

# **West Lancashire Freemasons' Charity**

## **Annual Report and Accounts**

**2015-2016**



**Helping those in need**

# West Lancashire Freemasons' Charity

## Financial Statements for 31 March 2016

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# President's Message



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

One of the most rewarding aspects of my role as Provincial Grand Master is to be associated with our Provincial Charity as its President. This charity, which is our only Provincial charity helps us to fulfil one of the very fundamentals of our Order, assistance to those in need and distress.

The past year has seen a number of changes within the personnel involved in the management and running of the charity. At an operational level, the Chief Executive Officer, John Smith, retired after four years in Office. I am very grateful to John for his unstinting hard work and guidance during the term of his Office and am pleased that he has consented to become a Trustee of our charity which will ensure a vital continuity of knowledge. John has been succeeded by the Deputy CEO, Ian Douglass. Former Chairmen of the Trustees, David McCormick and Michael Kinsella have relinquished office as Trustees having served a full term of eight years. They have both given valuable loyal service to this charity and indeed, other West Lancashire charities prior to the amalgamation in 2008. David Anderton, who has also served a full eight years and Howard Jones, another former Chairman, have also stood down as Trustees and again, I wish to express my appreciation of their commitment and wise counsel. The four vacancies thereby created have been filled by Derek Parkinson, Barrie Crossley, John Smith and Terry Archer and I wish them all well in their new and important roles.

The financial results for the year, which are detailed on page 9 of this report, show a very mixed picture. On the one hand, I am pleased to see that donations to the charity have been maintained in this year, prior to the launch of the 2021 Festival in support of the Masonic Charitable Foundation. On the other hand, the Executive Officers have been at pains to warn, over the years, that investments can go down as well as up and these words of wisdom have manifested themselves this year to the considerable amount of £418,394. Fortunately, our investment income has been maintained and as a result of the fall in the cost of charitable activities, a modest reduction in reserves has been recorded. I must make reference to the fall in the cost of charitable activities which, at first view, is very substantial. A significant part of this fall is attributed to the fact that, since September 2015, grants to Freemasons' and Widows' are being paid quarterly rather than annually. It follows then, that a sizeable proportion of grants approved in the current financial year will not be paid out until the ensuing year leading to an apparent fall in grants this year which will level off next year as the new system establishes itself.

As I noted in my message last year, many Lodges and Groups are making non-Masonic grants direct to the beneficiaries. It is inevitable then that the charity will reduce its own activities in this area. The breakdown of non-Masonic grants on page 16 indicates more focused giving and in amounts that really can make a difference.

Particularly pleasing is the manner in which the Provincial Care Team and the Provincial Charity Team work with our charity to ensure the important continuity of income and the timely delivery of assistance where needed.

I am, as ever, very grateful to the many volunteers who work within the charity and to the Executive Officers and Trustees who give so much of their time and energy.

Finally, I thank all the members of the Province for their unfailing generosity which enables our charity to continue its important work.

# 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** BWMacfarlane  
Chartered Accountants  
Castle Chambers  
43 Castle Street  
Liverpool  
L2 9SH

**Bankers** HSBC Bank plc  
32 Rodney Street  
Liverpool  
L1 2TP

**Investment Managers** Hargreave Hale Limited  
30 Dean Street  
Bangor  
Gwynedd  
LL57 1UR

**Solicitors** Moorcrofts Solicitors LLP  
7 Church Road  
Woolton  
Liverpool  
L25 5JE

# Trustees' Annual Report

The Trustees have pleasure in presenting their annual report and financial statements for the year ended 31 March 2016. 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) (effective 1 January 2015).

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.

## Objects and Activities

The merger resulted in the adoption of 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 9 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) effective 1 January 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 2016 totalled £12.36m (2015 - £12.46m).

Total income and endowments in the year, which included legacies of £55,000 (2015 - £38,112), amounted to £791,778, compared with £768,477 in the preceding year, an increase of £23,301.

Investment income and interest receivable totalled £375,270 (2015 - £366,788).

Other income including profit from the Festival Evening and sale of goods amounted to £2,142 (2015 - £2,178)

Resources expended by way of grants were £327,286 (2015 - £520,155).

Charitable Support Costs were £99,825 (2015 - £86,038): an increase of £13,787 year on year.

Net incoming resources for the year showed a surplus of £323,119 (2015 - £121,802).

