

THE EAST LANCASHIRE MASONIC CHARITY

(A company limited by guarantee)

Company Number: 79735

Registered in England

Registered Charity Number: 225151

DIRECTORS ANNUAL REPORT

&

FINANCIAL STATEMENTS

For the year ended 31st December 2020



**Hewlett Court
Newcombe Road
Ramsbottom
Bury
BL0 9XJ**

CONTENTS

Introduction	Page 3
Reference and Administrative Details	Page 4
Structure, Governance and Management	Page 6
Objectives and Activities	Page 7
Activities of the Year	Page 8
Future Plans	Page 18
Financial Review and Results for the Year	Page 19
Statement of Trustees Responsibilities	Page 22
Audit Report	Page 23
Statement of Financial Activities	Page 27
Balance Sheet	Page 28
Notes to the Financial Statements	Page 29
List of Donations Given	Page 39
National Masonic Charities - Statistics 2020	Page 41

INTRODUCTION FROM OUR PRESIDENT – Sir David Trippier, RD, JP, DL

As I write this report, we are 12 months into a global pandemic that has gripped the nation and resulted in tens of thousands of deaths in the UK alone. In recent times there has never been such a great need for charitable support. Every day we hear the tragedy of those affected by mental health issues, homelessness, financial (and food/clothing needs), domestic violence. Early in the pandemic so many organisations were crying out for help with personal protective equipment, and many charities suffered the effects of reduced income during a time of greater need for their services.

Meetings at Lodges and Chapters ground to a halt, but the steps brethren have taken to keep in touch have been astonishing, and behind the scenes the work of our great charity, the Masonic Charitable Foundation (MCF), our Province's Disaster Relief Fund and our own East Lancashire Masonic Charity has continued unabated. To January 2021 the MCF has supported 607 charities and good causes with a total of £3.2M - just on the above mentioned Covid-19 related issues, and we have added tremendously to that support locally.

Building work at Hewlett Court had been interrupted by Covid several times but now, as the 'finished product' nears completion, we truly can refer to Hewlett Court as the jewel in the Crown of our Province. I am nothing but astounded by the work that Julie Ward, Beverley Schofield and their teams have put in throughout the pandemic, keeping our residents happy, entertained, and above all safe, during a difficult and stressful period.

My gratitude extends to all of you reading this, whether you work within the Charity, or make a regular donation to it, enabling the Charity to meet its financial and other obligations for those it serves.

I know that we will all pull together as we emerge from Covid -times; giving assistance, aid, support, and comfort, wherever it is needed. In 2021 the Province's 5-year Festival period of fundraising for the MCF will be launched. Our brethren's focus will of course be the Festival but be assured that in the background the ELMC will continue its work and be totally supportive as attention is turned towards the MCF.

Rt. Worshipful Brother Sir David Trippier
President

REFERENCE AND ADMINISTRATIVE DETAILS

The **East Lancashire Masonic Charity (ELMC)** is a Registered Charity (Registered Number 225151) constituted as a company limited by guarantee (Company Number 79735). It is the principal charity for Freemasons in the Masonic Province of East Lancashire.

BOARD OF DIRECTORS/TRUSTEES - * Non-Executive

President	Sir David Trippier *	
Deputy President	John R Farrington *	
Chairman	Chad A Northcott	
Hon. Secretary	Philip J Price	
Hon. Treasurer	David Cowen	
	Stephen Clark	<i>(Deceased 01.03.2021)</i>
	Robert Findlay	<i>(Appointed 28.04.2021)</i>
	David Hudson	
	David Lightbown	
	Robert SC Mitchell *	
	Stephen A Thomson	
	Derek N Thornhill *	
	William R Waite *	
	Julie Ward*	

REGISTERED OFFICE:

Hewlett Court
Newcombe Road
Ramsbottom
Bury
BL0 9XJ

AUDITORS:

Percy Westhead & Company
Chartered Accountants and Statutory Auditors
Greg's Buildings
1 Booth Street
Manchester M2 4AD

BANKERS:

National Westminster Bank plc
11 Spring Gardens
Manchester M60 2DB

INVESTMENT ADVISORS:

W H Ireland Ltd
One New Bailey
4 Stanley Street
Salford, M3 5JL

SOLICITORS:

DWF Solicitors
Scott Place
2 Hardman Street
Manchester M3 3AA

MANAGEMENT:

Director of Operations: Mrs Julie Ward

Manager of Hewlett Court: Mrs Beverley Schofield

ADMINISTRATION:

Administrative Officer: Mrs Karen Hall

CONTACT:

Principal address: Hewlett Court
Newcombe Road
Ramsbottom
Bury
BL0 9XJ
Tel: 01204 886552
Email: elmc@eastlancsmasons.org.uk
Website: www.elmc.co.uk

STRUCTURE, GOVERNANCE AND MANAGEMENT

The ELMC was incorporated on the 13th January 1904. The Provincial Grand Master of the Masonic Province of East Lancashire is a non-Executive Director and the President of the Charity. The Deputy Provincial Grand Master is also a non-Executive Director and the Deputy President. The business and affairs of the Charity are directed by the Board of Directors/Trustees in accordance with the Articles of Association and managed on a day-to-day basis by the Operations Director, Julie Ward, the Manager of Hewlett Court, Beverley Schofield, and part-time Administrative Officer, Karen Hall.

Voting Members, known as Representative Members, are appointed by each Lodge and Chapter of the Masonic Province of East Lancashire. Any Brother, his family or friend may become an individual member of the ELMC at the discretion of the Board through a personal gift of at least £60 per annum. These “Friends” are entitled, should they wish, to attend the Annual General Meeting and to receive a copy of the Annual Report, but are not entitled to cast a vote at the AGM.

THE BOARD OF DIRECTORS/TRUSTEES

The Board of the ELMC comprises:

The President who shall act in a non-Executive capacity
The Deputy President who shall act in a non-Executive capacity
The Chairman of the Charity
The Secretary of the Charity
The Treasurer of the Charity
The Chairman of the Benevolence Committee
The Chairman of the Grants Committee
The Chairman of the Hewlett Court Advisory Committee
The Provincial Grand Almoner
The Provincial Grand Charity Steward
Three non-Executive Directors - including the Chairman of the Museum Committee, with an option for a total of up to five non-Executive Directors.

The President, the Deputy President, the Provincial Grand Almoner and the Provincial Grand Charity Steward are all ex-officio Members of the Board, other Members are elected at each Annual General Meeting.

Induction and Training of Members of the Board:

Upon appointment or election to the Board new Members receive the following:

1. Information explaining the extent of the involvement required
2. A copy of the Memorandum and Articles of Association of the Company
3. Copies of the most recent Annual Report and Accounts/Statement of Trustees' responsibilities
4. An explanation of membership of the Board
5. Copy of the Charity Commissioners Guide to the responsibilities of a Charity Trustee
6. Copies of the minutes of previous meetings of the Board

The Board appoints Sub-Committees, which are approved at the Annual General Meeting each year, to consider and make recommendations to it for the management of the Charity. The appointed Sub-Committees are:

The Committee of Benevolence consists of a representative of each of the Areas in the Masonic Province of East Lancashire together with other members nominated by the President or the Board. The role of the committee is to determine the provision of charitable assistance to needy Freemasons, their widows or other dependent relatives. The Committee of Benevolence operates two Sub-Committees' – the Comforts Fund Committee and Young People's Committee. Much of the work of the Benevolence Committee is co-ordinated with the Freemasons' Grand Charity in London to whom petitions are submitted for consideration.

Hewlett Court Advisory Committee whose responsibility is to offer professional support and guidance to the Director of Operations and Manager.

