

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 2020

Michael Harwood & Co

Chartered Accountants

WARWICK

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

INDEX TO THE FINANCIAL STATEMENTS

| | Index |
|---|-------|
| Charity Information | 1 |
| Trustees' Report | 2-5 |
| Non-Masonic Charitable Grants | 6 - 9 |
| Auditor's Report | 10-11 |
| Statement of Financial Activities | 12 |
| Comparative Statement of Financial Activities | 13 |
| Balance Sheet | 14 |
| Cash Flow Statement | 15 |
| Notes to the Financial Statements | 16-30 |
| Non Statutory Appendices | 31 |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees submit their annual report and audited financial statements of the Charity for the year ended 31 December 2020. 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) (Charities SORP (FRS 102)), issued in October 2019.

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 (Resigned 30.10.20)

M C Morris

R L Barker

C J Rogers (Resigned 30.10.20)

P P Manning

P L Hall

W T Clark

J B Hayward

N R Burton JP

P L Britton

G Walker

S Butterworth

G Law

C J Grove MBE

A J Johnson JP (Dec'd 14.10.20)

D J M Greenwood

E J Rymer

M J Kimberley

S N Esworthy

J D Harris

D A Stanford (Resigned 30.10.20)

S E W Tranter (Appointed 22.01.20)

D A Butcher (Appointed 22.01.20)

H L Smith (Appointed 30.10.20)

N J Hawkins (Appointed 30.10.20)

Chief Executive Officer

D F Macey (Resigned 30.10.20)

P L Hall (Appointed 30.10.20)

Company Secretary

DA Lodge

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 2020

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 and donations paid during the year amounted to £310,289 (Year to December 2019 - £282,810).

A total of 114 grants totalling £193,490 (Year to December 2019 - 138 grants totalling £147,254) were made to Non-Masonic charities.

Six Masonic grants totalling £106,799 were made during the year (Year to December 2019 - seven totalling £114,256).

Two grants of £5,000 each were made during the year by the Woodthorpe Trust.

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 2020

FINANCIAL REVIEW

Transactions and Financial Position

The Statement of Financial Activities shows incoming resources in the year of £644,037 (Year to December 2019 - £1,175,298). The main recurring income source of the Charity is from investment income which amounted to £211,805 for the year (Year to December 2019 - £254,973). The charity received an additional legacy amounting to £360,000 during the year from the estate of Mrs Jean Chapman, and was in addition to the sum of £900,000 already received on account from the Estate of Mrs Chapman during the 2019 financial year.

Grants paid during the year amounted to £310,289 including £100,299 paid to the Masonic Charitable Foundation in respect of the 2023 Festival. Grants and donations totalling £282,810 were paid in the previous year to December 2019, including £100,000 paid in respect of the 2023 Masonic Festival.

The net income for the year after realised gains on disposals of investments amounted to £386,471 (Year to December 2019 - £1,020,312). The Statement of Financial Activities reflects market values of listed investments having increased by £10,898 by the December 2020 year end (Year to December 2019 - increased by £756,837). This resulted in a surplus net movement in funds for the year of £364,869 (Year to December 2019 - surplus movement of £1,777,149).

On the Balance Sheet, the value of the Investment portfolio has increased by £902,892 to £8,373,684 after allowing for acquisitions and disposals during the period.

F V Weller MBE Fund

This fund at the Balance Sheet date was valued at £79,331 (December 2019 - £92,307) which includes £14,410 (December 2019 - £12,886) 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 £193,490 (Year to December 2019 - £147,254).

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 COVID - 19 in the country. A further lockdown was imposed in January 2021. These measures along with similar initiatives taken by governments in other countries caused a significant decline in business activity worldwide.

The Trustees acknowledged in the report to December 2019 the negative impact on the value of its investment portfolio during 2020. A recovery in values took place subsequent to the fall, and the June 2020 value of £6.880 million had increased by the year end to £8.373 million. The value at June 2021 amounts to £9.496 million.

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 2020

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, one of whom is a 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 consider the investment income achieved in the year of £211,805 (Year to December 2019 £254,973) to be satisfactory, given the effects of the COVID 19 pandemic which had a detrimental effect on the worldwide economy from March 2020 and is still ongoing. At the date of this report, the stockbrokers indicate a steady recovery in dividend income is anticipated.

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. Ethical / ESG investment is considered by the Investment Committee and by the Stockbrokers to be in line with UN - PRI.

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 2020

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: 26.9.21.

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NON-MASONIC CHARITABLE GRANTS