Realised investment losses of £139,478 were compounded by unrealised investment losses on revaluation of the investment portfolio at the year end, of £278,916.

The overall result is therefore a total reduction in funds of £95,275 (2015 - increase £792,908).

# 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 are listed on page 2 of this report. The Trustees have at all times acted in accordance with the Trustees' duties in relation to investments under the Trustees Act 2000.

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 2016 total cash funds amounted to £342,999 (2015 - £492,655).

## 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

One nominated trustee is appointed by each of the following:

- The Provincial Grand Master
- The Deputy Provincial Grand Master and the Assistant Provincial Grand Masters
- The Provincial Grand Almoner and the Regional Care Officers
- The Provincial Grand Charity Steward and the Regional Charity Stewards
- The Group Chairmen of the Province.

A further two trustees are co-opted by the nominated trustees.

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

On appointment new trustees sign a trustee declaration and a confidentiality agreement and receive 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. Two trustees serve on a finance sub-committee.

All trustees give 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 Chief Executive has a team of around thirty 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 applicants 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 226 Freemasons and dependants in need.

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. Altogether 14 of these causes with no connection to Freemasonry received grants from us.

The charity sponsors the Schools Garden Competition at the Southport Flower Show aimed at encouraging children in the 9-11 age group to take an interest in the environment and help develop their creative skills. The competition attracted hundreds of entries with gardens being built at the show to the designs of the two winners. The show itself attracted around 78,000 visitors.

A list of the grants to worthy causes in the community in the year 2015/16 and totalling £43,150 is shown on page 16.

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](http://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 only form of potential solicitation by the Charity is through the six-monthly newsletter sent to Freemasons. Otherwise 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 which in turn 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

The charity's website, [www.westlancsfreemasons.org.uk/wlfc-home](http://www.westlancsfreemasons.org.uk/wlfc-home), 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. An expanded 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.

Hargreave Hale Limited manage the investment portfolio of the charity. The stock market has had a challenging year but our investment portfolio has performed well in difficult circumstances and now stands at £11,519,522

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 reduced to £12,361,830 from £12,457,105.

## Trustees

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

M. Matthews (Chairman)  
D. Anderton (retired 31 March 2016)  
M. Collins  
H. Jones (resigned 11 August 2016)  
M. T. Kinsella (resigned 13 August 2015)  
P. Levick  
D. K. McCormick (retired 31 March 2016)  
D. Parkinson (appointed 13 August 2015)  
B. Crossley (appointed 1 April 2016)  
J. H. Smith (appointed 1 April 2016)  
T. Archer (appointed 14 September 2016)

During the year 115 widows received vital help with their living costs





# 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 10th November 2016

M. Matthews  
Chairman

I. Douglass, BA, FCA  
Chief Executive Officer

# Independent Auditor's Report to the Trustees

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

We have audited the financial statements of West Lancashire Freemasons' Charity for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. 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), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement (set out on page 7), the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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.

### 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 charity'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 trustees' annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent 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 charity's affairs as at 31 March 2016 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.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

the information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or

sufficient accounting records have not been kept; or

the financial statements are not in agreement with the accounting records and returns; or

we have not received all the information and explanations we require for our audit.

### Other matter

Your attention is drawn to the fact that the Charity has prepared accounts 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 "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 accounts 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.

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

10th November 2016

BWMacfarlane is eligible to act as an auditor in terms of section

# Statement of Financial Activities

## for the Year Ended 31 March 2016

		Unrestricted Funds	
		2016	2015
	Note	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	2	414,366	399,511
Investments	3	375,270	366,788
Other	4	2,142	2,178
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>791,778</b>	<b>768,477</b>
<b>EXPENDITURE ON:</b>			
Raising funds	5	41,548	40,482
Charitable activities	6	427,111	606,193
<b>TOTAL EXPENDITURE</b>		<b>468,659</b>	<b>646,675</b>
Net gains / (losses) on disposal of investment assets		(139,478)	20,463
Unrealised gains / (losses) on investments	11	(278,916)	650,643
<b>NET INCOME / (EXPENDITURE) / NET MOVEMENT IN FUNDS</b>		<b>(95,275)</b>	<b>792,908</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		12,457,105	11,664,197
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>12,361,830</b>	<b>12,457,105</b>

All of the above amounts relate to continuing activities.

No restatement of reserves has been necessary in these accounts as a result of adopting the Charities SORP (FRS102).

