

Durham Freemasons Charity

England & Wales · Charity number 279313

Details

Other names	THE DURHAM MASONIC BENEVOLENT FUND
Status	Registered
Legal form	Other
Registered	1980-03-03
Register	View on the Charity Commission register

Contact

Address	Prov Grand Lodge & Chapter Durham 8 The Esplanade Sunderland SR2 7BH
Phone	01915675365
Email	enquiries@durhamfreemasons.org
Website	durhamfreemasons.org

Activities

Objects: FOR THE RELIEF OF SUCH POOR AND DISTRESSED BROTHER MASONS OR THEIR POOR AND DISTRESSED WIDOWS AND OTHER RELATIVES OR TO OR FOR THE BENEFIT OF SUCH MASONIC CHARITIES OR OTHER CHARITABLE INSTITUTION OR INSTITUTIONS, SOCIETY OR SOCIETIES AND CHARITABLE OBJECTS AS THE BENEVOLENT COMMITTEE OF THE PROVINCIAL GRAND LODGE OF THE PROVINCE OF DURHAM OF ANCIENT FREE AND ACCEPTED MASONS OF ENGLAND SHALL FROM TIME TO TIME DIRECT.

Activities: To assist distressed masons and their dependants and provide assistance to local charities.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Darlington
- Durham
- Gateshead
- Hartlepool
- South Tyneside
- Stockton-on-tees
- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£524,349	£607,454	£10,983,819	0
2023-12-31	£533,644	£369,697	£10,926,857	0
2022-12-31	£445,019	£492,811	-	-
2021-12-31	£1,192,280	£773,236	£9,313,847	0
2020-12-31	£691,767	£381,530	£8,906,801	0

Trustees

Name	Role	Appointed
DURHAM BENEVOLENCE LTD		

Accounts

Charity registration number 279313

DURHAM FREEMASONS CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

DURHAM FREEMASONS CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J. D. Watts (Chairman)	(Resigned 13/2/25)
	S. A. Willis (Treasurer)	(Resigned 13/2/25)
	T. F. Gittins (Secretary)	(Resigned 13/2/25)
	Durham Benevolence Limited	
	D. Maw (Vice Chairman)	(Resigned 13/2/25)
Directors of Durham Benevolence Limited	J. D. Watts (Chairman)	(Resigned 14/6/25)
	D. Maw (Vice Chairman & Almoner)	
	T. F. Gittins (Secretary)	(Resigned 14/9/24)
	R. G. Scott (Secretary)	(Appointed 14/9/24)
	S. A. Willis (Treasurer)	(Resigned 8/3/25)
	K. Turner (Treasurer)	(Appointed 8/3/25)
	G. Elgie (Assistant Secretary)	(Appointed 13/2/25)
	M. Davies	(Appointed 13/2/25)
	I. Groves	(Appointed 13/2/25)
	A. Thompson	(Appointed 13/2/25)
	S. Fitches	(Appointed 13/2/25)
	J. Davey	(Appointed 13/2/25)
	A. Britton	(Appointed 13/2/25)
	R. Fitzsimmons	(Appointed 8/3/25)
	L. Nolan	(Appointed 8/3/25)
	B. Purser	(Appointed 8/3/25)
	C. Rowell	(Appointed 8/3/25)
	M. Rankin	(Appointed 14/6/25)

D. Maw is also a member of the Community and Support Grants sub-committee

The following were also members of the General Purposes Committee:

G. Elgie (Assistant Secretary) ^	
P. B. Debenham (Provincial Grand Almoner)	
P. Quinn (Provincial Grand Charity Steward)	(Resigned 9/3/24)
D. Dunn *	
S. K. Bell	(Resigned 9/3/24)
S. Hunter *	(Resigned 9/3/24)
P. Ross	(Resigned 9/3/24)
I. K. Carter	(Resigned 8/3/25)
M. Rankin	(Resigned 8/3/25)
M. Davies	
I. Groves ^	
K. Hiles *	(Resigned 8/3/25)
C. Katsambis	(Resigned 9/3/24)
A. Thompson ^	
S. Fitches ^	(Appointed 9/3/24)
J. Davey *	(Appointed 9/3/24)
A. Britton	(Appointed 14/6/24)
R. Fitzsimmons	(Appointed 8/3/25)
L. Nolan	(Appointed 8/3/25)
B. Purser *	(Appointed 8/3/25)
C. Rowell ^	(Appointed 8/3/25)

* Members of Estates sub-committee

^ Members of the Community Support Grants sub-committee

DURHAM FREEMASONS CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Charity number	279313
Principal address	8 The Esplanade Sunderland Tyne & Wear SR2 7BH
Auditor	Allen Sykes Audit Limited 5 Henson Close South Church Enterprise Park Bishop Auckland Co Durham DL14 6WA
Solicitors	Peter Ross and Co 2 Front Street Jasmine Villas Whickham Newcastle upon Tyne NE16 4JH
Bankers	National Westminster Bank Plc 52 Fawcett Street Sunderland SR1 1SB Virgin Money 43 Fawcett Street Sunderland SR1 1SA Lloyds Bank Plc 54 Fawcett Street Sunderland SR1 1SF

DURHAM FREEMASONS CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Stockbrokers

Rathbones
50 George Square
Glasgow
G2 1EH

Brewin Dolphin
12 Smithfield Street
London
EC1A 9LA

Housing Management

Nest Egg Homes
49 Mandale Road
Stockton-on-Tees
Thornaby
Cleveland
TS17 6AD

Sheltered Housing Developments

Peter Stracey House
Ebdon Lane
Sunderland
SR6 9AF

Boundary Court
Kingsway
Bishop Auckland
DL14 7JE

DURHAM FREEMASONS CHARITY

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DURHAM FREEMASONS CHARITY

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

It is with a great deal of pride that I present my report for the year to 31 December 2024 – a year which has seen both a solid financial performance for our charity and also an overhaul of our processes and identity.

Changes to our Name and Processes

In March 2024, at our AGM, our members voted to change our name from "The Durham Masonic Benevolent Fund" to "Durham Freemasons Charity". Our new name "does what it says on the tin" to use the phrasing of a well-known advertisement, and already we have received positive feedback from our members and grantees alike.

Our renaming was part of a full strategic and operational review of our charity and how we work, that commenced in late 2023 and has been finalised in early 2025. In addition to the renaming we have:

1. Restated our bank mandate to give better protection to our assets.
2. Changed the working practices of our grant committee to introduce a more streamlined grant application process to increase the effectiveness of these grants.
3. Implemented a thorough system for monitoring the impact of our grants - to highlight where the Durham Freemasons Charity can further serve our community.
4. Given better protection to our trustees by changing our legal structure and using Durham Benevolence Limited as our main trustee.
5. Further formalised our procedures for monitoring the management of our sheltered housing - to provide increased protection of our assets whilst also improving the wellbeing of our residents.

At this stage I would like to thank our Vice-Chairman, Duncan Maw, and our Estates Committee Chairman, John Davey, for their considerable work in putting these changes in place. Our charity is now in a better place to deal with any future issues because of the work they have done.

Accounts

Our accounts for the year showed a modest surplus of nearly £57,000 to bring our total reserves and net assets to nearly £11M. The main highlights for the year were:

Donations & Legacies Received

Income from Donations & Legacies rose to £106,943 for the year compared to £99,213 for the previous year to 31 December 2023. The main source of donations once again came from our lodges and members (£81,605 which included £40,162 transferred in from the separately held Relief Chest), and I thank all those who have contributed to Durham Freemasons Charity, allowing us to support so many community groups, charities and individuals. Deserving of special mention was the £1,797 received as a result of the "Fat lads at the back" sponsored virtual Land's End to John O'Groats cycle ride by our then Provincial Grand Master John Thompson & Deputy Grand Master Michael Graham.

The £14,575 shown in our accounts as restricted funds income is the total of donations paid into our TLC account during the year.

DURHAM FREEMASONS CHARITY

CHAIRMAN'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Investment Income

Our investment income (including rental income from property as described below) in the year remained relatively consistent during the year at £417,219 compared to £409,381 in the previous year.

Our investments also increased in value during the year by £140,067. Of this increase, £64,416 was an increase in our investment property values caused by the buy- back of 4 properties during the year. The remaining £75,651 was due to gains on our investments.

During the year we took the decision to concentrate our investments with one broker, and in that respect we moved our portfolio from Rathbones to Brewin Dolphin. I thank the Chairman of our Investment Committee, David Atkinson, for his diligent work since his appointment in March 2024.

Property

Our 2 sheltered housing properties raised rents of £355,079 compared to £356,241 last year.

We continue to invest in ensuring that our properties remain at a good standard of repair and in the year to 31 December 2024 we spent £84,460 on repairs, upgrades and property management costs at Peter Stracey House and £120,830 at Boundary Court, including fire alarm and updated fire safety measures.

Expenditure

During the year our total charitable expenditure was £315,648 of which £136,689 were Community Support Grants from our main fund and £98,100 from our Norman Jackson Fund, £13,083 was towards a Masonic Break for a number of our brethren, wives and widows, £5,310 was for emergency grants to our own brethren who needed immediate assistance and £5,600 was paid out from our Education Fund.

The remaining £56,866 was spent on support and governance costs including our annual payment (£37,500) to Provincial Grand Lodge to cover staff costs, premises costs, stationery etc, and legal costs of £10,131 relating to the review of our structure conducted by our solicitors.

Grants made

For the second year running, through the Norman Jackson fund, we made a grant of £25,000 to the King's Trust (formerly the Prince's Trust), and again we engaged in the Dragons Den scheme, which enables groups of young people to bring forward their community enhancement ideas to a panel of "Dragons" (local freemasons) for approval and funding. The feedback from this project from both the young people and dragons alike has been very encouraging.

Other notable grants in the year from our main fund included £5,000 to the RSM appeal, £5,000 to the Mark Benevolent Festival – our second annual payment, with three still to be made, £20,500 to four veterans' charities on Remembrance Day and £10,000 to the Great North Air Ambulance.

Almoners Account

Our charity also runs the Province of Durham Almoners bank account. The account is used to receive donations from closing lodges so that we can continue to support, through a network of Caring Volunteers the widows of those lodges that have now closed. Income in the year was £10,422 from closing lodges, lodge donations and a gratefully received legacy of £2,000 from WH Nicholls. Expenditure (nearly all on Christmas Gifts), amounted to £2,500 in the year. These funds are required to fulfil commitments that can stretch over decades.

TLC Account

We also run the TLC Account. This scheme donates comfort bears to the hospital A & E depts in the Province, and to date we have donated well over 100,000 teddies to children in distress in the Province of Durham. We have now started to provide a specialist Teddy, alongside our Art Therapy packs, to nursing homes with residents living with dementia. The impact of these on the health and wellbeing of the recipients is substantial and this project represents a valuable expansion of the scheme. As stated above, income in the period was £14,575 and expenses were £9,223.

DURHAM FREEMASONS CHARITY

CHAIRMAN'S REPORT (CONTINUED)

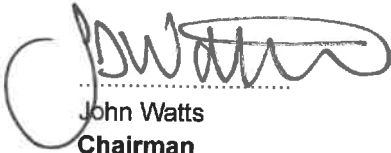
FOR THE YEAR ENDED 31 DECEMBER 2024

In Conclusion

None of our many achievements in the last year could have happened without the generous and unstinting support of Richard Scott, Pamela Davis and others at Provincial Office. I offer my grateful thanks to everyone who has helped during the year.

I would also like to thank those who have ensured a regular flow of articles to the Provincial Communication team so that the breadth and depth of our support can be recognised, and I particularly thank our Communications Officer, Allan Britton for his fine work in making sure those articles are published. I would also express my sincere appreciation to all the brethren of the Province of Durham, our Board members (previously our General Purpose Committee members), and all of the Durham Freemasons Charity representatives (formerly Benevolent Committee representatives) for their time, energy and dedication during the past year and for the insights and expertise they bring to the activities of our charity.

Finally, Durham Freemasons Charity remains in a very healthy position, both legally and financially, and with continued prudent management, we expect that to continue throughout 2025 and beyond.



John Watts
Chairman

Date: 4/10/25

DURHAM FREEMASONS CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The Charity is registered with the Charity Commission (Registration number: 279313) as Durham Freemasons Charity (formerly The Durham Masonic Benevolent Fund).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Durham Freemason Charity is a masonic organisation set up by trust deed dated 24 July 1956. The object of Durham Freemasons Charity is to provide support for the needy brethren of masonic lodges in the Province of Durham and their dependants, to provide children of brethren with assistance to further their education and to support organisations that provide benefit to the local community.

In order to further these objectives, the activities of the charity can be categorised as follows:

- Provision of sheltered accommodation to aged brethren and/or their dependants,
- Awarding grants to needy brethren, their dependants *and widows*,
- Awarding grants to the children of brethren, to assist their engagement in community projects,
- Awarding Community Support Grants, and
- Provision of holiday or convalescent breaks for needy brethren and dependants.

Public Benefit Statements

The trustees have had regard to the Charity Commission's guidance on their legal duty on public benefit, and are satisfied that the Charity delivers public benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake.

Grant Making Policy

The trustees (moving forward the directors of Durham Benevolence Limited) meet on a regular basis to consider what grants they will make; Masonic or Community Support grants.

During the year, in an attempt to speed up our grant provision services, the Community Support Grant sub-committee were given autonomy in selecting suitable recipients for grants with payment made soon after their approval of the grant. The grant making policy is subject to an overview of policy on grant making by the trustees/directors of Durham Benevolence Limited.

Emergency grants are made to beneficiaries (members or widows of members) at the discretion of the management and approved retrospectively and anonymously at trustees/directors' meetings.

Education and scholarship grants are paid to finance further education and are approved by a subcommittee set up for this purpose.

DURHAM FREEMASONS CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Volunteers and other contributors

The General Purposes Committee would especially like to thank the following:

Lodge Benevolent representatives for their attendance at quarterly meetings and for their considerable efforts to ensure that the needs of brethren and their dependants are identified and acted upon;

The officers of the general purpose Committee, the Chairman J.D. Watts who conducted meetings with skill and efficiency, the Vice Chairman D Maw, Treasurer S. A. Willis, the Secretary R. Scott (formerly T. Gittins) all of whom made invaluable contributions to the management and administration of the Benevolent Committee and all the staff at the Provincial Office for their willing and cheerful assistance in the work of the Benevolent Committee.

Thanks are also extended to all those members of the Board of directors of Durham Benevolence Limited (formerly general purpose committee of Durham Freemasons Charity) old and new for their very valuable contributions to the work of Durham Freemasons Charity

Achievements and performance

The main activity this period has been the administration of the two sheltered accommodation housing developments known as Peter Stracey House and Boundary Court. The extensive renovation programme of apartments at Peter Stracey House continues and costs are kept within budget.

Community support grants are our main line of grant giving to clubs, community projects and youth travel grants etc, as well as emergency grants to brethren in distress, education grants and grants to other Masonic charities.

The economic climate over the last year has resulted in a welcome increase in the valuation of our investments – both buildings and stock market investments, and we continue to invest in both for the long term. At the time of writing, stock market investments continue to increase in value, but can still be subject to fluctuations caused by uncertain trading conditions resulting from global factors.

Financial review

Total income for the year was £524,349. The expenditure incurred totalled £607,454 and there were gains on investment assets totalling £140,067 meaning that the charity generated a surplus during the year of £56,962.

