

**West Lancashire Freemasons' Charity
Annual Report and Accounts**

2017-2018



Helping those in need

West Lancashire Freemasons' Charity Financial Statements for 31 March 2018

Contents	Pages
President's Message	1
Professional Advisers	2
Trustees' Annual Report	
Legal status	3
Objects and activities	3
Structure, governance and management	4
Risk management	4
Charitable activities	5
Achievements and performance	6
Responsibilities of the trustees	7
Independent Auditor's Report	8 to 9
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 to 21
Financial Highlights	22
Special Thanks	23

President's Message



Tony Harrison
Provincial Grand Master for
The Masonic Province of
West Lancashire

I have now completed four full years as President of the WLFC and, as with each of the previous three years, a number of significant changes have taken place.

First, our Chief Executive Ian Douglass, informed the Trustees of his intention to retire from his position. During his period in the post, Ian brought in many great improvements and innovations to the WLFC and I thank him for his great contribution and wish him well in the future.

Ian stepped down at the end of 2017 and the Trustees invited his former deputy, Steve Kayne, to take over the role. Steve, as many of you will know, is a retired, highly experienced, senior Chartered Accountant and I wish him well in his new position.

The second major change followed Steve's appointment when he, together with the Trustees undertook a complete review of the procedures undertaken for the awarding of Grants to Masons and their dependents. This of course, is the basic mission of our charity and the general feeling was that Grants were not always being paid to all deserving cases. Following this review, all deserving cases will receive monies from the Masonic Charities be it WLFC or our colleagues at MCF in London.

I am delighted to report that since the new methods of Grant assessment were brought into operation on 1st April 2018, a significant increase in both the number of applications received at Huyton, and Grants paid, has resulted.

You will see that the Balance Sheet discloses an increase in our assets of some £500,000 in the year. This in spite of the downturn in the financial markets experienced at the beginning of 2018. As you are no doubt aware, we have seen a considerable upturn in the markets since April and our asset base has increased accordingly. In order to continue to successfully manage our investment portfolio, the Trustees appointed Messrs. Rathbones to take over this task. They are now fully involved and are in regular contact with both CEO and CFO.

Turning now to our non- Masonic activities, you will notice a considerable increase in the donations made in the year under review. Note 7 to the accounts on page 16 of the Annual Report gives full details of all non-Masonic grants made in the year, however you will note two highly significant items, the major donation of some £32,000 to the Lancashire Blood Bikes Association to enable them to purchase two, urgently needed, new motorcycles and the contribution to the Manchester Bombing Disaster Fund of £10,000 following the terrorist atrocity.

As I reported to you last year, the charity, then a trust, was to incorporate into a company limited by guarantee. The new organisation came into force on 1st April 2018 and, as was intended, has brought WLFC in line with 'best governance practice'.

All the above activities are carried about by a dedicated team of volunteers who give of their time freely and willingly and, I believe, we owe them, the Executive team and the Trustee/Directors our sincere thanks for all their tremendous effort on our behalf.

Finally, once again, I must thank all the members of our great Province for your continuing generosity, without which the work of WLFC would not be possible.

Professional Advisers

Registered charity name West Lancashire Freemasons' Charity

Charity number 239313

Principal address West Lancashire Freemasons' Charity
2 Paramount Business Park
Wilson Road
Huyton
Liverpool
L36 6AW

Auditor BWM
Chartered Accountants
Castle Chambers
43 Castle Street
Liverpool
L2 9SH

Bankers HSBC Bank plc
99-101 Lord Street
Liverpool
L2 6PG

Investment Managers Rathbone Investment Management
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

Solicitors Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Trustees' Annual Report

The Trustees have pleasure in presenting their annual report and financial statements for the year ended 31 March 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016).

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Legal Status

The charity is constituted under a scheme dated 1 April 2008. It was formed by seven Masonic charities based in the Province of West Lancashire merging to form the West Lancashire Freemasons' Charity. In order to retain the charity registration number 239313 which was in use for Gift Aid purposes and held by the West Lancashire Masonic Charities Fund (WLMCF) the merger was effected by all assets, liabilities and activities of the six other charities being transferred to the WLMCF, which on 1 April 2008 changed its name to the West Lancashire Freemasons' Charity. The original constitution and rules of the WLMCF were adopted on 30 January 1952 and had been subsequently amended.

