
Worcestershire Masonic Charity Organisation

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2023

Charity Registration Number: 210408

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

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THEORY OF THE PROPOSED

1. *Journal of the American Medical Association*, 1997; 278: 1029-1033.

CONCLUSIONS

2020 APRIL 01 DECEMBER 01 2020

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

REPORT OF THE TRUSTEES

Year ended 31 December 2023

Structure, Governance and Management

Governing Document

The Charity is governed under a Trust Deed dated 29 December 1934.

Recruitment and Appointment of Trustees

The power of appointing and removing Trustees is vested with the Provincial Grand Master for the time being of the Masonic Province of Worcestershire. In exercising these powers the Provincial Grand Master gives consideration to the skills mix and any identified skills gap within the existing trustee body.

Trustee Induction and Training

On agreeing to become a Trustee an individual is thoroughly briefed by the co-trustees on the history of the charity, the day to day management, the responsibilities of Trustees and the current objectives and future plans of the charity. A copy of the Trust Deed and latest financial statements are provided.

Risk Management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems and investment policy ensures adequate control over the charity's assets while providing sufficient resources in the event of adverse conditions.

Organisational Structure

Matters of policy and management are determined by the Trustees. The day to day operations of the Charity are administered by the Secretary to the Trustees who is responsible to the Trustees.

The Trustees meet in plenary session with a structured agenda at which relevant papers and reports are considered.

Related Parties

Related parties with a number of common Trustees are as follows:

Provincial Grand Lodge of Worcestershire Masonic Library and Museum
Leslie and Ivy Pountney Bursary Fund

Objectives and benefits for the public benefit

In shaping the objectives of the Charity and planning its activities, the Trustees have taken into consideration the Charity Commission's guidance on public benefit.

The primary function of the Charity is to act for the benefit of distressed Masons, their widows and children.

The Trust Deed also provides for the Charity to act for the benefit of such Masonic charities or other charitable institutions and objects as the Trustees shall, in duly constituted meeting, from time to time direct.

REPORT OF THE TRUSTEES

Year ended 31 December 2023

Achievements, Activities and Performance

The Charity continued to operate the sheltered accommodation in Bromsgrove. A high level of occupancy was obtained and the scheme of renovations continued with flats being redecorated/refurbished as and when they fell vacant. Support for local charities continued this year..

Financial Review

The accounts for the year show net incoming funds (before unrealised gains/losses on investments) of £(8,598)- a deficit, (2022 - £(8,598)).

Income

Income from all sources amounted to £102,128 (2022 - £109,390) Although this shows a small decrease in total incoming funds, 2022 had a single legacy of £18,569 in its total. Excluding that none repetitive item shows an improved income position.

Expenditure

Expenditure totalled £283,686 (2022 - £117,989). This increase is largely due to a donation from unrestricted funds of £150,000 to Festival 22 plus other donations made to local charities and worthy causes. Matched funding for some of the donations was received from the Masonic Charitable Foundation thus increasing the impact of our donation. Spending by way of maintenance and improvement of the flats in the sheltered accommodation complex has increased in line with a planned schedule of works and electricity charges still remain high,. The Heritage Fund was used to make a loan to a local meeting place to enable it to maintain and improve facilities and to reduce running costs. Support costs and direct costs remained under close control.

Principal Funding Sources

The principal funding sources arise through:

- (i) Donations and legacies from individual freemasons
- (ii) Investment income derived from the Charity's portfolio of investments
- (iii) Licence income from residents of the sheltered accommodation run by the Charity

Charity Land and Buildings

The charity owns the residential complex known as Ellard Hanson Court on the Birmingham Road, Bromsgrove.

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

Year ended 31 December 2023

Investment policy

The investment objectives are for a secure level of income together with capital protection. The Trustees reviewed the charity's investment policy during the year. The charity is a long-term investor and holds a mixed portfolio of institutional deposits, NS&I products, and funds managed by COIF. No changes were made in the year to the funds held by COIF or other institutions holding deposits..