The Grants Committee supports non-Masonic charities and other good causes that are proposed by Lodges and Districts within the Province of East Lancashire. It encourages the active involvement of Freemasons within their local communities.

The Fund-Raising Committee has a responsibility to oversee a clear Marketing, Communication and Fund-Raising strategy across the Province.

The Investment Sub-Committee. The investment policy is to maximise the long-term return on the Charity's Investment funds, subject to the risks normally associated with a balanced approach to portfolio management. The Charity does not restrict itself to any particular category of investment, and the performance of the funds is measured against appropriate benchmark indices. The sub-committee monitors the Charity's investments at regular meetings with advice taken from W H Ireland Ltd, its Stockbroker.

OBJECTIVES AND ACTIVITIES

The Charity is the central vehicle for the delivery of Masonic charity and care on behalf of Freemasons in East Lancashire. It augments the charitable work of Freemasons in their Lodges and Districts by supporting those in need within the wider Masonic "family", eligible projects which benefit local communities and other good causes.

The specific objectives for which the Charity is established are:

1. The relief of poverty by the provision help and assistance to needy Freemasons, or their widows or any other of their dependent relatives, living predominantly but not exclusively in East Lancashire.
2. The education of children of needy or deceased Masons.
3. To make grants in cash or kind for the purpose of relieving the immediate and pressing needs of Freemasons or their families who live predominantly but not exclusively in East Lancashire.
4. To provide help and assistance to other charitable and good causes for the general benefit of the public or communities situated predominately but not exclusively in the East Lancashire area.

The Trustees confirm that they have complied with the duty in section 4 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission on public benefit.

ACTIVITIES OF THE YEAR

The core activity of this Charity, since its inception over one hundred years ago, has been to support and care for the less fortunate within our Masonic and the extended community. In 2020 the number of beneficiaries supported by the Committee of Benevolence and the Welfare Office was 715. In addition to the time freely given by Almoners, Provincial Welfare Officers, Charity Stewards and many other committed Freemasons, the financial value of the grants and support to East Lancashire beneficiaries in this financial year consisted of £22,889 from the ELMC and a further £346,086 (supporting 154 Freemasons and dependents) from the Masonic Charitable Foundation. This included help with living costs, health and well-being, and supporting the education of children and young people).

The ELMC Grants Committee is now well established and is giving financial support to projects, often in which Freemasons are actively involved, bringing benefits which improve the quality of life in local communities. It continues to make grants to local charities and good causes where comparatively small contributions make a considerable difference. In 2020 the Fund received 40 applications (in 2019 – 71 applications were received) and approved grants to 24 organisations (in 2019 – 54 were approved) totalling £32,834 (2019 - £61,264). The impact of these donations is very important to us – Freemasonry in action. Other ELMC donations include £15,000 (non-Masonic Grants).

The ELMC Fund Raising Committee has worked closely with the Provincial Charity Stewards Committee and other ELMC Officers to develop fund-raising activities and encourage regular donations to us by Freemasons and their Lodges and Chapters.

Hewlett Court, the sheltered accommodation owned and operated by the Charity, continues to provide a happy and nurturing environment for its residents, with a capacity of a maximum of 44 residential places. This will increase with major improvements to the facility having been undertaken during 2019, 2020 and completion anticipated during 2021.

Julie Ward, Operations Director for the ELMC and Hewlett Court, continues with the management of the day-to-day activity of the Charity from her base at Hewlett Court. The greatest challenge of 2020 has been ensuring the safety and well-being of our residents and staff during the pandemic, which the team met with great skill and success during a very difficult and ongoing period.

During the year the membership of the Board and its various committees has been considered and the governance of the constituent parts of the Charity has been kept under review. As reported in previous years we continue to monitor the governance of the Charity and risk management at all levels of the operation. This annual report provides more detail on the activities of the individual components of the charity.

To keep updated on all ELMC activities, please visit our web resources:

www.elmc.co.uk

twitter.com/e_l_m_c

facebook.com/eastlancashiremasoniccharity

Hewlett Court (@hewlettcourt) • Instagram photos and videos

THE COMMITTEE OF BENEVOLENCE

David Lightbown	Chairman	
Philip J Price	ELMC Hon. Secretary	
David Hudson	Provincial Grand Almoner	
Steve Clark	Provincial Grand Charity Steward	<i>(Deceased 01.03.2021)</i>
Charles B Ward	Chairman, Comforts Fund Committee	<i>(Deceased 06.02.2021)</i>
Julie Ward	ELMC Director of Operations	

AREA REPRESENTATIVES

Alston Hall	Eastern Area
Michael Bluer	Western Area
Brian Reynolds	Southern Area
Alan Fielder	Northern Area
Alan Potts	Salford Area
Elliott Moss	Manchester Area

The Committee of Benevolence (COB) meets on a monthly basis throughout the year to consider cases, for either financial assistance or other forms of support. Whilst financial assistance is the main form of support other factors are taken into account when considering each application.

Assistance is also considered for home repairs or household appliances and any special needs equipment to help improve the quality of life, with each case being considered on its merit.

The majority of applications receive appraisal by the Masonic Charitable Foundation with petitions brought to them by the Provincial Welfare Officers (PWO), Almoners or other concerned Brethren on behalf of Freemasons, their family and dependants who are considered to be in need, these are also reviewed by the committee of Benevolence, who consider if further support is necessary to meet the current ELMC guidelines.

In the last year the MCF has given financial support to 154 beneficiaries within the Province of East Lancashire totalling £346,086, with additional financial support of £22,889 being provided by the ELMC, this being dispersed via the Committee of Benevolence, the Comforts Fund and the Young Peoples Committee.

The total number of beneficiaries of ELMC 2020 [at year end] being 715, comprising 80 widows, 19 brethren, 16 Married Couples, 2 Spinsters, 1 Bachelor, 55 Young People, 32 Residents of Hewlett Court, and 510 Widows of Closed Lodges.

During 2020 there were 20 new petitions for financial support, 47 cases were reviewed and 3 were made a new beneficiary of the Charity. In addition to which a number of the young beneficiaries have received financial assistance for educational purposes and equipment.

Although the Committee of Benevolence meets on a monthly basis to consider petitions, we also aim to react as quickly as possible to any request for immediate assistance when required, with each case being considered on its merit. The Chairman works closely with both the Provincial Grand Almoner and Provincial Grand Charity Steward, with such emergency cases being ratified at the next COB meeting.

I would like to offer my sincere thanks to all members of the Committee of Benevolence, the Provincial Welfare Officers, Julie Ward and Karen Hall for all their hard work and support during the last twelve months.

David Lightbown
Chairman of the Committee of Benevolence

COMFORTS FUND COMMITTEE

Charles B Ward	Chairman	<i>(Deceased 06.02.2021)</i>
David Lightbown	Vice Chairman	
Dennis Gilmore		
David Platt		
Mahtarr Samba		

The ELMC Comforts Fund Committee provides a traditional programme of events for the Beneficiaries of the Charity in the form of a Spring Party dinner, a seven-night Annual Holiday and an Autumn Outing, usually organised during September.

The **Spring Party** was due to take place on Tuesday 7th April 2020 at Stanley House, Audenshaw Masonic Hall. The invitations had been distributed to the Beneficiaries and to the Officers of the Charity. The event would generally accommodate over one hundred guests for an evening of dinner and entertainment. Sadly, due to the escalating situation with the Coronavirus pandemic the Spring Party was postponed which, at the time, was the sensible and responsible thing to do in the circumstances.

The **Annual Holiday** had been arranged for Monday 25th May to Monday 1st June 2020. The Committee usually takes between fifty to sixty Beneficiaries to the Clifton Park Hotel at St Anne's. Unfortunately, following the Government guidelines it was necessary for the holiday to be cancelled. The Chairman, WBro Charles Ward, kept in touch with many of the Beneficiaries who had been advised to shield and were feeling very isolated and disheartened.