FOR THE YEAR ENDED 31 DECEMBER 2020

| Charity | Location | Value £ | Number of Grants |
|---|-----------------------|------------|---------------------|
| Birmingham University Hospitals Trust (150 Computer Tablets) | Birmingham | 30,000 | 1 |
| University Hospital Trust - Incubators | Birmingham | 24,100 | 1 |
| Acorns Children's Hospice | West Midlands | 5,240 | 2 |
| Air Ambulance | West Midlands | 5,000 | 1 |
| Birmingham Children's Hospital (Singing Medicine Ex-Cathedra) | West Midlands | 4,000 | 1 |
| Birmingham St. Mary's Hospice | Birmingham | 4,000 | 1 |
| Fastaid | West Midlands | 1,000 | 1 |
| Marie Curie Cancer Care Hospice | Solihull | 4,000 | 1 |
| Mary Ann Evans Hospice | Nuneaton | 4,000 | 1 |
| Midland Freewheelers | West Midlands | 1,000 | 1 |
| Midlands Air Ambulance | West Midlands | 4,000 | 1 |
| Myton Hospice | Warwickshire | 4,150 | 2 |
| Shakespeare Hospice | Stratford-upon-Avon | 4,000 | 1 |
| St. Giles Hospice | Lichfield | 4,000 | 1 |
| Warwickshire & Northamptonshire Air Ambulance | Warwickshire | 4,000 | 1 |
| Zoe's Place Hospice | Leamington Spa | 4,000 | 1 |
| Beyond the Horizon | Birmingham | 1,000 | 1 |
| CHICKS | Midlands & Nationwide | 500 | 1 |
| Little Sisters of the Poor | Birmingham | 1,000 | 1 |
| Northleigh House School Ltd | Warwick | 1,000 | 1 |
| Omega (End of Life Love) | Warwickshire | 1,000 | 1 |
| Shine a Light Support Service | Warwickshire | 500 | 1 |
| St Basil's Youth Project | West Midlands | 500 | 1 |
| Coventry Church Municipal Charities | Coventry | 6,000 | 2 |
| Phab Camps | Warwickshire | 1,000 | 1 |
| St Chads Sanctuary | Birmingham | 750 | 1 |
| Solihull & District Hebrew Congregation Thursday Club | Solihull | 1,000 | 1 |
| St. Mary's Church Temple Balsall | Temple Balsall | 500 | 1 |
| Cakes for Casualties | Birmingham | 500 | 1 |
| On Course Foundation | West Midlands | 750 | 1 |
| The Veterans Contact Point | Warwickshire | 750 | 1 |
| Walking with the Wounded | Warwickshire | 1,000 | 1 |
| Ladies Fighting Breast Cancer | Warwickshire | 500 | 1 |
| Holly Trust Bowel Cancer | Warwickshire | 1,000 | 1 |
| Carried Forward | | £125,740 | 37 |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NON-MASONIC CHARITABLE GRANTS

FOR THE YEAR ENDED 31 DECEMBER 2020

| Charity | Location | Value £ | Number of Grants |
|--|-----------------------|--------------------|-----------------------------|
| Brought Forward | | 125,740 | 37 |
| Birmingham Crisis Centre | Birmingham | 3,000 | 1 |
| Birmingham Rape and Sexual Violence Project | Birmingham | 1,000 | 1 |
| Birmingham Settlement | Birmingham | 1,000 | 1 |
| Cavell Nurses Trust | Worcestershire | 1,000 | 1 |
| South Warwickshire CAB (Citizen Advice Bureau) | Warwickshire | 500 | 1 |
| Carers Support Group | Kenilworth | 500 | 1 |
| Carers Trust Heart of England | Coventry | 1,000 | 1 |
| Coventry Haven | Coventry | 1,250 | 1 |
| Domestic Abuse Counselling Service | Nuneaton | 1,000 | 1 |
| Gingerbread North Birmingham | North Birmingham | 500 | 1 |
| Insight Counselling Service | Bedworth | 500 | 1 |
| Henley Community Library | Henley | 500 | 1 |
| Recom | Solihull | 500 | 1 |
| Solihull Bereavement Counselling Services | Solihull | 500 | 1 |
| St Marks Community Hub | Kingstanding | 500 | 1 |
| St. Basils | West Midlands | 1,000 | 1 |
| Streetleague | Warwickshire | 1,000 | 1 |
| Shaw Trust | Warwickshire | 500 | 1 |
| St Anne's Hostel | Birmingham | 1,000 | 1 |
| Samaritans | Birmingham | 500 | 1 |
| Stratford Town Trust | Stratford | 1,000 | 1 |
| Narrow Boat (LNBP) Project | Northamptonshire | 500 | 1 |
| Woman Acting in Todays Society Trust (W.A.I.T.S) | Birmingham | 500 | 1 |
| Warwickshire Search and Rescue | Warwickshire | 500 | 1 |
| Warwickshire Young Carers | Warwickshire | 1,500 | 1 |
| Birmingham Institute for Deaf (Bid Services) | Birmingham | 500 | 1 |
| Braille Chess Association | Warwickshire | 500 | 1 |
| Deaf Health Charity Signhealth | W/Midlands | 500 | 1 |
| Deafblind UK | Midlands /Warwickshir | 500 | 1 |
| Focus Birmingham | Birmingham | 500 | 1 |
| Guide Dogs for the Blind | Warwickshire | 500 | 1 |
| Carried Forward | | <u>£149,990</u> | <u>68</u> |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NON-MASONIC CHARITABLE GRANTS