Incorporation

During the year the Trustees registered West Lancashire Freemasons' Charity (Company Number: 11020505, Charity Number : 1175246) a private company limited by guarantee at Companies House. The assets of the Charity were transferred to this Charitable Company at 1 April 2018 and the Charitable Company commenced activity at this date.

Objects and Activities

The Charity has the following objects and activities:

- (1) The relief of Freemasons of the Province, their widows, children and any dependants of Freemasons of the Province who are in conditions of need, hardship or distress.

- (2) To promote the education of children under the age of 25 who are in need of financial assistance and are resident in the Province.
- (3) The provision of financial assistance to Masonic charitable funds or institutions or other charitable institutions as the trustees shall from time to time decide.

The charity has referred to the Charity Commission's general guidance on Public Benefit when reviewing its aims and objectives and has ensured that the grant making policies and activities of the West Lancashire Freemason's Charity comply with the requirements.

Financial Review

Complete details of the income and expenditure are shown in the statement of financial activities on Page 10 and in the notes to the accounts.

The financial statements have been prepared in accordance with the principles set out in the updated Statement of Recommended Practice "Accounting and Reporting by Charities" Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) and in accordance with the accounting policies of the charity detailed in note 1 to the accounts.

The reserves of the charity at 31 March 2018 totalled £14.69m (2017 - £14.12m).

Although there was a reduction in general donations received in the year, the Charity benefitted from a number of legacy receipts. As a result, total income and endowments in the year, including legacies of £706,831 (2017 - £24,608), amounted to £1,223,349 compared with £691,224 in the preceding year.

Investment income and interest receivable totalled £378,778 (2017 - £402,737).

Grants paid increased to £280,687 (2017- £225,762).

Charitable Support Costs, including costs of incorporation, were £118,179 (2017- £105,016).

During the year, net realised investment gains were £72,102; however on the revaluation of the investment portfolio at the year end, net unrealised investment losses were £269,290 were incurred.

The overall result for the year is an increase in funds of £572,022 (2017 - increase of £1,755,622).

Trustees' Annual Report

Investment policy and performance

The charity operates a total return approach to its investments. Our investment advisors are advised to maximize the total return on the portfolio within the constraints of a medium to low risk strategy. The investment brief is broadly defined.

The Trustees monitor the investment performance on a quarterly basis.

The investment managers engaged during the reporting year were Hargreave Hale Limited. The Trustees have at all times acted in accordance with the Trustees' duties in relation to investments under the Trustees Act 2000. During the year the Trustees reviewed and evaluated a number of investment managers and decided to replace Hargreaves Hale after the year end with Rathbone Investment Management whose details are listed on page 2.

Cash funds are maintained at a level sufficient for immediate requirements with a modest reserve placed on short term deposit at the most advantageous rate of return available at the time of investment. At 31 March 2018 total cash funds amounted to £1,518,746 (2017- £668,455).

Reserves policy

The Charity's reserve policy is to maintain an adequate level to support its activities, taking account of the risks to which it is exposed and existing and projected levels of income and expenditure. The Trustees have taken into account expected shortfalls in voluntary income due to the impact of declining Masonic membership and the effect of the four year Festival for the benefit of the Masonic Charitable Foundation which concludes in 2021.

Structure, governance and management

The governance and management of the Charity during the year allowed a total of seven trustees to be appointed. Trustees could be nominated by The Provincial Grand Master and other Provincial Officers with two of the trustees co-opted by the nominated trustees.

Each term of office was for four years however the initial appointment for four of the trustees was for a shorter period to stagger future appointments. Trustees could be re-appointed but could not serve for more than eight years in total.

On appointment new trustees signed a trustee declaration and a confidentiality agreement and received a copy of the scheme document; the charity's rules and regulations; past annual reports and accounts; minutes of trustee meetings and guidance publications produced by the Charity Commission. New trustees are encouraged to meet with the Chief Executive and his team and gain an understanding of the processes involved in running the charity.