As the Government lifted the lockdown rules, the Committee began to make plans for an Annual Holiday later in the year. Charles contacted the Beneficiaries to assess the interest in attending a holiday during the first week in October. All were very keen to take part in the event and plans were put into place.

The Beneficiaries would usually meet up at Hewlett Court for a light lunch prior to departure for St Anne's and transport is provided by coach. However, this would not be possible, and all guests were asked to make their own way to the Clifton Park Hotel. The Hotel had all provisions in place to accommodate Government guidelines and on arrival everyone formed 'bubbles' of six for the seven nights stay.

The feedback received during the week was that everyone had been looking forward to the holiday so much. Many had found it very difficult during lockdown from March to August, and to have had the opportunity of this break was wonderful. Charles was told that if all had to endure another lockdown, then they now felt they could cope having had such a superb time. The holiday was described as – the Best one ever!

Letter of thanks received:

Thank you so much for inviting me to join you at the Clifton Park Hotel.

I really enjoyed my stay. It was so good to meet up with friends after shielding for weeks and you worked so hard to make us welcome, everything went perfectly.

Thank you again and best wishes
Marie

Due to the numbers that would generally attend the **Autumn Outing**, anything between forty-five and fifty, this event did not go ahead for 2020.

Julie Ward, Director of Operations for
Charles Ward, Chairman to 6th February 2021

In Memoriam.

Charles Ward, beloved husband of Julie Ward, was sadly called for greater service in February 2021. This is a great loss for the Charity, the beneficiaries, the residents of Hewlett Court and all those who knew him, worked with him and loved him. He put so much of himself into the work of the Benevolence Committee, the Comforts Fund, the Young People's Committee and activities and functions at Hewlett Court. He would have been so pleased to see that work and enjoyment continuing and he will be fondly remembered by the Charity for many, many years.

THE YOUNG PEOPLE'S COMMITTEE

Roger Tinker	Chairman
Paul Doran	
Gary O'Neill	
Raymond P Evans	
Christopher Creelman	
Howard Aldersen-Perkins	
Edward Smethurst	
Karen Hall	
Julie Ward	ELMC Director of Operations

The past year has been one of cancellations. At the outset of the year, we had planned a number of events to take place during 2020:

Salle Angelo Fencing Club – an introduction to the sport of fencing and laser pistol shooting, two of the disciplines in the modern pentathlon.

The Water Ski Academy – an afternoon to enable the Young People to try out different water-based sports, skiing, wake boarding and fun activities on towed inflatables.

The Greatest Showman – A screening of the ever-popular film the “The Greatest Showman” at the Playhouse 2 theatre in Shaw. This event was also to be a fundraising event for the ELMC. The intent being to sell the additional seats (approx. 80) to cover the costs and provide funds. Harry Potter Studio Tour – a visit and tour round the sets at the Warner Bros. Studios where the Harry Potter films were created. The YPC had visited the studios in 2016 that had been well received by the Young People at that time.

As the pandemic unfolded in early 2020 the committee members decide to err on the side of caution and cancel all of our forthcoming events. With the good will of all of the organisations we were able to cancel all of the events without any costs being incurred.

To enable us to keep in touch with the beneficiaries in 2019 the YPC had created a Facebook page, WhatsApp Group and begun to issue a quarterly Newsletter reporting on events and items regarding the achievements and progress of our Young People. The Newsletter is available to read on the Young Peoples' Committee webpage on the ELMC website,

During 2020 these communication channels became very important in enabling us to ask our Young People how they were coping with the restrictions being placed upon them, and their families, dealing with “Home Schooling” and for some, how shielding to protect their own or a family member's health had impacted their lives.

The newsletter provided a forum where the current and former beneficiaries were able to relate how they had managed during lockdown giving accounts how their studies had been impacted, achievements and challenges they had faced.

Of the achievements most noteworthy were:

Emma graduated from Salford University and began her new career as a Staff Nurse immediately being deployed to Manchester Children's Hospital as an Aspirant Nurse, a new role created during the pandemic.

Charlotte H graduated with a 1st in Musical Theatre.

Bethany was awarded a distinction and is now studying Photography at Salford.

Megan gained 3 B's and is now at York reading Social Work with an ambition to move into fostering on completion of her studies.

Charlotte bravely overcame all of her health problems to gain GCSEs in Maths, English and English Lit. and will attend Sixth Form College studying Science and Animal Care with a view of becoming a Veterinary Nurse.

Jessica passed all of her GCSE's and has gone on to Sixth Form College.

Francesca gained a B in Psychology and Cs in Economics and Business Studies. She is now reading Law at Manchester Metropolitan.

Laurence and Cameron have both graduated from Huddersfield.

We congratulate all of the Young People on their achievements in 2020 which was an extraordinary year for all but especially so for all in education and at that point where their results could have a serious impact on their future career paths.

Roger Tinker
Chairman of the Young People's Committee

GRANT MAKING COMMITTEE

Chad Northcott	Chairman	
John R Farrington	Deputy President	
Brian J Carter		
Peter Faulkner		
David Lightbown		
David Dunn		
Rev David Halford		
Stephen Clark	Provincial Grand Charity Steward	(Deceased 01.03.2021)
David Hudson	Provincial Grand Almoner	
Gerry Russell	Communications Liaison Officer	
Karen Hall	Secretary	

The Grants Committee considered 40 applications for funding during 2020; 24 grants were approved totalling £32,834. This was decrease in applications over the previous year (when £61,264 was approved). Across the Province engagement with our local communities and exposure on social media and in the press was greatly reduced due to the pandemic and masonic Lodges not meeting, but we continue to actively encourage Districts, lodges and individuals to make greater use of the fund and to continue to improve public relations and connections. There was considerable additional work carried out across the Province though, with funding from the Masonic Charitable Foundation and the Province's Disaster Relief Fund supporting local organisations and charities with meal provision, PPE provision, addressing homelessness, supporting victims of domestic violence and helping those with mental health issues for example.

We receive several direct applications for funding from charities and good causes, most of which we refer to the Districts to seek their approval before proceeding. This gives the local team the opportunity to capitalise on the donation opportunity, market the impact Freemasonry is having in our communities, and, in many cases, offer hands on support too. From its launch in 2006 the Fund has approved non-masonic grants totalling more than £600K. This is addition to grants made directly by the Charity of several hundred thousand pounds.

The Grants Committee has continued to support the Teddies for Loving Care Initiative, providing teddies to help calm anxious children in A&E units, and Family Courts. They have also been used in hospices to maintain a link between children and their relative, who each have a bear.

The Committee has a stable and experienced membership who considers all applications for non-Masonic support and financial assistance, seeking sanction from the Board for any Grants it seeks to approve that are more than £5,000. The criteria used for approval of awards offer

wide latitude, sitting comfortably within the definitions of charitable causes as defined by the Charity Commission. We seek to support as many as possible and like projects which we can own, where there is active masonic involvement, or where there are items which we can purchase, label and be proud of.

A complete list of approved Grants is maintained and displayed on the ELMC website. Supported initiatives are regularly communicated on social media channels and well reported in the media, by both the Freemasons and the good causes and charities we support. We continue to audit the recipients of approved Grants to ensure our funds are utilised for the purpose they have been given, and to obtain further publicity, both for the good of Freemasonry and the Charity. We will be looking much more deeply at the positive impact our grants have in the future.

The role of the ELMC Grants Committee and its donations cannot be understated, for promoting both the Charity and the Province in our local areas. We aim to contribute to raising the profile of both Freemasonry and the ELMC, portraying a positive image, improving the understanding of Freemasonry, and attracting new members to the fraternity.

