

**CORNWALL MASONIC CHARITABLE FOUNDATION**

**Charity No: 1178008**

**Report and Unaudited Financial Statements**

**Year Ended 31 December 2020**

**CORNWALL MASONIC CHARITABLE FOUNDATION  
REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**TRUSTEES ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees present their report along with the financial statements of the Cornwall Masonic Charitable Foundation ("the Charity") for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Objectives, activities and public benefit**

**Objectives and aims**

The objects of the Charity are to receive donations from individual Masons, Lodges, Chapters and other Masonic Bodies, and to distribute such sums to Masonic and Non-Masonic Charities whether or not registered under the Charities Act, and to also offer help and assistance to poor and distressed Freemasons and their families who are in need. The trustees meet annually to consider the grants to be made during the forthcoming year and there is also an investment sub-committee that meets as and when required.

The Cornwall Masonic Charitable Foundation (CMCF) was formed after the decision was taken by the Trustees to close the Cornwall Masonic Benevolent Fund (CMBF) and the Cornwall Masonic Grand Charity (CMGC) whose work had been superseded by the introduction of the Relief Chest system under the auspices of the Freemasons Grand Charity in London, where donations to local festival fund raising, would henceforth go direct from individuals and lodges to the Relief Chest, and not through the local charities.

**Achievements and performances**

The charity has been well supported during a very difficult year by the Freemasons of Cornwall, individually and through their respective lodges. During the year the Charity received donations of £17,786 (2019: £35,722) with the extensive Covid-19 vaccination programme planned for 2021 in the UK, we are hopeful that once the lock-down has been lifted and vulnerable members have been protected, lodges should be able to begin to resume fund raising activities in the forthcoming year.

**Public benefit**

The Trustees consider they have complied with their duty in Section 4 of Part 1 of the Charities Act 2006 which requires them to have due regard to guidance published by the Charity Commission. In particular, the Charity believes that in supporting the Central Masonic Charities in rotation through Festival Appeals it is reaching more than 200,000 Freemasons in England & Wales and a similar number of dependants as described above.

**Financial review and investment policy**

Total income for the year was £38,502 (2019: £57,278).

There are no restrictions on the Charity's power to invest. The investment strategy is reviewed annually by the trustees and takes into account the income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. All the reserves of the charity are unrestricted in nature and it is the Charity's policy to invest those funds in low and medium risk investments in a balanced portfolio; to seek an annual return of between 3% and 4% such as to meet as far as possible administrative and support costs; and to hold cash balances sufficient to cover those costs and grants for the following two years.

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**TRUSTEES ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**(CONTINUED)**

**Structure, governance and management**

The Cornwall Masonic Charitable Foundation is constituted as an unincorporated association, is governed by the constitution approved on 1 April 2017 and is a registered charity No. 1178008.

The Trustees are elected at a meeting of Provincial Grand Lodge. In the event of their resignation, death or retirement, an alternative Trustee is appointed in a similar manner. There is no fixed term of appointment for the remaining trustees. Induction procedures are in place for newly appointed Trustees.

Overall policy is determined by the Trustees as a whole, with day to day management delegated to the Secretary Mr M.B. Pritchard, and the administrator Mr I. Henwood. The financial transactions and bank reconciliations for the Cornwall Masonic Charitable Foundation are completed by the Assistant Treasurer Steven Franklin.

**Reserves policy**

The reserves policy is as follows:-

To hold sufficient investments with the aim that they will produce, at a minimum, a notional 4% annual return in order to meet the charity's annual running costs. Based on annual charitable expenditure of approximately £29,000 the charity aims to hold investments of at least £725,000. In addition to hold sufficient reserves held in cash at bank in sufficient to meet at least two years-worth of gross expenditure. Based on annual charitable expenditure of approximately £29,000 the charity aims to hold cash at bank of at least £58,000. As at 31 December 2020 the charity held investments of £825,171 and cash at bank of £94,703. The trustees are of the view that these reserves are sufficient to meet the objectives of the charity and also ensure it is able to continue in operation.

