

REGISTERED COMPANY NUMBER: 08244118 (England and Wales)
REGISTERED CHARITY NUMBER: 1149488 (England and Wales)
REGISTERED CHARITY NUMBER: 20200334 (Republic of Ireland)

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY
(A COMPANY LIMITED BY GUARANTEE)

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

CONTENTS OF THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2020

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 11
Report of the Independent Auditors	12 to 13
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Cash Flow Statement	17
Notes to the Financial Statements	18 to 27
Detailed Statement of Financial Activities	28 to 29

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REFERENCE AND ADMINISTRATIVE DETAILS
For The Year Ended 31 December 2020

TRUSTEES	R H Devine (appointed 18.12.20) N Dewji L C Gallagher – Co-Chair C MacCrann (resigned 03.4.20) M T McGee (resigned 02.7.20) E Naylor – Co-Chair R O' Loughlin (appointed 29.4.21) M B Roddy R B Smith J Vezev
COMPANY SECRETARY	W J Hill
REGISTERED OFFICE	Suffolk Enterprise Centre Felaw Maltings 44 Felaw Street Ipswich Kent IP2 8SJ
REGISTERED COMPANY NUMBER	08244118 (England and Wales)
REGISTERED CHARITY NUMBER	1149488
AUDITORS	Fortus Audit LLP Chartered Accountants and Statutory Auditor 31 High View Close Hamilton Office Park Leicester Leicestershire LE4 9LJ
SOLICITORS	Gordon Dadds 80 Brook Street Mayfair London W1K 5DD
INVESTMENT ADVISERS	Brewin Dolphin 12 Smithfield Street London EC1A 9BD
BANKERS	Lloyds TSB 79 High Street Chesham Bucks HP5 1DE

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES For The Year Ended 31 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Our History

Back in 1956 a small group of individuals decided to do something about the growing problem of construction families being thrown into poverty as a result of an illness, injury or death of the main breadwinner. Following an evening out and underneath the flashing light of St Mary's Lighthouse, they created the Lighthouse Club.

The objective of the Club was to fundraise within a collegiate friendly environment and pass those funds onto individuals and families within the construction industry who were in financial crisis as a consequence of ill health, injury, disability or bereavement. The Lighthouse Club Benevolent Fund was established in 1962 as a registered charity to act as a conduit between the fundraising activities and the beneficiaries supported.

The Lighthouse symbol soon became a beacon of hope for those within the industry suffering considerable hardship and a new charity was born.

Under the "Lighthouse Club" banner the charity has grown from strength to strength and now operates through 21 independent Regional Clubs in the UK and Ireland, along with a thriving overseas community in Asia Pacific, Middle East, Europe and the Americas. All of our Regional Lighthouse Clubs are run by volunteers who give up their time freely to organise local networking events to raise much needed funds to deliver our charitable work.

During 2012 it was agreed that the Lighthouse Club and the Lighthouse Club Benevolent Fund should be merged into a new charity called the Lighthouse Construction Industry Charity. In doing so the charity would gain more flexibility in the pursuit of its charitable objects and gain a more streamlined governance and reporting structure. This charity was incorporated on 8 October 2012 and commenced operations on 1 January 2013.

On 31 October 2013 the charity merged the assets of the National Lighthouse Club. This organisation was an unincorporated association and up until merger performed the governance and administration functions for the Lighthouse Club membership and the Regional Lighthouse Clubs.

On 31 December 2013 the charity, with the permission of the Charity Commission, also merged the assets of the Lighthouse Club Benevolent Fund Charity (charity number 205670).

Our Mission "No construction worker or their family should be alone in a crisis"

The charity exists to deliver the following services to the Construction Community of the UK and Ireland:

To relieve hardship and stress amongst the construction community by:

- Providing financial assistance, welfare and wellbeing advice and emotional and legal support;
- Promoting initiatives aimed at avoiding accidents and improving safety on construction sites;
- Supporting educational initiatives aimed at improving employment conditions and career opportunities within the construction industry;
- Supporting and delivering local and national events that embrace networking, fundraising and fellowship within the construction industry; and
- Supporting other purposes which are charitable under the law of England and Wales and which the trustees, at their discretion, consider appropriate from time to time.

REPORT OF THE TRUSTEES
For The Year Ended 31 December 2020

OBJECTIVES AND ACTIVITIES

How we raise our funds

The charity has five primary income sources:

1. Events

We fundraise through the delivery of events which are also used to recruit new members. These range from sporting dinners, corporate golf days and glamorous dinner dances to "once in a lifetime" physical challenges. As a result the charity has to constantly organise events, pay for marketing, pay for venues, facilities, entertainment, hospitality and other resources required to deliver quality events. Our objective is always to maximise the funds generated by all our events but inevitably significant costs can be incurred. The vast majority of our events are run by our Regional Lighthouse Clubs whose dedication and commitment are at the heart of the charity. The cost of running the Regional Lighthouse Club events are not shown in the annual accounts as they run autonomously from the charity. In accordance with accounting standards, the costs of events are shown in expenditure separate from the income for all central charity events. As a result, the operational cost base of the charity appears inflated when compared to charities that rely on donations and legacy income.

2. Membership Subscriptions

At our events we encourage participants to become Members of the Lighthouse Club. We enjoy the support of over 3,000 individual supporters who donate an annual subscription to the charity. Our supporters do not accrue any benefits nor do they have any voting rights on the operation of the charity.

3. Corporate Engagement

The third key area of income comes from engagement with the corporate community. We have a programme to encourage support through an Annual National Appeal, called "Lighthouse Day". This programme is proving very successful in securing funding for our charitable work. In September 2018 the charity launched a campaign to engage companies in the construction sector to become company supporters. This requires a company to commit to an annual donation to provide annuity income for the charity. As at 31 December 2020, 142 companies (2019: 88) had pledged annual support amounting to £162,435. Contributions commence from £250 per annum.