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 12 to 20 form part of these financial statements

# Balance Sheet

## as at 31 March 2016

			2016	2015
	Note	£	£	£
<b>FIXED ASSETS</b>				
Tangible Fixed Assets	10		519,346	464,927
Investments	11		11,519,522	11,472,724
<b>TOTAL FIXED ASSETS</b>			<b>12,038,868</b>	11,937,651
<b>CURRENT ASSETS</b>				
Debtors	13	59,644		50,474
Short term deposits		126,665		176,250
Cash at bank		216,334		316,405
		402,643		543,129
<b>CREDITORS: Amounts falling due within one year</b>	14	(79,681)		(23,675)
<b>NET CURRENT ASSETS</b>			<b>322,962</b>	519,454
<b>TOTAL NET ASSETS</b>			<b>12,361,830</b>	12,457,105
<b>FUNDS OF THE CHARITY</b>				
Total unrestricted funds			12,361,830	12,457,105

These financial statements were approved and signed on 10th November 2016 on behalf of the trustees by:

M. Matthews  
Trustee

J. H. Smith  
Trustee

B. J. Lewinski  
Chief Financial Officer

The notes on pages 12 to 20 form part of these financial statements

# Statement of Cash Flows

## for the Year Ended 31 March 2016

		2016	2015
	Note	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by / (used in) operating activities	15	5,874	(258,878)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends and interest from investments		371,643	363,651
Purchase of equipment		(61,981)	-
Proceeds from sale of investments		1,200,796	2,388,796
Purchase of investments		(1,815,110)	(2,266,234)
Net cash provided by / (used in) investing activities		(304,652)	486,213
Change in cash and cash equivalents in the reporting period		(298,778)	227,335
Cash and cash equivalents at the beginning of the reporting period	16	926,507	699,172
Cash and cash equivalents at the end of the reporting period	16	627,729	926,507

The notes on pages 12 to 19 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 2016 are the first accounts prepared in accordance with FRS 102. The date of transition to FRS 102 was 1 April 2014, however the reported financial position and financial performance for the year ended 31 March 2015 are not affected by the transition.

### 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

	2016	2015
	£	£
<b>Donations</b>		
General	226,600	217,533
Gift aided donations	101,312	109,050
Provincial meetings	6,126	7,554
Recoverable income tax	25,328	27,262
<b>Legacies</b>		
Legacies	55,000	38,112
	<b>414,366</b>	<b>399,511</b>

## 3. Income from investments

	2016	2015
	£	£
Income from listed investments	374,855	366,221
Bank interest receivable	412	441
Other interest receivable	3	126
	<b>375,270</b>	<b>366,788</b>

## 4. Other income

	Income	Expenditure	Net income 2016	2015
	£	£	£	£
Festival evening	13,965	11,889	2076	1,935
Profit on Sale of Goods	66	-	66	243
	<b>14,031</b>	<b>11,889</b>	<b>2,142</b>	<b>2,178</b>

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

	2016	2015
	£	£
Investment managers' fees	41,548	40,482

## 6. Expenditure on charitable activities

	2016	2015
	£	£
<b>Grants paid</b>		
Freemasons' support	96,109	209,203
Widows' support	133,480	179,663
Other masonic support	54,547	56,437
Non-masonic grants ( note 7 )	43,150	74,852
	<b>327,286</b>	<b>520,155</b>
<b>Support costs</b>		
Rates & water	8,100	10,534
Heating, lighting and insurance	3,768	3,297
Telephone	5,557	6,853
Postage, stationery & printing	25,917	10,873
Travelling expenses	15,505	15,423
Computer expenses	13,841	8,114
Office maintenance and repairs	5,253	3,601
Bank charges	2,846	2,617
Other costs	4,562	5,592
Depreciation	7,562	12,614
Auditor's remuneration	5,595	5,595
Other services – accountancy fees	1,319	925
	<b>99,825</b>	<b>86,038</b>
	<b>427,111</b>	<b>606,193</b>

No salaries or wages have been paid in 2016 or the previous year as the charity has no employees.

# Notes to the Financial Statements

## 7. Non Masonic Grants

Non Masonic grants made during the year were as follows:

	£
Altcar Training Camp	1,000
Cast North West	3,508
Chorley Win Band ATC	1,180
City of Liverpool Sea Cadets	4,830
Crossfield Bell Fund	1,000
Happy Days	3,000
KIND	5,000
KPAC	2,000
Radley Common Luncheon Club	2,000
Sefton Children's Trust	5,000
Southport Flower Show	6,000
St Helens Choral Society	500
Ulverston Inshore Rescue	5,000
Youth Opportunities	3,132
	<hr/>
	43,150
	<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.

