

Beacon of Light Limited  
Annual Report and Accounts  
for the year ended 31 August 2019

Registered Number 9221229



Beacon of Light Limited  
Annual Report  
for the year ended 31 August 2019  
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# Beacon of Light Limited

## Directors and Advisers for the year ended 31 August 2019

### **Directors**

J Fickling (Chairman)

Sir R S Murray CBE

L Spuhler OBE

B Paton

P Woolston (resigned 12 August 2020)

### **Registered Office**

Beacon of Light

Stadium Park

Sunderland

SR5 1SN

### **Bankers**

Barclays Bank PLC

53 Fawcett Street

Sunderland

SR1 1SD

### **Independent Auditors**

KPMG LLP

Quayside House

110 Quayside

Newcastle upon Tyne

NE1 3DX

### **Legal Advisor**

Ward Hadaway

102 Quayside

Newcastle upon Tyne

NE1 3DX

# Beacon of Light Limited

## Directors' review for the year ended 31 August 2019

The Directors present their report and the Financial Statements of the Company for the year ended 31 August 2019. The financial statements represent the first full twelve months of trading since the opening of sports and education facility, the Beacon of Light in June 2018.

Beacon of Light Limited was incorporated on 16<sup>th</sup> September 2014 and one ordinary share of £1 was issued on 16<sup>th</sup> September 2014. This was not paid up as at 31<sup>st</sup> August 2019.

### Principal activities

The principal activity of the Company is landlord and operations of the Beacon of Light facility.

### Results for the period

The results for the year ended 31st August 2019, reflect total income of £1,114,001 (31 August 2018: £5,296) and total expenditure of £1,030,396 (31 August 2018: £268,936) resulting in profit before tax of £83,605 (31 August 2018: loss before tax £263,640). The net liabilities of the company are £237,605 (31 August 2018: £272,120).

During the period grants totalling £342,569 were received to support the development of the Beacon of Light facility. This grant income has been treated as deferred income in the balance sheet.

### Directors and their interests

The Directors of the Company who were in office during the year and up to the date of signing the Financial Statements were:

J Fickling  
L Spuhler OBE  
Sir R S Murray CBE  
B Paton  
P Woolston (resigned 12 August 2020)

### Political contributions

The Company made no political donations or incurred any political expenditure during the year.

### Going Concern

Notwithstanding net current liabilities of £528,927 and net liabilities of £237,605, the Financial Statements have been prepared on a going concern basis which the Directors consider appropriate for the reasons set out below.

Included in net current liabilities are deferred income grants of £570,022 while included in the creditors: amounts falling due after more than one year, is the balance of the deferred income grants of £18,246,863. These amounts relate to cash received to fund the construction of the Beacon and are being released to the profit and loss account over the useful economic life of the building. These do not represent future cash outflows for the business.

The capital cost of the Beacon has been completed and all outstanding liabilities have been paid except for an accrued retention payment of £250,000.

The ongoing running costs of the Beacon are financed through rental receipts and service charges levied on its tenants. It has no external debt and is funded through balances with other group undertakings.

# Beacon of Light Limited

## Directors' report for the year ended 31 August 2019 (continued)

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these Financial Statements which indicate that, taking account of severe but plausible downsides, the company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the company's ultimate parent company, Foundation of Light, not seeking repayment of the amounts due to it, which at 31 August 2019 amounted to £1,405,816 (31 August 2018: £1,259,376). Foundation of Light has indicated that it does not intend to seek repayment of these amounts and that it will provide such further funding as may be required during the period of the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so as Beacon of Light Limited owns the principal asset of the group, the Beacon of Light facility. However, the ability of Foundation of Light to continue to provide this support is dependent on its own financial performance in the forecast period, including compliance with bank loan covenants. The 31 August 2019 financial statements of Foundation of Light were approved on 28 August 2020 with no reference to any material uncertainty in respect of going concern.