The trustees meet quarterly with additional meetings called when necessary. At the meetings the trustees consider

matters relating to grant making policy, investment strategy, major acquisitions, major grants, business planning and receive reports relating to the administration of the charity.

All trustees gave freely of their time and no remuneration was paid during the year.

The day to day management of the charity is the responsibility of the Chief Executive. The Chief Financial Officer has particular responsibility for the proper control of all financial matters. Both attend trustees' meetings.

The Principal Officers have a team of 23 volunteers whose functions include receiving and checking applications for assistance; assessing and approving grants where appropriate; receiving and recording donations and making payments; controlling finances; meeting statutory requirements; marketing and public relations; dealing with investment managers, auditors, solicitors and suppliers as well as fund raisers within the Province and lodge almoners who deal directly with the applicants; general administration; planning and reporting.

As the charity's volunteers are not remunerated for their services but incur costs in travelling to their work, all volunteers may claim a contribution towards these costs based on the HMRC mileage allowance.

All the team members have happily and generously given their time in service to charity and we express our thanks to them.

Risk management

Risk policy involves the trustees in the maintenance of sound business practices in order to avoid unnecessary risk. Our view is that risk management works most effectively when it is applied by all staff involved in running the charity and it is an established practice to keep all our volunteers informed of and involved in administration matters.

It is the policy to regularly review the risks to which the charity is exposed and the adequacy of financial controls and to establish systems to mitigate those risks. The trustees have considered the major risks to which the charity is exposed and have satisfied themselves that systems and procedures to manage those risks are in place.

Grant making policy

Applications are received through local Freemasons, Masonic groups or direct at the charity's office. Successful applications need to meet established criteria and supporting evidence is required. Requests for assistance which fall outside the norm may still qualify for help at the trustees' discretion.

Trustees' Annual Report

The charity regularly reviews the types of requests it receives and amends qualification requirements and increases resources where they help to meet the charity's objectives.

A consistent approach to assessing applications and making grants is adopted by the charity. For individual applicants in financial distress the charity uses an application form similar to that used by the Masonic Charitable Foundation and requires sight of supporting evidence of financial income, savings and need. Relief is afforded to an applicant by reference to their income measured against the Joseph Rowntree Foundation Minimum Income Standard and by reference to the applicants capital position. Where young dependants are involved the charity will involve the Royal Masonic Trust for Girls and Boys which can often provide additional support.

Maximum grant levels are reviewed by the trustees on at least an annual basis.

In addition to providing grants to help meet living costs the charity has also helped with the cost of essential repairs to homes and has provided assistance in financial emergencies.

Charitable activities

The majority of our workload during the year related to handling applications for assistance from individuals in financial distress and the charity was pleased to be able to give much needed financial support to Freemasons and dependants in need.

In addition, the charity has been pleased to continue supporting young people where certain aspects of their education and development are not met by the state and many other deserving charitable causes.

Grants to worthy causes in the community in the year 2017/18 totalled £102,423. A list is given on page 17

The charity is keen to make the public aware of the assistance which can be provided by the charity. Because the charity does not seek to raise donations from the general public but instead relies on donations made by Freemasons, our role as a public benefactor is not always understood. It is hoped that the level of grants made and our involvement and support for relatively high profile projects will attract wider recognition. Examples of the type of grants given are shown on the charity's website:
www.westlancsfreemasons.org.uk/wlfc-home.

Fundraising

The charity relies heavily on donations from Freemasons in the Province of West Lancashire. The charity continues to raise awareness of its work within the Province and in doing so, it is hoped that those Freemasons will continue to give generously to help the charity support needy individuals and other worthy causes.

The Trustees are mindful that the Fundraising Regulator has recently expressed concerns regarding

- how organisations collect or solicit funds
- relationships with donors
- methods of working with others to raise money
- management of contact preferences and complaints handling

The Trustees therefore wish to set out how the Charity raises funds and addresses these issues.

The Charity does not solicit or receive donations from the general public; the funds it receives come purely from Freemasons. The Charity acts indirectly through the umbrella organisation for freemasons in West Lancashire, The Masonic Province of West Lancashire (the Province), to solicit funds.