FOR THE YEAR ENDED 31 DECEMBER 2020

| Charity | Location | Value £ | Number of Grants |
|---|---------------------|--------------------|-----------------------------|
| Brought Forward | | 149,990 | 68 |
| Asthma Relief | West Midlands | 500 | 1 |
| Brain Tumour Support | Midlands/National | 1,000 | 1 |
| Cystic Fibrosis Trust | Warwickshire | 500 | 1 |
| Cerebral Palsy West Midlands | West Midlands | 500 | 1 |
| Coventry & Warwickshire Mind | Warwickshire | 500 | 1 |
| Cherish Dementia Care | West Midlands | 750 | 1 |
| Earlsdon Park Stroke Club (Stroke Association) | Coventry | 500 | 1 |
| Friends of St Cross UCHW | Rugby | 2,000 | 1 |
| Headway Birmingham & Solihull | West Midlands | 500 | 1 |
| Kinmos Volunteer Group Ltd | Warwickshire | 500 | 1 |
| MS Society | Rugby | 750 | 1 |
| Muscular Dystrophy Support Centre (NMC Midlands Ltd) | Coventry | 500 | 1 |
| The Neurofibromatosis Association (t/a Nerve Tumors UK) | Warwickshire | 500 | 1 |
| NICE Centre for Movement Disorders | West Midlands | 500 | 1 |
| Safeline | Warwick | 500 | 1 |
| Shine Spina Bifida | Warwickshire | 500 | 1 |
| Springfield Mind Limited | Warwickshire | 500 | 1 |
| Spinal Muscular Atrophy (SMA) | Stratford-upon-Avon | 1,000 | 1 |
| Teenage Cancer Trust | Warwickshire | 750 | 1 |
| UK Sepsis Trust | Warwickshire | 2,000 | 1 |
| Williams Syndrome Foundation | Warwickshire | 500 | 1 |
| Brooke School | Warwickshire | 500 | 1 |
| Warwickshire Wheelchair Basketball Academy | Warwickshire | 500 | 1 |
| Dogs for Good | Warwickshire | 2,250 | 1 |
| Event Mobility | Worcestershire | 500 | 1 |
| Hoskyn Fund for the Disabled | Rugby | 500 | 1 |
| Lowlands Farm Group RDA | Warwick | 750 | 1 |
| Norman Laud Centre | Sutton Coldfield | 1,250 | 1 |
| Nuneaton Riding for the Disabled | Nuneaton | 1,000 | 1 |
| Reach | Warwickshire | 500 | 1 |
| Way Ahead Support Services | Warwickshire | 500 | 1 |
| Carried Forward | | <u>£173,490</u> | <u>99</u> |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED
NON-MASONIC CHARITABLE GRANTS
FOR THE YEAR ENDED 31 DECEMBER 2020

| Charity | Location | Value £ | Number of Grants |
|--|-----------------|--------------------|-----------------------------|
| | Brought Forward | 173,490 | 99 |
| British Blind Sports | Birmingham | 750 | 1 |
| Coleshill Brownie Pack | Coleshill | 500 | 1 |
| 1st and 2nd Knowle Guides | Warwickshire | 1,000 | 1 |
| 87th Bierton Scout Group | Birmingham | 500 | 1 |
| Shirley & District Sea Cadets | Birmingham | 500 | 1 |
| Pillerton Scout Group | Birmingham | 500 | 1 |
| Special Olympic City of Birmingham | Birmingham | 500 | 1 |
| 1st Sydenham Scout Group | Leamington | 500 | 1 |
| Stonehouse Gang | Warwickshire | 1,500 | 1 |
| Wilson Stuart Scout Pack | Birmingham | 750 | 1 |
| Heart of England Community Foundation | Coventry | 10,000 | 1 |
| Warwickshire Music Education Trust | Warwickshire | 2,000 | 2 |
| St Oswalds | West Midlands | 500 | 1 |
| Community Street Kitchen | West Midlands | 500 | 1 |
| Total Non-Masonic Grants in the Year | | £193,490 | 114 |
| Grants Paid from the Woodthorpe Trust | | Value £ | Number of Grants |
| Royal National Lifeboat Institution | | 5,000 | 1 |
| Royal British Legion | | 5,000 | 1 |
| | | £10,000 | 2 |

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 2020

Opinion

We have audited the financial statements of The Warwickshire Masonic Charitable Association Limited for the year ended 31 December 2020 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 2020 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 2020

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

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.

As part of our audit procedures, we evaluate the high-risk areas of the assignment that could potentially result in a material misstatement within the accounts. Such risky areas include revenue recognition, management override and understatement of liabilities. We mitigate these risks by a combination of:

- obtaining independent third-party evidence
- performing analytical procedures to ensure the accounts appear reasonable
- maintaining an air of professional scepticism throughout the audit process
- challenging management regarding the basis of accounting policies and any estimates included in the accounts.

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. 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.

Michael Harwood & Co

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: 28/9/2021

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

| | Note | Endowments Funds £ | Restricted Funds £ | Unrestricted Funds £ | Total Funds £ |
|--|--------|--------------------------|--------------------------|----------------------------|---------------------|
| INCOME & ENDOWMENTS FROM: | | | | | |
| Donations & Legacies | 7 | 360,000 | - | 72,232 | 432,232 |
| Investment Income | 8 | - | 5,071 | 206,734 | 211,805 |
| Total Income & Endowments | | 360,000 | 5,071 | 278,966 | 644,037 |
| EXPENDITURE ON: | | | | | |
| Raising Funds | | - | (653) | (26,374) | (27,027) |
| Charitable Activities | | - | (10,000) | (300,289) | (310,289) |
| Other Activities | | - | - | (27,297) | (27,297) |
| Total Resources Expended | 9 | - | (10,653) | (353,960) | (364,613) |
| Realised Gains on Disposal of Investments | 12 (c) | 8,018 | - | 99,029 | 107,047 |
| Net Income / (Expenditure) before Unrealised Gains on Investments | | 368,018 | (5,582) | 24,035 | 386,471 |
| Unrealised gains on Revaluation of Investments | 12 (c) | 105,796 | - | (94,898) | 10,898 |
| Revaluation of Investment Property | | (32,500) | - | - | (32,500) |
| Transfer between Funds | 4 (b) | 1,151,823 | - | (1,151,823) | - |
| NET MOVEMENT IN FUNDS | | 1,593,137 | (5,582) | (1,222,686) | 364,869 |
| RECONCILIATION OF FUNDS: | | | | | |
| Total Funds Brought Forward | | 4,758,553 | 177,573 | 3,982,415 | 8,918,541 |
| Total Funds Carried Forward | | 6,351,690 | 171,991 | 2,759,729 | 9,283,410 |