Analysis of Funds Received and Paid	2016	2015
	£	£
Funds received from MCF	105,960	-
Amounts paid to beneficiaries of MCF	(33,525)	-
Undistributed funds held as Agent at 31st March 2016	72,435	-

## 9. Trustee remuneration and related party transactions

The Trustees received neither remuneration for their services nor reimbursement for travel expenses in the year. (2015—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 (2015 - nil).

## 10. Tangible Fixed Assets

	Leasehold Property	Office Equipment	Computer Equipment	Total
	£	£	£	£
At cost at start of year	477,091	29,406	19,829	526,326
Additions during year	-	-	61,981	61,981
At cost at end of year	477,091	29,406	81,810	588,307
Depreciation at start of year	18,129	25,510	17,760	61,399
Depreciation during year	3,817	2,621	1,124	7,562
Depreciation at end of year	21,946	28,131	18,884	68,961
Net Book Value at 31st March 2016	455,145	1,275	62,926	519,346
Net Book Value at 31st March 2015	458,962	3,896	2,069	464,927

# Notes to the Financial Statements

## 11. Investments

### Movement in market value

	2016	2015
	£	£
Market Value at 1st April 2015	11,472,724	10,839,566
Acquisitions at cost	1,815,110	2,266,234
Disposal at opening book value	(1,340,273)	(2,368,334)
Net gains on revaluations in the year ended 31 March 2016	(278,916)	650,643
Net movement in cash held for investment	(149,123)	84,615
Market value at 31 March 2016	11,519,522	11,472,724
Historical cost at 31 March 2016	9,521,676	9,481,044

### Analysis of investments at 31 March 2016

	2016	2015
	£	£
<b>Listed investments</b>		
UK quoted shares	11,234,792	11,038,871
<b>Other investments</b>		
UK Cash held by Hargreave Hale Limited as part of Portfolio	284,730	433,853
	11,519,522	11,472,724

# Notes to the Financial Statements

## 12. Financial Instruments

	2016 £	2015 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	660,819	955,971
Instruments measured at fair value through the SOFA	11,234,792	11,038,871
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	79,681	23,675

## 13. Debtors

Amounts due within one year:

	2016 £	2015 £
Income tax recoverable	16,314	11,011
Prepayments	240	-
Accrued Interest	33,090	29,463
	<u>49,644</u>	<u>40,474</u>

Amounts due after more than one year:

	2016 £	2015 £
Other debtors	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

## 14. Creditors: Amounts falling due within one year

	2016 £	2015 £
Other creditors	46,896	3,595
Accruals and deferred income	32,785	20,080
	<u>79,681</u>	<u>23,675</u>

# Notes to the Financial Statements

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

	2016	2015
	£	£
<b>Net Income/(Expenditure) for the Reporting Period (as per the Statement of Financial Activities)</b>	<b>(95,275)</b>	792,908
Adjustments for:		
Depreciation charges	7,562	12,614
(Gains)/Losses on Investments	418,394	(671,106)
Dividends and Interest from Investments	(371,643)	(363,651)
(Increase)/decrease in debtors	(9,170)	(5,169)
Increase/(decrease) in creditors	56,006	(24,474)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>5,874</b>	(258,878)

## 16. Analysis of Cash and Cash Equivalents

	2016	2015
	£	£
Short term deposits	126,665	176,250
Cash at bank	216,334	316,405
	342,999	492,655
Cash held as part of the investment portfolio	284,730	433,852
<b>Total Cash and Cash Equivalents</b>	<b>627,729</b>	926,507

# Community Grant Highlights

## The Southport Flower Show

The 2016 Southport Flower Show got off to a great start despite the weather on the opening day. The organisers expected over 80,000 people to visit over the four days of the show this year. Visitors will see many varied and unusual garden designs, including two designed by youngsters who entered the Schools Design-a-Garden Competition.

The competition is open to all junior school children in years 3, 4, 5 and 6 from schools across Lancashire, Cheshire, Manchester and Merseyside. The children responded to this year's challenge of designing an eco-friendly, Mediterranean themed garden in the Schools Design-a-Garden Competition. It is an enterprising competition for junior schools which has been sponsored by the West Lancashire Freemasons' Charity for the last seven years.