Reserves policy

The Trustees consider that the level of reserves is appropriate to generate the income required by the Charity for its charitable commitments and to provide for the maintenance of the buildings of Ellard Hanson Court.

Statement of Responsibilities of the Trustees

The Trustees are responsible for preparing an Annual Report of the Trustees and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the applicable Charities SORP (FRS 102) – (second edition- October 2019);
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2022, the applicable Charity (Accounts and Reports) Regulations 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.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Approved by the Trustees on 20 June 2024 and signed on their behalf by:

S J Wyer

Chairman of the Trustees

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF THE

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

We report on the accounts of the Charity for the year ended 31 December 2023, which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiners

The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. We are qualified to undertake the examination by being members of professional bodies listed in the Charities Act 2011.

Having satisfied ourselves that the charity is not subject to audit and is eligible for independent examination it is our responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters may have come to our attention.

Basis of independent examiners' report

Our examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiners' statement

In connection with our examination, no matter has come to our attention:

(1) which gives us reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of the 2011 Act and the methods and principles of the Charities SORP (FRS 102).

have not been met; or

(2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J Potter FCA
P C Band FCA

21 June 2024

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2023

	Note	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Income					
Voluntary income – donations		6,451	301	6,451	2,873
Investment income	2	10,430	17,619	28,050	15,907
Legacy		-	-	-	18,569
Incoming resources from charitable activities	3	-	67,628	67,628	72,041
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		16,881	85,548	102,128	109,390
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure					
Charitable activities	4	<u>194,231</u>	<u>89,455</u>	<u>283,686</u>	<u>117,988</u>
Total expenditure		<u>194,231</u>	<u>89,455</u>	<u>283,686</u>	<u>117,988</u>
		<hr/>	<hr/>	<hr/>	<hr/>
Net Incoming/(Outgoing) resources for the year Before other recognised (losses)/gains		(177,350)	(3,907)	(181,257)	(8,598)
Gains/(Losses) on investments – unrealised	15	<u>-</u>	<u>20,056</u>	<u>20,056</u>	<u>(44,008)</u>
Net Movement in funds		(177,350)	16,149	(161,201)	(52,606)
Reconciliation of funds					
Fund balances as at 1 January 2023		<u>276,605</u>	<u>1,385,648</u>	<u>1,662,253</u>	<u>1,714,859</u>
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances as at 31 December 2023	14	<u>99,255</u>	<u>1,401,797</u>	<u>1,501,052</u>	<u>1,662,253</u>

There were no recognised gains or losses for 2023 or 2022 other than those included in the Statement of Financial Activities.

All income and expenditure relates to continuing operations.

The notes on pages 8 to 14 form part of these financial statements.

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

BALANCE SHEET

as at 31 December 2023

	Note	£	2023	£	£	2022	£
Fixed assets							
Tangible fixed assets	9		643,731			643,731	
Office equipment	9		-			1,224	
Investment assets	15		<u>289,047</u>			<u>348,991</u>	
			932,778			993,946	
Current assets							
Debtors	10	90,175			91,543		
Cash at bank		593,852			622,863		
Stock of merchandise		-			<u>416</u>		
		684,027			718,822		
Current liabilities							
Creditors: amounts falling due within one year	11	<u>(115,753)</u>			<u>(46,515)</u>		
Net current assets			<u>568,274</u>			<u>668,307</u>	
Total assets less current liabilities			1,501,052			1,662,253	
Unrestricted funds							
General and Designated	12		99,255			276,604	
Restricted funds	13		<u>1,401,797</u>			<u>1,385,649</u>	
			1,501,052			1,662,253	

The notes on pages 8 to 14 form part of these financial statements.

The financial statements were approved by the Trustees on 20 June 2024 and signed on their behalf by

S J Wyer

Chair of Trustees

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1 Accounting policies

1.1 Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention, modified to account for investments which are stated at fair value, and include the results of the charity's operations which are described in the Report of the Trustees. The financial statements have been prepared in Sterling which is the functional currency of the Charity.