Reserves policy

The notes to the financial statements show the assets and liabilities attributable to the various funds by type and also shows the various trusts of the charity and summarises the period's movements on each fund.

The General Purposes Committee has examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed and consider that this should be at a level to give sufficient working capital to cover core costs for the next year.

Unrestricted free reserves at 31 December 2024 amounted to £402,276. The trustees believe the level of free reserves held to be adequate to cover the requirements prescribed in the reserves policy.

Investment Policy

The General Purposes Committee (moving forward the directors of Durham Benevolence Limited) designate decision making on investments to the Investment Sub-Committee, who have the power to invest in such stocks, shares, property and other assets as they see fit. Quarterly reports are submitted by our stockbroker, together with recommendations for managing the portfolio in the forthcoming quarter. The policy is to adopt a medium risk strategy based on maximising the returns on the investments whilst obtaining reasonable growth in the market value of the portfolio.

During the year the Investment Sub-Committee decided to concentrate all of the investments with Brewin Dolphin as the sole brokers.

DURHAM FREEMASONS CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Risk assessment

The General Purposes Committee has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and is satisfied that systems are in place to mitigate any exposure to major risks.

Plans for future periods

The programme for the immediate future is to continue to encourage donations to enable our activities to be maintained at least at their current levels.

In the medium term the plan is for consolidation of the fund so that investments can be maintained and at the same time make further provision for increase in reserves to meet our existing commitments, establishing a solid income base from investments, rental income and donations

In the long-term further expenditure will be incurred so as to make sure our sheltered accommodation projects are well maintained and improved where deemed necessary.

From 8 March 2025 the trustees and members of the General Purposes Committee became Directors of Durham Benevolence limited, a dormant company, which is now the sole trustee of Durham Freemasons Charity.

Structure, governance and management

Durham Freemasons Charity consists of the Principal Officers of the Province of Durham, together with six nominees of the Provincial Grand Master appointed annually and a representative of each Lodge known as the Benevolent Representative appointed annually within their lodge.

The trustees who served during the year and up to the date of signature of the financial statements were:

J. D. Watts (Chairman)	(Resigned 8 March 2025)
S. A. Willis (Treasurer)	(Resigned 8 March 2025)
T. F. Gittins (Secretary)	(Resigned 8 March 2025)
Durham Benevolence Limited	
D. Maw (Vice Chairman)	(Resigned 8 March 2025)

From 8 March 2025 the directors of the corporate trustee, Durham Benevolence Limited, are responsible for the operations of the charity.

The board of the trustees, known as the General Purposes Committee (moving forward the directors of Durham Benevolence Limited), who are required to meet at least quarterly, but actually meet more frequently as the administrative requirements of the charity dictate, run the charity. There is a subcommittee for awarding educational and scholarship grants, a subcommittee for managing the sheltered housing estates and a further subcommittee, which administers the selection of Community Support grants on a regular basis.

DURHAM FREEMASONS CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Relationship with Wider Network

The Benevolent Committee works closely with a number of other local Charities and the Masonic Charitable Foundation.

Other local charities:

- Provincial Grand Mark Benevolent Fund - available to assist necessitous Mark Masons and their dependants.

Masonic Charitable Foundation (MCF) whose charitable activities include:

- Provision of care for the children of deceased or distressed Brethren with the aim of providing, as far as possible, the same opportunities in life as would have been available had death or misfortune not occurred. The Province has girls and boys under the care of the trust.
- The maintenance of a number of residential homes for Brethren and their dependants.
- Providing support for needy, sick and infirm Freemasons, their partners, children and dependants. Relief may only be granted to those applicants who are unable to obtain medical treatment or support on the NHS without undue delay or hardship.
- Providing support for Masonic petitioners in distressed circumstances, other Masonic charities and non-Masonic charities.

Statement of trustees' responsibilities

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

The law applicable to charities in England 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 year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

DURHAM FREEMASONS CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees' report was approved by the Board of Trustees.



.....
K. Turner (Treasurer)
For & on behalf of Durham
Benevolence Limited

Trustee

Date: 4/10/28



.....
R. G. Scott (Secretary)
For & on behalf of Durham
Benevolence Limited

Trustee

DURHAM FREEMASONS CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY

Opinion

We have audited the financial statements of Durham Freemasons Charity (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including 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 charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DURHAM FREEMASONS CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, taxation legislation, data protection, anti-bribery, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind any identified significant or unusual transactions.

DURHAM FREEMASONS CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DURHAM FREEMASONS CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY

J. P. Yarrow

John P Yarrow FCA (Senior Statutory Auditor)
for and on behalf of Allen Sykes Audit Limited

8/10/28

Chartered Accountants
Statutory Auditor

5 Henson Close
South Church Enterprise Park
Bishop Auckland
Co Durham
DL14 6WA

DURHAM FREEMASONS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Current financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Total 2023 £
<u>Income and endowments from:</u>						
Donations and legacies	3	92,368	14,575	-	106,943	99,213
Investments	4	417,219	-	-	417,219	409,381
Other income	5	187	-	-	187	25,050
Total income		509,774	14,575	-	524,349	533,644
<u>Expenditure on:</u>						
Raising funds	6	234,624	-	-	234,624	83,274
Charitable activities	7	310,048	5,600	-	315,648	205,029
Boundary Court/Peter Stracey House Repair Funds		-	45,459	-	45,459	58,074
Other	13	2,500	9,223	-	11,723	23,320
Total expenditure		547,172	60,282	-	607,454	369,697
Net gains/(losses) on investments	14	140,067	-	-	140,067	1,588,758
Net incoming/(outgoing) resources before transfers		102,669	(45,707)	-	56,962	1,752,705
Gross transfers between funds		(34,061)	34,061	-	-	-
Net movement in funds		68,608	(11,646)	-	56,962	1,752,705
Fund balances at 1 January 2024		10,776,902	132,975	16,980	10,926,857	9,174,152
Fund balances at 31 December 2024		10,845,510	121,329	16,980	10,983,819	10,926,857

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DURHAM FREEMASONS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Prior financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	70,204	29,009	-	99,213
Investments	4	409,381	-	-	409,381
Other income	5	25,050	-	-	25,050
Total income		504,635	29,009	-	533,644
<u>Expenditure on:</u>					
Raising funds	6	83,274	-	-	83,274
Charitable activities	7	199,579	5,450	-	205,029
Boundary Court/Peter Stracey House Repair Funds		-	58,074	-	58,074
Other	13	7,002	16,318	-	23,320
Total expenditure		289,855	79,842	-	369,697
Net gains/(losses) on investments	14	1,588,758	-	-	1,588,758
Net incoming/(outgoing) resources before transfers		1,803,538	(50,833)	-	1,752,705
Net movement in funds		1,803,538	(50,833)	-	1,752,705
Fund balances at 1 January 2023		8,973,364	183,808	16,980	9,174,152
Fund balances at 31 December 2023		10,776,902	132,975	16,980	10,926,857

DURHAM FREEMASONS CHARITY

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Investment properties	16	8,408,609		8,128,004	
Investments	17	2,034,625		1,586,182	
			10,443,234		9,714,186
Current assets					
Debtors	18	77,804		166,125	
Cash at bank and in hand		526,802		1,059,260	
			604,606		1,225,385
Creditors: amounts falling due within one year	19	(64,021)		(12,714)	
Net current assets			540,585		1,212,671
Total assets less current liabilities			10,983,819		10,926,857
Capital funds					
Endowment funds - general	20	16,980		16,980	
Income funds					
Restricted funds	21	121,329		132,975	
<u>Unrestricted funds</u>					
Designated funds	23	4,442,153		4,475,837	
General unrestricted funds		6,403,357		6,301,065	
			10,845,510		10,776,902
			10,983,819		10,926,857

The financial statements were approved by the Trustees on 4/10/28



K. Turner (Treasurer)
For & on behalf of Durham
Benevolence Limited
Trustee



R. G. Scott (Secretary)
For & on behalf of Durham
Benevolence Limited
Trustee

DURHAM FREEMASONS CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	25		(360,696)		(320,917)
Investing activities					
Purchase of investment property		(216,189)		(54,251)	
Purchase of other investments		(1,369,450)		(621,094)	
Proceeds from disposal of other investments		996,658		315,313	
Investment income received		417,219		409,381	
Net cash (used in)/generated from investing activities			(171,762)		49,349
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(532,458)		(271,568)
Cash and cash equivalents at beginning of year			1,059,260		1,330,828
Cash and cash equivalents at end of year			526,802		1,059,260

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Durham Freemasons Charity is a charity registered in England and Wales.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
Donations and gifts	90,168	14,575	104,743	55,204	13,693	68,897
Legacies receivable	2,200	-	2,200	15,000	15,316	30,316
	<u>92,368</u>	<u>14,575</u>	<u>106,943</u>	<u>70,204</u>	<u>29,009</u>	<u>99,213</u>
Donations and gifts						
Brethren & Lodges	81,605	-	81,605	55,204	-	55,204
TLC Donations	-	14,575	14,575	-	13,693	13,693
Almoners Collections	8,422	-	8,422	-	-	-
Other	141	-	141	-	-	-
	<u>90,168</u>	<u>14,575</u>	<u>104,743</u>	<u>55,204</u>	<u>13,693</u>	<u>68,897</u>

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	355,079	356,241
Dividends receivable	39,347	44,647
Interest receivable	22,793	8,493
	<u>417,219</u>	<u>409,381</u>

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

5 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	187	25,050

Included in other income for 2023 above is £25,050 in relation to cash held at 31st December 2022 within a bank account controlled by the charity which had not been previously included within the financial statements.

6 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Investment management	234,624	83,274

7 Expenditure on charitable activities

	Charitable Activities 2024 £	Charitable Activities 2023 £
Direct costs		
Masonic Break	13,083	700
Grant funding of activities (see note 8)	245,699	150,809
Share of support and governance costs (see note 9)		
Support	49,216	44,325
Governance	7,650	9,195
	<u>315,648</u>	<u>205,029</u>
Analysis by fund		
Unrestricted funds	310,048	199,579
Restricted funds	5,600	5,450
	<u>315,648</u>	<u>205,029</u>

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Grants payable

	Charitable Activities 2024 £	Charitable Activities 2023 £
Grants to institutions:		
Defibrillators	-	1,000
Community Support Grants	136,689	75,401
Norman Jackson Legacy Grants	98,100	63,070
	<u>234,789</u>	<u>139,471</u>
Grants to individuals	10,910	11,338
	<u>245,699</u>	<u>150,809</u>

9 Support costs allocated to activities

	2024 £	2023 £
Other expenses	985	945
Legal and professional	10,731	5,880
Management charges payable	37,500	37,500
Governance costs	7,650	9,195
	<u>56,866</u>	<u>53,520</u>
Analysed between:		
Charitable Activities	<u>56,866</u>	<u>53,520</u>

Governance costs comprise:

	2024 £	2023 £
Audit and accountancy	7,200	7,800
Trustees meeting expenses	450	1,395
	<u>7,650</u>	<u>9,195</u>

10 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	<u>7,200</u>	<u>7,800</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

13 Other

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	£ 2024	2023	2023	£ 2023
Other expenditure	2,500	9,223	11,723	7,002	16,318	23,320

14 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	75,651	56,371
Revaluation of investment properties	64,416	1,532,387
	140,067	1,588,758

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

16 Investment property

	2024 £
Fair value	
At 1 January 2024	8,128,004
Additions through external acquisition	216,189
Net gains or losses through fair value adjustments	64,416
At 31 December 2024	8,408,609

The investment properties were revalued by D & G Surveying Services, Chartered Surveyors on 12 December 2023 on the basis of market value of vacant possession. The trustees believe that the value of the properties held has not changed significantly since that date.

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

16 Investment property

(Continued)

The total fair value of the property for which the charity holds title is £9,384,251. However, excluded from the carrying value of investment property above is £975,642 (2023 - £1,256,247) in relation to the long leaseholder's interests for specific properties within the buildings.

	2024 £	2023 £
Freehold	8,408,609	8,128,004
Long leasehold	-	-
Short leasehold	-	-
	<u>8,408,609</u>	<u>8,128,004</u>

17 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2024	1,586,182
Additions	1,369,450
Valuation changes	75,651
Disposals	(996,658)
At 31 December 2024	<u>2,034,625</u>
Carrying amount	
At 31 December 2024	<u>2,034,625</u>
At 31 December 2023	<u>1,586,182</u>

	2024 £	2023 £
Investments at fair value comprise:		
Equity Shares	1,557,756	1,293,975
Investment Trusts & Unit Trusts	165,371	123,534
UK Fixed Interest	40,352	107,133
Cash	271,146	61,540
	<u>2,034,625</u>	<u>1,586,182</u>

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

18 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	64,609	153,154
Prepayments and accrued income	13,195	12,971
	<u>77,804</u>	<u>166,125</u>

19 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	38,408	378
Other creditors	12,220	2,271
Accruals and deferred income	13,393	10,065
	<u>64,021</u>	<u>12,714</u>

20 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 January 2024 £	At 31 December 2024 £
Permanent endowments		
Ernest Dixon Scholarship Fund	16,980	16,980
	<u>16,980</u>	<u>16,980</u>
Previous year:		
	At 1 January 2023 £	At 31 December 2023 £
Permanent endowments		
Ernest Dixon Scholarship Fund	16,980	16,980
	<u>16,980</u>	<u>16,980</u>

The Ernest Dixon Scholarship endowment fund is held to generate income to provide grants to children of brethren who are students at University or Technical Colleges.

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Ernest Dixon Scholarship Fund	3,919	-	-	-	3,919
Durham Masonic Education Fund	34,514	-	(5,600)	-	28,914
Durham Masonic Scholarship Fund	13,664	-	-	-	13,664
Repair Contribution Fund	36,001	-	-	(4,942)	31,059
Durham Relief Chest Fund	1,672	-	-	-	1,672
Search and Rescue	265	-	-	-	265
PSH Repair Fund	-	-	(28,043)	28,043	-
BC Repair Fund	17,127	-	(17,416)	10,960	10,671
TLC Donations	25,813	14,575	(9,223)	-	31,165
	<u>132,975</u>	<u>14,575</u>	<u>(60,282)</u>	<u>34,061</u>	<u>121,329</u>
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Ernest Dixon Scholarship Fund	3,919	-	-	-	3,919
Durham Masonic Education Fund	24,648	15,316	(5,450)	-	34,514
Durham Masonic Scholarship Fund	13,664	-	-	-	13,664
Repair Contribution Fund	97,658	-	-	(61,657)	36,001
Durham Relief Chest Fund	1,672	-	-	-	1,672
Search and Rescue	265	-	-	-	265
PSH Repair Fund	(22,922)	-	(38,735)	61,657	-
BC Repair Fund	36,466	-	(19,339)	-	17,127
TLC Donations	28,438	13,693	(16,318)	-	25,813
	<u>183,808</u>	<u>29,009</u>	<u>(79,842)</u>	<u>-</u>	<u>132,975</u>

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

21 Restricted funds

(Continued)

Purpose of restricted funds:

Ernest Dixon Scholarship Fund - To provide grants to children of brethren who are students at Universities or Technical Colleges.

Durham Masonic Education Fund - To provide assistance in the education and maintenance of necessitous children aged between five and eighteen.

Durham Masonic Scholarship Fund - To provide grants to children of brethren who are students at Universities or Technical Colleges.

Repair Contribution Fund - Monies given for the charity to cover property expenditure costs as landlords.