Management of Foundation of Light, the ultimate parent undertaking, have prepared a base case cash flow forecast, for the group headed by Foundation of Light, for the 13-month period ending 31 August 2021 which has been used as their basis of assessing the going concern basis of preparation. Management have also prepared a severe but plausible downside scenario forecast as part of this assessment. The assumptions in the downside scenario forecast include the following assumptions:

- the possibility of a second lockdown within the forecast period, when it is assumed there will be 5 months in which no commercial income is earned (during the first period of lockdown the business continued to earn commercial income);
- only contracted charitable income has been recognised and therefore this assumes no new charitable income even though the business continues to seek additional sources of income and in fact has recently secured some additional contractual income;
- the use of UK Government's Job Retention Scheme including receipt of the Job Retention Scheme Bonus in 2021.

Both the base case forecast and the severe but plausible downside forecast show that the group is expected to be in compliance with the Charity bank lending covenants and will maintain sufficient cash funds to continue to trade.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due and for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

### Provision of information to independent auditors

In accordance with section 418 of the Companies Act 2006, as the company Directors, we certify that:

- So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- As the Directors of the company we have each taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

# Beacon of Light Limited

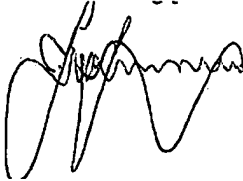
## Directors' report for the year ended 31 August 2019 (continued)

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The Company has taken advantage of the small companies' exemption in relation to the director's report under Section 415A of the Companies Act 2006.

By order of the Board

A handwritten signature in black ink, appearing to read 'John Fickling', written over a horizontal line.

**John Fickling**  
**Chairman**

**28 August 2020**

Beacon of Light  
Stadium Park  
Sunderland  
SR5 1SN

# Beacon of Light Limited

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

# Beacon of Light Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEACON OF LIGHT LIMITED

### Opinion

We have audited the financial statements of Beacon of Light Limited ("the company") for the year ended 31 August 2019 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.



# Beacon of Light Limited

## Directors' report

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

## Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

# Beacon of Light Limited

## **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Paul Moran (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX  
28 August 2020

# Beacon of Light Limited

## Profit and loss account for the year ended 31 August 2019

	Note	Year ending 31 August 2019 £	8-month period ending 31 August 2018 £
Income	1	1,114,001	5,296
Administrative expenses	2	(1,030,396)	(268,936)
<b>Profit /(Loss) for the financial year before taxation</b>		<b>83,605</b>	<b>(263,640)</b>
Income tax expense	3	(49,090)	-
<b>Profit /(Loss) for the financial year after taxation</b>		<b>34,515</b>	<b>(263,640)</b>

All activities are classed as continuing.

The notes on pages 14 to 22 form part of the Financial statements

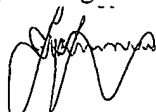
# Beacon of Light Limited

## Balance sheet as at 31 August 2019

	Note	31 August 2019	31 August 2018
		£	£
<b>Fixed assets</b>			
Tangible assets	5	18,542,912	19,815,822
<b>Total fixed assets</b>		<b>18,542,912</b>	<b>19,815,822</b>
<b>Current assets</b>			
Debtors	6	1,506,506	154,960
Cash at bank and in hand		18,325	239,590
		<b>1,524,831</b>	<b>394,550</b>
Creditors: amounts falling due within one year	7	(2,053,758)	(2,124,915)
<b>Net current liabilities</b>		<b>(528,927)</b>	<b>(1,730,365)</b>
<b>Total assets less current liabilities</b>		<b>18,013,985</b>	<b>18,085,457</b>
Creditors: amounts falling due after one year	8	(18,246,863)	(18,357,577)
Provisions for liabilities	3 (c)	(4,727)	-
<b>Total net liabilities</b>		<b>(237,605)</b>	<b>(272,120)</b>
<b>Capital and Reserves:</b>			
Called up share capital	9	1	1
<b>Profit and Loss account</b>		<b>(237,606)</b>	<b>(272,121)</b>
<b>Total shareholders' deficit</b>		<b>(237,605)</b>	<b>(272,120)</b>