The financial statements have been prepared in accordance with the provisions of the Charities Act 2011 and in compliance with Accounting and Reporting by charities: SORP applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Ireland (FRS 102). The Charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

1.2 Fixed assets

Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided on the cost less the estimated residual value of fixtures and fittings at the rate of 25% per annum straight line and at 33.3% straight line on computer equipment. No depreciation is provided on freehold land or the cost of freehold buildings as, in the opinion of the Trustees, the residual value of the assets are so high and the life span so long that any element of depreciation would not be material.

1.3 Fund accounting

Restricted funds

Restricted funds represent grants and donations which are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Unrestricted funds and designated funds

Unrestricted funds represent funds that are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. Designated funds are those funds which are unrestricted in nature, but which have been designated by the Trustees to be used in a particular manner.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income by way of donations and gifts is included in full in the Statement of Financial Activities when receivable.
- Income from investments is included in the Statement of Financial Activities in the year it is receivable.

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

- Fees and charges for services are accounted for in the year in which services are provided. Fees received in advance are treated as deferred income.

1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include independent examination fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.6 VAT

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities and tangible fixed assets.

1.7 Investments and Investment Gains and Losses

Investments are a form of basic financial instruments and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. All gains and losses are recognised in the Statement of Financial Activities as they arise and accounted for through the fund for which they are held. Realised gains and losses are calculated as the difference between opening carrying value (or cost if purchased in the year) and sales proceeds. Unrealised gains and losses are calculated as the difference between their fair value at the year end and their carrying value. All investment gains and losses are combined in the Statement of Financial Activities.

	2023	2022
	£	£
2. Investment income		
COIF distributions	6,143	6,135
Interest	<u>21,907</u>	<u>9,772</u>
	<u>28,050</u>	<u>15,907</u>
	2023	2022
3. Incoming resources from charitable activities	£	£
Licence fees	<u>67,628</u>	<u>72,041</u>

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

4. Expenditure on charitable activities

	Home and Restricted Donations £	Unrestricted General £	2023 Total £	2022 Total £
Other donations and grants	2,491	183,669	186,160	44,406
Utilities and insurance	29,375	130	29,505	35,270
Cleaning	1,980	-	1,980	1,725
Telephone	-	-	-	100
Repairs and maintenance	52,197	113	52,310	19,698
Other costs	<u>1,020</u>	<u>-</u>	<u>1,020</u>	<u>588</u>
	87,063	183,912	270,975	51,042
Support costs (Note 5)	<u>2,392</u>	<u>10,319</u>	<u>12,711</u>	<u>18,447</u>
Total	<u>89,455</u>	<u>194,231</u>	<u>283,686</u>	<u>69,489</u>

5. Support costs

	Home £	General £	2023 Total £	2022 Total £
Employee and other costs	-	2,040	2,040	9,256
Rent	-	1,800	1,800	1,800
Computer support/licences	-	3,148	3,148	297
Stationery, postage and printing	-	243	243	223
Photocopying	-	230	230	164
Professional fees	960	1,379	2,339	1,306
Telephone	-	573	573	317
Sundries	1,432	906	2,338	1,079
	<u>2,392</u>	<u>10,319</u>	<u>12,711</u>	<u>14,442</u>

6. Employee costs and numbers

	2023 £	2022 £
Salaries and related costs	2,040	13,966
	<u>2,040</u>	<u>13,966</u>
	2023 No.	2022 No.
The average number of full-time equivalent employees during the year was:		
Sheltered accommodation	0	0
Administration	1	2
	<u>1</u>	<u>2</u>

There are no employees earning more than £60,000

WORCESTERSHIRE MASONIC CHARITY ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 December 2023**

7. Related party transactions

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2022 - None).

8. Taxation

As a charity, the Worcestershire Masonic Charity Organisation, is exempt from tax on income and gains falling within section 478 of the Taxes Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen within the charity.