One of the basic tenets of Freemasonry is charity. To that end the Province;

- sends senior masons annually to all lodges who may speak on the work of the Charity
- organises annual collections across the Province
- encourages lodges of masons to make gifts to the Charity
- Distributes promotional literature to masonic halls

The general public is not approached.

Trustees' Annual Report

Achievements and performance

The charity has a strategic plan which is geared towards:

- ensuring prudent financial management
- Allocating resource to meet demand
- Increasing awareness of the charity and its activities within both the Masonic and non-Masonic communities
- Raising the skills of its volunteers
- Increasing its funds

www.westlancsfreemasons.org.uk/wlfc-home, the charity's website, provides information on the charity and help for applicants and those raising and dispersing funds on its behalf. The charity's promotional literature, application forms and guidance notes have been updated. A range of leaflets can be downloaded from the website covering the work of the charity; inviting applications for financial assistance; describing how donations can be made; how legacies can be arranged and how Gift Aid can swell the value of donations.

Visitors to the website can check state benefit entitlements and download application forms and guidance notes for grants for charitable causes in the community.

Best business practice is employed in running the charity. Strategic and business plans are in force; a risk register is in use and health and safety reviews are carried out on a regular basis.

All applications are handled confidentially and all team members are required to sign a confidentiality agreement.

During the year Hargreave Hale Limited managed the investment portfolio of the charity. At 31 March 2018, the investment portfolio stood at £12,455,680 excluding cash.

The charity continued its policy of adopting a prudent investment strategy which avoided high risk investments but gave a balanced portfolio.

Over the year the value the funds of the charity increased from £ 14,117,452 to £ 14,689,474.

Trustees

The trustees who served the charity during the period were as follows:

M. Matthews (Chairman)
M. Collins (resigned 30 April 2018)
P. Levick (resigned 31 March 2018)
D. Parkinson
B. Crossley
J. H. Smith
T. Archer (resigned 21 April 2017)

Trustees' Annual Report

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Scheme. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Trustees on 24th October 2018

M. Matthews
Chairman

S. Kayne
Chief Executive Officer

Independent Auditor's Report to the Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WEST LANCASHIRE FREEMASONS' CHARITY

Opinion

We have audited the financial statements of West Lancashire Freemasons' Charity for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the

other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Independent Auditor's Report to the Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WEST LANCASHIRE FREEMASONS' CHARITY

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

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

<http://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Use of our audit report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BWM
Statutory Auditor
Castle Chambers
43 Castle Street
Liverpool
L2 9SH

24th October 2018

BWM is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of Financial Activities

for the Year Ended 31 March 2018

		Unrestricted Funds	
		2018	2017
		£	£
	Note		
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	2	844,365	277,140
Investments	3	378,778	402,737
Other	4	206	11,347
TOTAL INCOME AND ENDOWMENTS		1,223,349	691,224
EXPENDITURE ON:			
Raising funds	5	55,273	46,048
Charitable activities	6	398,866	330,778
TOTAL EXPENDITURE		454,139	376,826
Net gains / (losses) on disposal of investment assets		72,102	(28,607)
Unrealised gains / (losses) on investments	11	(269,290)	1,469,831
NET INCOME / (EXPENDITURE) / NET MOVEMENT IN FUNDS		572,022	1,755,622
RECONCILIATION OF FUNDS			
Total funds brought forward		14,117,452	12,361,830
TOTAL FUNDS CARRIED FORWARD		14,689,474	14,117,452

All of the above amounts relate to continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 13 to 21 form part of these financial statements

Balance Sheet

as at 31 March 2018

	Note	£	2018 £	2017 £
FIXED ASSETS				
Tangible Fixed Assets	10		486,480	506,239
Investments	11		12,667,168	12,920,838
			<hr/>	<hr/>
TOTAL FIXED ASSETS			13,153,648	13,427,077
			<hr/>	<hr/>
CURRENT ASSETS				
Debtors	13	72,646		75,355
Short term deposits		126,315		126,803
Cash at bank		1,392,431		541,652
			<hr/>	<hr/>
			1,591,392	743,810
CREDITORS: Amounts falling due within one year	14	(55,566)		(53,435)
			<hr/>	<hr/>
NET CURRENT ASSETS			1,535,826	690,375
			<hr/>	<hr/>
TOTAL NET ASSETS			14,689,474	14,117,452
			<hr/> <hr/>	<hr/> <hr/>
FUNDS OF THE CHARITY				
Total unrestricted funds			14,689,474	14,117,452
			<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved and signed on 24th October 2018 on behalf of the trustees by:

M. Matthews
Trustee

J. H. Smith
Trustee

H. D. Lloyd
Chief Financial Officer

The notes on pages 13 to 21 form part of these financial statements

Statement of Cash Flows

for the Year Ended 31 March 2018

	Note	2018 £	2017 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by / (used in) operating activities	15	416,441	(106,380)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends and interest from investments		379,702	401,803
Purchase of equipment		(2,334)	(9,876)
Proceeds from sale of investments		2,222,037	3,352,093
Purchase of investments		(2,430,649)	(3,120,332)
Net cash provided by / (used in) investing activities		168,756	623,688
Change in cash and cash equivalents in the reporting period		585,197	517,308
Cash and cash equivalents at the beginning of the reporting period	16	1,145,037	627,729
Cash and cash equivalents at the end of the reporting period	16	1,730,234	1,145,037

The notes on pages 13 to 21 form part of these financial statements

Notes to the Financial Statements

1. Accounting policies

Accounting convention

The Charity is a Public Benefit Entity as defined by FRS 102. The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

These accounts for the year ended 31 March 2018 are prepared in accordance with FRS 102 (as amended for accounting periods commencing from 1 January 2016).

Income and endowments

Voluntary income including donations and gifts are recognised in the period in which they are received by the charity. Such income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. In accordance with this policy, legacies are included when received by the charity.

Income generated from the Provincial Festival Evening (other activities) is reflected net of the related expenditure as the event is costed to breakeven, with ticket sales matching costs. Any surplus generated from the evening is incidental except for the proceeds of the raffle.

Expenditure on raising funds

The costs consist of investment management fees.

Charitable expenditure

Direct charitable activity expenditure includes all expenditure incurred in the provision of charitable services, together with support costs, in pursuance of the charity's objectives.

Grants payable are payments made to third parties in the furtherance of the charitable objects. Funds are allocated in accordance with the objectives set out on page 3.

The irrecoverable element of VAT is included with the item of expenses to which it relates as this cannot be recovered by the charity. Expenses are allocated based on a detailed assessment of the relative activity.

Capital expenditure

Individual assets costing £250 or more are capitalised at cost.

Depreciation is provided on a straight line basis on tangible fixed assets which are written off over their useful economic life which is :-

Long Leasehold Property	125 years
Office equipment	5 years
Computer equipment	4 years

Fixed asset investments

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and opening market value or purchase cost, if later. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value or purchase cost if later.

Funds accounting

All funds held by the charity are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. Recovery is made of tax deducted from income and from receipts under Gift Aid. The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT

Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been

Notes to the Financial Statements

designated for other purposes.

Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis in preparing the accounts

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less and bank overdrafts.

Financial instruments

The Charity has elected to apply the provisions of section 11 “Basic Financial Instruments” and section 12 “Other Financial Instrument Issues” of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity’s balance sheet when the Charity becomes party to the contractual provisions of the instrument. Final assets and liabilities are offset, with net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have

been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity’s contractual obligations expire or are discharged or cancelled.

Critical accounting estimates and judgements

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.

Notes to the Financial Statements

2. Donations and legacies

	2018	2017
	£	£
Donations		
General	81,255	172,301
Gift aided donations	45,023	59,108
Provincial meetings	-	6,346
Recoverable income tax	11,256	14,777
Legacies		
Legacies	706,831	24,608
	<u>844,365</u>	<u>277,140</u>

3. Income from investments

	2018	2017
	£	£
Income from listed investments	378,675	402,599
Bank interest receivable	103	138
	<u>378,778</u>	<u>402,737</u>

4. Other income

	Income	Expenditure	Net income 2018	2017
	£	£	£	£
Festival evening	8,265	8,059	206	11,187
Profit on Sale of Goods	-	-	-	160
	<u>8,265</u>	<u>8,059</u>	<u>206</u>	<u>11,347</u>

The Trustees choose to reflect income generated from the Provincial Festival evening and the Provincial Charity Stewards dinner net of the related expenditure in the SOFA. Any surplus generated from the evening is incidental except for the proceeds of the raffle.