Durham Relief Chest Fund - Donations given towards the relief chest fund.

Search and Rescue - Donations given to help search and rescue charities via community support grants.

PSH Repair Fund - Funds held to cover future maintenance work on Peter Stracey House.

BC Repair Fund - Fund held to cover future maintenance work on Boundary Court.

TLC Donations - Donations given towards the Teddies with Loving Care project.

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
At 31 December 2024:				
Investment properties	8,408,609	-	-	8,408,609
Investments	2,034,625	-	-	2,034,625
Current assets/(liabilities)	402,276	121,329	16,980	540,585
	<u>10,845,510</u>	<u>121,329</u>	<u>16,980</u>	<u>10,983,819</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
At 31 December 2023:				
Investment properties	8,128,004	-	-	8,128,004
Investments	1,586,182	-	-	1,586,182
Current assets/(liabilities)	1,062,716	132,975	16,980	1,212,671
	<u>10,776,902</u>	<u>132,975</u>	<u>16,980</u>	<u>10,926,857</u>

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

23 Unrestricted funds

	Balance at 1 January 2023	Resources expended	Gains and losses	Balance at 1 January 2024	Resources expended	Gains and losses	Balance at 31 December 2024
	£	£	£	£	£	£	£
Designated Reserve Fund	800,000	-	-	800,000	-	-	800,000
Legacy Fund	145,303	-	-	145,303	-	-	145,303
Norman Jackson Fund	710,191	(63,070)	-	647,121	(98,100)	-	549,021
General Reserves:	-	-	-	-	-	-	-
Revaluation Reserve	1,351,026	-	1,532,387	2,883,413	-	64,416	2,947,829
	<u>3,006,520</u>	<u>(63,070)</u>	<u>1,532,387</u>	<u>4,475,837</u>	<u>(98,100)</u>	<u>64,416</u>	<u>4,442,153</u>

Purpose of funds:

Designated Reserve Fund - To meet the cost of the future repurchase of properties.

Legacy Fund - To match fund projects carried out by Brethren at the discretion of the General Purposes Committee.

Norman Jackson Fund - To allocate monies from the Norman Jackson legacy.

Revaluation Reserve - Unrealised gains on the revaluation of investment property.

24 Related party transactions

Mr J Watts and Mr T Gittins, trustees, are the deputy provincial grand master and secretary respectively of Provincial Grand Lodge of Durham. Included in support costs is a management charge from Provincial Grand Lodge of Durham of £37,500 (2023 - £37,500).

25 Cash generated from operations

	2024 £	2023 £
Surplus for the year	56,962	1,752,705
Adjustments for:		
Investment income recognised in statement of financial activities	(417,219)	(409,381)
Fair value gains and losses on investment properties	(64,416)	(1,532,387)
Fair value gains and losses on investments	(75,651)	(56,371)
Movements in working capital:		
Decrease/(increase) in debtors	88,321	(64,531)
Increase/(decrease) in creditors	51,307	(10,952)
Cash absorbed by operations	<u>(360,696)</u>	<u>(320,917)</u>

DURHAM FREEMASONS CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2024***

26 Analysis of changes in net funds

The charity had no material debt during the year.

Accounts

Charity registration number 279313

**DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM
MASONIC BENEVOLENT FUND)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

J. D. Watts (Chairman)
S. A. Willis (Treasurer)
T. F. Gittins (Secretary)
Durham Benevolence Limited
D. Maw (Vice Chairman) (Appointed 11 March 2023)

D. Maw is also a member of the Community and Support Grants sub-committee

The following are also members of the General Purposes Committee:

G. Elgie (Assistant Secretary)
P. B. Debenham (Provincial Grand Almoner)
P. Quinn (Provincial Grand Charity Steward)

Members

D. Dunn *
S. Bell
S. Hunter *
P. Ross ^
I. K. Carter ^
M. Rankin
M. Davies
I. Groves ^
K. Hiles *
C. Katsambis *
A. Thompson ^

* Members of Estates sub-committee

^ Members of the Community Support Grants sub-committee

Charity number

279313

Principal address

8 The Esplanade
Sunderland
Tyne & Wear
SR2 7BH

Auditor

Allen Sykes Limited
5 Henson Close
South Church Enterprise Park
Bishop Auckland
Co Durham
DL14 6WA

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors

Peter Ross and Co
2 Front Street
Jasmine Villas
Whickham
Newcastle upon Tyne
NE16 4JH

Bankers

National Westminster Bank Plc
52 Fawcett Street
Sunderland
SR1 1SB

Virgin Money
43 Fawcett Street
Sunderland
SR1 1SA

Lloyds Bank Plc
54 Fawcett Street
Sunderland
SR1 1SF

Stockbrokers

Rathbones
50 George Square
Glasgow
G2 1EH

Brewin Dolphin
12 Smithfield Street
London
EC1A 9LA

Housing Management

Nest Egg Homes
49 Mandale Road
Stockton-on-Tees
Thornaby
Cleveland
TS17 6AD

Sheltered Housing Developments

Peter Stracey House
Ebdon Lane
Sunderland
SR6 9AF

Boundary Court
Kingsway
Bishop Auckland
DL14 7JE

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

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DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

It is with a great sense of pride that I present my report for the year to 31 December 2023 – a year that has seen such solid progress for our charity. Income has risen, expenditure has decreased, donations and grants have been made totalling over £150,000 for the year and our overall total of assets has risen by over £1.5 Million in the year – to over £10 Million – mainly due to increases in the global stock market values and a revaluation of our investment properties.

Donations & Legacies Received

Donations & legacies income rose to £99,213 for the year compared to £85,260 for the previous year to 31 December 2022. Of this total £30,316 was a result of legacies left by widows of former freemasons of the province and I take this opportunity to thank Mrs Hunnam, Mrs Fowler & Mrs Ayre for thinking of us when making their wills. Whether by donation from lodges, individuals or by legacies, I thank all those who have contributed to Durham Freemasons Charity and who have allowed us to continue to support so many community groups and individuals. Your support is gratefully received and will be faithfully applied.

Investment Income

As a result of favourable market conditions, investment income, including dividends and interest received, rose from £39,204 to £53,140 in the year to 31 December 2023.

Property Income

Rental income from our investment properties at Peter Stracey House and Boundary Court increased from £308,544 to £356,241 – mostly due to more properties being let during 2023, particularly at Boundary Court.

Property

We continue to invest for the long term in our properties and several apartments at Peter Stracey House were refurbished during the period. In addition, Boundary Court had solar panels installed at a total cost of £54,251. I take this opportunity to thank Stan Hunter, Retiring Chairman of our Estates Committee, after 8 years of excellent service to the charity. I also welcome back Derek Dunn as the Liaison Officer at Peter Stracey House and Jack Richardson in the same position at Boundary Court. Following a recent review of our procedures Nest Egg Homes continue to manage our properties but, in line with good business practice, we will open a retendering process in the next 12 months.

Expenditure

Expenditure fell during the year with a combined total spend of £369,697 compared to £492,811 for the year to 31 December 2022. Grants paid of £150,809 showed a reduction against 2022 grant spend of £187,574 and we are actively seeking to increase both the value of our grants and attract even more recipients. Expenditure on refurbishment, maintenance and running costs of our properties totalled £70,010 in the year compared to £167,569 last year, whilst our rent and administration cost, paid to Provincial Grand Lodge, remained constant at £37,500.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

CHAIRMAN'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Grants Made in the year

As a Charity we have begun to concentrate more fully on the difference our Grants make to the recipients. We considered larger single donations where it was felt fully funding projects would greatly increase the positive impact on the communities we serve.

Examples of this during the year include our decision to recognise the King's Coronation and to celebrate his 75th birthday by committing £75,000 to his charity, the Prince's Trust. During the year £50,000 of this was provided, from our Norman Jackson fund which was used to fund this year's Dragons Den scheme and provide some general funding to the Charity. This scheme enable's groups of young people to bring forward their community enhancement ideas to a panel of "Dragons" for approval and funding. These are part of a development course for these disadvantaged young people to develop their skills and thus ease their path into employment.

To further increase the impact of our assistance, Durham Freemasons, fulfilled the roles of Dragon's and were able to further support the young people and enhance the various projects. We thank all those local freemasons who gave up their time to serve their local communities in this way. The remaining £25,000 will be paid when requested in 2024 to fund the second tranche of Dragon's Dens.

The feedback that has been received from the young people involved, the Dragons and the Princes Trust has further underlined the valuable contribution our involvement has had on those participating in the courses.

With the assistance of the Norman Jackson Fund we also provided a Grant of £5,000, which was matched by the Masonic Charitable Foundation, to the Special Lionesses. This Sunderland based Charity provides support to severely disabled children and their families. One of the unique aspects of the charity is the provision of a Prom which, due to the shortened life expectations of the children, must be held well before they reach the age of 16. The £10,000 pound fully funded this years Prom. This not only impacted on those that attended but released the Charities staff from its fundraising for the event and allowed them to more fully concentrate on the provision of support to the children and their families, further enhancing the positive difference being made by our support.

Almoner's Account

During 2023, we absorbed the Almoner's account within our charity funds and £25,050 is shown in other income within the accounts as the almoners bank account balance introduced as at 1 January 2023. These funds are expected to grow over the foreseeable future, as lodges close and transfer both funds and the responsibility of looking after their widows, to our Provincial Almoner and his team. The commitments the funds are required for can stretch over decades.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

CHAIRMAN'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

None of the many achievements during the last year could have happened without the generous contributions of our many members, the hard work of our committee members and the unstinting support of the staff at Provincial Office. I offer my grateful thanks to every person who has helped during the year.

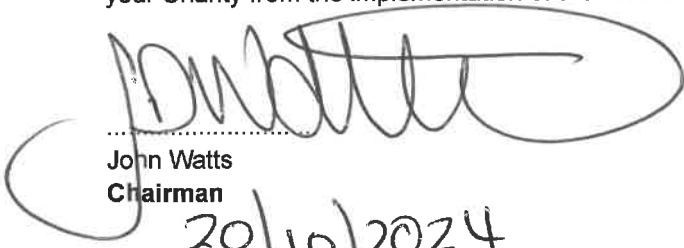
I would also like to thank all those who have ensured a regular flow of articles to the Provincial Communications Team so that the breadth and depth of our support can be recognised. I would also express my sincere appreciation to all the brethren of the Province of Durham, members of the General Purposes Committee and the Benevolent Committee representatives for their time, energy, and dedication during the past year and for the insights and expertise they each bring to the activities of the Benevolent Committee

Durham Freemasons Charity remains in a very healthy financial position, and, with prudent management, we expect that to continue.

During the year we undertook a full strategic and operation review of the Charity and how we work. At our March 2024 AGM we voted on implementing its many recommendations which are now being implemented and these include:

1. The changing of the name to the Durham Freemason's Charity in order to clearly indicate the purpose of the organisation and the source of its funding to our beneficiaries and the communities we serve.
2. The introduction of administrative procedures to improve oversight and protection of all those involved in the running of the Charity.
3. The initiation of a review of our legal structure to ensure we registered and using a status that maximises our impact in the wider community whilst protecting the Organisation, its Trustee's and members.
4. The introduction of more formalised procedures for monitoring of our sheltered housing management.
5. Introducing a system of grant application aimed at understanding the outcome and monitoring the impact of the grants we make.
6. Introducing a more streamlined Grant Application Process to increase the effectiveness of these grants.
7. The recommendation that Lodges use their Almoner or Charity Steward rather than a separate elected representative to attend the quarterly meetings. These meetings will then be used as:
 - a. Opportunities to further enhance the skills of the holders of these roles
 - b. Forum's to Show case the outcomes of our Grants to the wider Masonic Community.
 - c. Provide an opportunity for representatives of the wider community to meet Freemason's and assist them to better understand and appreciate our organisation and its contribution to society.

I fully expect, in the next Chairman's report, to be outlining the many positive changes we have seen in the work of your Charity from the implementation of the reviews recommendations.



John Watts
Chairman

Date:

20/10/2024,

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The Charity is registered with the Charity Commission (Registration number: 279313) as Durham Freemasons Charity (formerly The Durham Masonic Benevolent Fund).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Benevolent Committee is a masonic organisation set up by trust deed dated 24 July 1956. The object of Durham Freemasons Charity is to provide support for the needy brethren of masonic lodges in the Province of Durham and their dependants, and to provide children of brethren with assistance to further their education.

In order to further these objectives, the activities of the charity can be categorised as follows:

- Provision of sheltered accommodation to aged brethren and/or their dependants,
- Awarding grants to needy brethren, their dependants *and widows*,
- Awarding grants to the children of brethren, to assist their engagement in community projects,
- Awarding Community Support Grants, and
- Provision of holiday or convalescent breaks for needy brethren and dependants

Public Benefit Statements

The trustees have had regard to the Charity Commission's guidance on their legal duty on public benefit, and are satisfied that the Charity delivers public benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake.

Grant Making Policy

The trustees meet on a regular basis to consider what grants they will make; Masonic or Community Support grants.

Emergency grants are made to beneficiaries at the discretion of the management and approved retrospectively and anonymously at trustees' meetings.

Education and scholarship grants are paid to finance further education and are approved by a subcommittee set up for this purpose.

Volunteers and other contributors

The General Purposes Committee would especially like to thank the following:

Benevolent representatives for their attendance at quarterly meetings and for their considerable efforts to ensure that the needs of brethren and their dependants are identified and acted upon;

The officers of the general purpose Committee, the Chairman J.D. Watts who conducted meetings with skill and efficiency, the Vice Chairman D Maw, Treasurer S. A. Willis, the Secretary T. Gittins all of whom made invaluable contributions to the management and administration of the Benevolent Committee and all the staff at the Provincial Office for their willing and cheerful assistance in the work of the Benevolent Committee.

Thanks are also extended to all those members of the general purpose committee old and new for their very valuable contributions to the work of Durham Benevolence.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

The main activity this period has been the administration of the two sheltered accommodation housing developments known as Peter Stracey House and Boundary Court. The extensive renovation programme of apartments at Peter Stracey House continues and costs are kept within budget. Out of a total of nearly 100 apartments across both developments, very few remained unoccupied at the period end. During the year solar panels were fitted to the roof of Boundary Court and it is expected that this will benefit the tenants, in the form of reduced electricity bills, for the foreseeable future.

Community support grants are our main line of grant giving to clubs, community projects and youth travel grants etc, as well as emergency grants to brethren in distress, education grants and grants to other Masonic charities.

The economic climate over the last year has resulted in a welcome increase in the valuation of our investments – both buildings and stock market investments, and we continue to invest in both for the long term. At the time of writing, stock market investments are stable in value but can still be subject to fluctuations caused by uncertain trading conditions resulting from global factors.

Financial review

Total income for the year was £533,644. The expenditure incurred totalled £369,697 and there were gains on investment assets totalling £1,588,758 meaning that the charity generated a surplus during the year of £1,752,705.

Reserves policy

The notes to the financial statements show the assets and liabilities attributable to the various funds by type and also shows the various trusts of the charity and summarises the period's movements on each fund.

The General Purposes Committee has examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed and consider that this should be at a level to give sufficient working capital to cover core costs for the next year.

Unrestricted free reserves at 31 December 2023 amounted to £1,062,716. The trustees believe the level of free reserves held to be more than adequate to cover the requirements prescribed in the reserves policy.