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

The Financial Statements on pages 11 to 22 were approved by the Board of Directors on 28 August 2020 and were signed on its behalf by:



J Fickling  
Director

# Beacon of Light Limited

## Statement of Changes in Equity

	Called up share capital	Profit and loss account	Total Equity
	£	£	£
<b>Balance at 01 January 2018</b>	<b>1</b>	<b>(8,481)</b>	<b>(8,480)</b>
- Loss for the period	-	(263,640)	(263,640)
<i>Transactions with owners recorded directly in equity</i>	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 August 2018</b>	<b>1</b>	<b>(272,121)</b>	<b>(272,120)</b>
<i>Total comprehensive income for the period</i>			
- Profit for the period	-	34,515	34,515
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>34,515</b>	<b>34,515</b>
<i>Transactions with owners recorded directly in equity</i>	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 August 2019</b>	<b>1</b>	<b>(237,606)</b>	<b>(237,605)</b>

# Beacon of Light Limited

## Accounting policies

### Accounting convention and accounting standards

The Financial Statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and Financial Reporting Standards 102 (*The Financial Reporting Standard applicable in the UK and Republic of Ireland*) ("FRS 102") as issued in August 2014.

The company is a wholly owned subsidiary of Foundation of Light and is included in the consolidated Financial Statements of Foundation of Light Limited by Guarantee, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under FRS 102.

The company has also taken advantage of the qualifying entity exemptions not to disclose a reconciliation of the number of shares outstanding from the beginning to the end of the period or the compensation of key management personnel.

### Going concern

Notwithstanding net current liabilities of £528,927 and net liabilities of £237,605, the Financial Statements have been prepared on a going concern basis which the Directors consider appropriate for the reasons set out below.

Included in net current liabilities are deferred income grants of £570,022 while included in the creditors: amounts falling due after more than one year, is the balance of the deferred income grants of £18,246,863. These amounts relate to cash received to fund the construction of the Beacon and are being released to the profit and loss account over the useful economic life of the building. These do not represent future cash outflows for the business.

The capital cost of the Beacon has been completed and all outstanding liabilities have been paid except for an accrued retention payment of £250,000.

The ongoing running costs of the Beacon are financed through rental receipts and service charges levied on its tenants. It has no external debt and is funded through balances with other group undertakings.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these Financial Statements which indicate that, taking account of severe but plausible downsides, the company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the company's ultimate parent company, Foundation of Light, not seeking repayment of the amounts due to it, which at 31 August 2019 amounted to £1,405,816 (31 August 2018: £1,259,376). Foundation of Light has indicated that it does not intend to seek repayment of these amounts and that it will provide such further funding as may be required during the period of the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so as Beacon of Light Limited owns the principal asset of the group, the Beacon of Light facility. However, the ability of Foundation of Light to continue to provide this support is dependent on its own financial performance in the forecast period, including compliance with bank loan covenants. The 31 August 2019 financial statements of Foundation of Light were approved on 28 August 2020 with no reference to any material uncertainty in respect of going concern.

Management of Foundation of Light, the ultimate parent undertaking, have prepared a base case cash flow forecast, for the group headed by Foundation of Light, for the 13-month period ending 31 August 2021 which has been used as their basis of assessing the going concern basis of preparation. Management have also prepared a severe but plausible downside scenario forecast as part of this assessment. The assumptions in the downside scenario forecast include the following assumptions:

# Beacon of Light Limited

- the possibility of a second lockdown within the forecast period, when it is assumed there will be 5 months in which no commercial income is earned (during the first period of lockdown the business continued to earn commercial income);
- only contracted charitable income has been recognised and therefore this assumes no new charitable income even though the business continues to seek additional sources of income and in fact has recently secured some additional contractual income;
- the use of UK Government's Job Retention Scheme including receipt of the Job Retention Scheme Bonus in 2021.