Notes to the Financial Statements

5. Expenditure on raising funds

	2018	2017
	£	£
Investment managers' fees	55,273	46,048

6. Expenditure on charitable activities

	2018	2017
	£	£
Grants paid		
Freemasons' support	50,011	44,425
Widows' support	91,938	90,174
Other masonic support	36,315	40,050
Non-masonic grants (note 7)	102,423	51,113
	280,687	225,762
Support costs		
Rates & water	7,951	5,040
Heating, lighting and insurance	4,127	3,530
Telephone	4,548	5,243
Postage, stationery & printing	13,784	13,086
Travelling expenses	16,818	14,423
Computer expenses	19,700	24,396
Office maintenance and repairs	4,395	4,280
Bank charges	2,647	2,988
Other costs	3,294	1,828
Depreciation	22,093	22,982
Auditor's remuneration	7,035	6,000
Legal and professional fees	11,787	1,220
	118,179	105,016
	398,866	330,778

Notes to the Financial Statements

7. Non Masonic Grants

Non Masonic grants made during the year were as follows:

	£
North West Blood Bikes	32,097
East Lancashire Masonic Charity—Manchester Bombing Disaster Fund	10,000
Jessica’s Tiny Trax	6,160
Masonic Trout & Salmon Fishing Charity—North West Branch	6,120
Southport Flower Show	6,000
Aiming Higher (for the Disabled Community) - Blackpool	5,000
KIND—Liverpool	5,000
PCC of St Elizabeth’s Aspull	5,000
Vicarage Park Community Centre Poulton-le Fylde	5,000
Stockbridge Boxing Club	2,600
Holy Trinity Church, Bolton le Sands	2,500
The Walton Lea Project, Walton	2,500
Crusaders Dragon Boat Club, Crosby	1,587
Lancashire Family History & Heraldry Society, Chorley	1,500
Room at the Inn & The Y Project	1,421
RJH Memorials	1,320
More than Words, Wigan	1,118
Bank Quay Bulls RLFC U9s	1,000
The Rainbow Centre	1,000
Leyland St Mary’s Scouts	1,000
Follow Your Dreams	400
Help the Homeless	205
Youth/Disabled Applicants’ support	3,895
	<hr/>
	102,423
	<hr/>

Notes to the Financial Statements

8. Funds Received as Agent

The charity acted as an agent for the Masonic Charitable Foundation (MCF) by paying grants to beneficiaries of the MCF on behalf of the MCF. Grants are paid in four, equal, quarterly instalments and the funds held at the end of the year relate to instalments not yet due to be paid at that date. The funds have not been included in these Financial Statements. The agency agreement ceased during the year.

Analysis of Funds Received and Paid	2018	2017
	£	£
Undistributed funds held as agent at 1 April 2017	59,710	72,435
Funds received from MCF	33,150	197,840
Amounts paid to beneficiaries of MCF	(92,860)	(210,565)
	<hr/>	<hr/>
Undistributed funds held as Agent at 31st March 2018	-	59,710
	<hr/> <hr/>	<hr/> <hr/>

9. Trustee remuneration and related party transactions

The Trustees received neither remuneration for their services nor reimbursement for travel expenses in the year. (2017—nil).

No trustee or other person related to the charity had any personal interest in any transaction entered into by the charity during the year (2017- nil).

10. Tangible Fixed Assets

	Leasehold Property	Office Equipment	Computer Equipment	Total
	£	£	£	£
At cost at start of year	477,091	29,406	91,686	598,183
Additions during year	-	-	2,334	2,334
	<hr/>	<hr/>	<hr/>	<hr/>
At cost at end of year	477,091	29,406	94,020	600,517
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation at start of year	25,763	29,213	36,968	91,944
Depreciation during year	3,817	193	18,083	22,093
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation at end of year	29,580	29,406	55,051	114,037
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net Book Value at 31st March 2018	447,511	-	38,969	486,480
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net Book Value at 31st March 2017	451,328	193	54,718	506,239
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

