

REGISTERED COMPANY NUMBER: 03270679 (England and Wales)
REGISTERED CHARITY NUMBER: 1059660

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2015
FOR**

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 DECEMBER 2015**

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**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2015**

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 2015. 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 for Smaller Entities (the FRSSE) (effective 1 January 2015).

Introduction from Chief Executive, Gillian Murray

Since 2003, Pilotlight is proud to have supported a total of 495 charities and social enterprises across the UK to survive and thrive. The Pilotlight programme continues to yield significant positive outcomes for our partner organisations, both in the short and longer term. Our 'Going for Growth' strategy was launched based on our impact results and the overarching theme of 2015 was the expansion of Pilotlight's activities to support even more charities working to tackle disadvantage across the UK.

In 2015, alongside our core Pilotlight Programme, we worked with business partners and funders to develop programmes that enable us to increase the number of charities and business working together to achieve positive outcomes. The total number of charities supported by Pilotlight was 100 (up from 79 in 2014) and the number of business volunteers was 370 (313 in 2014).

Our partner programmes have grown in response to demand from both charities (for follow on support) and from corporate partners (looking for different models for employee volunteering). They have also grown as a result of our increasing awareness of the value of this on-going support based on feedback from the charities involved. In 2015, 98% of charity partners said that the Pilotlight team was successful in understanding/identifying the needs of the organisations; 96% felt the team was successful in meeting those needs.

In a year in which charities have been in the spotlight for less than positive reasons, we are pleased to report that two years after working with Pilotlight, charities report a positive impact on the effectiveness of their Trustee Boards (89%) and on financial management (86%). In addition, feedback from our corporate business members is also encouraging: 87% said that taking part in the programme had increased their interest in becoming a trustee, and 69% that it had increased their desire to donate to charity.

Overall, our impact report demonstrates that Pilotlight is making a real difference, to our charity partners and the people they serve, and to our business members.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Pilotlight brings the charity and business worlds together to achieve positive social change. Our mission is to help more charities and social enterprises help more people more effectively.

What we do

We help ambitious charities and social enterprises thrive by harnessing the skills of business leaders. Our model is about coaching charity and social enterprise leaders to develop their business skills, strengthen their organisation and increase its impact.

Theory of change

At the end of 2013, we drew up an outline theory of change to further develop our systems for evaluating whether the Pilotlight process leads to more efficient, effective and sustainable organisations and ultimately better outcomes for disadvantaged people. This constant evaluation and revision allows us to identify potential issues and make changes and improvements to our model.

Benefit to charities and social enterprises

Partner organisations work with Pilotlight for a period of 10 to 12 months. They are assigned a team of four, carefully selected senior business leaders to serve as mentors and a Pilotlight Project Manager to facilitate monthly meetings, making the most of everyone's time. During the Pilotlight engagement the teams look at every aspect of the organisation and tailor the project to explore and realise its strategic needs, strengthening the leadership and making organisations more resilient.

From our latest evaluation report:

- 98% of charities improved their strategic vision after working with Pilotlight.

Board effectiveness continues to improve after working with Pilotlight:

- 81% of charities and social enterprises say they have a more effective board when finishing the engagement,
- 85% one year after,
- 89% two years after the engagement.

The benefit to charities

Pilotlight supports charities and social enterprises with building measurement into the strategic planning process in order that they are focused on continually improving and developing their services and ultimately increasing their impact.

Our business model enables us to provide our service free of charge for charities and social enterprises.

The benefit to business

Our business members see Pilotlighting as a way of developing their leadership skills and find it extremely rewarding to work in a different environment, use their business skills to help fantastic charities and social enterprises, and see the direct impact their coaching and mentoring can have. Pilotlight requires a time commitment of only three hours a month during a ten to twelve month period and it is designed to benefit all parties involved.

From our latest member survey:

- 98% of Pilotlighters have a greater appreciation of the work of charities and social enterprises
- 97% of Pilotlighters say their involvement with Pilotlight has broadened their perspective.

We believe that

By connecting the corporate and third sectors we create a win-win situation: We operate under a skills sharing model in which business members, as much as charity and social enterprise directors, learn and benefit from each other.

"Both this and my previous engagement have given me exposure to different challenges and a balanced personal outlook on social disadvantage." - Pilotlighter on Homes with Heart.

