

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**  
**(Company Limited by Guarantee)**

**Company number 402213**  
**Registered Charity number 211588**

**REPORT AND FINANCIAL STATEMENTS**

**for the year ended**

**31 DECEMBER 2019**

**Michael Harwood & Co**

**Chartered Accountants**

**WARWICK**

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

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# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## REPORT OF THE TRUSTEES

### FOR THE YEAR ENDED 31 DECEMBER 2019

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The Trustees submit their annual report and audited financial statements of the Charity for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by 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) (Charities SORP (FRS 102), as updated by Bulletin 1 (published in February 2016) and Bulletin 2 (published in October 2018).

#### REFERENCE AND ADMINISTRATIVE DETAILS

The Warwickshire Masonic Charitable Association Limited was constituted as a Company limited by guarantee on 18 December 1945 and is, therefore, governed by a Memorandum and Articles of Association. It is registered as a Charity with the Charities Commission.

#### Trustees

D F Macey	S Butterworth
M C Morris	F Jephcott MBE (Resigned 31st August 2019)
R L Barker	G Law
C J Rogers	C J Grove MBE
P P Manning	A J Johnson JP
P L Hall	D J M Greenwood
W T Clark	E J Rymer
J B Hayward	M J Kimberley
N R Burton JP	S N Esworthy
P L Britton	J D Harris
D A Stanford	
G Walker	

#### Chief Executive Officer

D F Macey

#### Company Secretary

DA Lodge (Appointed 18th May 2019)

#### Company Treasurer

A P Wright, FCA

#### Registered Office

Yenton Assembly Rooms  
73 Gravelly Hill North  
Erdington  
Birmingham  
B23 6BJ

#### Bank

HSBC Plc  
PO Box 68  
130 New Street  
Birmingham  
B2 4JU

#### Auditors

Michael Harwood & Co  
Chartered Accountants & Statutory Auditors  
Greville House  
10 Jury Street  
Warwick  
CV34 4EW

#### Investment Advisors

Smith & Williamson Investment Management LLP  
9 Colmore Row  
Birmingham  
B3 2BJ

# **THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

## **REPORT OF THE TRUSTEES (continued)**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **OBJECTIVES AND ACTIVITIES**

The Charity's objects and principle activities continue to be those of promoting, within the province of Warwickshire, support of the Masonic charities. The Charity also supports Non-Masonic charities as far as funds allow.

The Charity's main method of raising funds is by encouraging Freemasons to support our work particularly by the use of Gift Aid. The Charity has been the grateful recipient of numerous donations and bequests over the years.

The Charity is the holding company for the Provincial charitable funds which are incorporated into these financial statements.

As the Charity is incorporated, it acts as nominee investment holder on behalf of the Warwickshire Masonic Benevolent Fund ("the WMBF"). The WMBF is a connected charity, having a number of common trustees, albeit unincorporated and having its own separate registration with the Charities Commission.

#### **Public Benefit**

The Trustees confirm that they have paid due regard to the guidance given by the Charity Commission on public benefit.

The WMCA makes donations to a wide range of Masonic and Non-Masonic charities, both nationally and locally; therefore the WMCA's activities are considered to have far reaching benefits to society as a whole. The Charity aims - through its grant making policy - to give grants to help as many worthy causes as possible.

The names of the non Masonic organisations supported in furtherance of the aims of the Charity are given on pages 6 to 9 of this report.

#### **Policies Adopted and Purposes for which Assets are Held**

The Trustees consider that the careful investment of bequests and large donations, not immediately required, (and unless stated to the contrary by the donor) will secure the continuation of the Charity's activities. This policy is intended to maximise income, whilst maintaining capital values.

#### **Grant Making Policy**

On receipt of a request for a grant, the policy is for the Provincial Charity Steward to appraise the substance and suitability of the application, and the nature of the applicant before submitting his proposal to the "Grants" sub-committee for final approval. All decisions regarding Grants are made having in mind the Charity Commission guidance on public benefit.

#### **ACHIEVEMENTS AND PERFORMANCE**

The Charity continues to make grants to other Masonic and Non-Masonic charities, and will also endeavour to fulfil other Masonic and Non-Masonic charitable needs as they arise, and for the future will continue along these lines, making grants to help as many worthy causes as possible.

Grants (£261,510) and donations (£21,300) paid during the year amounted to £282,810 (Period to December 2018 - £122,069).

A total of 138 grants totalling £147,254 (9 month period to December 2018 - 7 grants totalling £3,198) were made to Non-Masonic charities.

Seven Masonic grants totalling £114,256 were made during the year (9 month period to December 2018 - six totalling £112,139).

The charities that grants have been awarded to are both local and nationwide in extent and operate in a broad range of sectors, bringing benefit to many in society.

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## REPORT OF THE TRUSTEES (continued)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### FINANCIAL REVIEW

##### Transactions and Financial Position

The Statement of Financial Activities shows incoming resources in the year of £1,175,298 (9 month period to December 2018 - £205,977). The main recurring income source of the Charity is from investment income which amounted to £254,973 for the year (9 month period to December 2018 - £197,417). The charity received a substantial legacy during the year from the estate of Mrs Jean Chapman. £900,000 was received on account with a further £400,000 received from inheritance tax refunds in 2020.

Grants paid during the year amounted to £261,510 including £100,000 paid to the Masonic Charitable Foundation.

Grants totalling £115,337 were paid in the previous period to December 2018, including £100,000 paid to the Masonic Charitable Foundation.

The net income for the year after realised gains on disposals of investments amounted to £1,020,312 (9 month period to December 2018 - £254,296). The market values of listed investments have increased by £756,837 by the December 2019 year end (Period to December 2018 - reduced by £419,917). This resulted in a surplus net movement in funds for the year of £1,777,149 (9 month period to December 2018 - deficit movement of £(165,621)).

On the Balance Sheet, the value of the Investment portfolio has increased by £1,049,621 to £7,470,792 after allowing for acquisitions and disposals during the period.

##### F V Weller MBE

This fund at the Balance Sheet date was valued at £92,307 (December 2018 - £89,798) which includes £12,886 (December 2018 - £10,154) of accumulated Income which is payable to the Warwickshire Masonic Benevolent Fund.

##### Non-Masonic Charities

The grants to Non-Masonic charities made during the year amounted to £151,604 (9 month period to December 2018 - £3,198).

##### The Warwickshire and R M London Subscription Funds

These specific funds are used to help needy Brethren meet one-year's Lodge subscriptions. The demands on both of these funds sometimes exceeds the amount of monies available but, when deficits do occur, they will continue to be met by our general funds.