**Risk management**

The Trustees have reviewed the major strategic and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen those risks. The main areas of risk identified were:-

- Significant long-term loss in the value of the investment portfolio: this has been mitigated by the continued engagement of brokers and by giving them appropriate instructions.
- The possibility of donations to inappropriate charitable purposes: this has been mitigated by careful scrutiny by the Trustees of likely recipients.
- General operational risks: these have been mitigated by close control and supervision of the day-to-day operations of the Charity by the executive members and the adoption of best practice to all aspects of the Charity's activities.

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**TRUSTEES ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**(CONTINUED)**

**Reference and administration details**

The Charity number is 1178008. The address of its principal office and details of the Charity's advisers are set out below, as is a list of the trustees who served during the year.

**LEGAL AND ADMINISTRATIVE INFORMATION**

The Trustees during the year ended 31 December 2020 were:

Mr S C Pearn, President  
Mr R L Cargeeg, Deputy President  
Mr M B Pritchard, Secretary and Treasurer  
Mr D G Maskell  
Mr D G Leaity  
Mr M A Williams

**Principal Office**

7A New Bridge Street, Truro, Cornwall, TR1 2AA

**Independent Examiner**

Azets Audit Services, Unit A, Woodlands Court, Truro Business Park, Truro,  
Cornwall, TR4 9NH

**Bankers**

Lloyds Bank Plc, 7 Boscawen Street, Truro, Cornwall, TR1 2QT

**Brokers**

Brewin Dolphin, 24 Lemon Street, Truro, TR1 2LS.

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**TRUSTEES ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**(CONTINUED)**

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

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


The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Report of the trustees, approved by order of the board of trustees on 22/2/2021 and signed on the boards behalf by:

**BY ORDER OF THE COMMITTEE**



.....  
**S.C. Pearn - President**



.....  
**M.B. Pritchard - Secretary**

## **Independent Examiner's Report to the Trustees of Cornwall Masonic Charitable Foundation**

### **Registered Charity Number 1178008**

I report to the trustees on my examination of the financial statements of Cornwall Masonic Charitable Foundation (the Charity) for the year ended 31 December 2020 which are set out on pages 6 to 13.

#### **Responsibilities and basis of report**

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent Examiner's Statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act;
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Matthew Webb BA (Hons) BFP FCA  
Institute of Chartered Accountants in England & Wales  
On behalf of Azets Audit Services  
Unit A, Woodlands Court  
Truro Business Park  
TRURO  
Cornwall TR4 9NH

22 February 2021  
.....

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating an income and expenditure account)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<i>Note</i>	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
<b>Income and endowments</b>			
Donations	3	17,786	35,722
Investment income	4	20,716	21,553
Other Income	5	-	2,003
		<hr/>	<hr/>
<b>Total income</b>		38,502	59,278
		<hr/>	<hr/>
<b>Expenditure</b>			
Donations	6	20,417	73,227
Charitable expenditure	7	28,628	29,185
		<hr/>	<hr/>
<b>Total expenditure</b>		49,045	102,412
		<hr/>	<hr/>
<b>Net (expenditure)/income</b>		(10,543)	(43,134)
		<hr/>	<hr/>
Changes in fair value of investments		7,548	56,724
		<hr/>	<hr/>
<b>Net movement in funds</b>		(2,995)	13,590
<b>Total funds brought forward</b>		919,724	906,134
		<hr/>	<hr/>
<b>Total funds carried forward</b>		916,729	919,724
		<hr/>	<hr/>

The notes on pages 8 to 13 form an integral part of these accounts.