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2015**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Achievements and Performance

Pilotlight Programme

Over the past year, we have increased our understanding of the focus and outputs of the Pilotlight programme and have now developed 'model' project aims across eight different areas: strategy, business planning, service provision, governance and leadership, human and physical resource, funding and finance, marketing and communications, and measurement. We supported 65 charities through this core programme (58 in 2014).

Enhancing the Core Programme

Pilotlight One to One

Pilotlight One to One was launched in 2013, enabling our portfolio of charities to access support from an experienced individual Pilotlight mentor after the completion of their core project. In 2015 we enabled 20 charity Directors to gain support from 20 business leaders.

Pilotlight Connect

In 2015, Pilotlight Connect, bringing together our charity partners for further learning and collaboration took place in Scotland and North-East England. We are still in the process of shaping the programme to best meet the needs of our charity partners and are focussing on areas outside London.

Partnerships

Graduate Level

Since 2011 we have connected nearly 200 graduates with 22 charities through the RBS partnership. In 2016 we will run one Graduate group in Edinburgh for the first time.

Vice President Level

Working in partnership with Morgan Stanley to deliver their UK Strategy Challenge which supports their portfolio of charities to access strategic advice from Vice Presidents of the bank. In 2015 we delivered 5 charity projects with 25 VPs supported by Pilotlight Project Managers.

Senior Executive Level

In 2015 we launched a new initiative, a 3 month strategic review programme for our partner charities, using teams of Barclays senior executives. 6 charities took part in the first phase of the programme.

Weston Charity Awards

In 2014 we launched the Weston Charity Awards in collaboration with the Garfield Weston Foundation. The foundation funded 6 charities in the North-East to work with Pilotlight for a year. In 2015 the Awards were extended to a further 6 charities in the North-West, and 6 more charities in the North-East.

New Initiatives

Strategic review Programme

Our new programme launched in June 2015 and the feedback from the first teams to take part has been very positive. We are closely monitoring the design of the programme and the outcomes. As this is a three year initiative, we have opportunities to evolve the offering and measure the impact of this large scale project

Communications and Marketing

In 2015 we worked with a marketing agency on a campaign to introduce the benefits of Pilotlight for our business members. 'Develop another side of you' launched in October and uses various media to illustrate the impact of the Pilotlight programme and the positive outcomes for professional and personal learning and development.

IT

We moved all our operations to Microsoft 365 in January and installed a new phone system in October. We also embarked on significant changes to our Salesforce CRM system. We expect the ongoing upgrades to our systems to yield better data and more efficient working.

FINANCIAL REVIEW

Investment powers and policy

Under the Memorandum and Articles of Association the charity has the power to invest in any way the Trustee Board wishes, however the Committee, having taken into consideration the liquidity requirements of the charity, has decided to keep surplus cash in an interest-bearing account.

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2015**

FINANCIAL REVIEW

Reserves policy

The Trustee Board has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should, in the medium term, be around 3 months of staff costs, which equates to approximately £195,000. In addition to the significant deferred revenue balances, the Board feels that this would enable the funding of working capital, provide resources against unforeseen circumstances, and support new growth projects. In the event of a significant drop in funding, it would be necessary to consider how the funding would be replaced or activities changed. Unrestricted net incoming resources during 2015 were £116,765 (2014 £161,584).

Financial Review

Our total income was £954,450. Our grant income (included in the aforementioned figure) was £63,375. Included in creditors is deferred income of £846,942. Our costs increased by £28,600 year on year. Cash at year end was £1,189,664, of which £741,540 was restricted.

FUTURE PLANS

Objectives for 2016

- To grow the Pilotlight programme by 20%
- Develop our data collection tools to measure the impact of our range of activities
- To continue to raise Pilotlight's profile and reach new audiences through the sustained use of our marketing materials

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 29 October 1996 and registered as a charity on 6 December 1996. On 20 March 1997 the charitable company changed its name from Pilot Light to Pilotlight.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

From 24 October 2007 the charity became a registered charity in Scotland (SC038844).

Appointment to the Trustee Board

Members of the Trustee Board, directors for the purposes of charity law, who served during the period, are set out in the Reference and Administrative Details section. At each AGM one third of Trustees must retire from office although they may stand for re-election by the members.

No person other than Trustees offering themselves for re-election can stand for election unless they have been either recommended to the board or a member gives notice to the charity in writing that they intend to propose an individual for election. Such notice must be received by the charity at least three days but no more than twenty one days before the meeting.