Chad Northcott
Chairman of the Grant Making Committee

HEWLETT COURT ADVISORY COMMITTEE

David Lightbown	Chairman
Ian Whitehead	Deputy Chairman
Julie Ward	Director of Operations
Dennis Heskett	Secretary
David Garnett	
Chris Wildman	Treasurer
Beverley Schofield	Manager

As reported at the 2020 AGM the former bedroom welfare facilities comprised of just a toilet and wash hand basin, which were felt to be inadequate by present day standards and with the benefit of timely and generous legacies to the home it was decided to proceed with upgrading the facilities with a project cost of £1.6m.

The work commenced during February 2019 and is to be completed in phased periods, the forecasted completion date was June 2020. However, due to the Covid pandemic the work has been seriously delayed and the project completion date has been put back to hopefully sometime during 2021.

The first phase of the works included the extension to the home and remodelling of the former warden's accommodation and was completed by September 2019 and enabled twelve of the residents to move into their new rooms. This was immediately followed by work on phases two and three which enabled a further fourteen residents to move into the new rooms, I am pleased to report from comments made from the residents that they have settled into their new environments and are enjoying the wonderful new facilities.

Phase four has now commenced and on completion of this phase will provide a further eight refurbished rooms, with the remainder of the work will be being completed over a further two smaller phases and on completion will increase the homes capacity to forty rooms instead of the former thirty-six.

It is hoped that on completion of the refurbishment project we will be able to hold a grand opening and garden party to commemorate the date.

The home being built some fifty years ago it is goes without saying that ongoing repairs and improvements are necessary to keep up with current standards, regulations and of course better facilities and comforts for the residents, to this end several issues have been identified and improvements will be ongoing when funds are available.

Looking at the age profile of the residents within the home we must be doing something right, they all seem to enjoy each other's company and are looked upon as one big family and cared for by the wonderful and dedicated staff employed at the home, whom I would like to add have been absolutely fantastic during the pandemic and have gone the extra mile to ensure the safety and well-being of the residents during these difficult times.

Finally, I would like to thank all the Districts who continue to support Hewlett Court by way of donations and practical support, which hopefully will continue in the future.

David Lightbown
Chairman of the Hewlett Court Advisory Committee

INVESTMENT COMMITTEE

John Scott	Chairman
Ian Connor	Secretary
David Cowen	ELMC Hon Treasurer
Derek Calrow	
David Rothburn	

The Investment Committee meets on a regular basis to review the portfolio of investments and aims to achieve a balance of capital appreciation and income return.

In the financial year, the value of our investments increased by 2.57% but, reflecting the impact of the coronavirus, the estimated annual income from the portfolio decreased by 8.74%. The net result was a total return which increased year on year by 4.84% after expenses which compares favourably with an increase of 1.95% in the total return from the MSCI WMA Private Investor Balanced Total Return Index against which the portfolio is measured and a decrease of 9.46% in the total return from the FTSE All Share Index over the same period.

John Scott
Chairman of the Investment Committee

CHARITY STEWARDS COMMITTEE

Bob Findlay	Chairman
Tony Stephenson	City Derby
Steven Thomson	City Sykes
Ian R MacNeill	Salford
David T Brown	Ashton and Mossley
Luke Griffiths	Audenshaw
Steve Graham	Oldham
John Taylor	Rochdale
Bob Findlay	Bolton and Farnworth
Chris Eccles	Bury
Malcolm Roe	East Ribble
Ray Evans	Burnley and Pendle

The District Charity Stewards throughout the Province continue to play a vital role within our Charitable Structure. Steve Clark introduced new processes for the reporting of Charitable giving to both Masonic and non-Masonic Charities and was particularly active during the Covid pandemic in inputting worthy charities for funding from the MCF from their Covid-19 community Fund. Sadly, Steve passed away in March 2021. I became Provincial Charity Steward in March 2021.

The District Charity Stewards offer a great deal of help and assistance to Brethren who are submitting grant applications to the Grant Making Committee. Anyone wishing to make an application will benefit from tapping into their expertise prior to making an application.

During the Covid pandemic District Charitable activity has organised many Covid-related appeals for equipping Schools and medical units with visors and other PPE, and assisting foodbanks either with people power or the supply of goods, to name but a few of many initiatives.

Bob Findlay
Chairman of the Charity Stewards Committee

FUNDRAISING COMMITTEE

Stephen Thomson	Chairman
Philip J Price	Deputy Chairman
Julie Ward	Director of Operations
Paul Sellers	Secretary
Nigel Johnson	
Steven Graham	
John Thornhill	
Dennis Schiff	
Tony Stephenson	
Rachel Cookson	

The function of The Fund-Raising Committee is to develop and carry out fundraising activities, for the benefit of ELMC within the Province of East Lancashire. It implements marketing, promotional, and educational activities to raise awareness of the charity to both the Masons of East Lancashire and the public at large.

The year 2020 was extremely problematic for all charities regarding fund-raising and ELMC was no exception. The COVID-19 pandemic called a halt to many of the planned events and as Lodges ceased to meet, conforming with Government and UGLE lockdowns, our otherwise regular income began to suffer.

ELMC income was reduced from £235,609 in 2019 to £169,333 in 2020.

Whilst this was a blow, it must be appreciated that many charities suffered a far greater drop in revenue than ELMC did.

The “Friends” of the East Lancashire Masonic Charity personal giving scheme that we had promoted heavily during 2019 helped to see us through the pandemic, indeed the number of “Friends” actually continued to rise during lockdown, and they currently bring in a revenue of over £50,000 per annum.

This particular source of income coupled with a considerable reserve that has been build up over the last five years has allowed ELMC to continue to fulfil all of its obligations to its beneficiaries and our local communities.

The committee kept itself busy during the pandemic by building an online shop and merchandising branded face coverings, as well as adopting zoom meetings as the preferred means of communication and establishing Just Giving pages for sponsored events.

Moving forward into 2021 it was hoped that fundraising events would be able to be reintroduced (always taking care to comply with Government restrictions). Plans were already underway for an outdoor Summer event and the delayed launch of the next Festival acquired a period of grace to help prepare ELMC for the anticipated lean period of income during the Festival itself.

During the course of the next few years The Fund-Raising Committee look forward to turning their attention to supporting the Festival on behalf of ELMC. Whilst this will, of course, detract from ELMC’s own fund-raising, it must be acknowledged that a very special and symbiotic relationship exists between The East Lancashire Masonic Charity and The Masonic Charity Foundation, and the results of the Festival will complement the work of ELMC for years to come.

Stephen Thomson
Chairman of the Fundraising Committee

FUTURE PLANS

The core activities of the Charity will continue to revolve around caring for our beneficiaries through the Committee of Benevolence and its Subcommittees - the Comforts Fund and the Young Peoples Committee. This support is offered in conjunction with funding assistance and other help we receive from the Masonic Charitable Foundation, the Province's Welfare Team, and its network of Almoners. This remains the most important area of our activity and will continue to be our priority in the year ahead.

The ELMC Fund Raising Committee is committed to encouraging donations to the Charity and during 2020, has helped to raise unrestricted income of £169,333 (£235,609 in 2019). This work will continue into 2021 and onwards to ensure the financial position of the Charity is secured (especially with a Festival on the horizon, which could impact our income) and provide a healthy platform to meet the demands of our core activities and provide for increased charitable giving. There is much scope to improve awareness of the ELMC and attract more 'Friends' to the Charity.

The Grants Committee will continue to receive applications, consider and make grants to Non-Masonic Charities. We will continue to actively encourage applications from the Brethren, Lodges and Districts, with the aims of supporting our local communities, raising, and maintaining a positive understanding of Freemasonry and assisting with recruitment. Our funds come from Freemasons so, when the Charity supports the Province, the benefits are mutual. We reviewed the Grant application and approval process during 2020 and are now focussing much more on the impact our giving has in our local communities, and even at an individual level.