9. Tangible fixed assets

	Freehold Buildings £	Fixtures and Fittings £	Office Equipment £	Total £
Cost				
As at 1 January 2023	643,731	6,224	1,836	649,955
Additions in year	-	-	-	-
Disposal in year	-	-	-	-
At 31 December 2023	<u>643,731</u>	<u>6,224</u>	<u>1,836</u>	<u>651,791</u>
Depreciation				
As at 1 January 2023	-	6,224	612	6,836
Charge for year	-	-	1,224	1,224
At 31 December 2023	<u>-</u>	<u>6,224</u>	<u>1,836</u>	<u>8,060</u>
Net Book Value				
As at 31 December 2023	643,731	-	-	643,731
As at 31 December 2022	643,731	-	1,224	644,955

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

	2023 £	2022 £
10. Debtors		
Other Debtors	174	3,759
Loan	<u>90,001</u>	<u>80,001</u>
	90,175	83,760
	<u> </u>	<u> </u>

Of the debtors shown above loans of £90,001 (2022 - £80,001) is due after more than one year and £80,000 is secured with a charge on property. The balance of £10,000 is repayable over 5 years.

11. Creditors: amounts due within one year	2023 £	2022 £
Creditors and Accruals	115,786	17,003
	<u> </u>	<u> </u>

12. Unrestricted funds	1 January 2023 £	Incoming resources £	Outgoing resources £	Transfers £	31 Dec 2023 £
General funds	176,605	16,881	(194,231)	100,000	99,255
Designated	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	-
	276,605	16,881	(193,845)	-	99,255
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The designated fund comprises monies donated by masons meeting in Bromsgrove following the sale of their property in that town. The trustees designated it as a fund to be used in the event of worthwhile causes being identified which would not or could not normally be met out of general funds. During the year the fund was released and used to make a donation to Festival 22.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

13. Restricted funds

	1 January 2023 £	Incoming resources £	Outgoing resources £	Transfers £	31 December 2023 £
Yorke-Brookes Fund	26,452	519	(595)	-	26,376
Ellard Hanson Fund	1,013,069	79,104	(86,964)	-	1,005,209
Heritage Fund	337,047	25,914		-	362,961
Other Restricted Funds	9,081	301	(2,131)	-	7,251
	<u>1,385,649</u>	<u>105,838</u>	<u>(99,690)</u>	<u>-</u>	<u>1,401,797</u>
Total	1,385,649	105,838	(99,690)	-	1,401,797

Included in "Outgoing resources" above are losses on investments £235 for Yorke Brookes Fund.
Included in "Incoming resources" above are gains on investments of £20,290 for the Heritage Fund.

The Restricted Funds are held for the following purposes:

Yorke-Brookes Fund – to assist Freemasons in need to meet their obligations to their Mother Lodge and Chapter.

Ellard Hanson Fund – this fund represents monies donated to acquire and maintain the fabric of the sheltered accommodation situated in Bromsgrove.

Heritage Fund – to maintain and improve facilities at Masonic buildings in the Province of Worcestershire so as to maintain the Masonic heritage of such buildings for the public good.

Other – these represent funds donated for specific causes nominated by the donors and which are accumulated and subsequently paid over to such causes.

14. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total £
Investments at fair value	289,047	-	289,047
Tangible fixed assets	643,731	-	643,731
Current assets	473,586	210,441	684,027
Current liabilities	<u>(4,567)</u>	<u>(111,186)</u>	<u>(115,753)</u>
	<u>1,401,797</u>	<u>99,255</u>	<u>1,501,052</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

15. Investments

Cost	2023	2022
	£	£
At 1 January 2023	286,556	286,556
Additions	-	-
Disposals	80,000	-
At 31 December 2023	206,556	286,556
Fair Value Adjustment		
At 1 January 2023	62,435	98,245
Brought forward balances correction	-	8,198
Investment gain/(loss) for year	20,056	(44,008)
At 31 December 2023	82,491	62,435
Fair Value at 31 December 2023	<u>289,047</u>	<u>348,991</u>