4. Trusts, Foundations and Legacies

The charity does not benefit from public sector funding. The vast majority of the funds raised to date have been through regional and central events and have relied upon the support of private individuals and the business community.

5. Donated Goods and Services

The charity receives donations of goods and services from both corporate and individual supporters. These items are often repackaged for auction at our charitable events.

Fundraising

The charity is registered with the Fundraising Regulator. Although the charity accepts donations from national and local organisations and private individuals, the charity does not run fundraising campaigns or use third parties to raise funds on our behalf. We do not approach individuals in person, by email, telephone, social media or post to seek donations. We have not received any complaints regarding fundraising.

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and in planning future activities.

Charitable Projects

The charity has three key charitable projects, these are:

Welfare and Benevolence

The charity provides a 24/7 Construction Industry Helpline (UK:0345 605 1956 ROI:1800 939 122) and supporting website www.constructionindustryhelpline.com that provides the gateway to deliver:

Emergency Financial Aid to the construction industry community in times of crisis following an illness, accident, injury, or bereavement that forces a family into a state of poverty.

Advice on a range of matters including:

- Mental health and wellbeing issues as an employee or employer;
 - Support and advice for sufferers of stress and addiction related illness;
 - Advice on matters ranging from divorce to employment (through our partners Law Express);
 - Advice on specific tax related issues concerning employment within the construction industry (through our partners RIFT);
 - Help to manage and reschedule debt;
 - Help to understand the benefits system and entitlement, especially if caring for others; and
 - Support on career changes, especially after accident or injury preventing return to work.
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LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES For The Year Ended 31 December 2020

OBJECTIVES AND ACTIVITIES

Education and Training Initiatives

Finance for re-training within our sector can be accessed via the Construction Industry Helpline and is available to anybody suffering financial hardship or who has suffered an injury or illness that prevents them from returning to work in their original capacity.

Within our Education and Training activity we also review, commission and fund projects aimed at improving the mental wellbeing of our industry workforce and projects aimed at socially disadvantaged young people and young offenders looking to gain qualifications to enter construction or complete apprenticeships.

Health and Safety Improvement Projects

In special circumstances we will review applications from companies and individuals and finance innovative and implementable ideas, to improve health and safety in the work environment.

Grant Making Policy

Grants are managed and controlled through the Charitable Projects Committee. This Committee is appointed by the trustees and comprises of two trustees and the Chief Executive or the Head of Charity Services. The chairperson is appointed by the trustees.

The Committee convenes as and when needed and at short notice. Conference calls are often used as meeting forums to discuss cases for approval.

The Committee is responsible for approving all charitable projects and charitable giving provided that:

- the project or grant fits the charity's criteria; and
- the chairperson is satisfied that the charity has sufficient funds to accommodate the project.

In the quarterly trustee report the Committee chairperson reports on the projects approved that quarter and attaches details of the projects or grants. Projects which do not fit the charity's criteria, are thought to be sensitive or unusual or where the project has generated a query, are referred to the quarterly trustee board meeting.

The trustees have delegated authority for:

- the approval for all grants <£5,000 to the Head of Charity Services;
 - the approval of all projects and grants between £5,000 - £10,000 to the Charitable Giving Committee
- All individual grants over £10,000 require the approval of the Trustee Board.

The Head of Charity Services manages the weekly operational process, producing a monthly report for the Charitable Giving Committee. The Committee carries out a quarterly audit on a selection of cases.

Achievements and Performance

Our Mission is to ensure that "no construction worker or their family should be alone in a crisis".

The charity is constantly striving to develop our support services to meet the urgent and changing needs of our construction community.

Our core objectives for the year remain:

- Communicate our Construction Industry Helpline number to as many of the 2.8 million construction workers in the UK and Ireland as possible;
- Increase corporate engagement through our Lighthouse Day initiative and encourage annual donations through our Company Supporters programme;
- Help to develop the Building Mental Health programme and increase resources available to companies to support positive mental health in the industry; and
- Increase the support and nurture the growth of our Regional Lighthouse Clubs.

**REPORT OF THE TRUSTEES
For The Year Ended 31 December 2020**

OBJECTIVES AND ACTIVITIES**Annual Summary**

The pandemic and the country "lock down" completely decimated the charity's event fundraising plans for FY20. The charity faced a £1,000,000 shortfall due to a reduction in funding coupled with a potential increase in charitable giving. However, the organisation reacted quickly to this challenge and launched a successful industry wide charity appeal, raising 50% of this shortfall. In March through June 2020, our Helpline saw a significant increase in calls and in the majority of cases presented, families were struggling and facing poverty due to loss of income and many were suffering considerable stress, anxiety and depression. As a result, the charity invested heavily in employing full time professional case workers. This initiative has proved extremely beneficial as not only did our charity deliver a higher quality and comprehensive service, the case workers through their knowledge of and access to state and other support systems leveraged over £500,000 of support from sources outside the charity. This support would have previously been donated by our charity, thus saving the other 50% of our anticipated shortfall.

In conjunction with the immediate strategic challenges of FY20, the charity also launched a dedicated free Helpline for Ireland and an innovative portfolio of free proactive wellbeing educational courses to improve wellbeing and increase mental resilience through the pandemic.

24/7 Helpline and supporting app.

During the first quarter of 2020 our Helpline saw a significant increase in cases as a result of the pandemic and the government furlough schemes. However, the anticipated overall call volumes did not materialise as construction broadly got back to work and the clarity of the various financial support schemes became apparent. Although the call volumes were lower at 2264 (2019: 2615) there was almost a 50% growth in the underlying complex case work, with 1256 cases arising (2019: 855) justifying our investment in professional case workers. Recognising the need for more easily accessible information, thanks to the continuous technological support of COINS, we launched v2 of our Construction Industry Helpline support app. This was well received by the industry during Mental Health Awareness Week.