The ongoing support of our 'Jewel in the Crown', the Hewlett Court facility, will continue to ensure that the excellent standard of facilities and service provided for the residents are maintained. We debated and investigated an ambitious refurbishment proposal in 2018 to ensure each resident has ensuite facilities and work, which began in 2019, continued during 2020 and is anticipated to be completed during 2021.

The ELMC will maintain its strong relationship with the Province. This is essential to maintain contact with beneficiaries, gain and support new beneficiaries and to promote the Charity itself, amongst our members and the wider community. This work will continue, although when the Province's MCF Festival is launched in 2021, the Charity will naturally also wish to support the fund-raising endeavours of the Province.

Communication and Marketing will continue to be at the fore during and there will be increased engagement with the Province, our local communities and our brethren and their families with face-to-face presentations, direct e-communications, greater use of social media and the website, and increased engagement externally with the charities and good causes which we support. There is an ongoing pandemic which we have negotiated carefully during 2020 and we are working at transitioning to the 'new' normal times during 2021.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

FINANCIAL RESULTS

The reports and accompanying financial statements reflect the reporting requirements 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 1st January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, and the Company's Memorandum and Articles of Association.

The Charity's unrestricted total incoming resources was £860,615 in the year, compared with £1,111,948 in the previous year, a decrease of £251,333 whereas its costs decreased from £910,341 to £851,391 resulting in a surplus of £9,224 in the year compared with a surplus of £201,607 in 2019. Other gains and losses relate to movement in investments and an upward revaluation of Freehold land and buildings. Listed investments show net gains of £88,129 compared with net gains of £335,365 in the previous year and the upward revaluation of freehold property was £1,372,683. The Charity's total unrestricted net assets have therefore increased by £1,470,036 to £9.035 million.

It is the opinion of the Board that the Charity is in sound financial position and has sufficient assets and resources to enable it to continue to carry out its objectives as laid out on page 7.

THE CHARITIES INCOME

Legacy income, for which we are grateful for the generosity of our departed Brothers, decreased by £170,201 to £7,500. Grants from the Masonic Charity Foundation, for which the accounts include a matching expense, decreased by £11,195 to £1,275.

The legacies received during the year of £7,500 being:

P Garaghty	£500
D Conley	£2,000
P Westwood	£5,000

The total return from investments during the year was:

	2020	2019
	£	£
Investment income	58,242	63,248
Bank interest	226	3,350
Realised (losses) / gains on sale of investments	(56,319)	59,890
	2,149	126,488
Unrealised (losses) / gains on investments	144,448	275,475
	<u>146,597</u>	<u>401,963</u>

The value of the investment portfolio has increased by £47,704 following investment changes in the year and an increase in underlying values. Your Investment Committee continues to monitor the position very closely.

A list of all donations made during the year is shown on pages 39 to 40.

THE CHARITIES EXPENDITURE

Costs of the Charity are analysed in note 7. The decrease in costs of raising voluntary income is mainly due to merchandise costs in the previous year not being incurred again in 2020. Operating profit for Hewlett Court has increased from £38,288 in the previous year to £74,959, the depreciation charge has increased a little from £26,577 to £27,446 and as explained below there has been a loss on disposal of certain assets made redundant by the development works.

HEWLETT COURT

As mentioned earlier in the report, work continued on upgrading the facilities and extending the building. Various furniture, plant and equipment, not fully written down in the accounts, were replaced or scrapped as part of the upgrade resulting in an accounting loss on disposal.

	2020	2019
	£	£
Receipts from Residents, Staff and shop	624,039	600,475
Donations	8,503	8,646
	<u>632,542</u>	<u>609,121</u>
Less: Running costs	(557,583)	(570,833)
<u>Operating Profit/(Loss)</u>	<u>74,959</u>	<u>38,288</u>
Depreciation	(27,446)	(26,577)
Loss on disposal	(19,069)	-
Contribution ex ELMC	<u>28,444</u>	<u>11,711</u>

BALANCE SHEET

The total reserves of the Charity have increased by £1,475,025 to £9,068,441 at the end of the financial year. This increase is largely due to the revaluation of freehold land and buildings.

INVESTMENT POLICY AND PERFORMANCE

The present investment policy is to maximise the long-term total return of the Charity's investment funds, subject to the risks normally associated with a balanced portfolio management. The Charity does not restrict itself to any category investment. The performance of the portfolio is measured against an appropriate benchmark index, and, during the year, it has outperformed that benchmark. The Investment Sub-Committee monitors investments which are managed on a discretionary basis by WH Ireland Ltd.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

By Order of the Board

Philip J Price
Company Secretary

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for their annual report and for the preparation of financial statements for each financial year, which give a true and fair view of the incoming resources and the application of resources of Charity and the Group during the year, and of the state of affairs as at the end of the financial year. In preparing these financial statements, the Trustees are required to:

- ensure that the most suitable accounting policies are established and applied consistently
- make judgements and estimates which are reasonable and prudent
- state whether the applicable accounting standards and statement of recommended accounting practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees have overall responsibility for ensuring that the Charity has appropriate systems and controls, financial and otherwise. They are also responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and the Group 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 the Group for their proper application as required by charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Charity is operating efficiently and effectively
- all assets are safeguarded against unauthorised use of disposition and are properly applied
- proper records are maintained, and financial information used within Charity, or for publication, is reliable
- the Charity complies with relevant laws and regulations

The Trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by the Trustees.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews
- delegation of day-to-day management authority and segregation of duties
- the Trustees are aware of the need for identification and management of risks, and to be satisfied that appropriate procedures are in place.

AUDIT REPORT

For the year ended 31st December 2020

Independent Auditor's Report to the Members and Trustees of The East Lancashire Masonic Charity

Opinion

We have audited the financial statements of The East Lancashire Masonic Charity for the year ended 31st December 2020 which comprise the statement of financial activities, the balance sheet and the related notes, 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 31st December 2020, and of the incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis of 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

AUDIT REPORT

For the year ended 31st December 2020

Independent Auditor's Report to the Members and Trustees of The East Lancashire Masonic Charity continued.....

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations necessary for our audit.

AUDIT REPORT

For the year ended 31st December 2020

Independent Auditor's Report to the Members and Trustees of The East Lancashire Masonic Charity continued.....

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 22] the trustees 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 they 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 Charity'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 Charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and liabilities. Our audit procedures to respond to these risks included enquiries of management, reviewing accounting estimates and provisions and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, as these may for example involve fraud or override of internal controls and we are not responsible for preventing non-compliance.

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.

AUDIT REPORT

For the year ended 31st December 2020

Independent Auditor's Report to the Members and Trustees of The East Lancashire Masonic Charity continued.....