Again the search for garden design stars of the future yielded a bumper entry and two very worthy winners; Thomas Hall of Simonstone St Peter's Primary School and Shamal Harave of Merchant Taylors' Junior Boys' School took the two top prizes despite stiff competition from school children across the region.

The two winners, the 10 runners-up, their families and their teachers were all invited to receive their prizes and certificates at the show from celebrity guest Joe Swift and Tony Harrison (Provincial Grand Master of West Lancashire and President of the West Lancashire Freemasons' Charity) at the Schools Gardens.

Joe has been a regular presenter on Gardeners' World for over 10 years. He has also presented Open Gardens, Small Town Gardens and coverage of the RHS Chelsea Flower Show, RHS Hampton Court Palace Show and RHS Tatton Park.

Thomas and Shamal having had their designs turned into real gardens, to be viewed by the 1,000's of visitors to the show received £50 each and £500 for their own school gardens. The 10 runners-up all received £50 for their schools.



Year six pupil, Thomas Hall, took on the project with great enthusiasm and said he would love to see the prize money spent on developing the wildlife pond area within the school grounds.

*Joe Swift (left) and Tony Harrison pictured with winner Thomas*

The winning designs were chosen by a panel of judges who spent many hours selecting the two winners and 10 runners-up, the two winning gardens were built for the show by Myerscough College's work-based apprentices, so the young designers can see their paper drawings come to life



*Joe Swift (left) and Tony Harrison pictured with winner Shamal and family*

The 10 runner-up designs that were also selected by the judges were;

Alla Ali Holland, Moor CP School  
Benjamin Paul, Lordsgate Primary School  
James Newsham, Rufford Church of England Primary School  
Sophie Halliwell, Shoreside Primary School  
Tilly Reevey, Shoreside Primary School  
Charlotte Wright, Simonstone St Peter's C of E Primary School  
Georgina Dillon, St Peter and Paul's Catholic Primary School  
Keira Crompton, St Edmund's RC Primary School  
Emma Love, Withnell Fold Primary School  
Rebecca Walker, Withnell Fold Primary School



# Community grant highlights

The West Lancashire Freemasons Charities has supported an initiative at Altcar Training Camp for wounded, sick and injured veterans in the provision of PODS, or temporary accommodation, rather like 'glamping', on their site. The Altcar Training Camp near Formby on Merseyside has long been a place where members of the regular Armed Forces, Reservists and Cadets have trained in various fields (literally!) to prepare them for their duties. But very soon, there will be a place for those that are now civilians, to spend some time back on a base and to some extent immerse themselves in the culture that they may be missing.

Have you ever thought though as to what happens to service personnel when they have been forced to leave their career through being wounded, injured or sick? Sadly, some veterans find it difficult to adapt to life 'outside' either because of their injuries or wounds, or simply because service life is all they have ever known since leaving school.

Now, thanks to the WLFC four plots are under construction at Altcar, with the concrete bases provided free by Spotmix, to which a 'POD' will be fitted to each one. Ex-service personnel will be able to do a spot of 'glamping' in a beautiful section amid the flora and fauna of the camp, but still quite close to where exercises are held, so that they will be able to observe their brothers in arms. The PODS are disabled friendly and are capable of accommodating one or two occupants. Other facilities on the camp such as the gym will be available to them.

When the facility is up and running, any ex-service personnel can apply to use the PODS free of charge, simply by contacting the Service Personnel and Veterans Agency. Of course, all this comes at a cost and as no public money is being made available this is where Freemasonry has been more than able to help out

The West Lancashire Freemasons' Charity has donated £2,000 to the project, having been approached by one of our members, Ron Basnett. Ron's friend, Major (Retd) Roy Bevan, is involved with the project and approached Ron with a view to obtaining financial assistance. An application was sent to the WLFC and a cheque for £2,000 was duly issued.