Investment Policy

The General Purposes Committee have the power to invest in such stocks, shares, property and other assets as they see fit. Quarterly reports are submitted by their stockbrokers, together with recommendations for managing the portfolio in the forthcoming quarter. The policy is to adopt a medium risk strategy based on maximising the returns on the investments whilst obtaining reasonable growth in the market value of the portfolio.

Since March 2024, an Investment committee has monitored the decisions taken by the brokers, with a view to advising the general purpose committee on investment risk and further investments where appropriate.

Risk assessment

The General Purposes Committee has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and is satisfied that systems are in place to mitigate any exposure to major risks.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

The programme for the immediate future is to continue to encourage donations to enable our activities to be maintained at least at their current levels.

In the medium term the plan is for consolidation of the fund so that investments can be maintained and at the same time make further provision for increase in reserves to meet our existing commitments, establishing a solid income base from investments, rental income and donations. The Committee is also exploring ideas for new forms of charitable giving.

In the long-term further expenditure will be incurred so as to make sure our sheltered accommodation projects are well maintained and improved where deemed necessary.

As part of a planned re-structuring associated with the risk management for individual trustees, it is expected that in the near future, the sole trustee for the charity will be Durham Benevolence Limited, with all members of the General Purpose Committee acting as appointed directors of the company. At the time of writing, the re-structuring plans have been submitted for consultation with the members of the Provincial Grand Lodge of Durham, for their comments, objections (if any), and (hopefully) agreement.

It should also be noted that in future, to speed the support made to applicants, the Community Support Grant Committee will be empowered to make decisions on grant applications and also make payment of grants without prior approval of the General Purposes Committee. The General Purpose Committee will still provide an overview of policy and impact of the grant making.

Structure, governance and management

Durham Freemasons Charity consists of the Principal Officers of the Province of Durham, together with six nominees of the Provincial Grand Master appointed annually and a representative of each Lodge known as the Benevolent Representative appointed annually within their lodge.

The trustees who served during the year and up to the date of signature of the financial statements were:

J. D. Watts (Chairman)

S. A. Willis (Treasurer)

T. F. Gittins (Secretary)

M. S. Shaw

(Resigned 11 March 2023)

Durham Benevolence Limited

D. Maw (Vice Chairman)

(Appointed 11 March 2023)

The directors of the corporate trustee, Durham Benevolence Limited, are the same as the other trustees of the charity.

The board of the trustees, known as the General Purposes Committee, who are required to meet at least quarterly, but actually meets more frequently as the administrative requirements of the charity dictate, run the charity. There is a subcommittee for awarding educational and scholarship grants, a subcommittee for managing the sheltered housing estates and a further subcommittee, which recommends Community Support grants to the Benevolent Committee for approval.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Relationship with Wider Network

The Benevolent Committee works closely with a number of other local Charities and the Masonic Charitable

Other local charities:

- Provincial Grand Mark Benevolent Fund - available to assist necessitous Mark Masons and their dependants.

Masonic Charitable Foundation (MCF) whose charitable activities include:

- Provision of care for the children of deceased or distressed Brethren with the aim of providing, as far as possible, the same opportunities in life as would have been available had death or misfortune not occurred. The Province has girls and boys under the care of the trust.
- The maintenance of a number of residential homes for Brethren and their dependants.
- Providing support for needy, sick and infirm Freemasons, their partners, children and dependants. Relief may only be granted to those applicants who are unable to obtain medical treatment or support on the NHS without undue delay or hardship.
- Providing support for Masonic petitioners in distressed circumstances, other Masonic charities and non-Masonic charities.

Statement of trustees' responsibilities

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

The law applicable to charities in England 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 year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees' report was approved by the Board of Trustees.



.....
S. A. Willis (Treasurer)
Trustee



.....
T. F. Gittins (Secretary)
Trustee

Date: 25/10/24

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

Opinion

We have audited the financial statements of Durham Freemasons Charity (formerly The Durham Masonic Benevolent Fund) (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including 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 charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, taxation legislation, data protection, anti-bribery, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind any identified significant or unusual transactions.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



John P Yarrow FCA (Senior Statutory Auditor)
for and on behalf of Allen Sykes Limited

25/10/24
.....

Chartered Accountants
Statutory Auditor

5 Henson Close
South Church Enterprise Park
Bishop Auckland
Co Durham
DL14 6WA

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	70,204	29,009	-	99,213	85,260
Charitable activities	4	-	-	-	-	11,755
Investments	5	409,381	-	-	409,381	347,748
Other income	6	25,050	-	-	25,050	256
Total income		504,635	29,009	-	533,644	445,019
<u>Expenditure on:</u>						
Raising funds	7	83,274	-	-	83,274	178,492
Charitable activities	8	199,579	5,450	-	205,029	278,591
Boundary Court/Peter Stracey House Repair Funds		-	58,074	-	58,074	33,147
Other	14	7,002	16,318	-	23,320	2,581
Total expenditure		289,855	79,842	-	369,697	492,811
Net gains/(losses) on investments	15	1,588,758	-	-	1,588,758	(91,903)
Net movement in funds		1,803,538	(50,833)	-	1,752,705	(139,695)
Fund balances at 1 January 2023		8,973,364	183,808	16,980	9,174,152	9,313,847
Fund balances at 31 December 2023		10,776,902	132,975	16,980	10,926,857	9,174,152

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	56,822	28,438	-	85,260
Charitable activities	4	11,755	-	-	11,755
Investments	5	347,748	-	-	347,748
Other income	6	256	-	-	256
Total income		416,581	28,438	-	445,019
<u>Expenditure on:</u>					
Raising funds	7	178,492	-	-	178,492
Charitable activities	8	275,591	3,000	-	278,591
Boundary Court/Peter Stracey House Repair Funds		-	33,147	-	33,147
Other	14	2,581	-	-	2,581
Total expenditure		456,664	36,147	-	492,811
Net gains/(losses) on investments	15	(91,903)	-	-	(91,903)
Net movement in funds		(131,986)	(7,709)	-	(139,695)
Fund balances at 1 January 2022		9,105,350	191,517	16,980	9,313,847
Fund balances at 31 December 2022		8,973,364	183,808	16,980	9,174,152

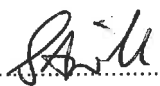
DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investment properties	16	8,128,004		6,541,366	
Investments	17	1,586,182		1,224,030	
		<u>9,714,186</u>		<u>7,765,396</u>	
Current assets					
Debtors	18	166,125		101,594	
Cash at bank and in hand		1,059,260		1,330,828	
		<u>1,225,385</u>		<u>1,432,422</u>	
Creditors: amounts falling due within one year	19	(12,714)		(23,666)	
Net current assets		<u>1,212,671</u>		<u>1,408,756</u>	
Total assets less current liabilities		<u>10,926,857</u>		<u>9,174,152</u>	
Capital funds					
Endowment funds - general	20	16,980		16,980	
Income funds					
Restricted funds	21	132,975		183,808	
<u>Unrestricted funds</u>					
Designated funds	22	10,776,902		8,973,364	
		<u>10,776,902</u>		<u>8,973,364</u>	
		<u>10,926,857</u>		<u>9,174,152</u>	

The financial statements were approved by the Trustees on 25/10/24


S. A. Willis (Treasurer)
Trustee


T. F. Gittins (Secretary)
Trustee

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(320,917)		(425,755)
Investing activities					
Purchase of investment property		(54,251)		(162,400)	
Purchase of other investments		(621,094)		(286,563)	
Proceeds from disposal of other investments		315,313		39,799	
Investment income received		409,381		347,748	
Net cash generated from/(used in) investing activities			49,349		(61,416)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(271,568)		(487,171)
Cash and cash equivalents at beginning of year			1,330,828		1,817,999
Cash and cash equivalents at end of year			1,059,260		1,330,828

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Durham Freemasons Charity (formerly The Durham Masonic Benevolent Fund) is a charity registered in England and Wales.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2023**

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	55,204	13,693	68,897	56,822	28,438	85,260
Legacies receivable	15,000	15,316	30,316	-	-	-
	<u>70,204</u>	<u>29,009</u>	<u>99,213</u>	<u>56,822</u>	<u>28,438</u>	<u>85,260</u>
Donations and gifts						
Brethren & Lodges	55,204	-	55,204	56,822	-	56,822
TLC Donations	-	13,693	13,693	-	28,433	28,433
Other	-	-	-	-	5	5
	<u>55,204</u>	<u>13,693</u>	<u>68,897</u>	<u>56,822</u>	<u>28,438</u>	<u>85,260</u>

4 Charitable activities

	Charitable Income 2022 £
Sale of annual reports	3,180
Masonic Break	8,575
	<u>11,755</u>

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Rental income	356,241	308,544
Dividends receivable	44,647	36,806
Interest receivable	8,493	2,398
	<u>409,381</u>	<u>347,748</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Other income	<u>25,050</u>	<u>256</u>

Included in other income above is £25,050 in relation to cash held at 31st December 2022 within a bank account controlled by the charity which had not been previously included within the financial statements.

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Investment management</u>	<u>83,274</u>	<u>178,492</u>
	<u>83,274</u>	<u>178,492</u>

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Masonic Break	700	19,288
Grant funding of activities (see note 9)	150,809	187,574
Share of support costs (see note 10)	44,325	62,669
Share of governance costs (see note 10)	9,195	9,060
	<u>205,029</u>	<u>278,591</u>
Analysis by fund		
Unrestricted funds	199,579	275,591
Restricted funds	5,450	3,000
	<u>205,029</u>	<u>278,591</u>

9 Grants payable

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Grants to institutions:		
Defibrillators	1,000	1,000
Community Support Grants	75,401	67,445
Norman Jackson Legacy Grants	63,070	114,809
	<u>139,471</u>	<u>183,254</u>
Grants to individuals	11,338	4,320
	<u>150,809</u>	<u>187,574</u>

-

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Other expenses	945	-	945	4,478	-	4,478
Legal and professional	5,880	-	5,880	20,691	-	20,691
Management charges payable	37,500	-	37,500	37,500	-	37,500
Audit and accountancy	-	7,800	7,800	-	7,290	7,290
Trustees' meeting expenses	-	1,395	1,395	-	1,770	1,770
	<u>44,325</u>	<u>9,195</u>	<u>53,520</u>	<u>62,669</u>	<u>9,060</u>	<u>71,729</u>
Analysed between Charitable activities	<u>44,325</u>	<u>9,195</u>	<u>53,520</u>	<u>62,669</u>	<u>9,060</u>	<u>71,729</u>

11 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2023 £	2022 £
Audit of the charity's annual accounts	<u>7,800</u>	<u>7,200</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

14 Other

	Unrestricted funds	Restricted funds	Total £	Unrestricted funds
	2023	2023	2023	2022
Other expenditure	7,002	16,318	23,320	2,581

15 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Revaluation of investments	56,371	(88,014)
Revaluation of investment properties	1,532,387	(3,889)
	1,588,758	(91,903)

16 Investment property

	2023 £
Fair value	
At 1 January 2023	6,541,366
Additions through external acquisition	54,251
Net gains or losses through fair value adjustments	1,532,387
At 31 December 2023	8,128,004

The investment properties were revalued by D & G Surveying Services, Chartered Surveyors on 12 December 2023 on the basis of market value of vacant possession. The trustees believe that the value of the properties held has not changed significantly since that date.

The total fair value of the property for which the charity holds title is £9,384,251. However, excluded from the carrying value of investment property above is £1,265,247 (2022 - £1,108,634) in relation to the long leaseholder's interests for specific properties within the buildings.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Investment property

(Continued)

	2023 £	2022 £
Freehold	8,128,004	6,541,366
Long leasehold	-	-
Short leasehold	-	-
	<u>8,128,004</u>	<u>6,541,366</u>

17 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023	1,224,030
Additions	621,094
Valuation changes	56,371
Disposals	(315,313)
At 31 December 2023	<u>1,586,182</u>
Carrying amount	
At 31 December 2023	<u>1,586,182</u>
At 31 December 2022	<u>1,224,030</u>

	2023 £	2022 £
Investments at fair value comprise:		
Equity Shares	1,293,975	785,324
Investment Trusts & Unit Trusts	123,534	190,211
UK Fixed Interest	107,133	98,432
Cash	61,540	150,063
	<u>1,586,182</u>	<u>1,224,030</u>

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	153,154	86,145
Prepayments and accrued income	12,971	15,449
	<u>166,125</u>	<u>101,594</u>

19 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	378	6,956
Other creditors	2,271	8,220
Accruals and deferred income	10,065	8,490
	<u>12,714</u>	<u>23,666</u>

20 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 January 2022 £	Movement in funds Incoming resources £	Balance at 1 January 2023 £	Movement in funds Incoming resources £	Balance at 31 December 2023 £
Permanent endowments					
Ernest Dixon Scholarship Fund	16,980	-	16,980	-	16,980
	<u>16,980</u>	<u>-</u>	<u>16,980</u>	<u>-</u>	<u>16,980</u>

The Ernest Dixon Scholarship endowment fund is held to generate income to provide grants to children of brethren who are students at University or Technical Colleges.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2022 £	Movement in funds			Balance at 1 January 2023 £	Movement in funds			Transfers £	Balance at 31 December 2023 £
		Incoming resources £	Resources expended £			Incoming resources £	Resources expended £			
Ernest Dixon Scholarship Fund	3,919	-	-		3,919	-	-		-	3,919
Durham Masonic Education Fund	27,648	-	(3,000)		24,648	15,316	(5,450)		-	34,514
Durham Masonic Scholarship Fund	13,664	-	-		13,664	-	-		-	13,664
Repair Contribution Fund	97,658	-	-		97,658	-	-	(61,657)		36,001
Durham Relief Chest Fund	1,672	-	-		1,672	-	-	-		1,672
Search and Rescue	265	-	-		265	-	-	-		265
PSH Repair Fund	(4,899)	-	(18,023)		(22,922)	-	(38,735)	61,657		-
BC Repair Fund	51,590	-	(15,124)		36,466	-	(19,339)	-		17,127
TLC Donations	-	28,438	-		28,438	13,693	(16,318)	-		25,813
	191,517	28,438	(36,147)		183,808	29,009	(79,842)	-		132,975

Purpose of restricted funds:

Ernest Dixon Scholarship Fund - To provide grants to children of brethren who are students at Universities or Technical Colleges.
Durham Masonic Education Fund - To provide assistance in the education and maintenance of necessitous children aged between five and eighteen.
Durham Masonic Scholarship Fund - To provide grants to children of brethren who are students at Universities or Technical Colleges.
Repair Contribution Fund - Monies given for the charity to cover property expenditure costs as landlords.
Durham Relief Chest Fund - Donations given towards the relief chest fund.
Search and Rescue - Donations given to help search and rescue charities via community support grants.
PSH Repair Fund - Funds held to cover future maintenance work on Peter Stracey House.
BC Repair Fund - Fund held to cover future maintenance work on Boundary Court.
TLC Donations - Donations given towards the Teddies with Loving Care project.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Unrestricted funds	Balance at 1 January 2022	Movement in funds			Movement in funds			Balance at 31 December 2023
	£	Incoming resources	Resources expended	Revaluations, gains and losses	£	Incoming resources	Resources expended	Revaluations, gains and losses
Designated Reserve Fund	800,000	-	-	-	-	-	-	-
Legacy Fund	145,303	-	-	-	-	-	-	-
Norman Jackson Fund	825,000	-	(114,809)	-	-	-	(63,070)	-
General Reserves:	-	-	-	-	-	-	-	-
Revaluation Reserve	1,354,915	-	-	(3,889)	-	-	-	1,532,387
Other Reserves	5,980,132	416,581	(341,855)	(88,014)	504,635	504,635	(226,785)	56,371
	9,105,350	416,581	(456,664)	(91,903)	504,635	504,635	(289,855)	1,588,758
								10,776,902

Purpose of funds:

Designated Reserve Fund - To meet the cost of the future repurchase of properties.
 Legacy Fund - To match fund projects carried out by Brethren at the discretion of the General Purposes Committee.
 Norman Jackson Fund - To allocate monies from the Norman Jackson legacy.
 Revaluation Reserve - Unrealised gains on the revaluation of investment property.