**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**BALANCE SHEET AT 31 DECEMBER 2020**

		Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
	<i>Note</i>		
<b>Fixed Assets</b>			
Investments	<i>9</i>	825,171	795,246
<b>Current Assets</b>			
Cash at bank and in hand	<i>10</i>	94,703	125,798
<b>Creditors:</b> Amounts falling due within one year	<i>11</i>	(3,144)	(1,320)
		<hr/>	<hr/>
<b>Net Current Assets</b>		91,559	124,478
		<hr/>	<hr/>
<b>Total Assets less Current Liabilities</b>		916,730	919,724
		<hr/>	<hr/>
<b>Funds of the Charity</b>			
<b>Unrestricted Reserves</b>	<i>12</i>	919,730	919,724
		<hr/>	<hr/>

Approved by the Board of Trustees 22/2/2021  
and signed on its behalf by:



.....  
S.C. Pearn - President

The notes on pages 8 to 13 form an integral part of these accounts.

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. Accounting Policies**

**1.1 Basis of Preparation of Accounts**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments that are measured at fair value.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound sterling.

**1.2 Going Concern**

The financial statements have been prepared on the going concern basis. The trustees have considered a period of twelve months from the date of approval of the financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In making this decision, the trustees have considered the impact of the COVID-19 pandemic. The trustees are of the view that there are no material uncertainties that may create significant doubt over the charity's ability to continue as a going concern.

**1.3 Income**

Income comprises money received from its principal sources, namely the receipt of subscriptions, donations, investment income and bank interest. Subscriptions and donations are recognised when receivable. Legacies are included when the charity is advised by the personal representative of an estate that payment will be made.

All income received during the year was unrestricted in nature and was derived in the United Kingdom.

**1.4 Investment Income**

Investment income is accounted for using the accrual method. Dividend income is recognised when the right to receive payment is established. Interest income is recognised using the effective interest method.

**1.5 Expenditure**

Expenses are recognised on an accruals basis.

Donations are charged in the year when paid or accrued when a liability is established.

Costs of generating funds comprise costs for the running of the Charity itself as an organisation and the cost of promotional items.

Governance costs are those associated with the Charity's constitutional and statutory requirements and its strategic management responsibilities.

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1.6 Fixed Asset Investments**

Investments are measured at fair value. All gains and losses are recognised in the Statement of Financial Activities.

**1.7 Financial instruments**

Financial assets and liabilities are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are classified into specified categories. The classification depends on the nature and purpose of the financial asset or liability and is determined at the time of recognition.

Basic financial assets, which include other receivables, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitute a financing transaction, where the transaction is measure at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities, which include trade and other payables are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Financial liabilities are derecognised when, and only when, the charity's obligations are discharged, cancelled, or they expire.

**2. Taxation**

The charity is exempt from tax on its charitable activities.

	2020	2019
	£	£
<b>3. Donations</b>		
Donations and subscriptions	11,186	29,122
Office contributions – Provincial Grand Lodge of Cornwall	6,600	6,600
	<hr/> 17,786	<hr/> 35,722
<b>4. Investment income</b>		
Income from investments	20,616	21,364
Bank Interest	100	189
	<hr/> 20,716	<hr/> 21,553

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. Other income - transfer of cash and investments from:**

Cornwall Masonic Grand Charity	-	1,164
Cornwall Masonic Benevolent Fund	-	839
	<hr/>	<hr/>
	-	2,003
	<hr/>	<hr/>

**6. Charitable donations**

During the year the Fund made donations to local Charities and Bodies as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Par Parish Church	500	-
Fleet	500	-
White Gold Cornwall	500	-
Walkers Lines Gym Trust	500	-
Helston Memory Café	500	-
Goonown Play Fields	500	-
Cornwall Blood Bikes	500	500
Merlin MS Centre	1,500	500
Cornwall Community Foundation	1,000	-
Cornwall Air Ambulance	1,000	1,000
Lifelites	1,000	1,000
MacMillan Cancer Care	1,000	1,000
Marie Curies	1,000	1,000
Childrens Hospice SW	1,000	1,000
Cornwall Hospice Care	1,000	1,000
National Coastwatch		
	Rame Head	300
	Portscatho	300
	Polraun	300
	Penzance	300
	Charlestown	-
	Gwennap	-
	Nare	-
Individual freemason support	499	-
Disability Cornwall	1,000	-