#### FINANCIAL IMPLICATIONS OF THE CORONAVIRUS COVID-19

During the month of March 2020 the UK government introduced "lockdown" measures to restrict the spread of the COVID - 19 virus in the country. These measures along with similar initiatives taken by governments in other countries have caused a significant decline in business activity in the UK and worldwide. The Trustees acknowledge the negative impact of the pandemic on the value of its Investment Portfolio since the December 2019 year end, and which saw the Portfolio fall in value by £1.421 million or 18.6%. However by early June 2020 a recovery in values took place so that the Portfolio value had recovered to £6.880 million which reflected a loss of £0.762 million or 10% of the value at the end of December 2019. The Trustees are of the opinion that there is no need to make an impairment adjustment to these accounts to reflect the fall in value of the Portfolio since the year end. Whilst the value of the portfolio in early June 2020 is lower than the December 2019 value, it is still higher than the December 2018 portfolio valuation of £6.716 million and hence they consider that a downgraded impairment adjustment is not necessary in these accounts.

#### STRUCTURE GOVERNANCE AND MANAGEMENT

##### Directors and Trustees

The directors, being Trustees of the Charity, are named on page 1.

The Trustees when complete consist of at least eight and no more than twenty-three persons, elected at the Annual General Meeting.

The Trustees, who are considered to be the key management of the Charity, received no remuneration for their services.

##### Appointment, Induction and Training of New Trustees

All Trustees are appointed from the senior ranks of Freemasons in Warwickshire, consideration having been given to their known assiduity and business-like approach to Masonic charitable matters; their induction, training and experience having been gained, for the most part, by charitable activities in their individual Masonic Lodges.

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## REPORT OF THE TRUSTEES (continued)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### **Related Parties and Connected Charity**

Details of the related parties and the connected charity, along with information relating to transactions with them, are set out in notes 18 and 19 to the financial statements.

#### **Organisation**

The Charity is organised so that the Trustees meet at least twice a year to oversee the management of its affairs. Some detailed activities are delegated to sub-committees, e.g. the Investment Sub-Committee and the Non-Masonic Grants Sub-Committee. The Non-Masonic Grants Sub-Committee considers requests for assistance following pre-determined criteria agreed by the Board of Trustees.

The administration of the Charity is carried out by the Charity Office and is made up of three people of which one is a part-time paid employee, under the direction of the Provincial Almoner. Remuneration is set at what management believe to be the market rates for the employee's role. Fundraising is co-ordinated by the Provincial Charity Steward who is supported by the individual Masonic Lodge Charity Stewards.

#### **Risk Policy**

The Trustees have examined the major strategies and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

#### **Investment Policy**

All investment holdings are managed strictly in accordance with provisions of the Trustee Act 2000 under professional advice from the Charity's stockbrokers, Smith and Williamson Investment Management. The charity operate an Investment Sub-Committee and hold meetings four times a year at which members of Smith and Williamson are invited to discuss the performance of the portfolio.

The Investment Criteria is between income and long term growth. There is a current annual income target of £250,000. The directors therefore consider the investment income achieved in the year of £254,973 (9 month period to December 2018 £197,417) to be satisfactory.

#### **Reserves Policy**

Reserves are carried forward to meet any future call upon the Charity. Some portion is to be invested as and when the market is suitable to increase the annual income of the Charity.

#### **Application of Trustees' Investment Powers**

Under the Memorandum and Articles of Association the Charity's Trustees have wide ranging powers. The Trustees, however, when purchasing listed investments, have complied with the principles of the Trustees Investment Act 1961 in regard to the quality of individual investments both as to overall investment allocation and stock selection.

#### **Statement of Trustees' Responsibilities**

The Trustees, who are also Directors of the Warwickshire Masonic Charitable Association Limited for the purposes of company law, are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations, and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## REPORT OF THE TRUSTEES (continued)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### Statement of Trustees' Responsibilities (Cont'd)

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

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

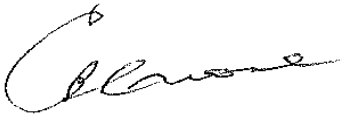
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets 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 corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- a. there is no relevant audit information of which the Charity's auditor is unaware; and
- b. the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Signed on behalf of the Board of Trustees**



**Christopher J Grove MBE  
Trustee**

**Date: 30th October 2020**

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED****NON-MASONIC CHARITABLE GRANTS****FOR THE YEAR ENDED 31 DECEMBER 2019**

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<b>Charity</b>	<b>Location</b>	<b>Value £</b>	<b>Number of Grants</b>
Refuge	Warwickshire	1,000	1
Nuneaton Central Scout Group	Warwickshire	500	1
1st Bedworth Scout Group	West Midlands	500	1
Georgies Gift	Nuneaton	100	1
Medicinema	Nationwide	400	1
Dogs for Good	Warwickshire	250	1
Stroke Club UK	Warwickshire	500	1
Kinmoss Volunteer Group	Birmingham / Warwickshire	500	1
Target Ovarian Cancer	Warwickshire	254	1
2nd Warwick Sea Scouts	Warwickshire	10,000	1
Cystic Fibrosis Trust	Warwickshire	500	1
St Chads Sanctuary	Warwickshire	250	1
Coventry Cathedral Organ Appeal	Coventry	1,000	1
Carers Trust Heart of England	Coventry	1,000	1
2nd Balsall Scout Group	Coventry	500	1
Waterfall House	Birmingham	1,000	1
All Saints Luncheon Club	Sutton Coldfield	500	1
Woodlands School Coleshill PTFA	Warwickshire	500	1
Cavell Nurses Trust	Worcestershire	500	1
Coventry Cathedral	Coventry	1,000	1
Asthma Relief	West Midlands	500	1
Douglas Bader Foundation (Bader Braves)	Nationwide	1,000	1
Autistica	Warwick	500	1
Earlsdon Park Stroke Support Group Coventry	Coventry	500	1
Guide Dogs	Warwickshire	500	1
Birmingham Institute for the Deaf	Birmingham	500	1
Birmingham Rape and Sexual Violence	Birmingham	1,000	1
Langley House Trust	Coventry	1,000	1
Birmingham Disability Resource Centre	Birmingham	500	1
Community Street Kitchen	Birmingham	500	1
Braidwood School	Birmingham	750	1
Braille Chess Association	Birmingham	500	1
1st Whitestone Guides	Nuneaton	500	1
Brain Tumour Support	Midlands / National	1,000	1
Breast Cancer Now	Midlands / National	500	1
British Blind Sports	Leamington Spa	750	1
Carried Forward		<hr/> £31,254 <hr/>	