Examples of construction families in crisis and the work of our 24/7 Helpline and case workers

- 1) The Client suffered from physical and mental health issues including COPD, high blood pressure and anxiety. His wife suffered a miscarriage and when pregnant again became increasingly anxious. Added to this they had to move several times due to inadequate housing issues. The case worker supported the client through counselling for the wife, food shops, fuel and support and advice while house hunting. The Client has been encouraged to engage with the Money Advice and Budgeting Service to sort out their debts and social services are helping with their housing situation.
- 2) The Client's son tried to hang himself. The Client managed to revive him but started having flash backs and suffering with his mental health. We supported him with twelve sessions of specialist counselling. The Client now feels in a place where they can start to move forward.
- 3) The Client underwent several operations for prolapsed disks but is now paralysed from the waist down and the wheelchair provided by the NHS is inadequate due to the Client's home location. The case worker worked with the Client and other charities to raise just under £8,000 for a specialist off-road wheelchair which can be used in his rural area and our charity topped this up with £2,000 to complete the purchase.
- 4) The Client had a tumour removed from his liver and was in arrears with his mortgage and council tax. The case worker worked with the Client, the council and another charity to clear his mortgage arrears, council tax arrears and increase his benefits so that he is now in a sustainable position moving forward.
- 5) The Client lost his mum last year and then had a heart attack and lost his job and house. When he contacted the helpline, he was in emergency housing and suffering from anxiety and grief. We supported the Client with counselling for his grief and anxiety. The case worker liaised with the local council helping him secure a bungalow and with other charities to help him set up his bills and application for benefits as well a matched funding for white goods for his new property.
- 6) The Client called the helpline following both him and his wife contracting COVID. He had been looking after his mother who had broken her collarbone and was furloughed. His company paid him two payments then made him redundant. We supported with food shops and the case worker helped him claim the benefits he was entitled to and increased his monthly income by £1,320 per month, ensuring he was in a more sustainable position for the future.

**REPORT OF THE TRUSTEES
For The Year Ended 31 December 2020**

OBJECTIVES AND ACTIVITIES

Educational Projects

The mental, physical and financial wellbeing of the construction workforce are all major areas of focus for our charity. Over recent years, we have seen a marked increase in the proportion of calls to our Helpline relating to mental health and an increased education and industry awareness of this issue are beginning to have a notable impact on our case load.

We work with a volunteer group in the industry called Building Mental Health. Through Building Mental Health, we secured a grant from the Construction Industry Training Board (CITB) to project manage the training of 288 Mental Health First Aid Instructors in the UK; this programme started in 2019 and was originally due to complete in December 2020. The income received from the CITB delivery grant in 2020 amounted to £183,461 (2019: £434,272).

Before the pandemic emergency, we were on schedule to meet our target but as a result of the pandemic, completion of the project was postponed to December 2021. However, the programme has already been a huge success and we have, for the first time in our charity's history, managed a nationwide project on behalf of the Construction Industry Training Board. So far, 174 MHFA instructors have already been project managed through the programme and the instructors that have been certified have managed to train 2,693 on-site Mental Health First Aiders. This has delivered a significant support for our industry to improve the mental wellbeing of our workforce.

As a result of the increased mental health cases presented to our Helpline, we launched a portfolio of proactive free tutor-led remote, interactive training sessions on a wide range of wellbeing topics. The sessions covered work/life balance, building resilience, mindfulness, meditation and stress management as well as a half day Mental Health Awareness Course and a two-day Mental Health First Aid Course. All the courses were CPD Accredited and proved to be very popular. During 2020 we trained 1,535 individuals with these life skills.

Examples of feed-back on our educational projects.

"Without a doubt, one of the most engaging and powerful training courses I have engaged with. The knowledge, experience and quality of the training was superb. This is a course I would recommend to all."

"We had a fantastic instructor. The sessions covered a lot of factual material but also gave space to contributions from the group. He was mindful of the well-being and safety of the group, and we as a group set clear ground-rules for the sessions. He approached the work with warmth, and this was particularly valuable as some of the material is quite intense. He also made Zoom a positive, interactive experience, and ensured that everyone in the group was heard. Thank you."

"Fantastic course, the instructor was really knowledgeable, helpful and supportive. The course was very interactive which was great. I've really enjoyed the variety of people and experiences shared; I would definitely recommend this to everyone. Thank you very much!"

FINANCIAL REVIEW

The charity has delivered a year of robust financial performance in 2020.

For much of the financial year, the UK and Ireland have been gripped by the coronavirus pandemic. This has had a twofold impact on the charity:

- Income- many of the planned 2020 national, regional and company fundraising events had to be cancelled.
- Charitable activities- the lockdown and restrictions on construction activity resulted in a crisis for many who work within construction. The pandemic exacerbated issues which were already acute - two construction workers taking their own life every working day and stress, anxiety and depression accounting for a fifth of all work-related illness. Our 24/7 Construction Industry Helpline provides a completely free, industry-wide Employee Assistance Programme that can be a lifeline to anyone in construction, especially for smaller companies and the self-employed, who would otherwise have nowhere to turn in a crisis; complex cases, managed by our case workers and arising from calls to the Helpline increased by 70% during 2020.

This increase in caseload is unprecedented and clearly demonstrates the pressure which the pandemic has placed on the construction community. The charity has demonstrated its financial and operational robustness over a period of increased need for its services and in the face of a pandemic related inability to stage fundraising events.

REPORT OF THE TRUSTEES
For The Year Ended 31 December 2020

Income

The charity delivered income growth of 2.8% in 2020 (2019: 2.0%). The increase is primarily due to increases in donations from our charity appeal which compensated for a decrease in event income and charitable activity income.

Income from national events

The charity generated income of £82,616 (2019: £489,352) from national events. The main reason for the shortfall was due to the cancellation of events in 2020 due to the pandemic.

The charity recognises that there are significant costs to organising these events and each year we try to improve our efficiency and margins. The target margin for events is 30%. In 2020, the margin achieved was -25.5% (2019: 35.4%), with the pandemic dramatically reducing event income and unavoidable costs being incurred.