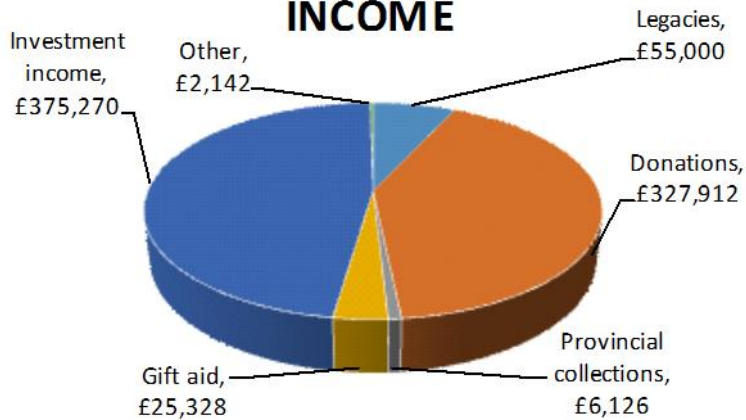
Ron and some of his colleagues along with Les Moore, a member of the applications panel, visited the site for a progress report and to present the cheque to the Commandant of the Camp, Colonel Gordon Black.



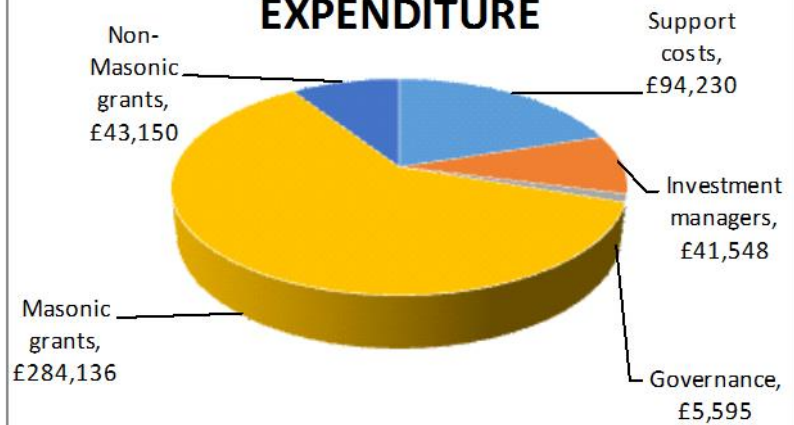
*Pictured from left to right, are: Tony Christy, Ron Basnett, Harold Ford, Colonel Gordon Black and Les Moore*

# Financial Highlights

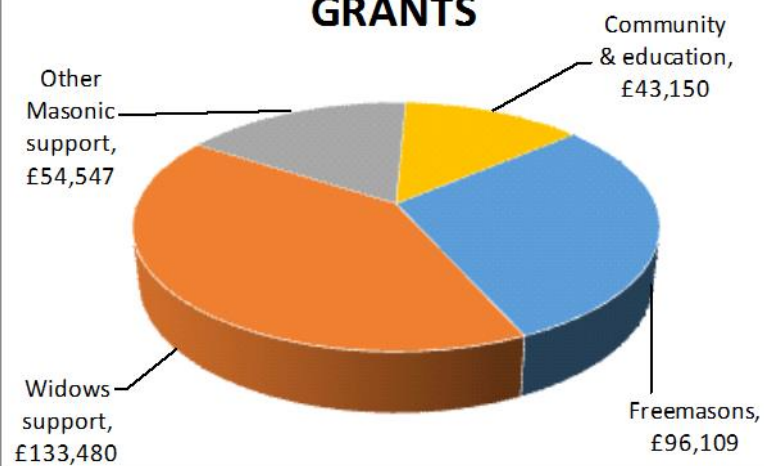
## INCOME



## EXPENDITURE



## GRANTS



The West Lancashire Freemasons' Charity provided financial support towards living costs to 96 Freemasons, and 115 widows in addition to helping 15 others with urgently needed help for necessary repairs to homes and to ease desperate financial situations.

18 organisations 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](http://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

Paul Baines  
Robert Baird  
Fred Bemand  
Ron Clark  
Edward Clarke  
Chris Eyres  
David Fairclough  
Wallace Fraser  
Chris Gleave  
William Goulden  
James Hardman  
Stuart Herbert  
Cliff Hughes  
Jim Jones  
Steve Kayne

Martin Lockyer  
Alan Malthouse  
Peter Mann  
John Marsden  
Les Moore  
Les Newman  
Les Norton  
Brian Pierpoint  
Philip Powell  
Alan Riley  
Derek Rooney  
Colin Rowling  
George Skarratts  
Anthony Softley  
Dominic Walker  
Keith Williams

## WLFC Festival sub-committee

Steve Brereton  
David Hawkes  
Steven Kayne  
Peter Levick (Chairman)  
Derek Parkinson

Duncan Smith  
Andrew Whittle  
Joe Williams  
Fred Wright

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.





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