**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NON-MASONIC CHARITABLE GRANTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>Charity</b>	<b>Location</b>	<b>Value £</b>	<b>Number of Grants</b>
	Brought Forward	31,254	
Brooke School	Warwickshire	500	1
Cakes for Casualties	Birmingham	500	1
Carers Support Services	West Midlands	500	1
Castel Froma	Warwickshire	500	1
Cerebral Palsey West Midlands	West Midlands	500	1
Cherish Dementia Care	West Midlands	750	1
Chicks	Midlands & Nationwide	500	1
Clowns in the Sky	West Midlands	1,000	1
Coundon Care at Allesley Park	Coventry	500	1
Coventry Boys and Girls Club	Coventry	500	1
Coventry Wheelchair Basketball Academy	Coventry	500	1
Deaf Health Charity Signhealth	West Midlands	500	1
Deafblind UK	Midlands & Warwickshire	500	1
Edwards Trust	Birmingham	500	1
Fledglings	Warwickshire	500	1
Focus Birmingham	Birmingham	500	1
Friends of Priestly Smith School	West Midlands	2,000	1
Friendship Project for Children	West Midlands	500	1
Gingerbread North Birmingham	North Birmingham	500	1
Woman Acting in Todays Society Trust (WAITS)	Birmingham	500	1
Happy Days Childrens Charity	Warwickshire	750	1
Headway Birmingham & Solihull	West Midlands	500	1
Help Harry Help Others	Birmingham	750	1
Henley Community Library	Henley	500	1
Hoskyn Fund for the Disabled	Rugby	500	1
Walking with the Wounded	Warwickshire	1,000	1
Lily Mae Foundation	West Midlands	1,000	1
1st Meriden Scout Group	Coventry	500	1
Little Sisters of the Poor	Birmingham	1,000	1
Lowlands Farm Group RDA	Warwick	750	1
Max Appeal	West Midlands	500	1
Midland Freewheelers	West Midlands	1,000	1
MS Society	Rugby	750	1
NARA - The Breathing Charity	Midlands	500	1
NMC Midlands Ltd	Coventry	500	1
Nuneaton Riding for the Disabled	Nuneaton	1,000	1
Omega	Warwickshire	1,000	1
On Course Foundation	West Midlands	750	1
Prostate Cancer	Warwickshire / Nationwide	500	1
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Carried Forward		£57,254	
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**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED****NON-MASONIC CHARITABLE GRANTS****FOR THE YEAR ENDED 31 DECEMBER 2019**

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<b>Charity</b>	<b>Location</b>	<b>Value £</b>	<b>Number of Grants</b>
	Brought Forward	57,254	
Pillerton Scout Group	West Midlands	500	1
React	Midlands & Nationwide	500	1
Recom	Solihull	500	1
REACH Charity Limited	Nationwide	500	1
Ruddi Retreat Safeline	West Midlands	500	1
Safeline	Warwick	500	1
Shine Spina Bifida	Warwickshire	500	1
Solihull Bereavement Counselling Services	Solihull	500	1
Special Olympic of Birmingham	Birmingham	500	1
Jennifer Trust for Spinal Muscular Atrophy	Stratford - upon - Avon	1,000	1
Sport 4 Life	Birmingham	500	1
Springfield Mind Limited	Warwickshire	500	1
St Anne's Hostel	Birmingham	1,000	1
St Martin's Youth Centre	West Midlands	500	1
St Basil's	West Midlands	1,000	1
Read Easy Solihull	Solihull	500	1
St Mary's Church Temple Balsall	Temple Balsall	500	1
St Oswald's Church	Coventry	500	1
Roshni	Birmingham	500	1
Stroke Association (Stratford)	Stratford - upon - Avon	500	1
SWFT Charitable Fund Feldon Ward	Warwickshire	500	1
Teenage Cancer Trust	Warwickshire	750	1
The Somerville Foundation	Warwickshire	500	1
The Veterans Contact Point	Warwickshire	750	1
Tiny Tim Children's Centre	Coventry	1,000	1
The Gap (Sutton Coldfield)	Sutton Coldfield	500	1
Warwickshire Vision Support	Warwickshire	500	1
Way Ahead	Warwickshire	500	1
Where Next	West Midlands	500	1
Wilson Stuart Scout Pack	Birmingham	750	1
NICE - Centres for Movement Disorders	West Midlands	500	1
Coventry Haven	Coventry	1,250	1
Action on Hearing Loss	Warwickshire	1,500	1
Birmingham Childrens Hospital	Birmingham	5,000	1
Birmingham Crisis Centre	Birmingham	3,000	1
Birmingham St Mary's Hospice	Birmingham	5,000	1
Dogs for Good	Warwickshire	2,000	1
Fast Aid	West Midlands	1,000	1
Acorns Childrens Hospice	West Midlands	5,000	1
Marie Curie Cancer Care Hospice	Solihull	5,000	1
Mary Ann Evans Hospice	Nuneaton	4,000	1
Midlands Air Ambulance	West Midlands	5,000	1
Myton Hospice	Warwickshire	5,250	2
Beyond the Horizon	Birmingham	1,000	1
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Carried Forward		£119,504	
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**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NON-MASONIC CHARITABLE GRANTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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<b>Charity</b>	<b>Location</b>	<b>Value £</b>	<b>Number of Grants</b>
	Brought Forward	119,504	
Norman Laud Centre	Sutton Coldfield	1,250	1
Queen Alexandra College	Birmingham	1,500	1
Birmingham Royal Ballet	Birmingham	1,000	1
Ex - Cathedra	West Midlands	2,000	1
Warwickshire Young Carers	Warwickshire	1,500	1
Salvation Army	Birmingham	2,000	1
Shakespeare Hospice	Stratford - upon - Avon	4,000	1
Birmingham Settlement	Birmingham	1,000	1
St Giles Hospice	Lichfield	4,000	1
Stonehouse Gang	Birmingham	1,500	1
Zoe's Place Hospice	Leamington Spa	4,000	1
Northleigh House School	Warwickshire	1,000	1
Warwickshire Sea & Search	Warwickshire	500	1
Cyclists Fighting Cancer Ltd	Warwickshire	500	1
Coventry and Warwickshire Mind	Coventry	500	1
Norton Hall Children & Family Centre	West Midlands	500	1
Shine a Light Support Service	Warwickshire	500	1
Event Mobility	Worcestershire	500	1
<b>Total Non-Masonic Grants in the Year</b>		<hr/> £147,254 <hr/>	

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED FOR THE YEAR ENDED 31 DECEMBER 2019

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### Opinion

We have audited the financial statements of The Warwickshire Masonic Charitable Association Limited for the period ended 31 December 2019 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for Opinion

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

### Conclusions relating to Going Concern

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

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

### Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

[Continued ....]

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

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### Matters on which we are Required to Report by Exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if you if in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' / Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit ; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report.

### Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities statement set out on page 4, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of Our Report

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



**Steven R Mugglestone, Senior Statutory Auditor**  
**For and on behalf of Michael Harwood & Co**  
**Chartered Accountants and Statutory Auditors**  
**Greville House**  
**10 Jury Street**  
**Warwick**  
**CV34 4EW**

**Date: 30th November 2020**

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Endowments Funds £	Restricted Funds £	Unrestricted Funds £	Total Funds £
<b>INCOME &amp; ENDOWMENTS FROM:</b>					
Donations & Legacies	7	-	-	920,325	920,325
Investment income	8	-	9,429	245,544	254,973
<b>Total Income &amp; Endowments</b>		<b>-</b>	<b>9,429</b>	<b>1,165,869</b>	<b>1,175,298</b>
<b>EXPENDITURE ON:</b>					
Raising Funds		-	(754)	(28,051)	(28,805)
Charitable activities		-	-	(282,810)	(282,810)
Other activities		-	-	(46,804)	(46,804)
<b>Total Resources Expended</b>	9	<b>-</b>	<b>(754)</b>	<b>(357,665)</b>	<b>(358,419)</b>
Realised Gains on Disposal of investments	12c	160,898	-	42,535	203,433
Net Income / (Expenditure) before Unrealised Gains on Investments		160,898	8,675	850,739	1,020,312
Unrealised gains on Revaluation of Investments	12c	422,898	-	333,939	756,837
Transfers between Funds		-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>583,796</b>	<b>8,675</b>	<b>1,184,678</b>	<b>1,777,149</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total Funds Brought Forward		4,174,757	168,898	2,797,737	7,141,392
Total Funds Carried Forward		4,758,553	177,573	3,982,415	8,918,541

All amounts relate to continuing activities

All gains and losses have been included above; no separate statement of total recognised gains and losses has been presented.

Comparative information can be seen on page 13.

The notes on pages 16 to 30 form part of these financial statements

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

	Note	Endowments Funds £	Restricted Funds £	Unrestricted Funds £	2018 Year Total Funds £
<b>INCOME &amp; ENDOWMENTS FROM:</b>					
Donations & Legacies	7	-	-	8,560	8,560
Investment income	8	-	8,230	189,187	197,417
<b>Total Income &amp; Endowments</b>		<b>-</b>	<b>8,230</b>	<b>197,747</b>	<b>205,977</b>
<b>EXPENDITURE ON:</b>					
Raising Funds		-	(690)	(20,725)	(21,415)
Charitable activities		-	(498)	(121,571)	(122,069)
Other activities		-	-	(62,079)	(62,079)
<b>Total Resources Expended</b>	9	<b>-</b>	<b>(1,188)</b>	<b>(204,375)</b>	<b>(205,563)</b>
Realised Gains on Disposal of investments	12c	129,230	-	124,652	253,882
Net Income / (Expenditure) before Unrealised Gains and losses on Investments		129,230	7,042	118,024	254,296
Unrealised Losses on Revaluation of Investments		(235,931)	-	(183,986)	(419,917)
Transfers between Funds		(58,450)	-	58,450	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(165,151)</b>	<b>7,042</b>	<b>(7,512)</b>	<b>(165,621)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total Funds Brought Forward		4,339,908	161,856	2,805,249	7,307,013
Total Funds Carried Forward		4,174,757	168,898	2,797,737	7,141,392

All amounts relate to continuing activities

All gains and losses have been included above; no separate statement of total recognised gains and losses has been presented.

The notes on pages 16 to 30 form part of these financial statements

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

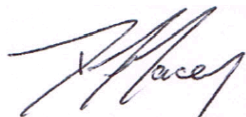
**BALANCE SHEET**

**AS AT 31 DECEMBER 2019**

	<u>Notes</u>	Dec 2019 £	Dec 2019 £	Dec 2018 £	Dec 2018 £
<b>FIXED ASSETS</b>					
Tangible Fixed Assets	10	290		362	
Investment Properties	11	241,000		241,000	
Listed Investments	12	7,470,792		6,421,171	
			7,712,082		6,662,533
<b>CURRENT ASSETS</b>					
Debtors & Prepaid Expenses	13	-		-	
Current Asset Investments	14	193,587		299,498	
Cash at Bank		1,064,995		234,606	
		1,258,582		534,104	
<b>CREDITORS:</b> Amounts falling due within one year	15	(52,123)		(55,245)	
<b>NET CURRENT ASSETS</b>			1,206,459		478,859
<b>NET ASSETS</b>	16		8,918,541		7,141,392
<b>CAPITAL AND RESERVES</b>					
Endowment Funds	4		4,758,553		4,174,757
Restricted Funds	5		177,573		168,898
Unrestricted Funds	6		3,982,415		2,797,737
<b>TOTAL CHARITABLE FUNDS</b>			8,918,541		7,141,392

The financial statements were approved by the Trustees on 30th October 2020 and signed on their behalf by:-

**D.F. Macey - Director, Trustee and Chief Executive Officer**



Approved by the Board

Date: 30th October 2020

Company Number 402213

The notes on pages 16 to 30 form part of these financial statements.



# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
<b>Cash flow from operating activities</b>	1,777,149	(165,621)
Net movement in funds		
Adjustments for:		
Depreciation	72	80
Profit on sale of fixed assets investments	(203,433)	(253,882)
Dividends received	(254,973)	(197,417)
Increase/(decrease) in creditors	(3,122)	5,605
(Gain)/loss on movement in fair value of investments	(756,837)	419,917
	<hr/>	<hr/>
<b>Net cash flow from operating activities</b>	558,856	(191,318)
<b>Cash flow from investing activities</b>		
Purchase of fixed asset investments	(775,854)	(619,219)
Sale of fixed asset investments	686,503	761,050
Dividends received	254,973	197,417
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	165,622	339,248
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>	724,478	147,930
Opening cash and cash equivalents	534,104	386,174
	<hr/>	<hr/>
<b>Closing cash and cash equivalents</b>	1,258,582	534,104
	<hr/> <hr/>	<hr/> <hr/>
<b>Cash and cash equivalents comprises:</b>		
Cash at bank and in hand	1,064,995	234,606
Current asset investments	193,587	299,498
	<hr/>	<hr/>
<b>Closing cash and cash equivalents</b>	1,258,582	534,104
	<hr/> <hr/>	<hr/> <hr/>

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1. COMPANY INFORMATION

The Warwickshire Masonic Charitable Association Limited is a charity registered in England and Wales, Charity No. 211588. It is a private company limited by guarantee incorporated, registered and domiciled in England and Wales Company No. 402213. The registered office is: Yenton Assembly Rooms, 73 Gravelly Hill North, Erdington, Birmingham, B23 6BJ.

The Charity was constituted as a Company limited by guarantee on 18 December 1945 and is, therefore, governed by a Memorandum and Articles of Association.

The Charity's objects and principle activities continue to be those of promoting, within the Masonic province of Warwickshire, support of the Masonic charities. The Charity also supports non-masonic charities as far as funds allow.

#### 2. ACCOUNTING POLICES

##### Accounting Convention

The Accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued in October 2019 and the Charities Act 2011.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are rounded to the nearest £1 and are presented in GBP, the functional currency of the Charity.

##### Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. There are no significant areas of judgement or key assumptions that affect items in the financial statements other than those included within the accounting policies described below:

##### a) Fixed Asset Investments

- i) Listed investments are included in the financial statements at market value at the close of business on the last working day of the year under review.
- ii) Investment properties are stated at the trustees' estimate of current market value.
- iii) Any permanent diminution in the trustees' opinion, in the value of investments, will be recognised in the financial statements immediately.
- iv) Realised and unrealised gains and losses of investments are dealt with in the statement of financial activities.
- v) The Trustees consider the appropriateness of the holding value of fixed assets on a regular basis, and the carrying value will be impaired to the appropriate level.