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Timothy A R Elston (Senior Statutory Auditor)
for and on behalf of Percy Westhead & Company
Chartered Accountants
and Statutory Auditors
Greg's Buildings
1 Booth Street
Manchester
M2 4AD

7th September 2021

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(including an Income and Expenditure Account)

For the year ended 31st December 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
INCOME:					
Donations	3	169,333	12,039	181,372	235,609
Legacies		7,500	-	7,500	177,701
Income from charitable activities					
Grants from Masonic Charity Foundation		1,275	-	1,275	12,470
Trading activity - Hewlett Court	4	624,039	-	624,039	600,475
Investment income	5	58,468	-	58,468	66,598
Other income		-	-	-	19,095
Total income		<u>860,615</u>	<u>12,039</u>	<u>872,654</u>	<u>1,111,948</u>
EXPENDITURE:					
Costs of raising funds					
Costs of raising voluntary income	7	39,427	-	39,427	48,921
Investment management costs		15,976	-	15,976	15,662
Property expenses	7	<u>25,199</u>	<u>-</u>	<u>25,199</u>	<u>24,661</u>
		80,602	-	80,602	89,244
Expenditure on charitable activities					
Grants	6	71,295	7,050	78,345	103,400
Grant administration	7	47,562	-	47,562	48,023
Grant making committee grants	6	32,834	-	32,834	56,264
Other donations	6	15,000	-	15,000	19,000
Trading activity - Hewlett Court	6	604,098	-	604,098	597,410
Total expenditure		<u>851,391</u>	<u>7,050</u>	<u>858,441</u>	<u>913,341</u>
Net income		9,224	4,989	14,213	198,607
Transfers between funds		-	-	-	-
Other recognised gains and losses					
Gains on revaluation of investments	12	144,448	-	144,448	275,475
Gains on revaluation of fixed assets	11	1,372,683	-	1,372,683	-
Gains/(Losses) on disposal of investments	9	(56,319)	-	(56,319)	59,890
Net movement in funds		<u>1,470,036</u>	<u>4,989</u>	<u>1,475,025</u>	<u>533,972</u>
Reconciliation of funds					
Total funds brought forward at 1st January 2020		7,564,806	28,610	7,593,416	7,059,444
Total funds carried forward at 31st December 2020		<u>9,034,842</u>	<u>33,599</u>	<u>9,068,441</u>	<u>7,593,416</u>

All amounts relate to continuing activities. All recognised gains or losses are included in the Statement of Financial Activities.

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

BALANCE SHEETAs at 31st December 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	11	4,901,661	3,025,303
Investments	12	2,732,282	2,684,578
		<u>7,633,943</u>	<u>5,709,881</u>
CURRENT ASSETS			
Debtors	13	1,060,328	1,041,322
Bank and other deposits		520,469	1,014,471
		<u>1,580,797</u>	<u>2,055,793</u>
LIABILITIES			
Amounts falling due within one year	14	146,299	172,258
NET CURRENT ASSETS		<u>1,434,498</u>	<u>1,883,535</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,068,441	7,593,416
NET ASSETS		<u>9,068,441</u>	<u>7,593,416</u>
FUNDS			
Unrestricted:			
Free reserves		7,168,356	4,102,771
Revaluation reserve		1,866,486	502,877
Designated funds		-	2,959,158
		<u>9,034,842</u>	<u>7,564,806</u>
Restricted funds			
Endowed capital		33,599	28,610
	15	<u>9,068,441</u>	<u>7,593,416</u>

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The financial statements on pages 27 to 38 were authorised for issue by the directors on 1st September 2021.

Signed on behalf of the directors by

D Cowen

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020

1 COMPANIES ACT 2006

The Charity is not a trading company and the Profit and Loss Account formats permitted under the provisions of the Companies Act 2006 are not considered appropriate to report the transactions of the Charity.

The Directors have presented the Income and Expenditure Account as part of the Statement of Financial Activities in a format which they consider fully explains the transactions of the Charity.

2 ACCOUNTING POLICIES

(a) Basis of accounting

Subject to note 2(c), 2(j) and 2(k), these accounts are prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1st January 2015 - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

(b) Cash flow statement

The Charity is exempt from the requirements to include a cash flow statement as part of its financial statements because it qualifies as small under the Companies Act 2006.

(c) Investment Income

Income from investments is recognised in the accounts at the date when it is received. This policy represents a departure from recommended accounting principles, which require income to be recognised in the accounts on an accruals basis. In the circumstances of this Charity, the directors consider it inappropriate to recognise this income until the date when it is due to be received. Other interest is accounted for on an accruals basis.

(d) Donations and grants

Donations and grants are recognised in the accounts at the date when these are received, as, in the opinion of the directors, it is not appropriate to recognise these at an earlier date. Grants and donations payable are recognised in the accounts at the date of authorisation.

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020

2 ACCOUNTING POLICIES continued

(e) Legacies

Legacy income is recognised when the charity has entitlement to the funds which is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

(f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds arise from income which the donor has specified be solely used for particular areas of the Charity's work.

(g) Expenditure

Resources expended are recognised on an accruals basis and are allocated to the particular activity where the cost relates directly to that activity. Where costs cannot be directly attributed to specific headings, they have been allocated to activities on bases consistent with the use of the resources.

(h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

(i) Pension contributions

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the statement of financial activities in the period to which they relate.

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020

2 ACCOUNTING POLICIES continued

(j) Tangible fixed assets and depreciation

Fixed assets, with the exception of freehold land and buildings, are stated at cost less depreciation. Freehold land and buildings are included at fair value and the aggregate surplus or deficit is transferred to the revaluation reserve. This is a change of accounting policy as previously freehold land and buildings were stated at cost. The change of accounting policy has resulted in the recognition of a £1,372,683 surplus on revaluation. No depreciation is provided on freehold land and buildings. The buildings are maintained to ensure that their value does not diminish over time and their realisable value, is in equivalent to the fair value. In these circumstances, the directors consider that any charge for depreciation would not be material and thus it is inappropriate to charge depreciation on these assets. No depreciation is provided on assets under construction whilst the works are incomplete.

Depreciation is provided on other tangible fixed assets in order to write off the cost of each asset over its expected useful life at the following rates and bases:

Furniture, plant and equipment	5% per annum straight line
	10% per annum straight line
	25% per annum straight line
Leasehold improvements	Over the term of the lease

(k) Investments

Listed investments are valued in the accounts at the mid-market price at the balance sheet date, including accrued interest where relevant. The surplus or deficiency arising from the valuation of investments is taken direct to the revaluation reserve. Unlisted investments are included at cost less provision for diminution in value. This policy represents a departure from recommended accounting principles, which require all investments to be included in the balance sheet at market value. The directors consider that it is not possible to establish with reasonable certainty the market value of the charity's investment in its subsidiary, without incurring disproportionate costs, which would not be beneficial to the charity.

Realised surpluses and deficits arising on disposals of investments determined by reference to the carrying value of the assets in the charity's balance sheet are included within Income and Expenditure for the year. Realised revaluation surpluses, representing the difference between historical cost and the carrying value of the assets, are reclassified by way of a transfer to general reserves in the year in which the disposal occurs.

(l) Government grants

Grants that compensate the company for expenses incurred are recognised through the income statement on a systematic basis in the periods in which the expenses are recognised.

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2020

	2020	2019
	£	£
3 DONATIONS		
<u>Unrestricted Donations</u>		
Donations from Masons, their Lodges and Chapters and Events	146,523	211,798
Gift Aid tax reclaimed	14,307	15,165
Donations to Hewlett Court	8,503	8,646
	<u>169,333</u>	<u>235,609</u>
Restricted donations	<u>12,039</u>	<u>-</u>
4 INCOME FROM CHARITABLE ACTIVITIES		
	£	£
<u>Trading activity - Hewlett Court</u>		
Income from residents	595,614	595,600
Government grants	18,876	-
Sundry income	9,549	4,875
	<u>624,039</u>	<u>600,475</u>
5 INVESTMENT INCOME		
	£	£
Income from investments	58,242	63,248
Bank and Deposit interest	226	3,350
	<u>58,468</u>	<u>66,598</u>
Of the £58,468 received in 2020 (2019: £66,598) £Nil was restricted funds (2019: £Nil) and £58,468 (2019: £66,598) unrestricted funds.		
6 DIRECT CHARITABLE EXPENDITURE		
<u>Grants to individuals</u>	£	£
Masonic Charity Foundation	1,275	12,470
Other grants including Christmas and birthday gifts	47,498	47,754
Holidays paid for beneficiaries	18,238	26,116
Comforts fund	4,284	14,060
	<u>71,295</u>	<u>100,400</u>
Restricted Fund	<u>7,050</u>	<u>3,000</u>