Both the base case forecast and the severe but plausible downside forecast show that the group is expected to be in compliance with the Charity bank lending covenants and will maintain sufficient cash funds to continue to trade.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due and for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

## Grants

Grants received for the purpose of constructing the Beacon of Light have been classified as deferred income. The income is being released over the expected useful life of the building.

## Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use including professional fees and irrecoverable VAT. Depreciation is provided on a straight-line basis over the estimated useful life of the asset with a full month's depreciation charged in the month of acquisition. Principal rates used are:

Computer Equipment	33%
Buildings	2%
Fixtures and Fittings	25%

The Beacon was completed during the current period and is reflected under Buildings at the period end.

The property is leased to other group companies and is therefore classified as tangible fixed assets and held at cost less accumulated depreciation in compliance with FRS 102 Section 16.4

The asset will be depreciated over its anticipated useful economic life. The Directors estimate the useful economic life of the building will be 50 years

## Basic Financial Instruments

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost, less any impairment losses in the case of trade debtors.

## Taxation

Taxation comprised current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

# Beacon of Light Limited

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods from those in which they are recognised in the Financial Statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expenditure are non-taxable or disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense. Deferred tax is measured at the rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

## **Judgements and Key Sources of Estimation Uncertainty**

In the application of the company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The Directors do not consider that there are any significant judgements or estimates included in the Financial Statements.



# Beacon of Light Limited

## Notes to the Financial Statements for the year ended 31 August 2019

### 1 Income

	Year ended 31 August 2019	8-month period ending 31 August 2018
	£	£
<hr/>		
Income from rent and services to tenants	646,349	5,296

### 2 Expenses and auditor's remuneration

*Included in profit are the following:*

	31 August 2019	31 August 2018
	£	£
<hr/>		
<b><i>Auditor's remuneration</i></b>		
Audit of these Financial Statements	3,530	5,000

# Beacon of Light Limited

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 3 Tax on Profit/(Loss) on Ordinary activities

#### (a) Analysis of charge in year

	31 August 2019	31 August 2018
	£	£
<b>Current Tax</b>		
Group relief payable	44,363	-
<b>Total current tax</b>	<b>44,363</b>	<b>-</b>
<b>Deferred Tax</b>		
Movement in timing differences	5,283	-
Effect of changes in tax rate	(556)	-
<b>Total Deferred Tax (Note 8)</b>	<b>4,727</b>	<b>-</b>
<b>Tax on profit/(loss) on ordinary activities</b>	<b>49,090</b>	<b>-</b>

#### (b) Factors affecting the tax charge for the year

The tax assessed for the year is higher (2018: lower) than the standard effective rate of corporation tax in the UK for the year ended 31 August 2019 of 19%. The differences are explained below:

	2019	2018
	£	£
Profit / (Loss) on ordinary activities before taxation	83,605	(263,640)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 19% (2018: 19%)	15,885	(50,092)
Effects of:		
Expenses not deductible	82,208	1,052
Group relief received	(44,363)	2,204
Payment made for group relief	44,363	-
Losses	(48,447)	46,836
Tax rate changes	(556)	-
<b>Total tax charge for the current year</b>	<b>49,090</b>	<b>-</b>

# Beacon of Light Limited

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### (c) Factors affecting current and future tax charges

	2019 Recognised £	2019 Unrecognised £	2018 Recognised £	2018 Unrecognised £
<b>Analysis of deferred tax balances:</b>				
Accelerated capital allowances	4,727	-	3,180	-
Losses	-	-	(3,180)	(43,348)
<b>Total</b>	<b>4,727</b>	<b>-</b>	<b>-</b>	<b>(43,348)</b>

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. Deferred taxes at the balance sheet date have been measured using the enacted tax rates and reflected in these financial statements.

In the prior year, the company had approximately £274,000 of trading losses carried forward available for offset against future profits. The deferred tax asset was not been fully recognised in relation to these losses due to uncertainty as to the timing and amount of any eventual utilisation and benefit.

## 4 Directors' Remuneration and staff costs

No Directors were remunerated in the year ended 31 August 2019 (year ended 31 August 2018: £nil). There were no employees of the Beacon of Light Limited during the year. (Year ended 31 August 2018: nil).