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### b) Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided evenly over their expected useful lives as follows:-

Plant & Machinery - 20% Reducing Balance

#### c) Current Asset Investments

This heading refers to cash funds which are surplus to current requirements and are held on deposit by our investment advisors Smith & Williamson Investment Managers and earn interest as such, but are designated for instant investment on the Stock Market should a desirable opportunity arise, and are therefore not considered as forming part of the ordinary cash funds of the Charity.

#### d) Income from Donations & Legacies

- i) Donations are included in the accounts on receipt, that is usually in the form of Gift Aid, and the associated Income Tax recoverable is included when received. Owing to the nature of the income, the receipt of donations is considered to be the point at which the income becomes receivable; up until this point there is uncertainty surrounding the timing and value of the cashflow, meaning that it is not appropriate to recognise the donation.
- ii) Legacies are included in the accounts when written notification has been received and the probate value and legal nature of the bequest determined.

#### e) Income from Investments

- i) Dividends, including the associated tax credits, are included in the appropriate funds when they become receivable.
- ii) Interest, and net rental income, are included in the appropriate funds when they are receivable.

#### f) Pension Costs

The Charity provides a contributory money purchase pension scheme for its employees. The cost of providing the pension scheme is charged to the statement of financial activities, with the funds being administered by trustees independently of the Charity's finances, and therefore no commitment exists other than normal annual contributions.

#### g) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. The Charity is not registered for VAT purposes, the expenditure being shown inclusive of any VAT.

- i) Costs of raising funds comprise of the investment manager's fees and any other costs incurred by the Charity in the pursuit of income.
- ii) Expenditure on charitable activities comprises those costs incurred by the Charity in delivery of its activities for its beneficiaries, primarily through cash grants.
- iii) Grants are recognised when the Charity becomes obliged to pay the recipient; this is the earlier of the grant being paid or the Trustees communicating to the recipients that they have been awarded the grant.
- iv) Support costs are the expenses incurred by the functions that assist in the work of the charity, but do not directly undertake charitable activities. These costs are allocated to other expenditure.
- v) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fee and costs linked to the strategic management of the Charity. These costs are included within expenditure on charitable activities.
- vi) All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

# THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 3. FUND ACCOUNTING

The Charity has funds which may be put into two categories, namely income and capital funds. The income funds are further analysed into restricted and unrestricted funds, the capital funds into permanent and expendable endowments.

##### i) Unrestricted Funds

These are funds which the trustees may use at their discretion within the rules of the Memorandum and Articles of Association. The trustees have further divided these funds into funds, several by name of benefactor, and also operate a General Fund where all management and administration costs are charged. Dividing the funds in this way is a useful financial discipline, which helps the Charity to make the best use of resources, although there is no legal force to these designations.

##### **Douglas Hillyard Trust**

The will of Douglas Hillyard, David Garrick Lodge No 4243, left funds in 1993 for the general use of the WMCA.

##### **Archie Hatton Trust**

The late Archie Hatton was a member of Earl Leofric Lodge no 6081, which was entrusted with a bequest by his widow, Greta Hatton. The fund is placed with the Warwickshire Masonic Charitable Association for its income to be donated to charities, as directed by the Trustees.

##### **The Chapman Fund**

The late Norman Chapman was a member of Fidelity lodge No 3708, which was entrusted with a bequest by his widow, Jean Chapman. The fund is placed with the Warwickshire Masonic Charitable Association for its income to be donated to charities, as directed by the WMCA Trustees.

##### ii) Restricted Funds

The Charity has funds where the donor has imposed conditions upon the use of their funds, which are legally binding. Details of restricted funds are shown below.

##### **Restricted Funds :-**

##### **Warwickshire Subscription Fund**

The £5,000 capital must be maintained. The income is to be applied to the subscriptions of Masons in temporary distress, who would otherwise be lost to Freemasonry.

##### **R M London Members' Subscription Fund**

The £8,400 capital must be maintained. At the discretion of the Trustees the income may be applied to the subscriptions of Masons in distress, not covered by the Warwickshire Subscription Fund.

##### **F V Weller, MBE Trust**

Funds received from this estate are to be held on behalf of and for the benefit of Warwickshire Masonic Benevolent Fund. Although not stipulated by the Will, the Trustees have invested the funds received and will pay over income earned periodically.

##### **K & M Woodthorpe Trust**

The funds are to be used for the benefit of Masonic and Non-Masonic Charities, in such proportions and in such manner as the trustees and the Almoner of Chevron Lodge No.6021 shall decide.

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**3. FUND ACCOUNTING (continued)**

**iii) Endowment funds**

Permanent endowments are made up of donated funds where the donor has stipulated that the capital must be maintained. Currently there are only permanent endowments where the income generated must be applied for specific purposes (see Restricted Funds on previous page).

Expendable endowments consist of funds that carry no restrictions as regard maintaining the initial capital but which the trustees have chosen to invest in order to provide the Charity with future income, to be distributed either in accordance with the restrictions relating to each of the funds or, in the case of the D B Hillyard Trust at the discretion of the trustees. It is the Charity's policy to invest large bequests. See note 4 below for details of Endowment Fund analyses.

**4. ENDOWMENT FUNDS**

	<b>Permanent Note 4a £</b>	<b>Expendable Note 4b £</b>	<b>Total £</b>
Balance at 31 December 2018	13,400	4,161,357	4,174,757
Realised investment gains/(losses)	-	160,898	160,898
Transfer to Unrestricted Funds	-	-	-
Increase/(Decrease) in market value of listed investments	-	422,898	422,898
Movement in market value of investment properties	-	-	-
	<u>13,400</u>	<u>4,745,153</u>	<u>4,758,553</u>

**(a) Permanent Endowments**

	<b>Warks Subs Fund £</b>	<b>RM London Subs Fund £</b>	<b>Total £</b>
Balance at 31 December 2018	5,000	8,400	13,400
Balance at 31 December 2019	<u>5,000</u>	<u>8,400</u>	<u>13,400</u>

**(b) Expendable Endowments**

	<b>FV Weller £</b>	<b>DB Hillyard £</b>	<b>K &amp; M Woodthorpe Trust £</b>	<b>Total £</b>
Balance at 31 December 2018	79,644	4,075,518	6,195	4,161,357
Realised profit /(loss) on disposal of listed Investments	-	160,898	-	160,898
Transfer to Unrestricted Funds	-	-	-	-
Increase/(decrease) in MV of listed investments	(223)	395,867	27,254	422,898
Balance at 31 December 2019	<u>79,421</u>	<u>4,632,283</u>	<u>33,449</u>	<u>4,745,153</u>

Details of funds and restrictions may be found in note 3.