Donations and legacies

Donations and legacies received during the year were £1,895,134 (2019: £1,175,769). Although largely unable to fulfil their normal regional event calendars and fundraising activities, our 21 Regional Lighthouse Clubs throughout the UK and Ireland again made significant contributions to the charity; their donations totalled £471,311 (2019: £341,505). These Regional Lighthouse Clubs are volunteer-led and are the backbone of the charity. The charity is extremely grateful for their significant contributions and for the time and dedication of our regional volunteer committees.

As previously mentioned, at the outset of the pandemic, the trustees foresaw a significant reduction in net income due to cancelled fundraising events- both national and regional. In parallel, it was clear that there would be an increased requirement for the services of the charity due to individuals experiencing unprecedented financial and other pressures as a result of the pandemic. A national Construction Workers Family Crisis Appeal was launched in April 2020, which received good support from large and small construction companies, individuals connected to the construction community and other organisations supportive of the wider charity sector including Barclays and the Lottery Communities Fund; we are very grateful to all who contributed to this appeal which raised £503,800 (2019: £Nil).

The charity also received legacy income of £100,000 from the Charles Newman Memorial Fund in the year (2019: £Nil).

The other donations totalled £820,023 (2019: £834,264) and comprised both Corporate General Donations and donations through the Company Supporter initiative. Even pre-pandemic, the charity was aiming to reduce its reliance on event income and this programme invites companies to commit to making an annual donation. Growing the Company Supporter programme remains one of the charity's main medium-term fundraising objectives.

The charity is grateful to all our donors for their generosity.

Operating costs

Spend on raising funds comprised £103,651 of event costs (2019: £316,097; the higher spend in the previous year was due to the greater number of events) and £248,744 of non-event costs (2019: £343,193).

Paradoxically, charitable activity spend has decreased to £723,818 (2019: £1,221,226) at a time when the charity has been handling a significant increase in case load and supporting a greater number of beneficiaries. The main driver has been the introduction of case workers, who have successfully led a drive to leveraged giving- helping applicants unlock funds from other available local, charitable, or governmental bodies and accessing matched funding where possible before releasing charitable funds. As a result, spend on Welfare & Benevolence was £397,381 (2019: £723,607).

The ongoing Building Mental Health and Health & Safety Innovation initiatives resulted in spend of £239,437 and £87,000 respectively (2019: £416,372 and £81,247).

On a net basis, the charity is pleased to report an unrestricted fund operational surplus of £1,061,822 (2019: £203,961). Historically, our aim has been to spend no less than 50% of our net income on Welfare & Benevolence activities- in addition to maintaining a reserve equivalent to six months of operating costs; however, the trustees believe that demand for the charity's services is on a steep upward trajectory and the current level of reserves is appropriate in the light of the 70% increase in cases established by the charity in 2020: case numbers in 2020 were 1,324 (2019: 777).

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES For The Year Ended 31 December 2020

Reserves Policy

The charity's objective is to donate its entire surplus over the medium term, subject to maintaining a prudent level of reserves to cover the impact of any significant loss of income as well as its contractual and statutory liabilities. At the year end, the charity held funds amounting to £2,224,136 (2019: £1,115,909), of which £1,903,026 (2019: £1,089,627) were unrestricted, £250,000 (2019: £250,000) were designated from the unrestricted fund and £71,110 restricted (2019: £26,282).

The trustees consider that:

- unrestricted funds should represent the funds available to the charity for investment in new charitable projects or to create additional income.
- designated funds should be maintained at a level calculated at £250,000 to enable the charity to continue its activity for at least six months in the event of loss of income. It should be noted that £62,168 of the designated fund is thanks to the bequest of Harry Collins.
- restricted funds cover all funds received by the charity for named specific purposes that have yet to be spent. The restricted fund currently covers our Building Mental Health programme.

The level of reserves is monitored by the audit and governance committee and is reviewed on an annual basis.

Investment policy and performance

During the year, the trustees agreed to invest a further £500,000 of the charity's cash reserves with investment manager Brewin Dolphin, supplementing a previous investment of £250,000 made in 2017. Investments are held in Brewin Dolphin's Risk category 6, representing moderate investment risk. All funds invested can be returned to cash within 48 hours; however, as the charity intends to hold this for more than 12 months, these have been included in the balance sheet as fixed asset investments.

FUTURE PLANS

The charity has spent much of the last 12 months accommodating increased demand for its services and adapting to a lack of fundraising events. Whilst we hope to be able to resume those events over the course of 2021, the generosity of those who have and continue to support our charity remains vital to allow us to maintain our support for the construction industry.

Suicide and mental wellbeing are a major issue with the construction industry and statistics presented by the ONS to the end of 2019 only amplify that we need to do so much more as an industry to focus on workforce wellbeing. During 2021 and beyond the charity will focus on 5 key initiatives:

Awareness:

The recent suicide statistics produced by the Office of National Statistics clearly demonstrate that we are getting our message of support to the professional bodies in construction, but we are not reaching the trades and non-skilled workers that make up a huge percentage of the workforce. "Help Inside The Hard Hat" is a new awareness campaign and our biggest in our charity's history. We will be using every distribution channel available to get our message to all in construction that our charity can give support in their time of need.

Lighthouse Beacons:

Due to historical industry culture and the stigma surrounding talking about mental wellbeing, we need to encourage more (especially men) to talk openly in confidential surroundings. We will be developing a nationwide network of "safe places" for people to talk in a confidential environment with other workers about their issues. These "drop-in centres" will be volunteer led and deliver a network of self-help groups run by facilitators that have lived experience. This is not a new concept and organisations like Alcoholics Anonymous have been running these for years. Several have now been created independently within construction e.g. "Man Gang" in the Southampton area and "Man Shed" in the North. Our initiative is to not rename these but to qualify them as "Lighthouse Beacons" ensuring that they have good support and excellent signposting routes for the individuals with difficult issues. The independence from employers and confidentiality are key to the success of these groups. Our Helpline along with others will be able to signpost people to this support.