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Analysis of net assets between funds

Fund balances at 31 December 2023 are represented by:

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Investment properties	8,128,004	-	-	8,128,004	6,541,366	-	-	6,541,366
Investments	1,586,182	-	-	1,586,182	1,224,030	-	-	1,224,030
Current assets/(liabilities)	1,062,716	132,975	16,980	1,212,671	1,207,968	183,808	16,980	1,408,756
	10,776,902	132,975	16,980	10,926,857	8,973,364	183,808	16,980	9,174,152

DURHAM FREEMASONS CHARITY (FORMERLY THE DURHAM MASONIC BENEVOLENT FUND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

24 Capital commitments	2023	2022
	£	£
At 31 December 2023 the charity had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	54,251
25 Related party transactions		
Included in Donations and Legacies income is £Nil (2022 - £25,208 collected by Provincial Grand Lodge of Durham and then donated to The Durham Masonic Benevolent Fund. Included in support costs is a management charge from Provincial Grand Lodge of Durham of £37,500 (2022 - £37,500).		
The charity is owed £Nil (2022 - £12,473) from Durham Benevolence Trading Limited, a company under the same control as The Durham Masonic Benevolent Fund.		
26 Cash generated from operations	2023	2022
	£	£
Surplus/(deficit) for the year	1,752,705	(139,695)
Adjustments for:		
Investment income recognised in statement of financial activities	(409,381)	(347,748)
Fair value gains and losses on investment properties	(1,532,387)	3,889
Fair value gains and losses on investments	(56,371)	88,014
Movements in working capital:		
(Increase) in debtors	(64,531)	(38,751)
(Decrease)/increase in creditors	(10,952)	8,536
Cash absorbed by operations	(320,917)	(425,755)
27 Analysis of changes in net funds		
The charity had no debt during the year.		

Accounts

Charity registration number 279313

**THE DURHAM MASONIC BENEVOLENT FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

THE DURHAM MASONIC BENEVOLENT FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J. D. Watts (Chairman)	(Appointed 11 June 2022)
	S. A. Willis (Treasurer)	
	T. F. Gittins (Secretary)	
	Durham Benevolence Limited	
	D. Maw (Vice Chairman)	(Appointed 11 March 2023)

D. Maw is also a member of the Community and Support Grants sub-committee

The following are also members of the General Purposes Committee:

G. Elgie (Assistant Secretary)
P. B. Debenham (Provincial Grand Almoner)
M. A Thompson (Provincial Grand Charity Steward)

Members	K. Williams *
	D. Dorward *
	S. Bell
	S. Hunter *
	P. Ross ^
	C. Katsambis =
	I. K. Carter ^
	M. Rankin
	R. Donmall
	M. Davies

* Members of Estates sub-committee

= Members of the Education and Scholarship sub-committee

^ Members of the Community Support Grants sub-committee

Charity number	279313
Principal address	8 The Esplanade Sunderland Tyne & Wear SR2 7BH
Auditor	Allen Sykes Limited 5 Henson Close South Church Enterprise Park Bishop Auckland Co Durham DL14 6WA
Solicitors	Peter Ross and Co 2 Front Street Jasmine Villas Whickham Newcastle upon Tyne NE16 4JH

THE DURHAM MASONIC BENEVOLENT FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

National Westminster Bank Plc
52 Fawcett Street
Sunderland
SR1 1SB

Virgin Money
43 Fawcett Street
Sunderland
SR1 1SA

Lloyds Bank Plc
54 Fawcett Street
Sunderland
SR1 1SF

Stockbrokers

Rathbones
50 George Square
Glasgow
G2 1EH

Brewin Dolphin
12 Smithfield Street
London
EC1A 9LA

Housing Management

Nest Egg Homes
49 Mandale Road
Stockton-on-Tees
Thornaby
Cleveland
TS17 6AD

Sheltered Housing Developments

Peter Stracey House
Ebdon Lane
Sunderland
SR6 9AF

Boundary Court
Kingsway
Bishop Auckland
DL14 7JE

THE DURHAM MASONIC BENEVOLENT FUND

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THE DURHAM MASONIC BENEVOLENT FUND

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

It is with great pleasure that, after a gap of 3 years, I once again present my Chairmans' report for The Durham Masonic Benevolent Fund. It is only right that I start by thanking my predecessor, and successor 3 years ago, W Bro Craig Steele for his hard work and enthusiasm during his time in office and for passing back to me our charity in such a financially healthy state.

Whilst at first glance, it may seem disappointing to report a reduction in net assets for the year – down from £9,313,847 to £9,174,152, it should be borne in mind that the main reason for this decrease is out of our control, being a reduction in the value of our investment portfolio by £88,014, almost entirely caused by global market reductions. Such a reduction in value should not overshadow what has been another successful year for The Durham Masonic Benevolent Fund, with great support from our lodges and brethren and many grants made to a wide variety of individuals and community groups.

Donations & legacies

At first glance donation income from our lodges and brethren for this year seems well down at £56,822 compared to £834,376 in the previous year. However, we should bear in mind that last year included the donation from Universities Lodge No 2352 of £825,000 to set up the Norman Jackson fund within Durham Benevolence. The increase in normal donations in the current year substantially reflects our lodges and chapters getting back to business after the prolonged covid break. I would personally like to thank all the lodges, chapters and brethren for their continued generosity in supporting Durham Benevolence.

Investment Income

Investment income, including dividends and interest received but excluding rental income, rose from £34,748 to £39,204 in the year to 31 December 2022.

Property Income

Rental income from our investment properties at Peter Stracey House and Boundary Court showed a small decline from £319,976 to £308,544 – mostly due to the number of empty properties at Boundary Court during the early part of 2022. Steps have already been taken to ensure that more of our properties are let during 2023.

Expenditure

Expenditure increased during the year with a combined total spend (excluding the movements on the repair funds) of £459,664 compared to £390,613 for the year to 31 December 2022. Grants paid of £187,574 showed an increase against 2021 grant spend of £145,607 and last year also included a spend of £100,947 on Covid Grants. Refurbishment and maintenance of our properties totalled £122,276 in the year compared to £154,627 last year with the main areas of expense being the installation of a new heating system at Boundary Court (£27,293) and the ongoing refurbishment of the bathroom, heating and kitchen facilities in the flats at Peter Stracey House (£83,208)

Property

We continue to invest for the long term in our properties and several properties at Peter Stracey House were refurbished during the period. In addition, Boundary Court had it's heating system upgraded and 2023 will see the installation of Solar panels, with a view to reducing electricity costs. It is only right that we thank Stan Hunter, Chairman of our Estates Committee, Dave Dorward, The outgoing Liaison Officer at Peter Stacey House and Christos Katsambis at Boundary Court. Nest Egg Homes continue to manage our properties and we maintain a good working relationship with them.

TLC Scheme

During this year we also took over, from Provincial Grand Lodge, the financial and administrative responsibilities for the TLC scheme. The total income receivable in the year since The Durham Masonic Benevolent Fund took over this responsibility in October 2022 was £28,438 of which £25,208 was the balance previously held for the TLC scheme by Provincial Grand Lodge, Durham.

THE DURHAM MASONIC BENEVOLENT FUND

CHAIRMAN'S REPORT (CONTINUED)

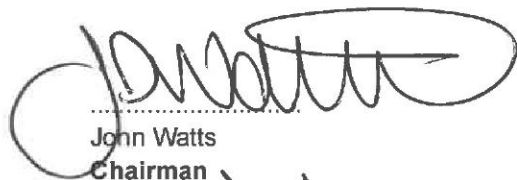
FOR THE YEAR ENDED 31 DECEMBER 2022

None of the many achievements during the last year could have happened without the generous contributions of our many members, the hard work of our committee members and the unstinting support of the staff at Provincial Office. I offer my grateful thanks to every person who has helped during the year.

I would particularly like to thank our retiring Vice Chairman, Michael Shaw for his 4 years of service to The Durham Masonic Benevolent Fund, for his wise counsel and his dedication. Durham Benevolence owes him a debt of gratitude. He will be replaced as Vice Chairman by Duncan Maw who has done such an excellent job with the TLC scheme.

Finally, I would also like to thank all those who have ensured a regular flow of articles to the Provincial Communications Team so that the breadth and depth of our support can be recognised, and I express my sincere appreciation to all the brethren of the Province of Durham, members of the General Purposes Committee and the Benevolent Committee representatives for their time, energy, and dedication during the past year and for the insights and expertise they each bring to the activities of the Benevolent Committee.

Whilst The Durham Masonic Benevolent Fund remains in a strong financial position after a very difficult time for all concerned and is well positioned to deal with any future challenges that may be encountered, there is always opportunity for improvement. To ensure we are the best we can be, and fully compliant with all charity commission requirements we have commenced an in-depth review of our structure and procedures. I believe that we are delivering on our aims and objectives, helping our members and benefiting the public in our communities and the review will ensure this continues well into the future.



John Watts
Chairman

Date:

20/10/2023

THE DURHAM MASONIC BENEVOLENT FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The Charity is registered with the Charity Commission under The Durham Masonic Benevolent Fund (Registration number: 279313) but operates as the Benevolent Committee of the Province of Durham.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Benevolent Committee is a masonic organisation set up by trust deed dated 24 July 1956. The object of the Durham Masonic Benevolent Fund is to provide support for the needy brethren of masonic lodges in the Province of Durham and their dependants, and to provide children of brethren with assistance to further their education.

In order to further these objectives, the activities of the charity can be categorised as follows:

- Provision of sheltered accommodation to aged brethren or their dependants,
- Awarding grants to needy brethren or their dependants,
- Awarding grants to the children of brethren, to assist their engagement in community projects,
- Awarding Community Support Grants, and
- Provision of holiday or convalescent breaks for needy brethren and dependants

Public Benefit Statements

The trustees have had regard to the Charity Commission's guidance on their legal duty on public benefit, and are satisfied that the Charity delivers public benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake.

Grant Making Policy

The trustees meet on a regular basis to consider what grants they will make; Masonic or Community Support grants.

Emergency grants are made to beneficiaries at the discretion of the management and approved retrospectively and anonymously at trustees' meetings.

Education and scholarship grants are paid to finance further education and are approved by a subcommittee set up for this purpose.

Volunteers and other contributors

The General Purposes Committee would especially like to thank the following:

Benevolent representatives for their attendance at quarterly meetings and for their considerable efforts to ensure that the needs of brethren and their dependants are identified and acted upon; and

The officers of the general purpose Committee, the Chairman J. D. Watts who conducted meetings with skill and efficiency, the Vice Chairman M. S. Shaw, Treasurer S. A. Willis, the Secretary T. Gittins all of whom made invaluable contributions to the management and administration of the Benevolent Committee and all the staff at the Provincial Office for their willing and cheerful assistance in the work of the Benevolent Committee.

Thanks are also extended to all those members of the general purpose committee old and new for their very valuable contributions to the work of Durham Benevolence.

THE DURHAM MASONIC BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

The main activity this period has been the administration of the two sheltered accommodation housing developments known as Peter Stracey House and Boundary Court. The extensive renovation programme of apartments at Peter Stracey House continues and costs are kept within budget. Out of a total of nearly 100 apartments very few remained unoccupied at the year end.

The normal activities of the Benevolent Committee in administering and distributing community support grants and group breaks have essentially been restarted in 2022 after being subject to much disruption during the last 2 years due to the Covid 19 pandemic. The Group break took place in September 2022 and community support grants to our normal type of recipient – clubs, community projects and youth travel grants etc – are now our main line of grant giving after concentrating over the last 2 years in supporting organisations that required assistance due to the pandemic.

The economic climate over the last year has resulted in fluctuations in the valuation of our investments but we continue to invest for the long term. In general, over the last year our investments have increased slightly in value but are still subject to fluctuations caused by uncertain trading conditions resulting from global factors.

Financial review

Total income for the year was £445,019. The expenditure incurred totalled £492,811 and there were losses on investment assets totalling £91,903 meaning that the charity generated a deficit during the year of £139,695.

Reserves policy

The notes to the financial statements show the assets and liabilities attributable to the various funds by type and also shows the various trusts of the charity and summarises the period's movements on each fund.

The General Purposes Committee has examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed and consider that this should be at a level to give sufficient working capital to cover core costs for the next year.

Unrestricted free reserves at 31 December 2022 amounted to £747,777. The trustees believe the level of free reserves held to be more than adequate to cover the requirements prescribed in the reserves policy.

Investment policy

The General Purposes Committee has the power to invest in such stocks, shares, property and other assets if it sees fit. Quarterly reports are submitted by the stockbrokers, together with recommendations for managing the portfolio in the forthcoming quarter. The policy is to adopt a medium risk strategy based on maximising the returns on the investments whilst obtaining reasonable growth in the market value of the portfolio.

Risk assessment

The General Purposes Committee has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and is satisfied that systems are in place to mitigate any exposure to major risks.

Plans for future periods

The programme for the immediate future is to continue to encourage donations to enable our activities to be maintained at least at their current levels.

In the medium term the plan is for consolidation of the fund so that investments can be maintained and at the same time make further provision for increase in reserves to meet our existing commitments, establishing a solid income base from investments, rental income and donations. The Committee is also exploring ideas for new forms of charitable giving.

In the long-term further expenditure will be incurred so as to make sure our sheltered accommodation projects are well maintained and improved where deemed necessary.

THE DURHAM MASONIC BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

The Benevolent Committee consists of the Principal Officers of the Province of Durham, together with six nominees of the Provincial Grand Master appointed annually and a representative of each Lodge known as the Benevolent Representative elected annually within their lodge.

The trustees who served during the year and up to the date of signature of the financial statements were:

J. D. Watts (Chairman)	(Appointed 11 June 2022)
S. C. Steele	(Resigned 11 June 2022)
S. A. Willis (Treasurer)	
T. F. Gittins (Secretary)	
M. S. Shaw	(Resigned 11 March 2023)
Durham Benevolence Limited	
D. Maw (Vice Chairman)	(Appointed 11 March 2023)

The directors of the corporate trustee, Durham Benevolence Limited, are the same as the other trustees of the charity.

The board of the trustees, known as the General Purposes Committee, which is required to meet at least quarterly, but actually meets more frequently as the administrative requirements of the charity dictate, run the charity. There is a subcommittee for awarding educational and scholarship grants and a further subcommittee, which recommends Community Support grants to the Benevolent Committee for approval via sub committee.

Relationship with Wider Network

The Benevolent Committee works closely with a number of other local Charities and the Masonic Charitable Foundation (MCF), which exist to provide support to Brethren and their dependants.

Other local charities:

- Provincial Grand Mark Benevolent Fund - available to assist necessitous Mark Masons and their dependants.