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**5. RESTRICTED FUNDS**

	Warwickshire Subscription Fund £	RM London Subscription Fund £	F V Weller MBE Trust £	K&M Woodthorpe Trust £	Total £
<b>Income:</b>					
Donations and Gifts	-	-	-	-	-
Investment Income	-	-	3,059	6,370	9,429
	-	-	3,059	6,370	9,429
<b>Less:</b>					
Grants	-	-	-	-	-
Expenditure	-	-	(327)	(427)	(754)
	-	-	2,732	5,943	8,675
Transferred to Unrestricted Funds (See Below)	-	-	-	-	-
Transferred in from General Unrestricted Funds	-	-	-	-	-
	-	-	2,732	5,943	8,675
Balance at 31 December 2018	-	2	10,154	158,742	168,898
Balance at 31 December 2019	-	2	12,886	164,685	177,573

Details of funds and restrictions may be found in note 3.

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**6. UNRESTRICTED FUNDS**

	General Fund £	DB Hillyard (See note 20) £	Mrs J Chapman £	Earl Leofric/ A Hatton Trust £	Total £
<b>Income:</b>					
Donations received	20,325	-	-	-	20,325
Investment Income	79,189	158,658	-	7,697	245,544
Legacy	-	-	900,000	-	900,000
	<u>99,514</u>	<u>158,658</u>	<u>900,000</u>	<u>7,697</u>	<u>1,165,869</u>
<b>Less:</b>					
Grants	262,810	-	-	-	262,810
Donations	20,033	-	-	-	20,033
Expenses	56,939	16,853	-	934	74,726
	<u>339,782</u>	<u>16,853</u>	<u>-</u>	<u>934</u>	<u>357,569</u>
Net income / (expenditure)	(240,268)	141,805	900,000	6,763	808,300
Balance at 31 December 2018	490,727	2,071,703	-	235,307	2,797,737
Transfer from Expendable Endowments	141,805	(141,805)	-	-	-
Transfer between Funds	-	-	-	-	-
Realised gains/(losses) on sale of listed investments	50,572	-	-	(8,036)	42,536
Increase / (decrease) in MV of listed investments	301,979	-	-	31,863	333,842
Balance at 31 December 2019	<u><u>744,815</u></u>	<u><u>2,071,703</u></u>	<u><u>900,000</u></u>	<u><u>265,897</u></u>	<u><u>3,982,415</u></u>

Details of funds and restrictions may be found in note 3.

The funds as detailed in Notes 4 to 6 include revaluation reserves totalling £2,347,903 (2018: £1,601,972).

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**7. INCOME FROM DONATIONS AND LEGACIES**

	<b>Dec 2019 Restricted</b>	<b>Dec 2019 Unrestricted</b>	<b>Year to Dec-19 Total</b>	<b>Period to Dec-18 Total</b>
Donations	-	20,325	20,325	8,560
Legacies	-	900,000	900,000	-
	<u>-</u>	<u>920,325</u>	<u>920,325</u>	<u>8,560</u>

	<b>Period to December 2018 Restricted £</b>	<b>Period to December 2018 Unrestricted £</b>	<b>Period to Dec-18 Total £</b>
<i>Arising from:</i>			
Donations	-	8,560	8,560
Legacies	-	-	-
	<u>-</u>	<u>8,560</u>	<u>8,560</u>

**8. INCOME FROM INVESTMENTS**

	<b>Dec-19 Restricted £</b>	<b>Dec-19 Unrestricted £</b>	<b>Year to Dec-19 Total £</b>	<b>Period to Dec-18 Total £</b>
<i>Arising from:</i>				
Investment properties	-	9,956	9,956	10,538
Listed investments	9,429	235,246	244,675	186,696
Cash investments	-	342	342	183
	<u>9,429</u>	<u>245,544</u>	<u>254,973</u>	<u>197,417</u>

	<b>Period to Dec-18 Restricted £</b>	<b>Period to Dec-18 Unrestricted £</b>	<b>Period to Dec-18 Total £</b>
<i>Arising from:</i>			
Investment properties	-	10,538	10,538
Listed investments	8,230	178,466	186,696
Cash investments	-	183	183
	<u>8,230</u>	<u>189,187</u>	<u>197,417</u>



**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**9. ANALYSIS OF RESOURCES EXPENDED**

	<b>Cost of Raising Funds £</b>	<b>Charitable Activities £</b>	<b>Support Costs £</b>	<b>Year to Dec-19 Total £</b>
Grants (Note 17)	-	261,510	-	261,510
Donations	-	21,300	-	21,300
Staff costs, recruitment, travel etc.	-	-	28,280	28,280
Office rent and costs	-	-	3,595	3,595
I.T. Support	-	-	3,258	3,258
Postage and stationery	-	-	1,140	1,140
Refreshments and sundry expenses	-	-	1,045	1,045
Telephone charges	-	-	1,006	1,006
Travel expenses	-	-	313	313
Audit fees	-	-	5,850	5,850
Investment management fees	28,805	-	-	28,805
Bank charges and interest	-	-	485	485
Trustee indemnity insurance	-	-	1,363	1,363
Depreciation	-	-	72	72
Write back of old unrepresented cheques	-	-	-	-
Defibrillators	-	-	397	397
2023 Festival launch expenses	-	-	-	-
	<u>28,805</u>	<u>282,810</u>	<u>46,804</u>	<u>358,419</u>

	<b>Cost of Raising Funds £</b>	<b>Charitable Activities £</b>	<b>Support Costs £</b>	<b>Period to December 2018 Total £</b>
Grants (Note 17)	-	115,337	-	115,337
Donations	-	6,732	-	6,732
Staff costs, recruitment, travel etc.	-	-	33,576	33,576
Office rent and costs	-	-	3,262	3,262
I.T. Support	-	-	2,490	2,490
Postage and stationery	-	-	921	921
Refreshments and sundry expenses	-	-	915	915
Telephone charges	-	-	1,604	1,604
Travel expenses	-	-	13	13
Audit fees	-	-	5,700	5,700
Investment management fees	21,415	-	-	21,415
Bank charges and interest	-	-	227	227
Trustee indemnity insurance	-	-	971	971
Depreciation	-	-	80	80
Write back of old unrepresented cheques	-	-	(750)	(750)
Defibrillators	-	-	3,070	3,070
2023 Festival launch expenses	-	-	10,000	10,000
	<u>21,415</u>	<u>122,069</u>	<u>62,079</u>	<u>205,563</u>

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**9. ANALYSIS OF RESOURCES EXPENDED (continued)**

All support costs have been allocated to Other costs within the SOFA.

This allocation is consistent with that in the prior year financial statements and has been adopted on the basis that the expenses relate to general administrative costs of running the charity rather than to costs incurred in the making of grants or raising funds.