In addition to this, the board of Trustees themselves has the power to appoint a Trustee at any time, either to fill a casual vacancy or as an additional Trustee. In this case, however, the new Trustee must retire at the next AGM following his/her appointment although he/she may stand for re-election at that AGM.

Organisational structure

The Trustee Board oversees the charity and meets four times a year to discuss the current position and decide future strategy. A Finance sub Committee reports into the Trustee Board. In addition The Foundation Board (renamed the 'Strategy & Innovation Committee' as of March 2016) explores opportunities for the growth and/or development of Pilotlight. The Chief Executive is appointed by the Board to manage the day-to-day operations of the charity and supervise the 19 (as at 31/12/2015) full-time staff.

Trustee Board Induction and Training

New members of the Trustee Board are instructed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association and the decision making process by other members of the Committee. They are strongly encouraged to seek further guidance on their role primarily through the advice given on the Charity Commission website.

Public benefit

The Trustee Board has had due regard to the Charity Commission guidance on public benefit and has complied with the duty in section 17 of the Charities Act 2011.

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2015**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03270679 (England and Wales)

Registered Charity number
1059660
SC038844 (Scotland)

Registered office
Audrey House
16-20 Ely Place
London
London
EC1N 6SN

Principal address
4th Floor
9a Devonshire Square
London
EC2M 4YY

Trustees

Ms C Alexandrou	- appointed 21/9/15
Mr S M Berwick	- resigned 10/12/15
Mr K Bone	
Hon J W B Butterworth	- resigned 10/12/15
Mr G Clempson - Chair	
Mr C J Connelly	- appointed 21/3/16
Ms J French	- resigned 21/9/15
Ms G Gopalan	- resigned 23/3/15
Mr F Green	- resigned 10/12/15
Mr S Greenhalgh	
Mr P Martin	
Ms T Naidu	- appointed 21/3/16
Ms A F M Sinclair	
Mr G F Turley	- resigned 10/12/15

Company Secretary
Mr I Patel

Auditors

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27/37 St George's Road
Wimbledon
London
SW19 4EU

Bankers

HSBC
Weybridge Commercial Centre
Church Street
Weybridge
Surrey
KT13 8DF

Chief Executive Officer
Ms G Murray

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2015**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Pilotlight (Limited by guarantee) 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, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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, Hartley Fowler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 27 April 2016 and signed on its behalf by:


.....
Mr K Bone - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PILOTLIGHT
(LIMITED BY GUARANTEE)**

We have audited the financial statements of Pilotlight (Limited by guarantee) for the year ended 31 December 2015 on pages nine to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page six, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2015 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PILOTLIGHT
(LIMITED BY GUARANTEE)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.



Jonathan Askew (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27/37 St George's Road
Wimbledon
London
SW19 4EU

Date: 4 May 2016

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Not es	Unrestricted funds £	Restricted funds £	Total 2015 funds £	Total 2014 funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	281,917	-	281,917	278,104
Charitable activities	4				
Charitable Activities		607,156	63,375	670,531	905,702
Investment income	3	<u>2,002</u>	<u>-</u>	<u>2,002</u>	<u>-</u>
Total		891,075	63,375	954,450	1,183,806
EXPENDITURE ON					
Raising funds	5	72,562	-	72,562	29,508
Charitable activities	6				
Charitable Activities		<u>701,748</u>	<u>198,608</u>	<u>900,356</u>	<u>914,810</u>
Total		774,310	198,608	972,918	944,318
NET INCOME/(EXPENDITURE)		116,765	(135,233)	(18,468)	239,488
RECONCILIATION OF FUNDS					
Total funds brought forward		271,338	188,773	460,111	220,623
TOTAL FUNDS CARRIED FORWARD		<u>388,103</u>	<u>53,540</u>	<u>441,643</u>	<u>460,111</u>

The notes form part of these financial statements

**PILOTLIGHT
(LIMITED BY GUARANTEE)**


**BALANCE SHEET
AT 31 DECEMBER 2015**

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	13	17,574	25,937
CURRENT ASSETS			
Debtors	14	127,680	91,893
Cash at bank		<u>1,189,664</u>	<u>583,291</u>
		1,317,344	675,184
CREDITORS			
Amounts falling due within one year	15	(893,275)	(241,010)
NET CURRENT ASSETS		<u>424,069</u>	<u>434,174</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>441,643</u>	<u>460,111</u>
NET ASSETS		<u>441,643</u>	<u>460,111</u>
FUNDS	18		
Unrestricted funds		388,103	271,338
Restricted funds		<u>53,540</u>	<u>188,773</u>
TOTAL FUNDS		<u>441,643</u>	<u>460,111</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 27 April 2016 and were signed on its behalf by:


.....
Mr G Clempson, Chair -Trustee


.....
Mr K Bone -Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

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.