# Beacon of Light Limited

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 5 Tangible Fixed Assets

	Computer Equipment	Fixtures and Fittings	Buildings	Total
	£	£	£	£
<b>Cost</b>				
As at 31 <sup>st</sup> August 2018	176,725	159,690	19,479,407	19,815,822
Additions	21,944	31,429	95,840	149,213
Revision of recoverable VAT <sup>1</sup>	-	-	(921,735)	(921,735)
<b>As at 31 August 2019</b>	<b>198,669</b>	<b>191,119</b>	<b>18,653,512</b>	<b>19,043,300</b>
<b>Accumulated Depreciation</b>				
As at 31 <sup>st</sup> August 2018	-	-	-	-
Charge for the period	65,595	43,288	391,505	500,388
<b>At 31 August 2019</b>	<b>65,595</b>	<b>43,288</b>	<b>391,505</b>	<b>500,388</b>
<b>Net Book Value</b>				
<b>At 31 August 2019</b>	<b>133,074</b>	<b>147,831</b>	<b>18,262,007</b>	<b>18,542,912</b>
At 31 August 2018	176,725	159,690	19,479,407	19,815,822

<sup>1</sup> The adjustment arises because of the final assessment and determination of the VAT payable on the construction of the Beacon. This refund was received as a cash receipt after the year end.

# Beacon of Light Limited

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 6 Debtors

	31 August 2019	31 August 2018
	£	£
Trade Debtors	44,175	85,706
Amounts owed from group undertakings	521,754	50,775
Recoverable VAT	921,735	-
Other Debtors	18,842	18,479
<b>Total Debtors</b>	<b>1,506,506</b>	<b>154,960</b>

### 7 Creditors: amounts falling due within one year

	31 August 2019	31 August 2018
	£	£
Trade Creditors	77,920	198,985
Amounts owed to group undertakings	1,405,816	1,259,376
Accruals and deferred income	570,022	666,554
	<b>2,053,758</b>	<b>2,124,915</b>

Amounts owed by group undertakings are unsecured, have no interest and are repayable on demand.

Accruals and deferred income include long term capital creditors and the deferred portion of income received by the Beacon to support the capital development of the facility.

### 8 Creditors: amounts falling due after one year

	31 August 2019	31 August 2018
	£	£
Accruals and deferred income	18,246,863	18,357,577
	<b>18,246,863</b>	<b>18,357,577</b>

# Beacon of Light Limited

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 9 Called up share capital

	31 August 2019	31 August 2018
	£	£
1 Ordinary share of £1 each	1	1

1 ordinary share of £1 was issued by the Company on incorporation on 16 September 2014.

### 10 Ultimate parent undertaking and related party transactions

The ultimate parent undertaking and controlling party is Foundation of Light Limited by Guarantee, a company incorporated in Great Britain. Foundation of Light Limited by Guarantee is the parent undertaking of the largest group of undertakings to consolidate these Financial Statements at 31 August 2019. The consolidated Financial Statements of Foundation of Light Limited by Guarantee are available from Beacon of Light, Sunderland, SR5 1SN. There is no intermediate holding company and therefore no smaller group of undertakings available to consolidate.

During the year the Foundation of Light provided services to Beacon of Light Limited, namely through the recharge of staffing support, totalling £197,123 (Year ending 31 August 2018: £48,012). Beacon of Light also received income from rents and services charges of £168,718 (2018: £nil) from the Foundation of Light and £435,747 (2018: £nil) from Altruism Limited.

### 11 Post-balance sheet events

The outbreak of the COVID-19 pandemic in early 2020 resulted in the temporary closure of the Beacon of Light in March 2020, as of June 2020 the facility re-opened in a limited capacity. Throughout the pandemic the Foundation has demonstrated an ability to respond to the changing needs of the community continuing to deliver vital services to those most in need. There are no significant non adjusting post balance sheet events arising from this issue.