Changing the culture for the future:

We will be adding a new focus on apprenticeship support. If we can instill good soft skills and a significant appreciation of mental wellbeing at the start of a construction career, this will only benefit the future in a positive way. We are piloting with London Colleges an initiative to support 1000 apprentices going through training. We are training all the tutors and over 200 of the apprentices as Mental Health First Aiders, all apprentices to be Mental Health Aware and for "at risk" apprentices, we are offering escalated counselling and life coaching. We have also linked up with the Rainy Day Trust to offer FREE toolkits and laptops to apprentices that are failing their apprenticeship due to lack of tools or technology equipment.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES For The Year Ended 31 December 2020

Using technology to accelerate learning and support:

Through our relationship with Building Mental Health and CITB we have won the opportunity to manage an exciting new project called "Mind Builder". This is the initiative we are project managing funded by the CITB and produced by the Samaritans to deliver central based high-quality support and learning assets around wellbeing. This project also links up with the Supply Chain School for deeper learning. This will be an exceptional resource for everyone in construction but will rely on our awareness campaign to ensure the workforce knows how to access this beneficial learning.

Keeping everything FREE:

If we are to ensure that there are no barriers to using our charitable services, we must continue to keep them FREE. The adversity of working in the challenging pandemic environment of 2020 has given rise to great innovation and prompted a more robust focus on delivering our Company Supporter Programme. We now have a dedicated team following up all opportunities to encourage them to support our charity as annual donors. It is through growing predictable annual income that we will relieve the stresses of developing and managing so many fundraising events. Our desire is to grow this predictable annuity income stream to 50% of our income streams. This will assist our services development and secure the long-term FREE access and sustainability of our support programmes.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Lighthouse Construction Industry Charity is a company limited by guarantee in the United Kingdom, company number 0824418, incorporated on 8 October 2012 and is a registered charity, number 1149488. The charity is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R H Devine	(appointed 18.12.20)
N Dewji	
L C Gallagher – Co-Chair	
C MacCrann	(resigned 03.4.20)
M T McGee	(resigned 02.7.20)
E Naylor – Co Chair	
R O' Loughlin	(appointed 29.4.21)
M B Roddy	
R B Smith	
J Vezey	

The charity is governed by its trustees, which are also its directors under company law.

New trustees are appointed by the board of trustees which seeks to ensure that there is a broad range of relevant skills and experience on its body.

The trustees provide their time at no charge to the charity.

Management

The charity employs a full time Chief Executive, who is supported by five full time and three part time staff. In addition, a number of external contractors are engaged to carry out certain operations of the charity.

The Chief Executive prepares a detailed business plan and an annual financial budget which are reviewed by the trustees. The performance of the charity is measured by the trustees against both the business plan and the annual budget on a quarterly basis.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES For The Year Ended 31 December 2020

Governance

The board of trustees meets at least four times each year.

The charity seeks to involve as many trustees as possible in different aspects of its operations, for example sitting on internal committees, helping organise events, liaising with Regional Lighthouse Clubs, attending Regional Lighthouse Club committee meetings and functions, and assisting with our charitable projects.

In order to promote good governance and best practice, the board of trustees has three committees:

The Audit and Governance Committee:

Has a trustee chairperson and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. Its responsibility is to ensure that all matters of good governance and best practice are effective throughout the entire organisation of the charity. Its responsibility is also to consider reports from the auditor and advise the board of trustees on financial control and effectiveness.

This committee also reviews the remuneration of the Chief Executive and other key staff members on an annual basis. Remuneration of key personnel is benchmarked against charities of a similar size and complexity. Awards are given on the basis of performance against the charity's objectives.

The Charitable Projects Committee:

Has a trustee chairperson and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. This committee communicates regularly by email, phone or in person to review all charitable projects. Its responsibilities are to review and authorise all the charity's project proposals whether these be individual one-off applications for financial support, monthly applications for financial support or grants for other charitable activities within our charter.

Nominations Committee:

Has a trustee chairperson and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. Its responsibility is to continually review the members of the board, identify skill gaps within our governance structure and nominate potential candidates to the board as new trustees.

The trustees are provided with detail of their responsibilities as charity trustees upon their appointment. This includes a copy of the Charity Commission's "Essential Trustee" booklet.

Trustees are encouraged to attend training events to brief them on their legal and other obligations under charity and company law, whilst assisting them in their role as a board member.

Regional Lighthouse Clubs

The charity is supported by 21 Regional Lighthouse Clubs run by their own volunteer Committees. These Regional Lighthouse Clubs operate independently and are tied to the charity through an affiliate agreement.

The charity is very much indebted to the Regional Lighthouse Clubs. These Clubs are staffed entirely by volunteers (more than 150 in all), who are drawn from their membership and include a chairperson, a secretary, a treasurer and a wellbeing officer. The constitution of each Club can be different but is broadly based on a central model and they are tied to the charity via an affiliate agreement. This agreement grants the Club the right to use the charity's name and logo and sets out an operating framework to protect both the charity and the Club.

The Regional Lighthouse Clubs operate throughout almost the entirety of the British Isles. The Clubs deliver fundraising and networking events throughout the year and pass over the surplus takings by way of a donation to the charity.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

REPORT OF THE TRUSTEES For The Year Ended 31 December 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Lighthouse Construction Industry Charity for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Fortus Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 29th July 2021 and signed on its behalf by:



.....
E Naylor - Trustee & Co-Chair



.....
L C Gallagher - Trustee & Co-Chair

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

Opinion

We have audited the financial statements of Lighthouse Construction Industry Charity (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY**

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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



Richard Buckby FCA (Senior Statutory Auditor)
for and on behalf of Fortus Audit LLP
Chartered Accountants and Statutory Auditor
31 High View Close
Hamilton Office Park
Leicester
Leicestershire
LE4 9LJ