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 2019

| | Note | Endowments Funds £ | Restricted Funds £ | Unrestricted Funds £ | Total Funds £ |
|--|--------|--------------------------|--------------------------|----------------------------|---------------------|
| INCOME & ENDOWMENTS FROM: | | | | | |
| Donations & Legacies | 7 | - | - | 920,325 | 920,325 |
| Investment Income | 8 | - | 9,429 | 245,544 | 254,973 |
| Total Income & Endowments | | - | 9,429 | 1,165,869 | 1,175,298 |
| EXPENDITURE ON: | | | | | |
| Raising Funds | | - | (754) | (28,051) | (28,805) |
| Charitable Activities | | - | - | (282,810) | (282,810) |
| Other Activities | | - | - | (46,804) | (46,804) |
| Total Resources Expended | 9 | - | (754) | (357,665) | (358,419) |
| Realised Gains on Disposal of Investments | 12 (c) | 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 | 12 (c) | 422,898 | - | 333,939 | 756,837 |
| Transfers between Funds | | - | - | - | - |
| NET MOVEMENT IN FUNDS | | 583,796 | 8,675 | 1,184,678 | 1,777,149 |
| RECONCILIATION OF FUNDS: | | | | | |
| 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.

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

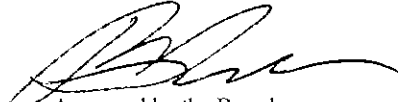
THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

| | <u>Notes</u> | Dec 2020 £ | Dec 2020 £ | Dec 2019 £ | Dec 2019 £ |
|---|--------------|---------------|---------------|---------------|---------------|
| FIXED ASSETS | | | | | |
| Tangible Fixed Assets | 10 | 232 | | 290 | |
| Investment Properties | 11 | 208,500 | | 241,000 | |
| Listed Investments | 12 | 8,373,684 | | 7,470,792 | |
| | | | 8,582,416 | | 7,712,082 |
| CURRENT ASSETS | | | | | |
| Debtors & Prepaid Expenses | 13 | 759 | | - | |
| Current Asset Investments | 14 | 575,639 | | 193,587 | |
| Cash at Bank | | 176,101 | | 1,064,995 | |
| | | 752,499 | | 1,258,582 | |
| CREDITORS: Amounts falling due within one year | 15 | (51,505) | | (52,123) | |
| NET CURRENT ASSETS | | | 700,994 | | 1,206,459 |
| NET ASSETS | 16 | | 9,283,410 | | 8,918,541 |
| CAPITAL AND RESERVES | | | | | |
| Endowment Funds | 4 | | 6,351,690 | | 4,758,553 |
| Restricted Funds | 5 | | 171,991 | | 177,573 |
| Unrestricted Funds | 6 | | 2,759,729 | | 3,982,415 |
| TOTAL CHARITABLE FUNDS | | | 9,283,410 | | 8,918,541 |

The financial statements were approved by the Trustees on 17/9/21 and signed on their behalf by:-

P L Hall - Trustee

 Approved by the Board

Date: 21/9/21

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 2020

| | 2020 £ | 2019 £ |
|---|-------------|-----------|
| Cash flow from operating activities | 364,869 | 1,777,149 |
| Net movement in funds | | |
| Adjustments for: | | |
| Depreciation | 58 | 72 |
| Profit on sale of fixed assets investments | (107,047) | (203,433) |
| Dividends received | (211,805) | (254,973) |
| (Increase)/decrease in debtors | (759) | - |
| Increase/(decrease) in creditors | (618) | (3,122) |
| (Gain)/loss on movement in fair value of investments | (9,540) | (756,837) |
| Loss on revaluation | 32,500 | - |
| Net cash flow from operating activities | 67,658 | 558,856 |
| Cash flow from investing activities | | |
| Purchase of fixed asset investments | (2,108,004) | (775,854) |
| Sale of fixed asset investments | 1,321,699 | 686,503 |
| Dividends received | 211,805 | 254,973 |
| Net cash used in investing activities | (574,500) | 165,622 |
| Net increase/(decrease) in cash and cash equivalents | (506,842) | 724,478 |
| Opening cash and cash equivalents | 1,258,582 | 534,104 |
| Closing cash and cash equivalents | 751,740 | 1,258,582 |
| Cash and cash equivalents comprises: | | |
| Cash at bank and in hand | 176,101 | 1,064,995 |
| Current asset investments | 575,639 | 193,587 |
| Closing cash and cash equivalents | 751,740 | 1,258,582 |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued in October 2019 and the Charities Act 2011.

