

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

**2016-2017**



**Helping those in need**

# West Lancashire Freemasons' Charity

## Financial Statements for 31 March 2017

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# President's Message



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

My third full year as President of the WLFC has overseen a number of significant changes in the operations of the organisation.

However, the basic mission of our Charity is, and always will be 'The provision of financial support to Masons and their dependents in time of need.'

During the year under review the amount of grants paid to petitioners continued to decrease, this year by some £100,000. There are three principal reasons for this somewhat large reduction:-

The decrease in membership in the Province.  
The implementation and 'bedding in' of the new Care System.  
Many grants are now being paid directly from London

The Statement of Financial Activities discloses that our income from members' donations and legacies has decreased considerably (by some £137,000). However, due to the state of the financial markets our investment income has increased and the overall value of our investment portfolio has risen by some £1.4 million. This has given rise to a net income for the year of more than £1.75 million and our asset base now exceeds £14 million.

Whilst it is reassuring and comforting to have these assets, our objective is to help people and therefore the Executive Officers have begun new schemes for the Charity to assist, in particular the 'Broken Column' initiative which specifically aims to bring Masonic widows together and help to combat loneliness.

The Charity has also sponsored the Prostate Cancer testing facility at Provincial Grand Chapter last month and will again be providing this invaluable service at Provincial Grand Lodge in May 2018.

Turning now to our assistance to non-Masonic activities, I am pleased to report that our donations in that area have shown a good increase in the year.

As our Charity approaches its tenth year, the Trustees and Executive Officers have carried out a full review of our Governance procedures. In order to bring the organisation in line with current best practice it has been decided that the WLFC be incorporated into a Limited Company and this will come into effect on 1<sup>st</sup> April 2018.

None of the above would happen without the hard work and dedication of the 'teams' at Huyton all of whom give their time freely and willingly.

To all of these, the Executive Team and Trustees, I offer my sincere gratitude.

Finally, I must thank all of the members of the 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** Hargreave Hale Limited  
30 Dean Street  
Bangor  
Gwynedd  
LL57 1UR

**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 2017. 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) 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 2017 totalled £14.12m (2016 - £12.36m).

Total income and endowments in the year, which included legacies of £24,608 (2016 - £55,000), amounted to £691,224 compared with £791,778 in the preceding year, a decrease of £100,554.

Investment income and interest receivable totalled £402,736 (2016 - £375,270 ).

Other income comprises net income from the Festival Evening and sale of goods amounting to £11,347 (2016 - £2,142)

Resources expended by way of grants were £225,762 (2016 - £327,286) .

Charitable Support Costs were £105,016 (2016- £99,825): an increase of £5,191 year on year.

Net incoming resources for the year showed a surplus of £314,398 (2016 - £323,119).

Realised investment losses of £28,607 were more than offset by unrealised investment gains on revaluation of the investment portfolio at the year end, of £1,469,831.

The overall result is an increase in funds of £1,755,622 (2016 - decrease of £95,275).

# 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 2017 total cash funds amounted to £668,455 (2016- £342,999).

## 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

A total of seven trustees may be appointed. Trustees can 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 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.

## Incorporation

The Trustees are pursuing the incorporation of the Charity into a private company limited by guarantee to be called West Lancashire Freemasons' Charity, in accordance with the Companies Act 2006. It is envisaged that this will be effected by the end of the year to end March 2018.

## 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 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 23 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.

A list of the grants to worthy causes in the community in the year 2016/17 and totalling £51,113 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

[www.westlancsfreemasons.org.uk/wlfc-home](http://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. 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 investment portfolio has performed well and now stands at £12,444,256, 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 £ 12,361,830 to £ 14,117,452.

## Trustees

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

M. Matthews (Chairman)  
M. Collins  
H. Jones (resigned 11 August 2016)  
P. Levick  
D. Parkinson  
B. Crossley (appointed 1 April 2016)  
J. H. Smith (appointed 1 April 2016)  
T. Archer (appointed 14 September 2016,  
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 16th November 2017

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 2017 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 2017 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.