**CORNWALL MASONIC CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. Charitable donations (continued)**

RNLI	Lizard	460	300
	Bude	300	-
	Fowey	300	-
	Rock	600	-
	Falmouth	-	300
	IoS	-	300
	Padstow	-	300
	St Ives	-	300
St Petrocs PCC		250	-
PMS International - Teddies for Loving Care		2,808	2,808
1st Stoke Climsland Cub Scout Group		-	250
Cruse Bereavement Care		-	500
Cystic Fibrosis (Child Health)		-	688
Lauren & Rosie Fund		-	500
Lord Lieutenants Fund for Youth		-	1,000
Relief Chest Festival 2024		-	57,881
St Piran's Lodge		-	200
Emergency grant donations		1,000	-
		<u>20,417</u>	<u>73,227</u>

**7. Charitable expenditure**

Staff costs (note 8)	8,150	8,103
Rent and rates	6,733	6,738
Heat & light	2,687	1,398
Telephone & internet	2,126	2,144
Computer costs	75	102
Repairs & maintenance	101	214
Promotional expenses	-	650
Independent examiner's remuneration	1,386	3,895
Portfolio management fees	7,370	5,941
	<u>28,628</u>	<u>29,185</u>

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£	£
<b>8. Staff Costs and Trustees' Remuneration</b>		
Salaries	<u>8,150</u>	<u>8,103</u>

The average number of employees during the period was:	<u>1</u>	<u>1</u>
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Salary costs are recharged from the Provincial Grand Lodge of Cornwall.

No employee received remuneration amounting to more than £60,000 in either period.

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the period ended 31 December 2019.

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the period ended 31 December 2019.

	31 Dec 2020	31 Dec 2019
	£	£
<b>9. Investments</b>		
Fair value at beginning of year	732,159	600,878
Additions	95,983	195,575
Disposals	(30,279)	(123,018)
Change in fair value	7,548	56,724
Fair value at end of year	<u>805,411</u>	<u>732,159</u>
Fair value of Investments (as above)	805,411	732,159
Cash held in portfolio	19,760	63,087
Total Investments	<u>825,171</u>	<u>795,246</u>
Income from investments (note 4)	<u>20,616</u>	<u>21,364</u>

**CORNWALL MASONIC CHARITABLE FOUNDATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020	2019
		£	£
<b>9. Investments (cont'd)</b>			
Investments at market value comprised:			
	<b>2020    2019</b>		
UK Fixed interest securities	(31%) / (32%)	254,402	258,315
UK Equities	(16%) / (17%)	133,695	136,883
Overseas Equities and Funds	(32%) / (23%)	262,932	178,915
Other investments	(19%) / (20%)	154,382	158,046
Cash	(2%) / (8%)	19,760	63,087
		<hr/>	<hr/>
		825,171	795,246
		<hr/>	<hr/>

There were no individual investments representing in excess of 5% of the investment portfolio at 31 December 2020 or 31 December 2019.

	2020	2019
	£	£
<b>10. Cash at bank and in hand</b>		
Instant Access Account	89,619	121,463
Treasurers Account	5,084	4,335
	<hr/>	<hr/>
	94,703	125,798
	<hr/>	<hr/>

	2020	2019
	£	£
<b>11. Creditors</b>		
Due within one year:-		
Accruals and deferred income	<hr/> 3,144	<hr/> 1,320

**12. Reserves**

All reserves comprise unrestricted funds which the trustees are free to use in accordance with the charitable objects.

**13. Related parties**

There were no related party transactions during the year.

During the prior year, investments and cash balances of the charities Cornwall Masonic Benevolent Fund (£838) and Cornwall Masonic Grand Charity (£1,164) were transferred to the Cornwall Masonic Charitable Foundation as shown in Other Income (note 5).