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020

	2020	2019
	£	£
6 DIRECT CHARITABLE EXPENDITURE (Continued)		
Grant making committee grants	32,834	56,264
Other donations		
Masonic	-	5,000
Non-Masonic	15,000	14,000
	<u>15,000</u>	<u>19,000</u>
Trading activity - Hewlett Court:-		
Salaries, wages and related costs	325,026	305,979
Food and kitchen consumables	72,609	76,247
Repairs and renewals	40,098	57,193
Other property costs including heat, light, rates, water and insurance	76,241	80,219
Depreciation of tangible fixed assets	27,446	26,577
Loss on disposal of tangible fixed assets	19,069	-
Medication administration	5,156	4,536
Other expenses	38,453	46,659
	<u>604,098</u>	<u>597,410</u>

7 MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	Grant administration	Cost of raising voluntary income	Property expenses	Total costs
2020	£	£	£	£
Salaries, wages and related costs	15,500	6,500	-	22,000
Insurance	-	-	10,064	10,064
Rates and water rates	-	-	4,147	4,147
Other expenses	3,395	4,260	3,170	10,825
Depreciation	-	-	7,818	7,818
Governance costs (see note 8)	18,997	18,997	-	37,994
Support costs (see note 8)	9,670	9,670	-	19,340
	<u>47,562</u>	<u>39,427</u>	<u>25,199</u>	<u>112,188</u>
2019	£	£	£	£
Salaries, wages and related costs	16,420	6,900	-	23,320
Insurance	913	913	11,170	12,996
Rates and water rates	-	-	2,648	2,648
Other expenses	2,978	13,398	3,150	19,526
Depreciation	-	-	7,693	7,693
Governance costs (see note 8)	18,473	18,472	-	36,945
Support costs (see note 8)	9,239	9,238	-	18,477
	<u>48,023</u>	<u>48,921</u>	<u>24,661</u>	<u>121,605</u>

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2020**8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between Grant Administration and Costs of Raising Voluntary Income (see note 7) in the year.

	General support	Governance function	Total	
2020	£	£	£	
Salaries, wages and related costs	15,973	15,973	31,946	Estimate of time
Auditors remuneration	-	11,860	11,860	Governance
Auditors remuneration - other services	-	3,740	3,740	Governance
General office	3,367	3,367	6,734	Estimate of time
Committee expenses	-	220	220	Governance
Annual meeting	-	-	-	Governance
Bank charges	-	2,834	2,834	Governance
	<u>19,340</u>	<u>37,994</u>	<u>57,334</u>	
2019	£	£	£	
Salaries, wages and related costs	12,846	12,846	25,692	Estimate of time
Auditors remuneration	-	11,350	11,350	Governance
Auditors remuneration - other services	-	3,650	3,650	Governance
General office	5,631	5,630	11,261	Estimate of time
Committee expenses	-	195	195	Governance
Annual meeting	-	708	708	Governance
Bank charges	-	2,566	2,566	Governance
	<u>18,477</u>	<u>36,945</u>	<u>55,422</u>	

9 PROFIT ON DISPOSAL OF INVESTMENTS

	£	£
Proceeds	756,864	607,505
Less: Cost	<u>659,661</u>	<u>500,931</u>
Gains (losses) over historical cost	97,203	106,574
Less: Revaluation gains (losses) realised	<u>153,522</u>	<u>46,684</u>
Profits (Losses) over book value	<u>(56,319)</u>	<u>59,890</u>

10 NET INCOME / (DEFICIT) FOR THE YEAR

	£	£
Net Income/(Deficit) for the year is stated after charging:		
Depreciation of tangible fixed assets	35,264	34,270
Loss on disposal of tangible fixed assets	19,069	-
Auditors remuneration	11,860	11,350
Auditors remuneration - non-audit services	<u>3,740</u>	<u>3,650</u>

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020**11 TANGIBLE FIXED ASSETS**

	Freehold Land and Buildings £	Leasehold Improvements £	Assets Under Construction £	Furniture, Plant and Equipment £	Total £
Cost or valuation					
As at 1st January 2020	732,462	1,123,197	1,003,289	584,223	3,443,171
Additions	-	18,063	491,566	48,379	558,008
Disposals	-	-	-	(262,342)	(262,342)
Transfers	1,494,855	-	(1,494,855)	-	-
Revaluation	1,372,683	-	-	-	1,372,683
As at 31st December 2020	<u>3,600,000</u>	<u>1,141,260</u>	<u>-</u>	<u>370,260</u>	<u>5,111,520</u>
Depreciation					
As at 1st January 2020	-	7,693	-	410,175	417,868
Charge for the year	-	7,818	-	27,446	35,264
Eliminated on disposal	-	-	-	(243,273)	(243,273)
As at 31st December 2020	<u>-</u>	<u>15,511</u>	<u>-</u>	<u>194,348</u>	<u>209,859</u>
Net Book Value					
As at 31st December 2020	<u>3,600,000</u>	<u>1,125,749</u>	<u>-</u>	<u>175,912</u>	<u>4,901,661</u>
As at 31st December 2019	<u>732,462</u>	<u>1,115,504</u>	<u>1,003,289</u>	<u>174,048</u>	<u>3,025,303</u>

During the year ended 31st December 2015 the Charity granted leases for 999 years for Manchester Hall. At the same time the Charity was granted an underlease back for the third floor of Manchester Hall for a period of 150 years at a peppercorn rent. The Charity is refurbishing the third floor and the associated costs are being recognised as leasehold improvements.

Land and buildings and furniture, plant and equipment are used for direct charitable purposes as part of the operating activities of the Charity. Authorised capital expenditure at 31st December 2020 amounted to £108,000 (2019 £690,000).

Freehold land and buildings were valued in October 2020 to be £3,600,000 by an independent valuer, AV Surveyors and Valuers.

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2020 £	2019 £
Cost	<u>2,227,317</u>	<u>1,735,751</u>

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2020**12 INVESTMENTS**

<u>CHARITY</u>	Freehold Land £	Holdings in Masonic Hall Companies £	Listed Securities £	Total £
Cost or valuation				
As at 1st January 2020	10,000	20	2,674,558	2,684,578
Investments purchased in year	-	-	716,440	716,440
Investments sold in year	-	-	(813,184)	(813,184)
Increase/(decrease) in market value	-	-	144,448	144,448
As at 31st December 2020	<u>10,000</u>	<u>20</u>	<u>2,722,262</u>	<u>2,732,282</u>
Historical cost as at 31st December 2020	<u>10,000</u>	<u>20</u>	<u>2,228,459</u>	<u>2,238,479</u>

Holdings in Masonic Hall Companies at cost:

	2020 £	2019 £
Blackburn Masonic Hall Company Limited	<u>20</u>	<u>20</u>

The shareholding in Blackburn Masonic Hall Company Limited represents 0.1% of the issued share capital of that company.

13 DEBTORS Amounts falling due within one year

	2020 £	2019 £
Sundry debtors	151,723	134,361
Prepayments and accrued income	8,605	6,961
	<u>160,328</u>	<u>141,322</u>

DEBTORS Amounts falling due after one year

	2020 £	2019 £
Sundry debtors	900,000	900,000
	<u>900,000</u>	<u>900,000</u>
Total debtors	<u>1,060,328</u>	<u>1,041,322</u>

Sundry debtors include £95,574 (2019: £95,574) relating to monies held in an Escrow account for the purpose of carrying out refurbishment works to the third floor of Manchester Hall for which the Charity has been granted a 150 year underlease. Sundry debtors falling due after one year relate to the balance of a premium payable on the granting of a long lease of the Car Park land.