Masonic Charitable Foundation (MCF) whose charitable activities include:

- Provision of care for the children of deceased or distressed Brethren with the aim of providing, as far as possible, the same opportunities in life as would have been available had death or misfortune not occurred. The Province has girls and boys under the care of the trust.
- The maintenance of a number of residential homes for Brethren and their dependants.
- Providing support for needy, sick and infirm Freemasons, their partners, children and dependants. Relief may only be granted to those applicants who are unable to obtain medical treatment or support on the NHS without undue delay or hardship.
- Providing support for Masonic petitioners in distressed circumstances, other Masonic charities and non-Masonic charities.

THE DURHAM MASONIC BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of trustees' responsibilities

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

The law applicable to charities in England 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 year.

In preparing these financial statements, the trustees are required to:

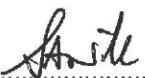
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



S. A. Willis (Treasurer)
Trustee

Date: 20/10/22



T. F. Gittins (Secretary)
Trustee

THE DURHAM MASONIC BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE DURHAM MASONIC BENEVOLENT FUND

Opinion

We have audited the financial statements of The Durham Masonic Benevolent Fund (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements, including 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 charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE DURHAM MASONIC BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE DURHAM MASONIC BENEVOLENT FUND

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind any identified significant or unusual transactions.

THE DURHAM MASONIC BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE DURHAM MASONIC BENEVOLENT FUND

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE DURHAM MASONIC BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE DURHAM MASONIC BENEVOLENT FUND

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

J Hindmarsh

Jillian F Hindmarsh FCA (Senior Statutory Auditor)
for and on behalf of Allen Sykes Limited

23rd October 2023

Chartered Accountants
Statutory Auditor

5 Henson Close
South Church Enterprise Park
Bishop Auckland
Co Durham
DL14 6WA

THE DURHAM MASONIC BENEVOLENT FUND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>						
Donations and legacies	3	56,822	28,438	-	85,260	834,376
Charitable activities	4	11,755	-	-	11,755	3,180
Investments	5	347,748	-	-	347,748	354,724
Boundary Court/Peter Stracey House Repair Funds		-	-	-	-	4,190
Other income	6	256	-	-	256	-
Total income		416,581	28,438	-	445,019	1,196,470
<u>Expenditure on:</u>						
Raising funds	7	178,492	-	-	178,492	196,846
Charitable activities	8	275,591	3,000	-	278,591	193,767
Boundary Court/Peter Stracey House Repair Funds		-	33,147	-	33,147	16,188
Other	14	2,581	-	-	2,581	-
Total expenditure		456,664	36,147	-	492,811	406,801
Net gains/(losses) on investments	15	(91,903)	-	-	(91,903)	(382,623)
Net movement in funds		(131,986)	(7,709)	-	(139,695)	407,046
Net movement in funds		(131,986)	(7,709)	-	(139,695)	407,046
Fund balances at 1 January 2022		9,105,350	191,517	16,980	9,313,847	8,906,801
Fund balances at 31 December 2022		8,973,364	183,808	16,980	9,174,152	9,313,847

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE DURHAM MASONIC BENEVOLENT FUND

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	834,376	-	-	834,376
Charitable activities	4	3,180	-	-	3,180
Investments	5	354,724	-	-	354,724
Boundary Court/Peter Stracey House Repair Funds		-	4,190	-	4,190
Total income		1,192,280	4,190	-	1,196,470
<u>Expenditure on:</u>					
Raising funds	7	195,598	1,248	-	196,846
Charitable activities	8	193,767	-	-	193,767
Boundary Court/Peter Stracey House Repair Funds		-	16,188	-	16,188
Total expenditure		389,365	17,436	-	406,801
Net gains/(losses) on investments	15	(382,623)	-	-	(382,623)
Net movement in funds		420,292	(13,246)	-	407,046
Fund balances at 1 January 2021		8,685,058	204,763	16,980	8,906,801
Fund balances at 31 December 2021		9,105,350	191,517	16,980	9,313,847

THE DURHAM MASONIC BENEVOLENT FUND

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investment properties	16	6,541,366		6,382,855	
Investments	17	1,224,030		1,065,280	
		<u>7,765,396</u>		<u>7,448,135</u>	
Current assets					
Debtors	18	101,594		62,843	
Cash at bank and in hand		1,330,828		1,817,999	
		<u>1,432,422</u>		<u>1,880,842</u>	
Creditors: amounts falling due within one year	19	(23,666)		(15,130)	
Net current assets		<u>1,408,756</u>		<u>1,865,712</u>	
Total assets less current liabilities		<u>9,174,152</u>		<u>9,313,847</u>	
Capital funds					
Endowment funds - general	20	16,980		16,980	
Income funds					
Restricted funds	21	183,808		191,517	
<u>Unrestricted funds</u>					
Designated funds	22	8,973,364		9,105,350	
		<u>8,973,364</u>		<u>9,105,350</u>	
		<u>9,174,152</u>		<u>9,313,847</u>	

The financial statements were approved by the Trustees on 20/10/23


S. A. Willis (Treasurer)
Trustee


T. F. Gittins (Secretary)
Trustee

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Durham Masonic Benevolent Fund is a charity registered in England and Wales.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2022 £	2022 £	2022 £	2021 £
Donations and gifts	56,822	28,438	85,260	9,376
Legacies receivable	-	-	-	825,000
	<u>56,822</u>	<u>28,438</u>	<u>85,260</u>	<u>834,376</u>
Donations and gifts				
Brethren & Lodges	56,822	-	56,822	9,376
TLC Donations	-	28,433	28,433	-
Other	-	5	5	-
	<u>56,822</u>	<u>28,438</u>	<u>85,260</u>	<u>9,376</u>

4 Charitable activities

	Charitable Income 2022 £	Charitable Income 2021 £
Sale of annual reports	3,180	3,180
Masonic Break	8,575	-
	<u>11,755</u>	<u>3,180</u>

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Rental income	308,544	319,976
Dividends receivable	36,806	33,815
Interest receivable	2,398	933
	<u>347,748</u>	<u>354,724</u>

6 Other income

	Unrestricted funds	Total
	2022	2021
	£	£
Other income	<u>256</u>	<u>-</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
<u>Investment management</u>	<u>178,492</u>	<u>195,598</u>	<u>1,248</u>	<u>196,846</u>
	<u>178,492</u>	<u>195,598</u>	<u>1,248</u>	<u>196,846</u>

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Masonic Break	19,288	-
Audit fee	-	10,410
Bank charges	-	180
	<u>19,288</u>	<u>10,590</u>
Grant funding of activities (see note 9)	187,574	145,067
Share of support costs (see note 10)	62,669	38,110
Share of governance costs (see note 10)	9,060	-
	<u>278,591</u>	<u>193,767</u>
Analysis by fund		
Unrestricted funds	275,591	193,767
Restricted funds	3,000	-
	<u>278,591</u>	<u>193,767</u>

9 Grants payable

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Grants to institutions:		
Covid 19 Grants	-	100,947
PGM Charitable Giving	-	10,000
Defibrillators	1,000	3,000
Community Support Grants	67,445	23,690
Norman Jackson Legacy Grants	114,809	-
	<u>183,254</u>	<u>137,637</u>
Grants to individuals	4,320	7,430
	<u>187,574</u>	<u>145,067</u>

-

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Other expenses	4,478	-	4,478	610	-	610
Legal and professional	20,691	-	20,691	-	-	-
Management charges payable	37,500	-	37,500	37,500	-	37,500
Audit and accountancy	-	7,290	7,290	-	-	-
Trustees' meeting expenses	-	1,770	1,770	-	-	-
	<u>62,669</u>	<u>9,060</u>	<u>71,729</u>	<u>38,110</u>	<u>-</u>	<u>38,110</u>
Analysed between Charitable activities	<u>62,669</u>	<u>9,060</u>	<u>71,729</u>	<u>38,110</u>	<u>-</u>	<u>38,110</u>

11 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2022 £	2021 £
Audit of the charity's annual accounts	<u>7,200</u>	<u>10,260</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Other

	Unrestricted funds	Total
	2022	2021
	£	£
Other expenditure	2,581	-

15 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Revaluation of investments	(88,014)	70,436
Revaluation of investment properties	(3,889)	(453,059)
	(91,903)	(382,623)

16 Investment property

	2022
	£
Fair value	
At 1 January 2022	6,382,855
Additions through external acquisition	162,400
Net gains or losses through fair value adjustments	(3,889)
At 31 December 2022	6,541,366

The investment properties were revalued by Lambert Smith Hampton, Chartered Surveyors on 25 January 2022 on the basis of open market value. The trustees believe that the value of the properties held has not changed significantly since that date.

The total fair value of the property for which the charity holds title is £7,650,000. However, excluded from the carrying value of investment property above is £1,108,634 (2021 - £1,267,145) in relation to the long leaseholder's interests for specific properties within the buildings.

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Investment property

(Continued)

	2022 £	2021 £
Freehold	6,541,366	6,382,855
Long leasehold	-	-
Short leasehold	-	-
	<u>6,541,366</u>	<u>6,382,855</u>

17 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	1,065,280
Additions	286,563
Valuation changes	(88,014)
Disposals	(39,799)
	<u>1,224,030</u>
At 31 December 2022	1,224,030
Carrying amount	
At 31 December 2022	<u>1,224,030</u>
At 31 December 2021	<u>1,065,280</u>

	2022 £	2021 £
Investments at fair value comprise:		
Equity Shares	785,324	721,837
Investment Trusts & Unit Trusts	190,211	145,038
UK Fixed Interest	98,432	177,435
Cash	150,063	20,970
	<u>1,224,030</u>	<u>1,065,280</u>

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	86,145	62,704
Prepayments and accrued income	15,449	139
	<u>101,594</u>	<u>62,843</u>

19 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	6,956	2,610
Other creditors	8,220	970
Accruals and deferred income	8,490	11,550
	<u>23,666</u>	<u>15,130</u>

20 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 January 2021 £	Movement in funds Incoming resources £	Balance at 1 January 2022 £	Movement in funds Incoming resources £	Balance at 31 December 2022 £
Permanent endowments					
Ernest Dixon Scholarship Fund	16,980	-	16,980	-	16,980
	<u>16,980</u>	<u>-</u>	<u>16,980</u>	<u>-</u>	<u>16,980</u>

The Ernest Dixon Scholarship endowment fund is held to generate income to provide grants to children of brethren who are students at University or Technical Colleges.

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
Ernest Dixon Scholarship Fund	3,919	-	-	3,919	-	-	3,919
Durham Masonic Education Fund	27,648	-	-	27,648	-	(3,000)	24,648
Durham Masonic Scholarship Fund	13,664	-	-	13,664	-	-	13,664
Repair Contribution Fund	98,906	-	(1,248)	97,658	-	-	97,658
Durham Relief Chest Fund	1,672	-	-	1,672	-	-	1,672
Search and Rescue	265	-	-	265	-	-	265
PSH Repair Fund	11,289	-	(16,188)	(4,899)	-	(18,023)	(22,922)
BC Repair Fund	47,400	4,190	-	51,590	-	(15,124)	36,466
TLC Donations	-	-	-	-	28,438	-	28,438
	<u>204,763</u>	<u>4,190</u>	<u>(17,436)</u>	<u>191,517</u>	<u>28,438</u>	<u>(36,147)</u>	<u>183,808</u>

Purpose of restricted funds:

Ernest Dixon Scholarship Fund - To provide grants to children of brethren who are students at Universities or Technical Colleges.

Durham Masonic Education Fund - To provide assistance in the education and maintenance of necessitous children aged between five and eighteen.

Durham Masonic Scholarship Fund - To provide grants to children of brethren who are students at Universities or Technical Colleges.

Repair Contribution Fund - Monies given for the charity to cover property expenditure costs as landlords.

Durham Relief Chest Fund - Donations given towards the relief chest fund.

Search and Rescue - Donations given to help search and rescue charities via community support grants.

PSH Repair Fund - Funds held to cover future maintenance work on Peter Stracey House.

BC Repair Fund - Fund held to cover future maintenance work on Boundary Court.

TLC Donations - Donations given towards the Teddies with Loving Care project.

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

22 Unrestricted funds	Balance at 1 January 2021	Movement in funds			Balance at 1 January 2022	Movement in funds			Balance at 31 December 2022
	£	Incoming resources	Resources expended	Transfers		Revaluations, gains and losses	Resources expended	Revaluations, gains and losses	
	£	£	£	£	£	£	£	£	£
Designated Reserve Fund	800,000	-	-	-	800,000	-	-	-	800,000
Legacy Fund	145,303	-	-	-	145,303	-	-	-	145,303
Norman Jackson Fund	-	825,000	-	-	825,000	-	(114,809)	-	710,191
General Reserves:	-	-	-	-	-	-	-	-	-
Revaluation Reserve	1,807,974	-	-	-	1,354,915	(453,059)	-	(3,889)	1,351,026
Other Reserves	5,931,781	367,280	(389,365)	70,436	5,980,132	-	(341,855)	(88,014)	5,966,844
	8,685,058	1,192,280	(389,365)	70,436	9,105,350	(453,059)	(456,664)	(91,903)	8,973,364

Purpose of funds:

Designated Reserve Fund - To meet the cost of the future repurchase of properties.
 Legacy Fund - To match fund projects carried out by Brethren at the discretion of the General Purposes Committee.
 Norman Jackson Fund - To allocate monies from the Norman Jackson legacy.
 Revaluation Reserve - Unrealised gains on the revaluation of investment property.

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

23 Analysis of net assets between funds	Unrestricted funds		Restricted funds		Endowment funds		Total		Unrestricted funds		Restricted funds		Endowment funds		Total	
	2022	£	2022	£	2022	£	2022	£	2021	£	2021	£	2021	£	2021	£
Fund balances at 31 December 2022 are represented by:																
Investment properties	6,541,366		-		-		6,541,366		6,382,855		-		-		6,382,855	
Investments	1,224,030		-		-		1,224,030		1,065,280		-		-		1,065,280	
Current assets/(liabilities)	1,207,968		183,808		16,980		1,408,756		1,657,215		191,517		16,980		1,865,712	
	8,973,364		183,808		16,980		9,174,152		9,105,350		191,517		16,980		9,313,847	

THE DURHAM MASONIC BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24	Capital commitments	2022	2021
		£	£
	At 31 December 2022 the charity had capital commitments as follows:		
	Contracted for but not provided in the financial statements:		
	Acquisition of property, plant and equipment	54,251	-
		<u> </u>	<u> </u>

25 Related party transactions

Included in Donations and Legacies income is £25,208 collected by Provincial Grand Lodge of Durham and then donated to The Durham Masonic Benevolent Fund. Included in support costs is a management charge from Provincial Grand Lodge of Durham of £37,500 (2021 - £37,500). John Watts and Tom Gittins, trustees of the charity, are the Assistant Provincial Grand Master and Secretary of Provincial Grand Lodge of Durham respectively. At the year end the charity was owed £5,208 from Provincial Grand Lodge of Durham (2021 - £3,764). During the year the balance owed from Provincial Grand Lodge of Durham of £3,764 was written off.

The charity is owed £12,473 (2021 - £12,443) from Durham Benevolence Trading Limited, a company under the same control as The Durham Masonic Benevolent Fund.

