297
	<u>(4,565)</u>	<u>121,166</u>

**19 Reconciliation of net cash flow to movement in net debt**

(Decrease)/increase in cash in the year	(83,609)	66,414
Cash outflow from repayment of loans	67,073	84,719
Cash inflow/(outflow) increase/(decrease) in liquid resources	328,763	(75,310)
	<u>312,227</u>	<u>75,823</u>
Change in net debt	312,227	75,823
Net debt at 1 April 2000	(121,901)	(197,724)
	<u>190,326</u>	<u>(121,901)</u>

**20 Analysis of changes in net debt**

	At 1 April 2000 £	Cash flow £	At 31 March 2001 £
Cash in hand	98,382	(38,731)	59,651
Overdraft	(128,069)	(44,878)	(172,947)
	<u>(29,687)</u>	<u>(83,609)</u>	<u>(113,296)</u>
Debt due within one year	(20,581)	29,566	8,985
Debt after one year	(68,608)	37,507	(31,101)
Investment portfolio cash	(3,025)	328,763	325,738
	<u>(121,901)</u>	<u>312,227</u>	<u>190,326</u>

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

Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)

## **21 Summary of fund balances**

### **Restricted funds**

	Permanent Endowment £	Town Thorns Capital Fund £	Lynwood Capital Fund £	Day Centre £	Rent Surplus Fund £	Birmingham City Council £	Cyclical Maintenance Reserve £	General Fund £	Total £
Balance brought forward at 1 April 2000	7,651,702	4,416,408	1,190,521	276,744	9,224		169,919	941,659	14,656,177
Movements in the year	(486,199)	(132,850)	230,355	25,500	2,988	30,000	-	(97,517)	(427,723)
Movement between funds	-	-	-	-	-	-	15,760	(15,760)	-
Balance carried forward at 31 March 2001	<b>7,165,503</b>	<b>4,283,558</b>	<b>1,420,876</b>	<b>302,244</b>	<b>12,212</b>	<b>30,000</b>	<b>185,679</b>	<b>828,384</b>	<b>14,228,454</b>
Represented by:									
Tangible assets	-	5,249,090	1,460,394	179,397	-	-	-	2,982,768	9,871,649
Investments	4,520,503	-	-	-	-	-	-	193,561	4,714,064
Current assets	-	-	-	-	12,212	30,000	-	533,341	575,553
Current liabilities	-	-	-	(37,500)	-	-	-	(864,211)	(901,711)
Long term liabilities and provisions	-	-	-	-	-	-	-	(31,101)	(31,101)
Inter fund loans and transfers	2,645,000	(965,532)	(39,518)	160,347	-	-	185,679	(1,985,976)	-
Balance carried forward at 31 March 2001	<b>7,165,503</b>	<b>4,283,558</b>	<b>1,420,876</b>	<b>302,244</b>	<b>12,212</b>	<b>30,000</b>	<b>185,679</b>	<b>828,382</b>	<b>14,228,454</b>
Unrealised losses	(172,597)	-	-	-	-	-	-	(31,513)	(176,110)

Restricted funds are funds subject to specific restrictions imposed by donors or by the general objectives of the Fund.

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

Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)

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### **22 Registered social landlord requirements**

Financial statements in the format required by the Accounting Requirements for Registered Social Landlords General Determination 2000 are shown on pages 30. The details required by the Housing Corporation in relation to registered social landlord staff costs are:

	2001 £	2000 £
Staff costs during the year	131,508	127,926
Social security costs	10,015	11,403
Other pension costs	3,629	3,207
	<hr/>	<hr/>
	145,152	142,536
	<hr/>	<hr/>

The average number of employees of the Fund involved with housing association activities during the year was 26 (2000 - 25). The trustees do not receive payment for housing association work.

	2001 £	2000 £
Auditors' fees - housing association	2,350	2,350
	<hr/>	<hr/>

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

**BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)**Notes forming part of the financial statements for the year ended 31 March 2001 *(Continued)***23 Bentrade Limited**

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

	Functions and sponsorship £	Mail order £	Administration costs £	2001 £	2000 £
The results for the year are as follows:					
Turnover	732,064	136,486	-	868,550	862,136
Cost of sales and administrative expenses	(402,513)	(96,680)	(18,777)	(517,970)	(486,563)
	<u>329,551</u>	<u>39,806</u>	<u>(18,777)</u>	<u>350,580</u>	<u>375,573</u>
Amount covenanted to charity	(329,551)	(39,806)	18,777	(350,580)	(375,573)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Retained in subsidiary	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
				<b>2001 £</b>	<b>2000 £</b>
Balance sheet					
Fixed assets				143	174
Current assets				31,162	40,103
Current liabilities				(28,904)	(37,876)
				<u>2,401</u>	<u>2,401</u>

All the income of Bentrade Limited has been included in "Fundraising income" in the statement of financial activities. The related expenditure has been included in "Fundraising and publicity" expenditure.

**24 Interest payable**

All interest payable relates to loans and overdrafts repayable within 5 years and amounted to £10,435 (2000 - £15,485).