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:

- 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 2020

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 2020

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 Fund

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

Archie Hatton Fund

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

Funds received in 1995 from the estate of Vernon Weller of George Beech Lodge No. 2897 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 2020

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 Fund 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

| (a) Permanent Endowments | FV Weller MBE Fund £ | Warks Subs Fund £ | RM London Subs Fund £ | Total £ |
|---|---|----------------------------------|--------------------------------------|--------------------|
| Balance at 31 December 2019 | 79,421 | 5,000 | 8,400 | 92,821 |
| Realised profit /(loss) on disposal of listed Investments | (6,447) | - | - | (6,447) |
| Increase/(decrease) in MV of listed investments | (8,053) | - | - | (8,053) |
| Balance at 31 December 2020 | <u>64,921</u> | <u>5,000</u> | <u>8,400</u> | <u>78,321</u> |

| (b) Expendable Endowments | Mrs J Chapman Fund £ | Earl Leofric/ A Hatton Fund £ | DB Hillyard Fund £ | K & M Woodthorpe Trust £ | Total £ |
|---|---|--|---------------------------------------|---|--------------------|
| Balance at 31 December 2019 | - | - | 4,632,283 | 33,449 | 4,665,732 |
| Transfer from Unrestricted Funds (See below) | 900,000 | 251,823 | - | - | 1,151,823 |
| Legacy received | 360,000 | - | - | - | 360,000 |
| Revaluation of Investment Property | - | - | (32,500) | - | (32,500) |
| Realised profit /(loss) on disposal of listed Investments | - | (17,402) | 51,717 | (19,850) | 14,465 |
| Increase/(decrease) in MV of listed investments | 49,646 | 50,792 | 27,824 | (14,413) | 113,849 |
| Balance at 31 December 2020 | <u>1,309,646</u> | <u>285,213</u> | <u>4,679,324</u> | <u>(814)</u> | <u>6,273,369</u> |
| Endowment Funds Total | | | | | <u>6,351,690</u> |

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

During the year, legacies received and previously included with Unrestricted Funds have been placed in Expendable Endowment Funds to segregate the capital from the income (See Note 6).

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

| 5. RESTRICTED FUNDS | Warwickshire Subscription Fund £ | RM London Subscription Fund £ | FV Weller MBE Fund £ | K&M Woodthorpe Trust £ | Total £ |
|-----------------------------|---|--|-------------------------------|---------------------------------|------------|
| Income: | | | | | |
| Donations and Gifts | - | - | - | - | - |
| Investment Income | - | - | 1,768 | 3,303 | 5,071 |
| | | | 1,768 | 3,303 | 5,071 |
| Less: | | | | | |
| Grants | - | - | - | (10,000) | (10,000) |
| Expenditure | - | - | (244) | (409) | (653) |
| | | | 1,524 | (7,106) | (5,582) |
| Balance at 31 December 2019 | - | 2 | 12,886 | 164,685 | 177,573 |
| Balance at 31 December 2020 | - | 2 | 14,410 | 157,579 | 171,991 |

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 2020

| 6. UNRESTRICTED FUNDS | General Fund £ | DB Hillyard Fund (See note 20) £ | Mrs J Chapman Fund £ | Earl Leofric/ A Hatton Fund £ | Total £ |
|---|-------------------|--|-------------------------|-------------------------------------|------------------|
| Income: | | | | | |
| Donations received | 72,232 | - | - | - | 72,232 |
| Investment Income | 63,193 | 136,718 | 1,413 | 5,410 | 206,734 |
| | <u>135,425</u> | <u>136,718</u> | <u>1,413</u> | <u>5,410</u> | <u>278,966</u> |
| Less: | | | | | |
| Grants and Donations | 300,289 | - | - | - | 300,289 |
| Expenses | 36,818 | 15,922 | - | 931 | 53,671 |
| | <u>337,107</u> | <u>15,922</u> | <u>-</u> | <u>931</u> | <u>353,960</u> |
| Net Income / (Expenditure) | (201,682) | 120,796 | 1,413 | 4,479 | (74,994) |
| Balance at 31 December 2019 | 744,815 | 2,071,703 | 900,000 | 265,897 | 3,982,415 |
| Transfer to Endowment Funds (see below) | - | - | (900,000) | (251,823) | (1,151,823) |
| Transfer between Funds | 2,212,465 | (2,192,499) | (1,413) | (18,553) | - |
| Realised gains/(losses) on sale of listed investments | 99,029 | - | - | - | 99,029 |
| Increase / (decrease) in MV of listed investments | (94,898) | - | - | - | (94,898) |
| Balance at 31 December 2020 | <u>2,759,729</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,759,729</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 £2,358,801 (2019: £2,347,903).

During the year, legacies received and previously included with Unrestricted Funds have been placed in Expendable Endowment Funds to segregate the capital from the income.

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

7. INCOME FROM DONATIONS AND LEGACIES

| | Dec 2020 Restricted £ | Dec 2020 Unrestricted £ | Year to Dec-20 Total £ | Year to Dec-19 Total £ |
|-----------|--------------------------------|----------------------------------|---------------------------------|---------------------------------|
| Donations | - | 72,232 | 72,232 | 20,325 |
| Legacies | - | 360,000 | 360,000 | 900,000 |
| | - | - | - | - |
| | - | 432,232 | 432,232 | 920,325 |

The above donations received include the following:

- Funding of £30,000 from the national Masonic Charitable Foundation to be used for charities working on the front line against COVID -19. The charity subsequently made a grant of £30,000 to Birmingham University Hospitals Trust for them to purchase computer tablets to enable patients to keep in contact with their families during the COVID - 19 lockdown period.
- A donation of £25,000 from the connected charity, Warwickshire Masonic Benevolent Fund.