11. Investments

Movement in market value

	2018	2017
	£	£
Market Value at 1st April 2017	12,920,838	11,519,522
Acquisitions at cost	2,430,649	3,120,333
Disposal at opening book value	(2,149,935)	(3,380,700)
Net gains/(losses) on revaluations in the year ended 31 March 2018	(269,290)	1,469,831
Net movement in cash held for investment	(265,094)	191,852
	<u> </u>	<u> </u>
Market value at 31 March 2018	12,667,168	12,920,838
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
Historical cost at 31 March 2018	10,689,975	9,764,607
	<u> </u>	<u> </u>

Analysis of investments at 31 March 2018

	2018	2017
	£	£
Listed investments		
UK quoted shares	12,455,680	12,444,256
Other investments		
UK Cash held by Hargreave Hale Limited as part of Portfolio	211,488	476,582
	<u> </u>	<u> </u>
	12,667,168	12,920,838
	<u> </u>	<u> </u>

Notes to the Financial Statements

12. Financial Instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,763,334	1,179,061
Instruments measured at fair value through the SOFA	12,455,680	12,444,256
Carrying amount of financial liabilities		
Measured at amortised cost	55,566	53,435

13. Debtors

Amounts due within one year:

	2018	2017
	£	£
Income tax recoverable	26,261	31,091
Prepayments	3,285	240
Accrued Interest	33,100	34,024
	62,646	65,355

Amounts due after more than one year:

	2018	2017
	£	£
Other debtors	10,000	10,000

14. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Other creditors	3,530	4,765
Accruals and deferred income	52,036	48,670
	55,566	53,435

Notes to the Financial Statements

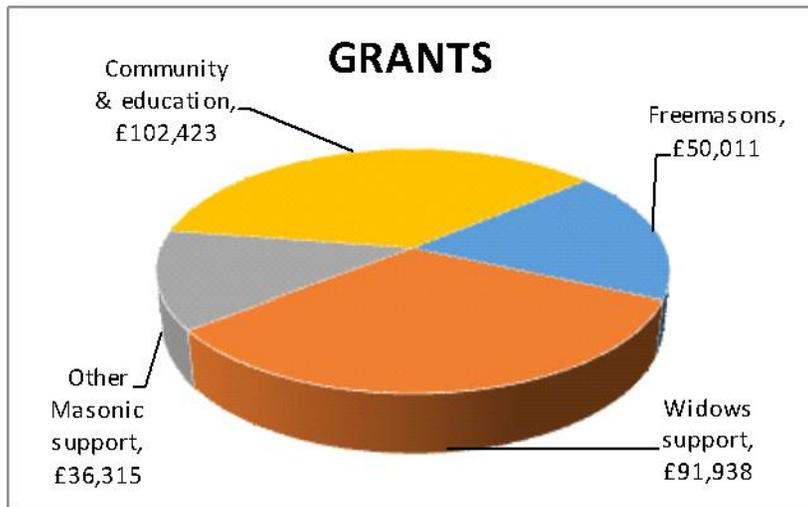
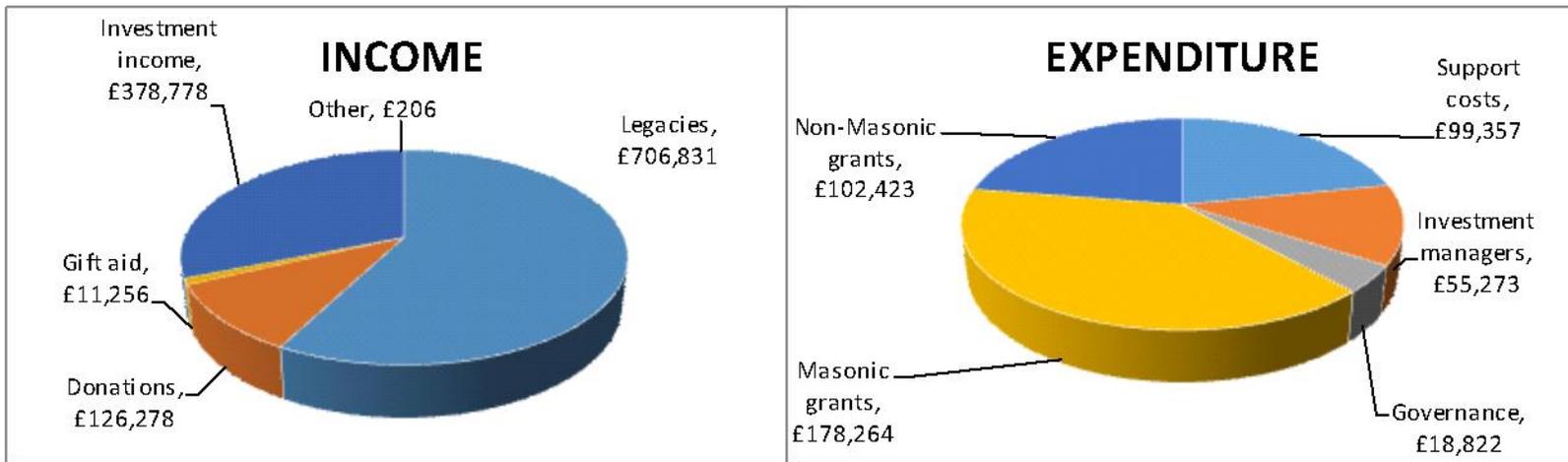
15. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	2018	2017
	£	£
Net Income/(Expenditure) for the Reporting Period (as per the Statement of Financial Activities)	572,022	1,755,622
Adjustments for:		
Depreciation charges	22,093	22,982
(Gains)/Losses on Investments	197,188	(1,441,224)
Dividends and Interest from Investments	(379,702)	(401,803)
(Increase)/decrease in debtors	2,709	(15,711)
Increase/(decrease) in creditors	2,131	(26,246)
	<hr/>	<hr/>
Net Cash Provided by (Used in) Operating Activities	416,441	(106,380)
	<hr/> <hr/>	<hr/> <hr/>