Accounts

THE DURHAM MASONIC BENEVOLENT FUND

Operating as

**BENEVOLENT COMMITTEE OF
THE PROVINCE OF DURHAM**

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

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BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees *! Durham Benevolence Limited

General Purposes Committee

Chairman

* J. D. Watts (appointed 11/06/22)
* S. C. Steele (resigned 11/06/22)

Vice Chairman

* M. S. Shaw

Treasurer

* S. A. Willis

Secretary

* T. F. Gittins

Assistant Secretary

G. Elgie

Provincial Grand Almoner

P. B. Debenham

Provincial Grand Charity Steward

M. A. Thompson

Members

== K. Williams
== D. Dorward
S. Bell
== S. Hunter
+ P. Ross
= C. Katsambis
+ I. K. Carter
M. Rankin
+ D. Maw
R. Donmall

- * Trustees
- == Members of Estates sub committee
- = Members of the Education and Scholarship sub committee
- + Members of the Community Support Grants sub committee
- ! Custodian trustee

Principal Office

8 The Esplanade
Sunderland
Tyne & Wear
SR2 7BH

Auditors

Torgersens
Chartered Accountants
& Registered Auditors
Somerford Buildings
Norfolk Street
Sunderland
SR1 1EE

Solicitors

Peter Ross and Co
2 Front Street
Jasmine Villas
Whickham
Newcastle upon Tyne
NE16 4JH

Bankers

National Westminster Bank Plc
52 Fawcett Street
Sunderland
SR1 1SB

Virgin Money
43 Fawcett Street
Sunderland
SR1 1SA

Lloyds Bank plc
54 Fawcett Street
Sunderland
SR1 1SF

Stockbrokers

Rathbones
50 George Square
Glasgow
G2 1EH

Brewin Dolphin
12 Smithfield Street
London
EC1A 9LA

Housing Management

Nest Egg Homes
49 Mandale Road
Stockon-on-Tees
Thornaby
Cleveland TS17 6AD

Sheltered Housing Developments

Peter Stracey House
Ebdon Lane
Sunderland SR6 9AF

Boundary Court
Kingsway
Bishop Auckland DL14 7JE

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

CHAIRMAN'S REPORT YEAR ENDED 31 DECEMBER 2021

It is my pleasure to present my third and final report as Chairman of Durham Benevolence for the year to 31 December 2021. Please note that the comparative figures used in this report for the previous accounting period represent a 15-month period to 31 December 2020.

While at first glance, it appears that the year to 31 December 2021 was another successful year for the Durham Benevolence with our funds increasing by £407,046 from £8,906,801 to at the beginning of the year to £9,313,847 at the end, it cannot be denied that the Covid pandemic has had a significant detrimental impact on our finances during the year affecting both our income and expenditure, as well as the value of our assets.

Donations & legacies

In total, the income from donations increased from £226,266 in the previous year to £834,376 for the year to 31 December 2021. However, a breakdown of this figure reveals a significant reduction in donations from our lodges and chapters from £60,563 to £9,376 which probably reflects the significantly reduced number of lodge meetings and attendances across our Province during the year.

The balance of the donations and legacies income for 2021 was a donation of £825,000 from Universities Lodge N0 2352, being the balance of funds the Lodge received from the estate of Norman Jackson. It has been agreed that the Norman Jackson Fund will be used to reflect Norman's interests, namely, to fund grants for young people and educational causes in our Province over the next 10 years or so, with the Worshipful Master and the members of Universities Lodge having a significant influence in the selection of the grant recipients.

Investment Income

Investment income, including dividends and interest received, declined from £46,390 in the previous 15-month period to £34,748 for the year to 31 December 2021.

Property Income

Rental income from our investment properties at Peter Stracey House and Boundary Court showed a fall from £414,131 to £319,976. This fall reflects the number of empty flats at Boundary Court during the year and the difficulties in letting flats during the pandemic.

Expenditure

During the year, expenditure increased from £299,154 for the 15-month period to December 2020 to a total combined spend of £390,613 for the year to December 2021. A substantial portion of this increase was due to an increase in our grant-giving to organisations and individuals affected by Covid. In total, grants including Community Support Grants and Covid grants were £145,067 in the year compared to £87,423 in the previous period.

The maintenance and refurbishment of our properties was also a significant line of expenditure in the year, with total costs increasing to £154,627 for the year compared to £125,425 for the previous period. The majority of the expenditure on refurbishment was on the upgrade to their kitchen, bathroom and heating facilities.

Perhaps the biggest detrimental impact on our finances in the year was the reduction in the valuation, by £453,059 of our two properties. These were jointly valued at £6,835,914 in the last valuation in 2018 but were valued at £6,382,855 by our appointed surveyors at the end of 2021. It is noteworthy that similar properties across the country have reduced in value during and since the Covid pandemic.

Property

We continue to invest for the long term in our properties and several flats at Peter Stracey House were refurbished during the period. It is only right that I thank Stan Hunter, Chairman of our Estates Committee, Dave Dorward, the outgoing Liaison Officer at Peter Stracey House and Christos Katsambis, the Liaison Officer at Boundary Court for all their efforts. Nest Egg Homes continue to manage our properties and we maintain a good working relationship with them.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

CHAIRMAN'S REPORT YEAR ENDED 31 DECEMBER 2021

None of the many achievements during the last year could have happened without the generous contributions of our many members, the hard work of our committee members and the unstinting support of the staff at the Provincial Office. I offer my grateful thanks to every person who has helped during very trying times.

I believe that Durham Benevolence remains in a very good financial position after a very difficult time for all concerned and well-positioned to deal with any future problems that may be encountered. I also believe that we still have the right culture to deliver our aims and objectives.

I would also like to thank all those who have ensured a regular flow of articles to the Provincial Communications Team so that the breadth and depth of our support can be recognised, and I express my sincere appreciation to all the brethren of the Province of Durham, members of the General Purposes Committee and the Benevolent Committee representatives for their time, energy and dedication during the past year and for the insights and expertise they each bring to the activities of the Benevolent Committee.

Finally, after 3 years as Chairman, I now pass over the reins to my successor (and my predecessor), John Watts, who I know will provide the energy, enthusiasm, and intellect to carry Durham Benevolence forward for the next few years. I wish him well in the future.

It has been a privilege and a pleasure to be your Chairman over the last 3 years and I close by thanking everyone who has helped me in my time as Chairman, Vice Chairman and Benevolent representation. I have greatly appreciated your support.

.....
Craig Steele
Chairman

Date:

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

TRUSTEES ANNUAL REPORT YEAR ENDED 31 DECEMBER 2021

The General Purposes Committee presents its report along with the financial statements of the charity for the period ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and reporting by Charities" revised in January 2015 (SORP 2015).

The Charity is registered with the Charity Commission under The Durham Masonic Benevolent Fund (Registration number: 279313) but operates as the Benevolent Committee of the Province of Durham.

Organisation, structure, governance and management

The Benevolent Committee consists of the Principal Officers of the Province of Durham, together with six nominees of the Provincial Grand Master appointed annually and a representative of each Lodge known as the Benevolent Representative elected annually within their lodge.

The board of the trustees, known as the General Purposes Committee, who are required to meet at least quarterly, but actually meets more frequently as the administrative requirements of the charity dictate, run the charity. There is a subcommittee for awarding educational and scholarship grants and a further subcommittee, which recommends Community Support grants to the Benevolent Committee for approval via sub committee.

The Benevolent Committee works closely with a number of other local Charities and the Masonic Charitable Foundation (MCF), which exist to provide support to Brethren and their dependants.

Other local charities:

- Provincial Grand Mark Benevolent Fund - available to assist necessitous Mark Masons and their dependants.

Masonic Charitable Foundation (MCF) comprising:

- The Royal Masonic Trust for Girls and Boys - provides care for the children of deceased or distressed Brethren with the aim of providing, as far as possible, the same opportunities in life as would have been available had death or misfortune not occurred. The Province has girls and boys under the care of the trust.
- The Royal Masonic Benevolent Institution - maintains a number of residential homes for Brethren and dependants.
- Masonic Samaritan Fund - provides support for needy, sick and infirm Freemasons, their partners, children and dependants. Relief may only be granted to those applicants who are unable to obtain medical treatment or support on the NHS without undue delay or hardship.
- Grand Charity - provides support for Masonic petitioners in distressed circumstances, other Masonic charities and non-Masonic charities.

Related Party

The charity has a very close relationship with Durham Benevolence Trading Limited, a company owned by a number of committee members as representatives of their Masonic organisation. A summary of the transactions with this party is set out in note 13 to the financial statements.

The Trustee

The trustees and its directors who served the charity during the period are set out on page 1 of this report.

The directors of the trustee consist of the Principal Officers of the Provincial Grand Lodge of Durham and twelve Benevolent Representatives who are elected annually.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

Objectives and activities

The Benevolent Committee is a masonic organisation set up by trust deed dated 24 July 1956. The object of the Durham Masonic Benevolent Fund is to provide support for the needy brethren of masonic lodges in the Province of Durham and their dependants, and to provide children of brethren with assistance to further their education.

In order to further these objectives, the activities of the charity can be categorised as follows:

- Provision of sheltered accommodation to aged brethren or their dependants,
- Awarding grants to needy brethren or their dependants,
- Awarding grants to the children of brethren,
- Awarding Community Support Grant, and
- Provision of holiday or convalescent breaks for needy brethren and dependants

Public Benefit Statements

The trustees have had regard to the Charity Commission's guidance on their legal duty on public benefit, and are satisfied that the Charity delivers public benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake.

Grant Policy

The trustees meet on a regular basis to consider what grants they will make; Masonic or Community Support grants.

Emergency grants are made to beneficiaries at the discretion of the management and approved retrospectively at trustees' meetings.

Education and scholarship grants are paid to finance further education and are approved by a subcommittee set up for this purpose.

Achievements and performance

The normal activities of the Benevolent Committee in administering and distributing community support grants and group breaks have been subject to much disruption during the period due to the Covid pandemic. The Group break has been postponed until 2022 and community support grants to our normal type of recipient – clubs, community projects and youth travel grants etc – have been greatly disrupted. Instead, the focus of our grant giving has switched since March 2020 to supporting organisations that require assistance due to the pandemic.

The economic climate over the last year has resulted in considerable fluctuations in the valuation of our investments but prudent planning and a further application of funds of £40,000 during the period, when prices of investments were reduced, has helped to produce acceptable results. At the time of writing, investments are still subject to fluctuations caused by uncertain trading conditions caused by the pandemic.

Financial review

During the period the Benevolent Committee raised £1,192,280. Rental income totalled £319,976. Income from our investments totalled £34,748.

Charitable expenditure amounted to £390,613 so that a net surplus of £419,044 occurred on ordinary activities. Also many local charities benefited from the now well established programme of Community Support grant giving which this period totalled £23,690. Loss on investment assets amounted to £382,623.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

Plans for future periods

The programme for the immediate future is to continue to encourage donations to enable our activities to be maintained at least at their current levels.

In the medium term the plan is for consolidation of the fund so that investments can be maintained and at the same time make further provision for increase in reserves to meet our existing commitments, establishing a solid income base from investments, rental income and donations. The Committee is also exploring ideas for new forms of charitable giving.

In the long-term further expenditure will be incurred so as to make sure our sheltered accommodation projects are well maintained and improved where deemed necessary.

Investment Policy

The General Purposes Committee have the power to invest in such stocks, shares, property and other assets as they see fit. Quarterly reports are submitted by their stockbrokers, together with recommendations for managing the portfolio in the forthcoming quarter. The policy is to adopt a medium risk strategy based on maximising the returns on the investments whilst obtaining reasonable growth in the market value of the portfolio.

Volunteers and other contributors

The General Purposes Committee would especially like to thank the following:

Benevolent representatives for their attendance at quarterly meetings and for their considerable efforts to ensure that the needs of brethren and their dependants are identified and acted upon;

The officers of the general purpose Committee, the Chairman S. C. Steele who conducted meetings with skill and efficiency, the Vice Chairman M. S. Shaw, Treasurer S. A. Willis, the Secretary T. F. Gittins all of whom made invaluable contributions to the management and administration of the Benevolent Committee and all the staff at the Provincial Office for their willing and cheerful assistance in the work of the Benevolent Committee.

Thanks are also extended to all those members of the general purpose committee old and new for their very valuable contributions to the work of Durham Benevolence.

Risk management

The General Purposes Committee has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and is satisfied that systems are in place to mitigate any exposure to major risks.

Reserves

Note 12 to the financial statements shows the assets and liabilities attributable to the various funds by type and also shows the various trusts of the charity and summarises the period's movements on each fund.

The General Purposes Committee has examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed and consider that this should be at a level to give sufficient working capital to cover costs.

The free reserves at 31 December 2021 amounted to £952,192.

General Purposes Committee responsibilities

Law applicable to charities in England and Wales requires the General Purposes Committee to prepare financial statements for each financial period which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period.

In preparing the financial statements, the General Purposes Committee are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

General Purposes Committee responsibilities (continued)

The General Purposes Committee are responsible for keeping accounting records, which 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 applicable law. 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.

Insofar as the members of the General Purposes Committee are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the General Purposes Committee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the General Purposes Committee and signed on their behalf:

.....Treasurer

.....Secretary

Date:

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
YEAR ENDED 31 DECEMBER 2021**

Opinion

We have audited the financial statements of Durham Masonic Benevolent Fund (the 'charity') for the period ended 31 December 2021 which comprise the balance sheet, statement of financial activities 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

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

the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. 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 during the course of our 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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

YEAR ENDED 31 DECEMBER 2021

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.

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' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit with regards to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
YEAR ENDED 31 DECEMBER 2021**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements which applied to the entity, which we deemed to be the entity's Constitution and Bye-laws and the Statement of Recommended Practice: Accounting reporting by Charities and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).
- We obtained an understanding of how the entity complies with these requirements by reviewing their treatment of transactions, reviewing minutes of meetings and discussing compliance with members.
- The risk of material misstatement of the financial statements due to fraud or error was assessed, and we deemed the entity to be low risk. The Lodge's Treasurer, who is deemed to have sufficient knowledge, works closely with the members who approve all transactions. We considered how fraud may occur within the financial statements and identified that the receipt of rental income and dividends, as well as property repairs and maintenance expenditure were susceptible to fraud or error. We designed our audit work to test the controls in place regarding the processing of these transactions and how these controls are capable of preventing or detecting fraud or error.
- Our audit procedures gathered evidence to support the claims of the members whilst maintaining professional scepticism to allow us to draw our own conclusion on the matter.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ☐ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ☐ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ☐ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- ☐ Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- ☐ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Torgersens
Chartered accountant & statutory auditor
Somerford Buildings
Norfolk Street
Sunderland
SR1 1EE

Date:

THE BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2021

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Period 01.10.19- 31.12.20 £
INCOMING RESOURCES						
Donations & legacies	2	834,376	-	-	834,376	226,266
Charitable activities						
Sale of annual reports		3,180	-	-	3,180	4,980
Investments						
Dividends	3	34,748	-	-	34,748	46,390
Rental income		319,976	-	-	319,976	414,131
TOTAL INCOMING RESOURCES		1,192,280	-	-	1,192,280	691,767
Expenditure on raising funds	4	(197,848)	(1,248)	-	(199,096)	(164,088)
Expenditure on charitable activities	4	(191,517)	-	-	(191,517)	(135,066)
Gains/(Losses) on investment assets		(382,623)	-	-	(382,623)	(82,376)
NET INCOME/EXPENDITURE		420,292	(1,248)	-	419,044	310,237
Transfer between funds		-	-	-	-	-
NET MOVEMENT OF FUNDS IN THE PERIOD		420,292	(1,248)	-	419,044	310,237
Total funds at 1 January 2021		8,685,058	204,763	16,980	8,906,801	8,619,628
Transfer of BC/PSH Repair Fund		-	(11,998)	-	(11,998)	(23,064)
TOTAL FUNDS AT 31 DECEMBER 2021		9,105,350	191,517	16,980	9,313,847	8,906,801

The notes on pages 13 to 23 form part of these financial statements.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM**BALANCE SHEET****31 DECEMBER 2021**

	Note	£	2021 £	2020 £
FIXED ASSETS				
Investment properties	8		6,382,855	6,835,914
Investments	9		1,065,280	960,885
			<u>7,448,135</u>	<u>7,796,799</u>
CURRENT ASSETS				
Debtors	10	62,843		48,780
Cash at bank and in hand		1,817,999		1,077,642
		<u>1,880,842</u>		<u>1,126,422</u>
CREDITORS: Amounts falling due within one year	11	<u>(15,130)</u>		<u>(16,420)</u>
NET CURRENT ASSETS			1,865,712	1,110,002
NET ASSETS			<u>9,313,847</u>	<u>8,906,801</u>
FUNDS				
RESTRICTED INCOME FUNDS:				
Endowment funds	12		16,980	16,980
Restricted funds	12		191,517	204,763
Unrestricted income funds	12		9,105,350	8,685,058
TOTAL FUNDS			<u>9,313,847</u>	<u>8,906,801</u>

These financial statements were approved by the members of the committee on the and are signed on their behalf by:

Treasurer

Secretary

The notes on pages 13 to 23 form part of these financial statements.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1 Accounting Policies

a Basis of Preparation

These financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value and in accordance with:

- i) the Statement of Recommended Practice: Accounting reporting by Charities preparing their accounts in accordance with the financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued in January 2015 (SORP 2015)
- ii) the financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)
- iii) the Charities Act 2011

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

b Funds

Funds held by the charity are:

Unrestricted general funds - these are funds which are used in accordance with the charitable objects of the charity at the discretion of the trustees.