The legacy received during the year amounting to £360,000 was from the Estate of Mrs Jean Chapman and was in addition to the £900,000 received from her Estate during the 2019 financial year.

| | Year to December 2019 Restricted £ | Year to December 2019 Unrestricted £ | Year to Dec-19 Total £ |
|----------------------|---|---|---------------------------------|
| <i>Arising from:</i> | | | |
| Donations | - | 20,325 | 20,325 |
| Legacies | - | 900,000 | 900,000 |
| | - | 920,325 | 920,325 |

8. INCOME FROM INVESTMENTS

| | Dec-20 Restricted £ | Dec-20 Unrestricted £ | Year to Dec-20 Total £ | Year to Dec-19 Total £ |
|-----------------------|---------------------------|-----------------------------|---------------------------------|---------------------------------|
| Investment properties | - | 9,302 | 9,302 | 9,956 |
| Listed investments | 5,071 | 197,198 | 202,269 | 244,675 |
| Cash investments | - | 234 | 234 | 342 |
| | 5,071 | 206,734 | 211,805 | 254,973 |

| | Dec-19 Restricted £ | Dec-19 Unrestricted £ | Year to Dec-19 Total £ |
|-----------------------|---------------------------|-----------------------------|---------------------------------|
| <i>Arising from:</i> | | | |
| Investment properties | - | 9,956 | 9,956 |
| Listed investments | 9,429 | 235,246 | 244,675 |
| Cash investments | - | 342 | 342 |
| | 9,429 | 245,544 | 254,973 |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

9. ANALYSIS OF RESOURCES EXPENDED

| | Cost of Raising Funds £ | Charitable Activities £ | Support Costs £ | Year to December 2020 Total £ |
|---|-------------------------------|-------------------------------|-----------------------|--|
| Grants (Note 17) | - | 300,289 | - | 300,289 |
| Grants paid from the Woodthorpe Trust (Note 17) | - | 10,000 | - | 10,000 |
| Staff costs, recruitment, travel etc. | - | - | 15,257 | 15,257 |
| Office rent and costs | - | - | 1,748 | 1,748 |
| I.T. Support | - | - | 564 | 564 |
| Postage and stationery | - | - | 749 | 749 |
| Refreshments and sundry expenses | - | - | 200 | 200 |
| Telephone charges | - | - | 231 | 231 |
| Travel expenses | - | - | 291 | 291 |
| Audit fees | - | - | 6,254 | 6,254 |
| Investment management fees - General Fund | 9,520 | - | - | 9,520 |
| Investment management fees - Other Fund | 17,507 | - | - | 17,507 |
| Bank charges and interest | - | - | 212 | 212 |
| Trustee indemnity insurance | - | - | 1,643 | 1,643 |
| Depreciation | - | - | 58 | 58 |
| Defibrillators | - | - | 90 | 90 |
| | <u>27,027</u> | <u>310,289</u> | <u>27,297</u> | <u>364,613</u> |
| | | | | |
| | Cost of Raising Funds £ | Charitable Activities £ | Support Costs £ | Year to December 2019 Total £ |
| Grants (Note 17) | - | 261,510 | - | 261,510 |
| Donations (Note 17) | - | 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 - General Fund | 10,168 | - | - | 10,168 |
| Investment management fees - Other Funds | 18,637 | - | - | 18,637 |
| Bank charges and interest | - | - | 485 | 485 |
| Trustee indemnity insurance | - | - | 1,363 | 1,363 |
| Depreciation | - | - | 72 | 72 |
| Defibrillators | - | - | 397 | 397 |
| | <u>28,805</u> | <u>282,810</u> | <u>46,804</u> | <u>358,419</u> |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

9. ANALYSIS OF RESOURCES EXPENDED (continued)

All support costs have been allocated to Other Activities 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:

| | Year to Dec-20 £ | Period to Dec-19 £ |
|--|---------------------------------|-----------------------------------|
| Staff emoluments | 15,257 | 28,280 |
| Auditors remuneration | 6,254 | 5,850 |
| Depreciation of owned assets | 58 | 72 |
| Indemnity insurance for trustees and staff | 1,643 | 1,363 |

Staff emoluments comprise:

| | Year to Dec-20 £ | Year to Dec-19 £ |
|-----------------------|---------------------------------|---------------------------------|
| Wages & Salaries | 14,833 | 27,211 |
| Social security costs | 424 | 1,069 |
| | 15,257 | 28,280 |

The administration of the Charity is carried out by the Charity Office and is made up of three people, one of whom is a paid employee, under the direction of the Provincial Almoner. With effect from January 2020, the salary costs were borne equally between the charity and its connected charity, Warwickshire Masonic Benevolent Fund, hence staff costs are much lower this year compared to earlier years.

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 year. Sums totalling £ 291 in respect of necessary travelling expenses were paid to one of the trustees (December 2019 - £313). The trustees are considered to be the key management personnel of the charity.

During the year an average of 3 staff (December 2019 - 2) were directly employed by the charity in administrative functions.