16. Analysis of Cash and Cash Equivalents

	2018	2017
	£	£
Short term deposits	126,315	126,803
Cash at bank	1,392,431	541,652
	<hr/>	<hr/>
	1,518,746	668,455
Cash held as part of the investment portfolio	211,488	476,582
	<hr/>	<hr/>
Total Cash and Cash Equivalents	1,730,234	1,145,037
	<hr/> <hr/>	<hr/> <hr/>

Financial Highlights



Page 17 shows organisations that received grants from the charity, some to help specific individuals and others to provide facilities which would be enjoyed by hundreds of people for many years.

Literature indicating the help available from the charity is usually on display in most Masonic halls and can be downloaded from the charity's website www.westlancsfreemasons.org.uk/wlfc-home. Applications for financial assistance can be made through the Province of West Lancashire Care Structure. Please contact any Lodge Almoner who will refer the matter to the appropriate Area Care Officer.

Charitable organisations and voluntary self-help groups can apply direct to the charity by completing application forms which can be obtained by accessing the charity's website where they will also find guidance notes.

Special Thanks

The trustees and principal officers wish to record their appreciation and gratitude to the following volunteers who have, through their dedication and enthusiasm, enabled the charity to carry out its function and provide help to hundreds of people in West Lancashire and beyond during the period covered by this report.

Day to day administration

Ron Clark
Edward Clarke
Paul Baines
Chris Eyres
Bill Fairman
Wallace Fraser
Chris Gleave
William Goulden
Stuart Herbert
Mark Holloway
Cliff Hughes
Martin Lockyer

Alan Malthouse
Peter Mann
John Marsden
Paul Mclachlan
Les Moore
Les Newman
Les Norton
Brian Pierpoint
Alan Riley
Dominic Walker
Keith Williams

We are grateful to all those who have helped the WLFC by their generous donations and the time and effort they have contributed.

This unselfish concern for the welfare of others has again enabled us to do so much to help those in need of financial assistance.

Thank you.



West Lancashire Freemasons' Charity
2 Paramount Business Park
Wilson Road
Huyton
Liverpool
L36 6AW

Tel: 0151 482 4750

Fax: 0151 482 4759

Website: <http://www.westlancsfreemasons.org.uk/wlfc-home>

Registration Number 239313