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

Notes forming part of the financial statements for the year ended 31 March 2001 *(Continued)*

## **25 Resources expended**

	Staff costs £	Depreciation £	Other costs £	Total 2001 £	Total 2000 £
Direct charitable expenditure					
Care of residents and Housing	4,594,085	331,743	1,182,696	6,108,524	5,918,659
Welfare	376,906	-	1,018,934	1,395,840	1,305,440
Support costs	181,543	51,087	152,680	385,310	342,296
Other expenditure					
Fundraising and publicity	765,979	30	698,405	1,464,414	1,352,597
Management and administration of the charity	45,387	-	24,800	70,187	67,193
<b>Total resources expended</b>	<b>5,963,900</b>	<b>382,860</b>	<b>3,077,515</b>	<b>9,424,275</b>	<b>8,986,185</b>
				<b>2001 £</b>	<b>2000 £</b>

Resources expended include:

Depreciation	382,235	368,290
Auditors' remuneration (excluding registered social landlord)		
- audit work	18,291	17,426
- non audit work	1,116	823
Operating lease rentals for plant and machinery	17,816	19,545

## **26 Employee costs**

Total employee costs during the year were:

Salaries and wages	5,437,903	5,222,157
Employer's National Insurance contributions	269,187	249,463
Pension costs	256,810	238,839
	<b>5,963,900</b>	<b>5,710,459</b>

The number of employees earning more than £50,000  
in the year are as follows:

	<b>Number</b>	<b>Number</b>
£50,001 - £60,000	-	-
£60,001 - £70,000	2	2

The above figures include car and fuel benefit which range from £5,703 to £6,560. Vehicles are loaned to BEN by companies in the motor industry therefore at no cost to BEN.

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

Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)

### **26 Employee costs (*Continued*)**

	<b>2001 Number</b>	<b>2000 Number</b>
The average monthly number of employees during the year was as follows:		
Residential homes	<b>269</b>	266
Welfare	<b>18</b>	20
Administration and management	<b>12</b>	13
Appeals and publicity	<b>29</b>	29
	<hr/>	<hr/>
	<b>328</b>	328
	<hr/>	<hr/>

In addition the number of staff employed by catering and domestic contractors in the residential homes was 90 (2000 - 91). Their costs, which are included in salaries and wages, amounted to £880,558 (2000 - £895,077).

No Management Board members received any remuneration in the year. 2 Management Board members received reimbursement of expenses for travel of £1,369 in the year (2000 - £1,997).

### **27 Pension scheme**

The Fund operates a defined benefit pension scheme for employees which is funded by contributions from both the members and the company. The pension cost is assessed in accordance with the advice of a professionally qualified actuary and the most recent actuarial valuation, which was under the projected unit method, was carried out as at 1 October 1998. Details of the valuation are as follows:

Main assumptions	
Rate of price inflation	4% pa compound
Rate of investment return	8% pa compound
Increase in pensionable earnings	6.25% pa compound
Market value of investments at last valuation date	£2,658,000
Level of funding	108%

### **28 Capital commitments and contingent liabilities**

At 31 March 2001 there were outstanding commitments contracted for of £245,000 (2000 - £250,000)

**BEN-MOTOR AND ALLIED TRADES BENEVOLENT FUND (Limited by Guarantee)**Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)**29 Rent Surplus Fund**

	2001 £	2000 £
Balance brought forward	9,224	6,288
Indexation for year	2,988	2,936
	<hr/>	<hr/>
Total	12,212	9,224
	<hr/>	<hr/>

**30 Birmingham City Council Grant**

In March 2001 Birmingham City Council made a grant of £30,000. The grant is to help fund support services to families in the region who have been made redundant at Rover and its associated supply chain.

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

## Registered social landlord financial statements

### Summary of expenditure on letting activities for the year ended 31 March 2001

31	Alexandra House £	Birch Hill £	Lynwood £	Town Thorns £	Total £	2000 Restated £
Gross rents receivable	52,238	11,471	109,706	121,538	294,953	303,166
Less rent loss from void	(87)	(1,090)	(316)	(2,440)	(3,933)	(14,003)
Net rents receivable	52,151	10,381	109,390	119,098	291,020	289,163
Expenditure on lettings						
Services	35,319	6,731	42,731	48,753	133,534	152,762
Management	12,449	2,694	13,831	17,678	46,652	52,682
Routine maintenance	2,047	123	1,127	2,808	6,105	9,597
Other costs	-	-	4,380	-	4,380	4,380
Provision for bad debts	-	-	361	1,297	1,658	2,643
Total expenditure	49,815	9,548	62,430	70,536	192,329	222,064
Surplus/(deficit)	2,336	833	46,960	48,562	98,691	67,099
Rent arrears	2,500	834	2,028	1,899	7,261	9,037
Housing stock						
Sheltered housing rented	-	1	44	11	56	57
Hostel	9	-	-	-	9	9
LSE	-	7	-	-	7	7
Shared ownership	-	-	-	36	36	35
	9	8	44	47	108	108