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

10. TANGIBLE ASSETS

| | Plant & Machinery £ |
|------------------------------------|--|
| Cost at 31 December 2019 | 34,424 |
| Cost at 31 December 2020 | 34,424 |
| Depreciation at 31 December 2019 | 34,134 |
| Charge for the year | 58 |
| Depreciation at 31 December 2020 | 34,192 |
| Net Book Value at 31 December 2020 | 232 |
| Net Book Value at 31 December 2019 | 290 |

11. INVESTMENT PROPERTIES

| <u>Properties Owned</u> | Nature of Tenure | Open Market Value | |
|---|--------------------------|-----------------------------------|-----------------------------------|
| | | 31 December 2020 £ | 31 December 2019 £ |
| Reading Court Tiddington Warwickshire | Leasehold Ground Rent | 1,000 | 1,000 |
| Shop premises Warwick Road, Greet Birmingham | Freehold | 137,500 | 160,000 |
| Millfield Court Henley in Arden Warwickshire | Leasehold Ground Rent | 70,000 | 80,000 |
| In the opinion of the directors the Open Market Value at 31 December 2020 would total | | 208,500 | 241,000 |
| Carrying value as at 31 December 2020 | | 208,500 | 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 2021. Simon is not an employee of the charity. The valuation resulted in a reduction of £32,500 in the market values at 31 December 2020. As the valuation date was so close to the December 2020 year end, this reduction in carrying values has been reflected in these accounts within the Statement of Financial Activities shown on page 12.

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 2020

12. LISTED INVESTMENTS

| | Cost | | Market Value | |
|----------------------|------------------|------------------|------------------|------------------|
| | Dec-20 £ | Dec-19 £ | Dec-20 £ | Dec-19 £ |
| General Fund | 1,947,305 | 1,884,320 | 2,602,033 | 2,635,424 |
| DB Hillyard Fund | 2,738,392 | 2,852,034 | 4,320,406 | 4,405,731 |
| FV Weller, MBE Fund | 53,000 | 42,256 | 52,347 | 49,657 |
| K&M Woodthorpe Trust | 118,359 | 141,534 | 113,133 | 150,721 |
| Archie Hatton Fund | 187,059 | 202,745 | 264,365 | 229,259 |
| Jean Chapman Fund | 971,754 | - | 1,021,400 | - |
| | <u>6,015,869</u> | <u>5,122,889</u> | <u>8,373,684</u> | <u>7,470,792</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-20 £ | Dec-19 £ | Dec-20 £ | Dec-19 £ |
| British Government Stocks | - | 164,144 | - | 196,539 |
| UK listed investments | 4,127,306 | 3,474,823 | 5,732,515 | 4,976,507 |
| European listed investments | 291,973 | 213,300 | 829,926 | 307,065 |
| North American listed investments | 556,356 | 470,005 | 702,681 | 762,430 |
| Far Eastern listed investments | 558,790 | 244,719 | 357,509 | 428,799 |
| Listed investments - Rest of World | 481,444 | 555,898 | 751,053 | 799,452 |
| | <u>6,015,869</u> | <u>5,122,889</u> | <u>8,373,684</u> | <u>7,470,792</u> |

(a) Structure of listed investment portfolio

| | Cost | | Market Value | |
|--|------------------|------------------|------------------|------------------|
| | Dec-20 £ | Dec-19 £ | Dec-20 £ | Dec-19 £ |
| Directly invested in listed securities | 6,015,869 | 5,122,889 | 8,373,684 | 7,470,792 |
| | <u>6,015,869</u> | <u>5,122,889</u> | <u>8,373,684</u> | <u>7,470,792</u> |

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

| | Cost | | Market Value | |
|------|-------------|-------------|--------------|-------------|
| | Dec-20 £ | Dec-19 £ | Dec-20 £ | Dec-19 £ |
| 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 2020

12. LISTED INVESTMENTS (continued)

c) Movement in market value of listed investments

| | Unrestricted £ | Expendable Endowments £ | Total Dec-20 £ |
|-------------------------------------|-------------------|-------------------------------|----------------------|
| Market value as at 1 January 2020 | 2,635,424 | 4,835,368 | 7,470,792 |
| Purchases at cost | 687,738 | 1,420,266 | 2,108,004 |
| Sales at market value | (723,902) | (597,797) | (1,321,699) |
| Realised profits/(losses) | 99,029 | 8,018 | 107,047 |
| (Decrease)/increase in market value | (96,256) | 105,796 | 9,540 |
| Market value as at 31 December 2020 | <u>2,602,033</u> | <u>5,771,651</u> | <u>8,373,684</u> |

| | Unrestricted £ | Expendable Endowments £ | Total Dec-19 £ |
|-------------------------------------|-------------------|-------------------------------|----------------------|
| Market value as at 1 January 2019 | 2,218,582 | 4,202,589 | 6,421,171 |
| Purchases at cost | 242,245 | 533,610 | 775,855 |
| Sales at market value | (178,050) | (508,453) | (686,503) |
| Realised profits/(losses) | 50,572 | 152,862 | 203,434 |
| (Decrease)/increase in market value | 302,075 | 454,760 | 756,835 |
| Market value as at 31 December 2019 | <u>2,635,424</u> | <u>4,835,368</u> | <u>7,470,792</u> |

13. DEBTORS

| | Dec-20 £ | Dec-19 £ |
|-------------------------------|-------------|-------------|
| Other debtors and prepayments | 759 | - |
| | <u>759</u> | <u>-</u> |

14. CURRENT ASSET INVESTMENTS

| | Dec-20 £ | Dec-19 £ |
|--|----------------|----------------|
| Held on deposit by stockbrokers | 563,882 | 183,368 |
| Held on deposit by Relief Chest Scheme | 11,757 | 10,219 |
| | <u>575,639</u> | <u>193,587</u> |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

15. CREDITORS: amounts falling due within one year

| | Dec-20 £ | Dec-19 £ |
|------------------------------|---------------|---------------|
| Other creditors and accruals | 51,505 | 52,123 |
| | <u>51,505</u> | <u>52,123</u> |