Date: 29/7/2021

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	1,895,134	-	1,895,134	1,175,769
Charitable activities	7				
Building Mental Health		-	183,461	183,461	434,272
Other trading activities	5	82,616	-	82,616	489,352
Investment income	6	<u>3,010</u>	<u>-</u>	<u>3,010</u>	<u>3,243</u>
Total		1,980,760	183,461	2,164,221	2,102,636
EXPENDITURE ON					
Raising funds	8	352,395	-	352,395	659,290
Charitable activities	9	585,185	138,633	723,818	1,221,226
Governance costs	10	<u>25,750</u>	<u>-</u>	<u>25,750</u>	<u>18,159</u>
Total		963,330	138,633	1,101,963	1,898,675
Net gains on investments		<u>45,969</u>	<u>-</u>	<u>45,969</u>	<u>43,204</u>
NET INCOME		1,063,399	44,828	1,108,227	247,165
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,089,627</u>	<u>26,282</u>	<u>1,115,909</u>	<u>868,744</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,153,026</u></u>	<u><u>71,110</u></u>	<u><u>2,224,136</u></u>	<u><u>1,115,909</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

GAINS AND LOSSES

The statement of financial activities includes all gains and losses recognised in the year.

The notes form part of these financial statements

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

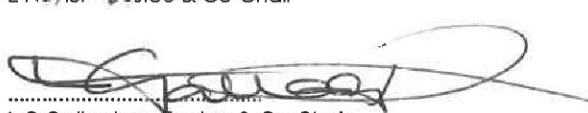
BALANCE SHEET
31 December 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	14	2,093	652
Investments	15	<u>824,062</u>	<u>277,657</u>
		826,155	278,309
CURRENT ASSETS			
Stocks	16	-	1,959
Debtors	17	389,955	306,893
Cash in hand		<u>1,398,640</u>	<u>589,914</u>
		1,788,595	898,766
CREDITORS			
Amounts falling due within one year	18	<u>(390,614)</u>	<u>(61,166)</u>
NET CURRENT ASSETS		<u>1,397,981</u>	<u>837,600</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,224,136</u>	<u>1,115,909</u>
NET ASSETS		<u>2,224,136</u>	<u>1,115,909</u>
FUNDS	21		
Unrestricted funds:			
General fund		1,903,026	839,627
Six month contingency fund		<u>250,000</u>	<u>250,000</u>
		2,153,026	1,089,627
Restricted funds		<u>71,110</u>	<u>26,282</u>
TOTAL FUNDS		<u>2,224,136</u>	<u>1,115,909</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 29th July 2021 and were signed on its behalf by:


.....
E Naylor - Trustee & Co-Chair


.....
L C Gallagher - Trustee & Co-Chair

The notes form part of these financial statements

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

CASH FLOW STATEMENT
For The Year Ended 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,308,330</u>	<u>11,866</u>
Net cash provided by operating activities		<u>1,308,330</u>	<u>11,866</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,178)	(978)
Purchase of fixed asset investments		(115,068)	(16,077)
Sale of fixed asset investments		36,895	25,392
Net cash transferred to investment portfolio		(422,263)	-
Interest received		20	60
Dividends received		<u>2,990</u>	<u>3,183</u>
Net cash (used in)/provided by investing activities		<u>(499,604)</u>	<u>11,580</u>
Change in cash and cash equivalents in the reporting period		<u>808,726</u>	<u>23,446</u>
Cash and cash equivalents at the beginning of the reporting period		<u>589,914</u>	<u>566,468</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,398,640</u></u>	<u><u>589,914</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
For The Year Ended 31 December 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the reporting period (as per the Statement of Financial Activities)	1,108,227	247,165
Adjustments for:		
Depreciation charges	737	326
Gain on investments	(45,969)	(53,246)
Interest received	(20)	(60)
Dividends received	(2,990)	(3,183)
Decrease in stocks	1,959	53
Increase in debtors	(83,062)	(141,905)
Increase/(decrease) in creditors	<u>329,448</u>	<u>(37,284)</u>
Net cash provided by operations	<u><u>1,308,330</u></u>	<u><u>11,866</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	<u>589,914</u>	<u>808,726</u>	<u>1,398,640</u>
	<u>589,914</u>	<u>808,726</u>	<u>1,398,640</u>
Total	<u><u>589,914</u></u>	<u><u>808,726</u></u>	<u><u>1,398,640</u></u>

The notes form part of these financial statements

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31 December 2020

1. CHARITY INFORMATION

Lighthouse Construction Industry Charity is a private company limited by guarantee incorporated in England and Wales. The registered office is Suffolk Enterprise Centre, Felaw Street, Ipswich, Suffolk IP2 8SJ.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The regional Lighthouse Clubs are all independent unincorporated associations and as such their income, expenditure and balance sheets are not included in these accounts.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income comprises membership, donations, income receivable from events organised during the year, charitable activities and interest receivable.

Donations are recognised when received and comprise amounts received which are not connected to fundraising events.

Legacies are recognised when the income is known and probable.

The charitable activity income relates to the training of Mental Health trainers, which is recognised on completion of each cohort.

All other income is accounted for on a receipts basis with related gift aid recognised when a claim is submitted.

Donations in kind are included in income when the benefit to the charity is reasonably quantifiable and measurable. Donated goods are not recognised if not practical to do so at the point of the gift. Donated goods and services where practical are valued by the trustees at the amount the charity would have been willing to pay for the goods or services on the open market.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds comprise the costs associated with attracting voluntary income and the costs of fundraising. These include the expenses of events hosted, promotional activities, staff and other costs directly involved with these activities.

Charitable activities comprise grants and donations paid or unconditionally committed to charitable projects. In addition these include the cost associated with the Building Mental Health project.

Support costs, which include the governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity. These are allocated between raising funds and charitable activities.

All costs are allocated between the expenditure categories on the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis including time spent.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Computer equipment - 33% on cost

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

The charity has adopted a policy of only capitalising assets with a cost of £500 or more.