Included within the resources expended are:

	<b>Year to Dec-19 £</b>	<b>Period to Dec-18 £</b>
Staff emoluments	28,280	33,576
Auditors remuneration	5,850	5,700
Depreciation of owned assets	72	80
Indemnity insurance for trustees and staff	1,363	971
2023 Festival launch expenses	-	10,000

Staff emoluments comprise:

	<b>Year to Dec-18 £</b>	<b>Period to Dec-18 £</b>
Wages & Salaries	27,211	32,307
Social security costs	1,069	1,269
	<b>28,280</b>	<b>33,576</b>

During the period an average of 3 staff (Period to December 2018 - 3) were directly employed by the charity in administrative functions.

The employees are not considered to be key management.

No employee was paid £60,000 p.a. or more.

No remuneration was paid to trustees during the period. Sums totalling £313 in respect of necessary travelling expenses were paid to one of the trustees (9 month period to December 2018 - £13). The trustees are considered to be the key management personnel of the charity.

During the period wages costs totalling £28,280 (9 month period to December 2018 - £33,576) were borne on behalf of Warwickshire Masonic Benevolent Fund.

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**10. TANGIBLE ASSETS**

	<b>Plant &amp; Machinery £</b>
Cost at 31 December 2018	34,424
Cost at 31 December 2019	34,424
Depreciation at 31 December 2018	34,062
Charge for the year	72
Depreciation at 31 December 2019	34,134
Net Book Value at 31 December 2019	290
Net Book Value at 31 December 2018	362

**11. INVESTMENT PROPERTIES**

<u>Properties Owned</u>	Nature of Tenure	Open Market Value	
		31 December 2019 £	31 December 2018 £
Reading Court Tiddington Warwickshire	Leasehold Ground Rent	1,000	1,000
Shop premises Warwick Road, Greet Birmingham	Freehold	160,000	160,000
Millfield Court Henley in Arden Warwickshire	Leasehold Ground Rent	80,000	80,000
In the opinion of the directors the Open Market Value at 31 December 2019 would total		241,000	241,000
Carrying value as at 31 December/March		241,000	241,000

In order to determine the open market value of the investment properties, the directors engaged Simon T. Lee, CBE, FRICS, FRVA of Shaw, Gilbert & Frogatt (Chartered Surveyors) to carry out a valuation in March 2016. Simon is not an employee of the charity. A formal valuation has not been performed at 31 December 2019, however, the directors do not consider the market value of the properties held to be materially different from the values included in the financial statements.

The leasehold interest in the Reading Court property is subject to a peppercorn rent.

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

12. LISTED INVESTMENTS

	Cost		Market Value	
	Dec-19 £	Dec-18 £	Dec-19 £	Dec-18 £
General Fund	1,884,320	1,764,557	2,635,424	2,218,582
DB Hillyard	2,852,034	2,667,012	4,405,731	3,830,777
FV Weller, MBE Trust	42,256	42,256	49,657	49,880
K&M Woodthorpe Trust	141,534	141,534	150,721	123,467
Archie Hatton Trust	202,745	203,840	229,259	198,465
	<u>5,122,889</u>	<u>4,819,199</u>	<u>7,470,792</u>	<u>6,421,171</u>

**Restriction over realisation of assets**

There are no significant restrictions over the realisation of investments other than the investments making up the permanent endowments of the Charity which, if realised, must be reinvested in distinguishable assets unless a dispensation is obtained to do otherwise from the Charity Commissioners.

**Aggregate value split between:**

	Cost		Market Value	
	Dec-19 £	Dec-18 £	Dec-19 £	Dec-18 £
British Government Stocks	164,144	299,578	196,539	350,105
UK listed investments	3,474,823	3,195,524	4,976,507	4,340,498
European listed investments	213,300	213,300	307,065	276,010
North American listed investments	470,005	470,005	762,430	631,467
Far Eastern listed investments	244,719	206,362	428,799	286,784
Listed investments - Rest of World	555,898	434,430	799,452	536,307
	<u>5,122,889</u>	<u>4,819,199</u>	<u>7,470,792</u>	<u>6,421,171</u>

**(a) Structure of listed investment portfolio**

	Cost		Market Value	
	Dec-19 £	Dec-18 £	Dec-19 £	Dec-18 £
Directly invested in listed securities	5,122,889	4,819,199	7,470,792	6,421,171
	<u>5,122,889</u>	<u>4,819,199</u>	<u>7,470,792</u>	<u>6,421,171</u>

**b) Material holdings (over 5% of portfolio value)**

	Cost		Market Value	
	Dec-19 £	Dec-18 £	Dec-19 £	Dec-18 £
None	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**12. LISTED INVESTMENTS (continued)**

**c) Movement in market value of listed investments**

	<b>Unrestricted</b>	<b>Expendable</b>	<b>Total</b>
	<b>£</b>	<b>Endowments</b>	<b>Dec-19</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Market value as at 1 January 2019	2,417,047	4,004,124	6,421,171
Purchases at cost	272,213	503,641	775,854
Sales at market value	(201,051)	(485,452)	(686,503)
Realised profits/(losses)	42,535	160,898	203,433
(Decrease)/increase in market value	333,939	422,898	756,837
	<u>2,864,683</u>	<u>4,606,109</u>	<u>7,470,792</u>

As stated in the Post Balance Sheet Event note on Page 30, the Trustees have concluded that an impairment adjustment of the December 2019 Investment Portfolio valuation was not deemed necessary in these accounts.

	<b>Unrestricted</b>	<b>Expendable</b>	<b>Total</b>
	<b>£</b>	<b>Endowments</b>	<b>Dec-18</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Market value as at 31 March 2018	2,635,943	4,093,095	6,729,038
Purchases at cost	298,432	320,787	619,219
Sales at market value	(457,994)	(303,057)	(761,051)
Realised profits/(losses)	124,652	129,230	253,882
(Decrease)/increase in market value	(183,986)	(235,931)	(419,917)
	<u>2,417,047</u>	<u>4,004,124</u>	<u>6,421,171</u>

**13. DEBTORS**

	<b>Dec-19</b>	<b>Dec-18</b>
	<b>£</b>	<b>£</b>
Other debtors and prepayments	-	-
	<u>-</u>	<u>-</u>

**14. CURRENT ASSET INVESTMENTS**

	<b>Dec-19</b>	<b>Dec-18</b>
	<b>£</b>	<b>£</b>
Held on deposit by stockbrokers	183,368	295,460
Held on deposit by Relief Chest Scheme	10,219	4,038
	<u>193,587</u>	<u>299,498</u>

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**15. CREDITORS: amounts falling due within one year**

	<b>Dec-19</b>	<b>Dec-18</b>
	<b>£</b>	<b>£</b>
Other creditors and accruals	52,123	55,245
	<u>52,123</u>	<u>55,245</u>