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

16th November 2017

BWM is eligible to act as an auditor in terms of section 12/12 of The Companies Act 2006

# Statement of Financial Activities

## for the Year Ended 31 March 2017

		Unrestricted Funds	
		2017	2016
	Note	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	2	277,140	414,366
Investments	3	402,737	375,270
Other	4	11,347	2,142
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>691,224</b>	<b>791,778</b>
<b>EXPENDITURE ON:</b>			
Raising funds	5	46,048	41,548
Charitable activities	6	330,778	427,111
<b>TOTAL EXPENDITURE</b>		<b>376,826</b>	<b>468,659</b>
Net gains / (losses) on disposal of investment assets		(28,607)	(139,478)
Unrealised gains / (losses) on investments	11	1,469,831	(278,916)
<b>NET INCOME / (EXPENDITURE) / NET MOVEMENT IN FUNDS</b>		<b>1,755,622</b>	<b>(95,275)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		12,361,830	12,457,105
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>14,117,452</b>	<b>12,361,830</b>

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 12 to 20 form part of these financial statements

# Balance Sheet

## as at 31 March 2017

	Note	£	2017 £	2016 £
<b>FIXED ASSETS</b>				
Tangible Fixed Assets	10		506,239	519,346
Investments	11		12,920,838	11,519,522
			<hr/>	<hr/>
<b>TOTAL FIXED ASSETS</b>			<b>13,427,077</b>	12,038,868
			<hr/>	<hr/>
<b>CURRENT ASSETS</b>				
Debtors	13	75,355		59,644
Short term deposits		126,803		126,665
Cash at bank		541,652		216,334
		<hr/>		<hr/>
		743,810		402,643
<b>CREDITORS: Amounts falling due within one year</b>	14	(53,435)		(79,681)
		<hr/>		<hr/>
<b>NET CURRENT ASSETS</b>			<b>690,375</b>	322,962
			<hr/>	<hr/>
<b>TOTAL NET ASSETS</b>			<b>14,117,452</b>	12,361,830
			<hr/> <hr/>	<hr/> <hr/>
<b>FUNDS OF THE CHARITY</b>				
Total unrestricted funds			14,117,452	12,361,830
			<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved and signed on 16th November 2017 on behalf of the trustees by:

M. Matthews  
Trustee

J. H. Smith  
Trustee

H. D. Lloyd  
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 2017

		2016	2015
	Note	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by / (used in) operating activities	15	(106,380)	5,874
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends and interest from investments		401,803	371,643
Purchase of equipment		9,876	(61,981)
Proceeds from sale of investments		3,352,093	1,200,796
Purchase of investments		(3,120,332)	(1,815,110)
Net cash provided by / (used in) investing activities		623,688	(304,652)
Change in cash and cash equivalents in the reporting period		517,308	(298,778)
Cash and cash equivalents at the beginning of the reporting period	16	627,729	926,507
Cash and cash equivalents at the end of the reporting period	16	1,145,037	627,729

The notes on pages 12 to 20 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 2017 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

	2017	2016
	£	£
<b>Donations</b>		
General	172,301	226,600
Gift aided donations	59,108	101,312
Provincial meetings	6,346	6,126
Recoverable income tax	14,777	25,328
<b>Legacies</b>		
Legacies	24,608	55,000
	<b>277,140</b>	<b>414,366</b>

## 3. Income from investments

	2017	2016
	£	£
Income from listed investments	402,599	374,855
Bank interest receivable	138	412
Other interest receivable	-	3
<b>4. Other income</b>	<b>402,737</b>	<b>375,270</b>

	Income	Expenditure	Net income 2017	2016
	£	£	£	£
Festival evening	24,848	13,661	11,187	2,076
Profit on Sale of Goods	160	-	160	66
	<b>25,008</b>	<b>13,661</b>	<b>11,347</b>	<b>2,142</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

	2017	2016
	£	£
Investment managers' fees	<b>46,048</b>	41,548

## 6. Expenditure on charitable activities

	2017	2016
	£	£
<b>Grants paid</b>		
Freemasons' support	<b>44,425</b>	96,109
Widows' support	<b>90,174</b>	133,480
Other masonic support	<b>40,050</b>	54,547
Non-masonic grants ( note 7 )	<b>51,113</b>	43,150
	<b>225,762</b>	327,286
<b>Support costs</b>		
Rates & water	<b>5,040</b>	8,100
Heating, lighting and insurance	<b>3,530</b>	3,768
Telephone	<b>5,243</b>	5,557
Postage, stationery & printing	<b>13,086</b>	25,917
Travelling expenses	<b>14,423</b>	15,505
Computer expenses	<b>24,396</b>	13,841
Office maintenance and repairs	<b>4,280</b>	5,253
Bank charges	<b>2,988</b>	2,846
Other costs	<b>1,828</b>	4,562
Depreciation	<b>22,982</b>	7,562
Auditor's remuneration	<b>6,000</b>	5,595
Other services – accountancy fees	<b>1,220</b>	1,319
	<b>105,016</b>	99,825
	<b>330,778</b>	427,111