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | 2020 Endowments £ | 2020 Restricted £ | 2020 Unrestricted £ | At 31 Dec 2020 Total £ |
|-----------------------------------|-------------------------|-------------------------|---------------------------|------------------------------|
| Tangible Fixed Assets | - | - | 232 | 232 |
| Fixed Asset Investment Properties | 208,500 | - | - | 208,500 |
| Fixed Asset Investments | 5,606,171 | 165,480 | 2,602,033 | 8,373,684 |
| Current Assets | 537,019 | 6,511 | 208,969 | 752,499 |
| Current Liabilities | - | - | (51,505) | (51,505) |
| Net Assets | <u>6,351,690</u> | <u>171,991</u> | <u>2,759,729</u> | <u>9,283,410</u> |

ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | 2019 Endowments £ | 2019 Restricted £ | 2019 Unrestricted £ | At 31 Dec 2019 Total £ |
|-----------------------------------|-------------------------|-------------------------|---------------------------|------------------------------|
| Tangible Fixed Assets | - | - | 290 | 290 |
| Fixed Asset Investment Properties | 241,000 | - | - | 241,000 |
| Fixed Asset Investments | 4,405,731 | 200,378 | 2,864,683 | 7,470,792 |
| Current Assets | 111,822 | (22,805) | 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> |

17. GRANTS AND DONATIONS PAID

| | 2020 Restricted £ | 2020 Unrestricted £ | At 31 Dec 2020 Total £ |
|--|-------------------------|---------------------------|------------------------------|
| Charitable : Non-Masonic (114 in number per pages 6 to 9) | - | 193,490 | 193,490 |
| Masonic: General (6 in number - see below) | - | 106,799 | 106,799 |
| Charitable - 2 Grants Paid from the Woodthorpe Trust (per Page 9)) | 10,000 | - | 10,000 |
| | <u>10,000</u> | <u>300,289</u> | <u>310,289</u> |

The grants made by the charity during the period ended 31 December 2019 consist of:

| | 2019 Restricted £ | 2019 Unrestricted £ | At 31 Dec 2019 Total £ |
|---|-------------------------|---------------------------|------------------------------|
| Institutional : Non-Masonic (138 in number) | - | 147,254 | 147,254 |
| Masonic: General (7 in number) | - | 114,256 | 114,256 |
| Charitable Donations (3 in number) | - | 21,300 | 21,300 |
| | <u>-</u> | <u>282,810</u> | <u>282,810</u> |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

| | Year to Dec-20 £ | Year to Dec-19 £ |
|---|--|---------------------------------|
| 17 a) MASONIC GRANTS | | |
| The Masonic Grants made during the period consist of the following: | | |
| Contributions to Lodge subscriptions | | 2,235 |
| Coventry Masonic Pantomime Appeal | 2,000 | 4,000 |
| Friends of Devonshire Court | 1,500 | 1,500 |
| Lifelites | 2,000 | 2,000 |
| Masonic Trout & Fishing | 500 | 500 |
| The Royal Masonic School for Girls | 500 | - |
| The Relief Chest Scheme | - | 4,021 |
| Masonic Charitable Foundation 2023 Festival | 100,299 | 100,000 |
| | <u>106,799</u> | <u>114,256</u> |
| | Year to Dec 20 Institutions £ | Year to Dec-19 £ |
| Grants to non-Masonic Charities to support their objects | 193,490 | 147,254 |
| Grants to support Masonic causes | 106,799 | 114,256 |
| | <u>300,289</u> | <u>261,510</u> |
| Other Charitable Donations | 10,000 | 21,300 |
| | <u>310,289</u> | <u>282,810</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 £5,000 paid to the RNLJ and £5,000 paid to the Royal British Legion.

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 £3,979,071 at December 2020 (December 2019 - £3,981,265).

Up until Dececeber 2019 it also provided administrative support by bearing the total costs of the Charities' shared premises and staff. For the year to December 2020 these premises and staff costs were borne equally by the two charities and amounted to £17,005 (Year to December 2019 - £31,875) (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 rent and service charges, to include utilities, at an agreed rate to the Provincial Grand Lodge of Warwickshire. Commencing with the year to December 2020, these charges were shared equally with Warwickshire Masonic Benevolent Fund and the charity's share of these costs amounted to £1,748 (Year to December 2019 £3,595).

20. INCOME FROM D. B. HILLYARD FUND

| | Year to Dec-20 £ | Year to Dec-19 £ |
|--|------------------------|------------------------|
| Dividends received from Stocks and Shares | 127,391 | 148,609 |
| Interest from Stockbrokers Cash funds | 25 | 93 |
| Rents received net of agents fees and expenses | 9,302 | 9,956 |
| | <u>136,718</u> | <u>158,658</u> |

THE WARWICKSHIRE MASONIC CHARITABLE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 FINANCIAL IMPLICATIONS OF THE CORONAVIRUS COVID-19

During the month of March 2020 the UK government introduced "lockdown" measures to restrict the spread of COVID - 19 in the country. A further lockdown was imposed in January 2021. These measures along with similar initiatives taken by governments in other countries caused a significant decline in business activity worldwide.

The Trustees acknowledged in the report to December 2019 the negative impact on the value of its investment portfolio during 2020. A recovery in values took place subsequent to the fall, and the June 2020 value of £6.880 million had increased by the year end to £8.373 million. The value at June 2021 amounts to £9.496 million.