Corporate membership income is deferred and only released to the Statement of Financial Activities over the period to which the membership relates.

Gifts in kind are included at the estimated monetary value to the charity. Where services are provided to the charity as a donation that would normally be purchased, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

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.

Governance costs

Since there is no direct cost to holding Trustee Board meetings and no Trustee Board expenses are reimbursed, governance costs only include the statutory audit fee.

Tangible fixed assets

All capital items are capitalised and a full year's depreciation is charged on a monthly basis from the date of purchase.

Only items over £1,000 cost are capitalised.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows;

Office Equipment - over 3 or 4 years.

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.

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

2. DONATIONS AND LEGACIES

	2015	2014
	£	£
Donations - Individuals and Trusts	<u>281,917</u>	<u>278,104</u>

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015**

3. INVESTMENT INCOME

	2015 £	2014 £
Deposit account interest	<u>2,002</u>	<u>-</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2015 £	2014 £
Corporate Contract Income	Charitable Activities	607,156	656,427
Grants	Charitable Activities	<u>63,375</u>	<u>249,275</u>
		<u>670,531</u>	<u>905,702</u>

Grants received, included in the above, are as follows:

	2015 £	2014 £
The Tudor Trust	20,000	20,000
The City Bridge Trust	6,375	31,875
The Wates Foundation	10,000	-
Northern Rock	17,000	15,000
Garfield Weston	-	172,400
Porticus	<u>10,000</u>	<u>10,000</u>
	<u>63,375</u>	<u>249,275</u>

5. RAISING FUNDS

Raising donations and legacies

	2015 £	2014 £
Consultancy fees	<u>72,562</u>	<u>29,508</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 7) £	Support costs (See note 8) £	Totals £
Charitable Activities	<u>691,273</u>	<u>209,083</u>	<u>900,356</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2015 £	2014 £
Staff costs	654,372	717,128
Travel	26,601	21,868
Bad debts	<u>10,300</u>	<u>-</u>
	<u>691,273</u>	<u>738,996</u>

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015**

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable Activities	<u>203,683</u>	<u>5,400</u>	<u>209,083</u>

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

Management

	2015 Charitable Activities £	2014 Total activities £
Rent and office costs	113,965	116,896
Insurance	2,515	3,120
Telephone	6,007	7,302
Sundries	18,316	4,766
Freelance costs	-	2,975
Recruitment costs	2,705	3,860
Legal and professional fees	32,240	9,152
Financial outsourcing	16,129	16,820
Bank charges	1,772	1,427
Staff training costs	1,541	371
Depreciation of tangible and heritage assets	<u>8,493</u>	<u>4,375</u>
	<u>203,683</u>	<u>171,064</u>

Governance costs

	2015 Charitable Activities £	2014 Total activities £
Auditors' remuneration	4,500	4,000
Auditors' remuneration for non audit work	<u>900</u>	<u>750</u>
	<u>5,400</u>	<u>4,750</u>

9. NET INCOME/(EXPENDITURE)

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

	2015 £	2014 £
Auditors' remuneration	4,500	4,000
Depreciation - owned assets	8,363	4,375
Operating leases - land and buildings	<u>66,280</u>	<u>65,139</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2015 nor for the year ended 31 December 2014.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2015 nor for the year ended 31 December 2014.