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>At 31 Dec 2019</b>
	<b>Endowments</b>	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	-	-	290	290
Fixed Asset Investment Properties	241,000	-	-	241,000
Fixed Asset Investments	4,606,109	-	2,864,683	7,470,792
Current Assets	(88,556)	177,573	1,169,565	1,258,582
Current Liabilities	-	-	(52,123)	(52,123)
Net Assets	<u>4,758,553</u>	<u>177,573</u>	<u>3,982,415</u>	<u>8,918,541</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>At 31 December 2018</b>
	<b>Endowments</b>	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	-	-	362	362
Fixed Asset Investment Properties	241,000	-	-	241,000
Fixed Asset Investments	4,004,124	-	2,417,047	6,421,171
Current Assets	(70,367)	168,898	435,573	534,104
Current Liabilities	-	-	(55,245)	(55,245)
Net Assets	<u>4,174,757</u>	<u>168,898</u>	<u>2,797,737</u>	<u>7,141,392</u>

**17. GRANTS PAID**

	<b>2019</b>	<b>2019</b>	<b>At 31 Dec 2019</b>
	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
The grants made by the charity in the period consist of:			
Charitable : Non-Masonic (138 in number per pages 6 to 9)	-	147,254	147,254
Masonic: General (7 in number - see below)	-	114,256	114,256
	-	-	-
	<u>-</u>	<u>261,510</u>	<u>261,510</u>

The grants made by the charity during the period ended 31 December 2018 consist of:

	<b>2018</b>	<b>2018</b>	<b>Period to Dec 2018</b>
	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Institutional : Non-Masonic (7 in number)	-	3,198	3,198
Masonic: General (6 in number)	-	112,139	112,139
	<u>-</u>	<u>115,337</u>	<u>115,337</u>

**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>17 a) MASONIC GRANTS</b>	<b>Year to Dec-19 £</b>	<b>Period to Dec-18 £</b>
The Masonic Grants made during the period consist of the following:		
Contributions to Lodge subscriptions	2,235	1,063
Coventry Masonic Pantomime Appeal	4,000	2,000
Friends of Devonshire Court	1,500	-
Lifelites	2,000	1,000
Masonic Trout & Fishing	500	
The Royal Masonic School for Girls	-	500
The Relief Chest Scheme	4,021	7,576
Masonic Charitable Foundation 2023 Festival	100,000	100,000
	<u>114,256</u>	<u>112,139</u>
	<b>Institutions £</b>	<b>Period to Dec-18 £</b>
Grants to non-Masonic Charities to support their objects	147,254	3,198
Grants to support Masonic causes	114,256	112,139
	<u>261,510</u>	<u>115,337</u>
Other Charitable Donations	21,300	6,732
	<u>282,810</u>	<u>122,069</u>

The recipients of institutional grants are disclosed on pages 6 to 9 in relation to non-Masonic grants and in Note 17a in relation to Masonic Grants.

Other charitable donations included £20,000 to the Good Hope Hospital Incubator Appeal.

**18. CONNECTED CHARITY**

As stated in the Trustees' Report, because of its incorporated status, the Charity acts as the nominee investment holder for Warwickshire Masonic Benevolent Fund (an unincorporated, registered charity) whose investments at market value total £3,981,265 at December 2019 (December 2018 - £3,328,825).

It also provides administrative support by bearing the total costs of the Charities' shared premises and staff amounting to £31,875 (9 month period to December 2018 - £36,838) (See Note 9).

Both Charities are subject to the control of several of the same Trustees, but are operated as separate distinct Charities having different constitutions and regulations with the Charity Commissioners.

**19. RELATED PARTIES**

The Charity paid monthly rent and service charges, to include utilities, at an agreed rate to the Provincial Grand Lodge of Warwickshire. These charges during the period amounted to £3,595 (9 month period to December 2018 - £3,262).

**20. INCOME FROM D. B. HILLYARD FUND**

	<b>Year to Dec-19 £</b>	<b>Period to Dec-18 £</b>
Dividends received from Stocks and Shares	148,609	112,601
Interest from Stockbrokers Cash funds	93	21
Rents received net of agents fees and expenses	9,956	10,538
	<u>158,658</u>	<u>123,160</u>

**21 POST BALANCE SHEET EVENT**

**- FINANCIAL IMPLICATIONS OF THE CORONAVIRUS COVID-19**

During the month of March 2020 the UK government introduced "lockdown" measures to restrict the spread of the COVID - 19 virus in the country. These measures along with similar initiatives taken by governments in other countries have caused a significant decline in business activity in the UK and worldwide. The Trustees acknowledge the negative impact of the pandemic on the value of its Investment Portfolio since the December 2019 year end, and which saw the Portfolio fall in value by £1.421 million or 18.6%. However by early June 2020 a recovery in values took place so that the Portfolio value had recovered to £6.880 million which reflected a loss of £0.762 million or 10% of the value at the end of December 2019. The Trustees are of the opinion that there is no need to make an impairment adjustment to these accounts to reflect the fall in value of the Portfolio since the year end. Whilst the value of the portfolio in early June 2020 is lower than the December 2019 value, it is still higher than the December 2018 portfolio valuation of £6.716 million and hence they consider that a downgraded impairment adjustment is not necessary in these accounts.



**THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED**

**GENERAL FUND - INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**For the information of the Trustees only**

	<b>Year to December 2019</b>		<b>Period to December 2018</b>	
	£	£	£	£
<b>Income:</b>				
Dividends received		78,847		59,813
Donations		20,325		8,560
Legacy received		900,000		-
Interest received		342		182
		<u>999,514</u>		<u>68,555</u>
<b>Operating Expenses:</b>				
Salaries and employment costs	28,280		(33,576)	
Rent and services	3,595		(3,262)	
Investment management fees	10,168		(7,551)	
I.T. support	3,258		(2,490)	
Postage and stationery	1,140		(921)	
Audit fees	5,850		(5,700)	
Refreshments and sundry expenses	1,045		(915)	
Telephone charges	1,006		(1,604)	
Bank charges and interest	485		(227)	
Trustee Indemnity insurance	1,363		(971)	
Travel expenses	313		(13)	
Depreciation	72		(80)	
Defibrillators	397		(3,070)	
2023 Festival launch expenses	-		(10,000)	
Write back of old unrepresented cheques			750	
		<u>(56,972)</u>		<u>(69,630)</u>
		942,542		(1,075)
Less Charitable grants and donations		<u>(282,810)</u>		<u>(121,571)</u>
<b>Surplus (Deficit) for the year</b>		659,732		(122,646)
Profit/(loss) on disposal of investments		50,572		123,629
Transfers within Unrestricted Funds to General Fund		141,805		110,688
Increase/(decrease) in market value of investments		301,979		(185,936)
Previous Restricted Fund - Recategorised as Unrestricted		-		-
Transfer from Expendable Funds to Unrestricted funds		-		58,450
Transfers between Funds		-		-
<b>Net movement in funds</b>		1,154,088		(15,815)
<b>Fund value at 31 December 2018</b>		490,727		506,542
<b>Fund value at 31 December 2019</b>		<u>1,644,815</u>		<u>490,727</u>