# Notes to the Financial Statements

## 7. Non Masonic Grants

Non Masonic grants made during the year were as follows:

	£
Myerscough College	3,750
Hop Skip and Jump	3,312
Brathay Trust	2,709
CAP Job Club	1,592
Fairfield Community Group	700
1st Gorse Covert guides	450
Happy Days Children	3,768
Phoenix Youth Theatre	2,000
Sports wheelchair	4,000
Education support	1,063
Crossfields JFC	350
Lip reading society	1,000
KIND	5,000
Blaze Street dance crew	1,815
Spearhead Explorer Scouts	5,000
Parish of Prescot	1,693
1st Hoole scout group	2,000
Ainsdale Community Care	1,130
Littledale Res. Assoc.	881
Ormskirk District Scouts	5,000
St Helens Colomendi	1,900
Openkitchen Chorley	1,000
Girl Guiding, North West England	1,000
	<hr/>
	51,113
	<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	2017	2016
	£	£
Undistributed funds held as agent at 1 April 2016	72,435	-
Funds received from MCF	197,840	105,960
Amounts paid to beneficiaries of MCF	(210,565)	(33,525)
Undistributed funds held as Agent at 31st March 2017	59,710	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. (2016—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 (2016- nil).

## 10. Tangible Fixed Assets

	Leasehold Property	Office Equipment	Computer Equipment	Total
	£	£	£	£
At cost at start of year	477,091	29,406	81,810	588,307
Additions during year	-	-	9,876	9,876
At cost at end of year	477,091	29,406	91,686	598,183
Depreciation at start of year	21,946	28,131	18,884	68,961
Depreciation during year	3,817	1,082	18,084	22,983
Depreciation at end of year	25,763	29,213	36,968	91,944
Net Book Value at 31st March 2017	451,328	193	54,718	506,239
Net Book Value at 31st March 2016	455,145	1,275	62,926	519,346

# Notes to the Financial Statements

## 11. Investments

### Movement in market value

	2017	2016
	£	£
Market Value at 1st April 2016	11,519,522	11,472,724
Acquisitions at cost	3,120,333	1,815,110
Disposal at opening book value	(3,380,700)	(1,340,273)
Net gains on revaluations in the year ended 31 March 2017	1,469,831	(278,916)
Net movement in cash held for investment	191,852	(149,123)
Market value at 31 March 2017	12,920,838	11,519,522
Historical cost at 31 March 2017	9,764,607	9,521,676

### Analysis of investments at 31 March 2017

	2017	2016
	£	£
<b>Listed investments</b>		
UK quoted shares	12,444,256	11,234,792
<b>Other investments</b>		
UK Cash held by Hargreave Hale Limited as part of Portfolio	476,582	284,730
	12,920,838	11,519,522

# Notes to the Financial Statements

## 12. Financial Instruments

	2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	1,179,061	660,819
Instruments measured at fair value through the SOFA	12,444,256	11,234,792
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	53,435	79,681

## 13. Debtors

Amounts due within one year:

	2017 £	2016 £
Income tax recoverable	31,091	16,314
Prepayments	240	240
Accrued Interest	34,024	33,090
	<u>65,355</u>	<u>49,644</u>

Amounts due after more than one year:

	2017 £	2016 £
Other debtors	10,000	10,000

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

	2017 £	2016 £
Other creditors	4,765	46,896
Accruals and deferred income	48,670	32,785
	<u>53,435</u>	<u>79,681</u>