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015**

11. STAFF COSTS

	2015 £	2014 £
Wages and salaries	596,961	655,055
Social security costs	<u>57,411</u>	<u>62,073</u>
	<u>654,372</u>	<u>717,128</u>

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

	2015	2014
Charity Work	19	20
Administration Staff	<u>-</u>	<u>1</u>
	<u>19</u>	<u>21</u>

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

	2015	2014
£60,001 - £70,000	<u>1</u>	<u>1</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	278,104	-	278,104
Charitable activities			
Charitable Activities	<u>656,427</u>	<u>249,275</u>	<u>905,702</u>
Total	934,531	249,275	1,183,806
EXPENDITURE ON			
Raising funds	29,508	-	29,508
Charitable activities			
Charitable Activities	<u>743,439</u>	<u>171,371</u>	<u>914,810</u>
Total	772,947	171,371	944,318
NET INCOME/(EXPENDITURE)	161,584	77,904	239,488
RECONCILIATION OF FUNDS			
Total funds brought forward	109,754	110,869	220,623
TOTAL FUNDS CARRIED FORWARD	<u>271,338</u>	<u>188,773</u>	<u>460,111</u>

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015**

13. TANGIBLE FIXED ASSETS

	Office equipment £
COST	
At 1 January 2015 and 31 December 2015	<u>51,168</u>
DEPRECIATION	
At 1 January 2015	25,231
Charge for year	<u>8,363</u>
At 31 December 2015	<u>33,594</u>
NET BOOK VALUE	
At 31 December 2015	<u>17,574</u>
At 31 December 2014	<u>25,937</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Other debtors	1,461	4,123
Membership debtors	109,820	77,552
Prepayments	<u>16,399</u>	<u>10,218</u>
	<u>127,680</u>	<u>91,893</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	7,755	3,289
Social security and other taxes	15,862	16,496
VAT	15,242	18,685
Other creditors	104	198
Deferred income	846,942	195,885
Accrued expenses	<u>7,370</u>	<u>6,457</u>
	<u>893,275</u>	<u>241,010</u>

	£	£
<u>Deferred Income</u>		
Balance at 1 January 2015	195,885	225,231
Amounts released to incoming resources from previous years	(195,885)	(225,231)
Amounts deferred in the year	<u>846,942</u>	<u>195,885</u>
Balance at 31 December 2015	<u>846,942</u>	<u>195,885</u>

Deferred income at 31 December 2015 consists of corporate membership income which relates to the next financial period. Included within the above balance is also £688,000 received in advance from Garfield Weston which relates to the next financial period.

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015**

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2015 £	2014 £
Expiring:		
Within one year	18,468	18,526
Between one and five years	<u>53,930</u>	<u>53,930</u>
	<u>72,398</u>	<u>72,456</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Fixed assets	17,574	-	17,574	25,937
Current assets	575,804	741,540	1,317,344	675,184
Current liabilities	<u>(205,275)</u>	<u>(688,000)</u>	<u>(893,275)</u>	<u>(241,010)</u>
	<u>388,103</u>	<u>53,540</u>	<u>441,643</u>	<u>460,111</u>

18. MOVEMENT IN FUNDS

	At 1/1/15 £	Net movement in funds £	At 31/12/15 £
Unrestricted funds			
General fund	271,338	116,765	388,103
Restricted funds			
The City Bridge Trust	6,374	-	6,374
Garfield Weston	182,399	(139,233)	43,166
Porticus	<u>-</u>	<u>4,000</u>	<u>4,000</u>
	<u>188,773</u>	<u>(135,233)</u>	<u>53,540</u>
TOTAL FUNDS	<u>460,111</u>	<u>(18,468)</u>	<u>441,643</u>

**PILOTLIGHT
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015**

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	891,075	(774,310)	116,765
Restricted funds			
The City Bridge Trust	6,375	(6,375)	-
The Wates Foundation	10,000	(10,000)	-
Northern Rock	17,000	(17,000)	-
Garfield Weston	-	(139,233)	(139,233)
Porticus	10,000	(6,000)	4,000
Fidelity	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>
	63,375	(198,608)	(135,233)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>954,450</u>	<u>(972,918)</u>	<u>(18,468)</u>

- City Bridge Trust: Implementing and evaluating Pilotlight Local in 4 London boroughs
- Northern Rock: Supporting 4 Pilotlight charity projects in the North of England
- Garfield Weston: Supporting Pilotlight and 12 charities in the North-East and North-West of England through the Weston Charity Awards
- Porticus: Supporting Pilotlight's work in the South West and Wales
- Fidelity: Supporting Pilotlight towards the development and reconfiguration of Pilotlight's salesforce system

19. RELATED PARTY DISCLOSURES

During the year donations of £45,000 (2014 - £26,805) were received from Trustee Board Members.

20. COMPANY LIMITED BY GUARANTEE

The charity is limited by guarantee and has no share capital. The liability of each member is determined by the Articles of the charity and shall not exceed £1. There were 6 members as at 31st December 2015 (2014:11).