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by the trustees as a contingency fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, subject to the impact that the COVID-19 pandemic might have on the charity which is unknown at this time. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Employee benefit

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the trustees 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

4. DONATIONS AND LEGACIES

	2020 £	2019 £
Donations	1,851,711	1,161,033
Gift aid	43,423	14,736
	<u>1,895,134</u>	<u>1,175,769</u>

Donations and legacies

Regional Lighthouse Club Donations	456,085	341,505
Company Donations	1,325,914	763,826
Individual Donations	83,075	57,237
General Donations	30,060	13,201
	<u>1,895,134</u>	<u>1,175,769</u>

All of the total income from donations during 2020 and 2019 was by way of unrestricted funds.

5. OTHER TRADING ACTIVITIES

	2020 £	2019 £
Fundraising events	<u>82,616</u>	<u>489,352</u>

Other trading activities

	Unrestricted funds income 2020	Direct event costs 2020	Net income 2020
Christmas Lunch	-	(4,000)	(4,000)
Golf	8,726	(7,132)	1,594
Marathon	18,753	-	18,753
Rugby	41,894	(56,940)	(15,046)
Challenges and other	13,243	(10,079)	3,164
Christmas Cracker	-	(25,500)	(25,500)
Boxing Dinner	-	-	-
Other trading activities	<u>82,616</u>	<u>(103,651)</u>	<u>(21,035)</u>

	Unrestricted funds income 2019	Direct event costs 2019	Net income 2019
Christmas Lunch	430,987	(246,827)	184,160
Golf	47,352	(44,693)	2,659
Challenges and other	11,013	(14,487)	(3,474)
Boxing Dinner	-	(10,090)	(10,090)
Other trading activities	<u>489,352</u>	<u>(316,097)</u>	<u>173,255</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

5. OTHER TRADING ACTIVITIES - continued

All of the total income during 2020 and 2019 from other trading activities was by way of unrestricted funds.

6. INVESTMENT INCOME

	2020	2019
	£	£
Income from listed investments	2,990	3,183
Interest receivable	<u>20</u>	<u>60</u>
	<u>3,010</u>	<u>3,243</u>

All of the total income during 2020 and 2019 from investments was by way of unrestricted funds.

7. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Services provided under contract	Building Mental Health	<u>183,461</u>	<u>434,272</u>

All of the total income during 2020 and 2019 from charitable activities was by way of restricted funds.

8. RAISING FUNDS

Raising donations and legacies

	2020	2019
	£	£
Staff costs	319,794	248,815
Marketing	81,532	51,333
Other fundraising costs	26,944	42,978
Direct event costs (note 4)	103,651	316,097
Regional support	4,619	17,441
Office costs	66,956	69,240
Foreign exchange loss	415	-
VAT correction	(98,180)	-
Depreciation	737	326
Less: expenditure allocated to Welfare and Benevolence	<u>(154,073)</u>	<u>(86,940)</u>
	<u>352,395</u>	<u>659,290</u>

All of the total costs of raising funds during 2020 and 2019 were by way of unrestricted funds.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

9. CHARITABLE ACTIVITIES COSTS

	Welfare & Benevolence 2020 £	Education & Training 2020 £	Health & Safety Innovation 2020 £	Total 2020 £	Total 2019 £
One off Grants	129,752	-	-	129,752	305,423
Monthly Grants	9,424	-	-	9,424	244,546
Welfare and Benevolence Office	154,073	-	-	154,073	86,940
Construction Industry Helpline	104,132	-	-	104,132	86,698
Education and Training	-	239,437	-	239,437	416,372
Health and Safety Innovation	-	-	87,000	87,000	81,247
	<u>397,381</u>	<u>239,437</u>	<u>87,000</u>	<u>723,818</u>	<u>1,221,226</u>
Analysis by fund					
Unrestricted funds	397,381	100,804	87,000	585,185	837,688
Restricted funds	-	138,633	-	138,633	383,538
	<u>397,381</u>	<u>239,437</u>	<u>87,000</u>	<u>723,818</u>	<u>1,221,226</u>
For the year ended 31 December 2019					
Unrestricted funds	723,607	32,834	81,247		837,688
Restricted funds	-	383,538	-		383,538
	<u>723,607</u>	<u>416,372</u>	<u>81,247</u>		<u>1,221,226</u>

During 2020, of the total costs of charitable activities, £585,185 (2019 - £837,688) were from unrestricted funds and £138,633 (2019 - £383,538) were by way of restricted funds.

Grants payable

During the year the Charity received 2,264 (2019: 2,615) calls for support to the Helpline. 1,256 (2019: 855) of these calls were managed by our case workers. Our case workers organised food delivery, rent and utility bill payment, replacement white goods, counselling and direct grants totalling £139,176 (2019: £549,969).

10. SUPPORT COSTS

	Governance costs £
Governance costs	<u>25,750</u>
	<u>25,750</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

10. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Governance costs

	2020	2019
	£	£
Auditors' remuneration	7,200	7,156
Legal fees	4,300	4,200
Trustee Meetings	-	4,348
Management Fees	2,568	2,455
Accountancy costs	<u>11,682</u>	<u>-</u>
	<u>25,750</u>	<u>18,159</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	7,200	7,156
Depreciation - owned assets	<u>737</u>	<u>326</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

13. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	287,638	225,758
Social security costs	25,317	19,576
Other pension costs	<u>6,839</u>	<u>3,481</u>
	<u>319,794</u>	<u>248,815</u>

During the year a redundancy payment of £Nil (2019: £1,720) was made.