14 CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Other taxes and social security costs	3,806	4,167
Sundry creditors	32,930	26,361
Accruals and deferred income	109,563	141,730
	<u>146,299</u>	<u>172,258</u>

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2020**15 ACCUMULATED FUNDS**

The Charity is limited by guarantee and therefore does not have a share capital.

	Fund at 1st January 2020 £	Surplus / (Deficit) for the year £	Transfers between reserves £	Other recognised gains and losses £	Provision released on sale of investments £	Fund at 31st December 2020 £
Unrestricted						
General Reserve Charity	4,102,771	9,224	2,959,158	(56,319)	153,522	7,168,356
Revaluation Reserve	502,877	-	-	1,517,131	(153,522)	1,866,486
Designated Funds	2,959,158	-	(2,959,158)	-	-	-
	<u>7,564,806</u>	<u>9,224</u>	<u>-</u>	<u>1,460,812</u>	<u>-</u>	<u>9,034,842</u>
Restricted						
General Reserve Charity	28,610	4,989	-	-	-	33,599
Total Funds	<u>7,593,416</u>	<u>14,213</u>	<u>-</u>	<u>1,460,812</u>	<u>-</u>	<u>9,068,441</u>

The balances on Revaluation Reserves represent unrealised gains on investments and freehold property.

2019 unrestricted designated funds represent the net book value of fixed assets. The Board have determined that such designation does not have any on going relevance to the charity and therefore the designated fund balance has been transferred back to the unrestricted general fund.

Analysis of movements in restricted fund

	Fund at 1st January 2020 £	Income £	Expenditure £	Transfers between reserves £	Other recognised gains and losses £	Provision released on sale of investments £	Fund at 31st December 2020 £
Disaster Relief Fund	<u>28,610</u>	<u>12,039</u>	<u>(7,050)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,599</u>

Description and purpose of the restricted funds

Disaster Relief Fund To support families and communities in the event of disasters

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets of the Restricted Funds were:

	£	£
Cash and deposits	<u>33,599</u>	<u>28,610</u>
	<u>33,599</u>	<u>28,610</u>

17 OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	£	£
Within one year	4,850	2,236
Between one and five years	18,296	562
	<u>23,146</u>	<u>2,798</u>

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2020**18 EMPLOYEES**

The average monthly head count for the Charity was 26 staff (2019: 26 staff) and the average number of full time equivalent employees (including casual and part time staff) during the year was as follows:-

	2020	2019
	Number	Number
Main charity	2	2
Hewlett Court	15	15
	<u>17</u>	<u>17</u>
Total remuneration during the year amounted to:	2020	2019
	£	£
Wages and salaries	350,884	337,383
Social Security Costs	14,554	12,545
Pension costs	13,534	5,063
	<u>378,972</u>	<u>354,991</u>
Allocation:		
Direct charitable expenditure -		
Trading activity - Hewlett Court	325,026	305,979
Grant administration	15,500	16,420
Cost of raising voluntary income	6,500	6,900
Governance and support (see note 8)	31,946	25,692
	<u>378,972</u>	<u>354,991</u>

No employee was paid at a rate of £60,000 per annum or more. No expenses were received by the Directors/Trustees.

One of the Directors/Trustees has been paid remuneration from an employment with the Charity. Remuneration of £36,121 and pension contributions of £1,858 were paid to J Ward in accordance with an employment contract and related to duties as an employee of the charity rather than as a Director/Trustee.

LIST OF DONATIONS GIVEN: -

In the year ended 31st December 2020

PGM DISCRETIONARY FUND

Volunteer Community Ambulance	£5,000
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Urban Outreach	£5,000
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OTHER DONATIONS

Little Sisters of the Poor	<u>£5,000</u>
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TOTAL OTHER DONATIONS IN 2020	<u>£15,000</u>
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GRANT MAKING COMMITTEE GRANTS

Scout Association 24th Farnworth	£830
To purchase heaters for Scout Headquarters	

Friezland Brass Band	£1,350
To purchase banners	

Teddies for Loving Care	£1,000
To purchase teddies for distribution in local hospitals	

Scouts Bolton & Farnworth	£600
To purchase waterproof clipboards	

Northern Air Hospital Radio	£1,500
To purchase radio equipment	

Teddies for Loving Care	£1,296
To purchase teddies for distribution in local hospitals	

Markland Hill Primary School	£210
Memorial to Emily	

The Samaritans	£500
To refurbish communications room	

St Peters Church of England School	£335
Building a Memorial shelter	

Meals on Alloy Wheels	£1,000
Prepare and distribute meals	

Chabad Food Bank	£1,250
Supply of food	

Outreach Community & Residential Services	£1,314
To purchase a defibrillator	

Salford Women's Aid To furnish two rooms	£1,240
Teddies for Loving Care To purchase teddies for distribution in local hospitals	£219
Aliya Youth Project Purchase 3 computer workstations & football table	£1,470
The Fed Purchase 43" touch screen table	£3,100
Friends of Tameside Young Carers Purchase 490 Selection Boxes for Young Carers	£1,000
Hope for Justice Purchase 3 laptops and 3 mobile phones	£2,250
Rammy Men To purchase a storage container	£5,000
Rossendale Hospice To purchase 2 recliner chairs	£2,498
Emmanuel Church Centre Installation of Emergency Lighting	£3,799
Teddies for Loving Care To purchase teddies for distribution in local hospitals	£324
East Ribble Hospice Hire of vans to collect Christmas Trees	<u>£750</u>
TOTAL GRANT MAKING COMMITTEE GRANTS 2020	<u>£32,835</u>

National Masonic Charities – Statistics 2019

Masonic Charitable Foundation approved grants to the value of £453,010 to 160 Beneficiaries:

Financial Support	£142,664 to 56 Beneficiaries
Family/Education	£174,695 to 65 Beneficiaries
Health	£28,727 to 33 Beneficiaries
Family/Residential Care	£106,924 to 6 Beneficiaries

Non-Masonic Grants

Hospices - £11,680 for eight Hospices

£1,440	Bury Hospice
£1,660	Dr Kershaw's Hospice
£1,550	East Lancashire Hospice
£1,000	Hospice Care for Burnley and Pendle
£1,000	Rossendale Hospice
£1,880	Springhill Hospice (Rochdale)
£1,990	St Ann's Hospice (Little Hulton)
£1,160	Willow Wood Hospice

Other Non-Masonic Grants - £124,768

£2,000	Child Action Northwest
£28,168	Pendleside Hospice
£40,000	Bolton Lads and Girls Club
£45,000	Manchester Youth Zone
£3,100	The Federation of Jewish Services
£6,500	Urban Outreach

RCG COVID-19 National Initiative - £55,150

£7,500	Dr Kershaw's Hospice
£3,400	East Lancashire Hospice
£10,000	Manufacture and supply of face visors to Hospice and Charity Health Care Workers
£2,500	Nightsafe, Blackburn with Darwen
£5,000	Child Action Northwest
£500	Reuben's Retreat
£600	Kettledrum Inn, Cliviger, Burnley
£9,000	Meals on Alloy Wheels
£1,240	Salford Womens Aid
£2,910	New Nurses Uniforms for Bury Hospice Staff
£12,500	Emmaus South Manchester

Freemasons COVID-19 Community Fund - £30,000

£30,000	Emmaus Burnley
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MCF Covid-19 Fund – £19,982

£4,000	Church in the Street Ministry
£2,000	Soup Kitchen Rochdale
£2,000	Meals on Alloy Wheels
£9,982	Emmaus Burnley
£2,000	Urban Outreach