# Notes to the Financial Statements

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

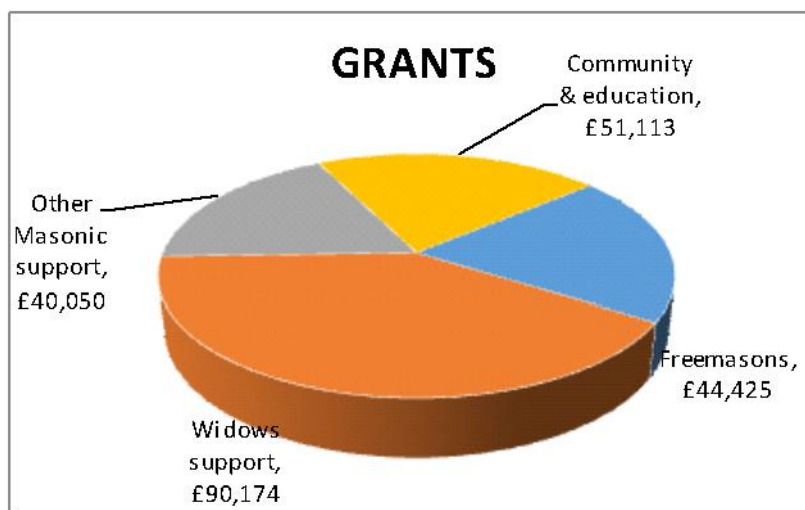
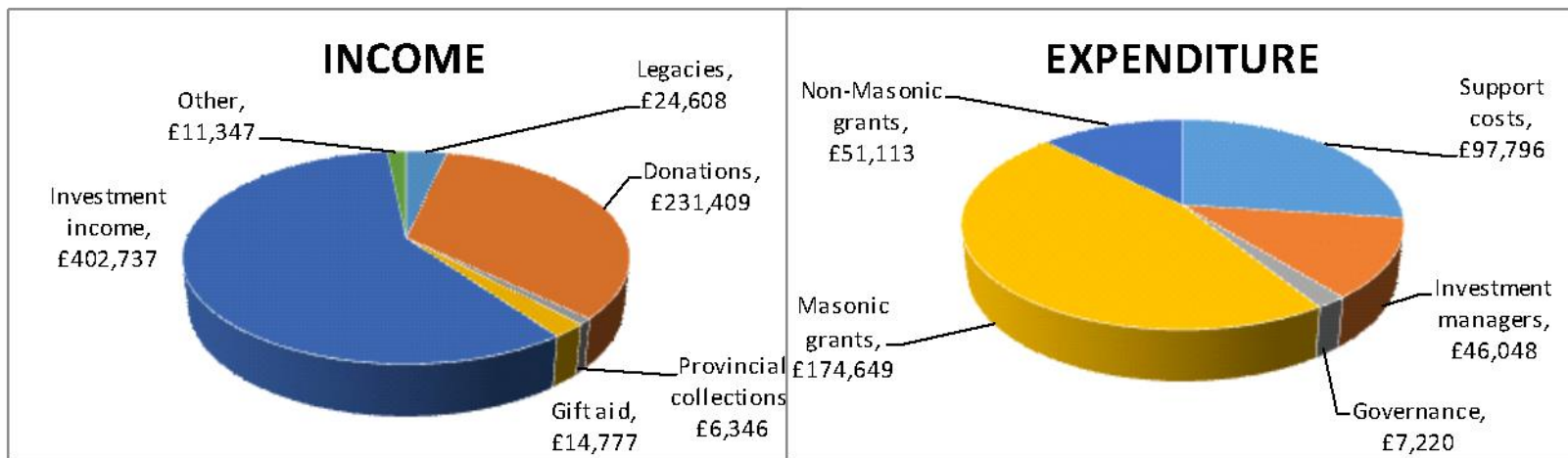
	2017	2016
	£	£
<b>Net Income/(Expenditure) for the Reporting Period (as per the Statement of Financial Activities)</b>	<b>1,755,622</b>	<b>(95,275)</b>
Adjustments for:		
Depreciation charges	22,982	7,562
(Gains)/Losses on Investments	(1,441,224)	418,394
Dividends and Interest from Investments	(401,803)	(371,643)
(Increase)/decrease in debtors	(15,711)	(9,170)
Increase/(decrease) in creditors	(26,246)	56,006
	<hr/>	<hr/>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(106,380)</b>	<b>5,874</b>
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## 16. Analysis of Cash and Cash Equivalents

	2017	2016
	£	£
Short term deposits	126,803	126,665
Cash at bank	541,652	216,334
	<hr/>	<hr/>
	668,455	342,999
Cash held as part of the investment portfolio	476,582	284,730
	<hr/>	<hr/>
<b>Total Cash and Cash Equivalents</b>	<b>1,145,037</b>	<b>627,729</b>
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# Financial Highlights



Page 16 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](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

Fred Bemand  
Ron Clark  
Edward Clarke  
Chris Eyres  
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 Newman  
Les Norton  
Brian Pierpoint  
Philip Powell  
Alan Riley  
Derek Rooney  
Colin Rowling  
Dominic Walker  
Keith Williams

## WLFC Festival sub-committee

Steve Brereton  
David Hawkes  
Steven Kayne  
Duncan Smith

Andrew Whittle (Chairman)  
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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Liverpool  
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Registration Number 239313