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

	2020	2019
National Office	4	5
Welfare and Benevolence	<u>4</u>	<u>3</u>
	<u>8</u>	<u>8</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

13. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
	<u>1</u>	<u>1</u>

14. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2020	4,185
Additions	<u>2,178</u>
At 31 December 2020	<u>6,363</u>
DEPRECIATION	
At 1 January 2020	3,533
Charge for year	<u>737</u>
At 31 December 2020	<u>4,270</u>
NET BOOK VALUE	
At 31 December 2020	<u>2,093</u>
At 31 December 2019	<u>652</u>

15. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2020	277,657
Additions	115,068
Disposals	(36,895)
Revaluations	45,969
Cash deposits	421,828
Other SoFA changes	<u>435</u>
At 31 December 2020	<u>824,062</u>
CARRYING VALUE	
At 31 December 2020	<u>824,062</u>
At 31 December 2019	<u>277,657</u>

	2020 £	2019 £
Investments at fair value comprise:		
UK equities	87,192	91,129
Other equities	195,628	51,498
Property	7,111	11,613
Bonds	55,050	69,850
Other investments	44,133	40,822
Cash	<u>434,948</u>	<u>12,685</u>
	<u>824,062</u>	<u>277,657</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

16. STOCKS

	2020	2019
	£	£
Stock	<u>-</u>	<u>1,959</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	232,442	177,074
Prepayments and accrued income	<u>157,513</u>	<u>129,819</u>
	<u>389,955</u>	<u>306,893</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	87,604	11,229
Social security and other taxes	8,688	6,294
VAT	20,955	-
Other creditors	7,369	1,533
Accruals	67,868	10,810
Deferred income	<u>198,130</u>	<u>31,300</u>
	<u>390,614</u>	<u>61,166</u>

Included within deferred income is £184,250 of deposits received arising from the boxing event ticket sales which will now take place in the following year.

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	36,576	36,576
Between one and five years	<u>60,777</u>	<u>97,353</u>
	<u>97,353</u>	<u>133,929</u>

In 2018, the charity relocated its national office in Ipswich to new premises. The lease for these premises is for 5 years and the annual committed total is £36,000 per annum.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted fund	2020 Total funds	2019 Total funds
	£	£	£	£
Fixed assets	2,093	-	2,093	652
Investments	824,062	-	824,062	277,657
Current assets	1,717,485	71,110	1,788,595	898,766
Current liabilities	<u>(390,614)</u>	<u>-</u>	<u>(390,614)</u>	<u>(61,166)</u>
	<u>2,153,026</u>	<u>71,110</u>	<u>2,224,136</u>	<u>1,115,909</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

21. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	839,627	1,063,399	1,903,026
Six month contingency fund	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	1,089,627	1,063,399	2,153,026
Restricted funds			
Building mental health	<u>26,282</u>	<u>44,828</u>	<u>71,110</u>
TOTAL FUNDS	<u>1,115,909</u>	<u>1,108,227</u>	<u>2,224,136</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,980,760	(963,330)	45,969	1,063,399
Restricted funds				
Building mental health	<u>183,461</u>	<u>(138,633)</u>	<u>-</u>	<u>44,828</u>
TOTAL FUNDS	<u>2,164,221</u>	<u>(1,101,963)</u>	<u>45,969</u>	<u>1,108,227</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	643,196	196,431	839,627
Six month contingency fund	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	893,196	196,431	1,089,627
Restricted funds			
Building mental health	<u>(24,452)</u>	<u>50,734</u>	<u>26,282</u>
TOTAL FUNDS	<u>868,744</u>	<u>247,165</u>	<u>1,115,909</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,668,364	(1,515,137)	43,204	196,431
Restricted funds				
Building mental health	<u>434,272</u>	<u>(383,538)</u>	<u>-</u>	<u>50,734</u>
TOTAL FUNDS	<u>2,102,636</u>	<u>(1,898,675)</u>	<u>43,204</u>	<u>247,165</u>

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2020

22. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £6,839 (2019: £3,481).

23. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

At the year end the charity had no moral obligations to pay any beneficiaries. In 2019, 9 grants were awarded awaiting payment to a value of £6,350.

24. RELATED PARTY DISCLOSURES

The remuneration of key management personnel is as follows:

	2020	2019
	£	£
Aggregate compensation	<u>115,932</u>	<u>73,186</u>

The charity is not aware of any transactions relating to the transfer of resources, services or obligations between related parties, regardless of whether a price was charged, during the accounting period.

The trustees are drawn from the construction world and therefore there may be donations and other transactions between the charity and the companies that the trustees work for.

LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,851,711	1,161,033
Gift aid	<u>43,423</u>	<u>14,736</u>
	1,895,134	1,175,769
Other trading activities		
Fundraising events	82,616	489,352
Investment income		
Income from listed investments	2,990	3,183
Interest receivable	<u>20</u>	<u>60</u>
	3,010	3,243
Charitable activities		
Services provided under contract	<u>183,461</u>	<u>434,272</u>
Total incoming resources	2,164,221	2,102,636
EXPENDITURE		
Raising donations and legacies		
Wages	287,638	225,758
Social security	25,317	19,576
Pensions	6,839	3,481
Marketing	81,532	51,333
Other fundraising costs	26,944	42,978
Direct event costs (note 4)	103,651	316,097
Regional support	4,619	17,441
Office costs	66,956	69,240
Foreign exchange loss	415	-
VAT correction	(98,180)	-
Depreciation of tangible fixed assets	737	326
Less: expenditure allocated to Welfare and Benevolence	<u>(154,073)</u>	<u>(86,940)</u>
	352,395	659,290
Charitable activities		
One off grants	129,752	305,423
Monthly grants	9,424	244,546
Welfare and benevolence office	154,073	86,940
Construction industry helpline	104,132	86,698
Education and training	239,437	416,372
Health and safety innovation	<u>87,000</u>	<u>81,247</u>
	723,818	1,221,226
Support costs		
Governance costs		
Auditors' remuneration	7,200	7,156
Legal fees	4,300	4,200
Carried forward	11,500	11,356

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LIGHTHOUSE CONSTRUCTION INDUSTRY CHARITY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2020

	2020 £	2019 £
Governance costs		
Brought forward	11,500	11,356
Trustee Meetings	-	4,348
Management Fees	2,568	2,455
Accountancy costs	<u>11,682</u>	<u>-</u>
	<u>25,750</u>	<u>18,159</u>
Total resources expended	<u>1,101,963</u>	<u>1,898,675</u>
Net income before gains and losses	1,062,258	203,961
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>45,969</u>	<u>43,204</u>
Net income	<u><u>1,108,227</u></u>	<u><u>247,165</u></u>

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