Restricted funds - these are funds that are to be used for specific purposes as laid down by the donor or by the specific terms of the appeal under which the funds are raised. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

Transfers to and from funds are made as designated by the trustees.

c Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Voluntary donations are accounted for when received. The value of services provided by volunteers has not been included.

Legacies and bequests are accounted for at the earlier of notification of the personal representative of the estate or the date received.

Income from investments and from rental income is included in the Statement of Financial Activities ("SOFA") in the period in which it is receivable. Income from investments together with the income tax recoverable is shown gross as is rental income.

Sale of annual report income represents contributions by lodges towards the cost of printing and distributing the annual report.

Grants from Grand Charity and other masonic charities are accounted for when receivable.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1 Accounting Policies (continued)

d Resources expended and liabilities

Resources expended are accounted for on an accruals basis.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Grants payable to beneficiaries are included in the SOFA when the charity's obligation has been established. The value of such grants that are unpaid at the period end is accrued.

Expenditure relating to specific activities or projects is shown under charitable activities.

Support costs consist of costs for processing grants and applications, including support to actual and potential applicants. Management and administration comprise of costs for the running of the charity itself as an organisation. Support costs are allocated to each activity on the basis of estimated time spent by support staff.

e Tangible fixed assets and depreciation

Tangible fixed assets consist of two sheltered housing complexes, Peter Stracey House and Boundary Court, which were built to provide sheltered accommodation to aged brethren or their close dependants at a reasonable rental charge.

In order to help fund the building, a number of flats were sold on leasehold to the occupants. Although generally accepted accounting practice and the SORP requires that assets and liabilities should be shown separately, the General Purposes Committee are of the opinion that disclosing the charity's net interest in the property is required to give a true and fair view.

The charity's properties are held in part to achieve the objects of the charity and are included in the balance sheet at their open market value. The surplus or deficit on revaluation of the property is transferred to the revaluation reserve within unrestricted funds. Depreciation is not provided in respect of the freehold property.

This policy represents a departure from the SORP, which requires depreciation to be provided on all fixed assets. The committee considers that this policy is necessary in order that the financial statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

f Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial period. Unrealised gains and losses are calculated as the difference between the fair value at the period end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

g Taxation

Due to the company's charitable operations no corporation tax is payable on the results for the period.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

2. DONATIONS & LEGACIES

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Period 01.10.19- 31.12.20
	£	£	£	£
Brethren and lodges	9,376	-	9,376	60,563
Legacies	825,000	-	825,000	165,703
	<u>834,376</u>	<u>-</u>	<u>834,376</u>	<u>226,266</u>

Donations and legacies comprised of £834,376 unrestricted (2020: £226,266) and £nil restricted (2020: £nil).

3. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Period 01.10.19- 31.12.20
	£	£	£	£
Dividend and interest				
UK equities	25,498	-	25,498	34,244
UK investment trusts and unit trusts	4,458	-	4,458	2,454
UK fixed interest	3,859	-	3,859	5,129
Interest on cash deposits	933	-	933	4,563
	<u>34,748</u>	<u>-</u>	<u>34,748</u>	<u>46,390</u>

Income from investments comprised of £34,748 unrestricted (2020: £46,390) and £nil restricted (2020: £nil).

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

4. EXPENDITURE

	Investment management costs	General funds	Ambulance Fund	2021 Festival	Youth of Durham	Total Funds 2021	Period 01.10.19- 31.12.20
		£	£	£	£	£	£
Direct expenditure							
Refurbishment and repairs	154,627	-	-	-	-	154,627	125,425
Rates and service charges etc	29,923	-	-	-	-	29,923	28,856
Respite holiday	-	-	-	-	-	-	400
Grants and donations	-	145,067	-	-	-	145,067	87,423
Audit fee	-	10,410	-	-	-	10,410	10,410
Meeting expenses	-	-	-	-	-	-	450
Investment management costs	9,235	-	-	-	-	9,235	4,577
Bank charges	3,061	180	-	-	-	3,241	3,160
 Support costs:-							
Management recharge	2,250	35,250	-	-	-	37,500	37,500
Other expenses	-	610	-	-	-	610	953
	<u>199,096</u>	<u>191,517</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,613</u>	<u>299,154</u>

Allocation of support costs

Management recharge costs have been allocated to each activity on the basis of estimated time spent by the support staff as follows:

Year Ended 31 December 2021	<u>6%</u>	<u>94%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>100%</u>
Period Ended 31 December 2020	<u>6%</u>	<u>94%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>100%</u>

Expenditure on raising funds comprised of £197,848 unrestricted (2020: £153,198); and £1,248 restricted (2020: £10,890); Expenditure on charitable activities comprised of £191,517 unrestricted (2020: £135,066), £nil restricted (2020: £ nil)

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

5. GRANTS

	Institutions	Individuals	Total Funds 2021	Period 01.10.19- 31.12.20
	£	£	£	£
Emergency grants	-	4,430	4,430	2,650
Education grants	-	3,000	3,000	-
Covid-19 grants	100,947	-	100,947	41,234
PGM Charitable Giving	10,000	-	10,000	-
Defibrillators	3,000	-	3,000	3,000
Community Support grants	23,690	-	23,690	40,539
	<u>137,637</u>	<u>7,430</u>	<u>145,067</u>	<u>87,423</u>

6. STAFF COSTS AND NUMBERS

The General Purposes Committee are not remunerated. The average number of employees during the period was nil (2020: nil).

7. TRUSTEES REMUNERATION, EXPENSES AND KEY MANAGEMENT PERSONNEL

During the current and preceding period the trustees did not receive any remuneration.

During the period trustees were reimbursed for out of pocket expenses amounting to £nil (2020: £nil).

The key management personnel of the charity comprise of the treasurer and secretary. The total employee benefits of the key management personnel of the charity were £nil (2020: £nil).

8. Investment Properties

	Land and buildings £
VALUATION	
At 1 January 2021	6,835,914
Additions	-
Revaluation in period	(453,059)
Purchase of leaseholders interest	-
Sale of interest to leaseholders	-
At 31 December 2021	<u>6,382,855</u>
NET BOOK VALUE	
At 31 December 2021	<u>6,382,855</u>
At 30 December 2020	<u>6,835,914</u>

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

8. Investment Properties (continued)

Rental Properties	Freehold Buildings £	Leaseholders' Interest £	Charity's Interest £
VALUATION			
At 1 January 2021	<u>8,156,882</u>	<u>(1,320,968)</u>	<u>6,835,914</u>
REVALUATION IN THE PERIOD			
Sale of interest to leaseholders	-	-	-
Purchase of leaseholders interest	-	-	-
Revaluation in period	<u>(506,882)</u>	<u>53,823</u>	<u>(453,059)</u>
At 31 December 2021	<u>(506,882)</u>	<u>53,823</u>	<u>(453,059)</u>
NET BOOK VALUE			
At 31 December 2021	<u>7,650,000</u>	<u>(1,267,145)</u>	<u>6,382,855</u>
At 31 December 2020	<u>8,156,882</u>	<u>(1,320,968)</u>	<u>6,835,914</u>

On 25 January 2022 the properties were revalued by Lambert Smith Hampton, Chartered Surveyors, on the basis of open market value.

The historic cost of the freehold buildings are as follows:

	2021 £	2020 £
Freehold land	587,022	587,022
Building expenditure	5,938,231	5,938,231
Professional and legal fees	166,281	166,281
Loan interest capitalised	253,992	253,992
	<u>6,945,526</u>	<u>6,945,526</u>

9. INVESTMENTS

	2021 £	2020 £
Market value at 1 January 2021	960,885	930,742
Additions	168,966	271,603
Disposals at book value	(135,007)	(188,048)
Revaluation	70,436	(53,412)
Market value at 31 December 2021	<u>1,065,280</u>	<u>960,885</u>

Investments at market value are represented by the following U.K. listed securities

	2021 £	2020 £
Equity shares	721,837	683,564
Investment trusts and unit trusts	145,038	87,656
UK fixed interest	177,435	181,364
Cash	20,970	8,301
	<u>1,065,280</u>	<u>960,885</u>
Cost at 31 December 2021	<u>909,358</u>	<u>866,595</u>

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

10. DEBTORS

	2021	2020
	£	£
Prepayments and accrued income	139	139
Other debtors	62,704	48,641
	<u>62,843</u>	<u>48,780</u>

11. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Accruals and other creditors	14,160	15,450
Grants payable	970	970
	<u>15,130</u>	<u>16,420</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021

	Total	Fixed assets	Investments	Net current assets
		£	£	£
Endowment Funds	16,980	-	-	16,980
Restricted Funds	191,517	-	-	191,517
Unrestricted Funds	9,105,350	6,382,855	1,065,280	1,657,215
Total Funds	<u>9,313,847</u>	<u>6,382,855</u>	<u>1,065,280</u>	<u>1,865,712</u>

Analysis of net assets between funds – previous year

	Total	Fixed assets	Investments	Net current assets
		£	£	£
Endowment Funds	16,980	-	-	16,980
Restricted Funds	204,763	-	-	204,763
Unrestricted Funds	8,685,058	6,835,914	960,885	888,259
Total Funds	<u>8,906,801</u>	<u>6,835,914</u>	<u>960,885</u>	<u>1,110,002</u>

12a. ENDOWMENT FUNDS: movement on the period

	Balance at 1 Jan 2021 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2021 £
Ernest Dixon Scholarship fund	<u>16,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,980</u>

12b. ENDOWMENT FUNDS: movement on the previous year

	Balance at 1 Oct 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2020 £
Ernest Dixon Scholarship fund	<u>16,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,980</u>

Ernest Dixon Scholarship fund

This is an endowment to provide grants to children of brethren who are students at Universities or Technical Colleges. The income from this fund contributes to grants expended during the period any surpluses are retained as a restricted fund as below.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

12b. RESTRICTED FUNDS: movement in the period

	Balance at 1 Jan 2021 £	Incoming resources £	Outgoing resources £	Transfer of BC/PSH repair Fund £	Transfers £	Balance at 31 Dec 2021 £
Education funds						
Ernest Dixon Scholarship fund	3,919	-	-	-	-	3,919
Durham Masonic Education fund	27,648	-	-	-	-	27,648
Durham Masonic Scholarship fund	13,664	-	-	-	-	13,664
Repair contribution fund	98,906	-	(1,248)	-	-	97,658
PSH Repair fund	11,289	-	-	(16,188)	-	(4,899)
BC Repair fund	47,400	-	-	4,190	-	51,590
Province of Durham Relief Chest Fund	1,672	-	-	-	-	1,672
Search and Rescue	265	-	-	-	-	265
	<u>204,763</u>	<u>-</u>	<u>(1,248)</u>	<u>(11,998)</u>	<u>-</u>	<u>191,517</u>

12b. RESTRICTED FUNDS: movement on the previous year

	Balance at 1 Oct 2019 £	Incoming resources £	Outgoing resources £	Transfer of BC/PSH repair Fund £	Transfers £	Balance at 31 Dec 2020 £
Education funds						
Ernest Dixon Scholarship fund	3,919	-	-	-	-	3,919
Durham Masonic Education fund	27,648	-	-	-	-	27,648
Durham Masonic Scholarship fund	13,664	-	-	-	-	13,664
Repair contribution fund	86,940	22,856	(10,890)	-	-	98,906
PSH Repair fund	35,021	-	-	(23,732)	-	11,289
BC Repair fund	46,732	-	-	668	-	47,400
Province of Durham Relief Chest Fund	1,672	-	-	-	-	1,672
Search and Rescue	265	-	-	-	-	265
	<u>215,861</u>	<u>22,856</u>	<u>(10,890)</u>	<u>(23,064)</u>	<u>-</u>	<u>204,763</u>

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

12b. RESTRICTED FUNDS: movement in the period (continued)

The Durham Masonic Education Fund is to provide assistance in the education and maintenance of necessitous children aged between five and eighteen. The Durham Masonic Scholarship and The Ernest Dixon Masonic Scholarship funds provide grants to children of brethren who are students at Universities or Technical Colleges.

The repair contribution fund represents monies set aside by the charity to meet capital property expenditure costs as landlords.

The PSH and BC repair funds represent amounts put aside for future maintenance work on the properties.

Durham Relief Chest fund represents funds donated by members and gift aid claimed on donations. These funds remain unpaid to the Durham Relief Chest fund at the period end.

The Search and Rescue fund represents money received in a prior period to be donated to help the search and rescue charities to be distributed or part of the Community Support grant process.

12c. UNRESTRICTED FUNDS: movement in the period

	Balance At 1 Jan 2021	Incoming Resources	Outgoing Resources	Transfers	Gains/ (Losses)	Balance At 31 Dec 2021
	£	£	£	£	£	£
Designated						
Reserve fund	800,000	-	-	-	-	800,000
Legacy fund	145,303	-	-	-	-	145,303
Norman Jackson fund	-	-	-	825,000	-	825,000
General reserves						
Revaluation	1,807,974	-	-	-	(453,059)	1,354,915
Other Reserves	5,931,781	1,192,280	(389,365)	(825,000)	70,436	5,980,132
	<u>8,685,058</u>	<u>1,192,280</u>	<u>(389,365)</u>	<u>-</u>	<u>(382,623)</u>	<u>9,105,350</u>

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

12c. UNRESTRICTED FUNDS: movement in the period (continued)

UNRESTRICTED FUNDS: movement on the previous year

	Balance At 1 Oct 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	Gains/ (Losses) £	Balance At 31 Dec 2020 £
Designated Reserve fund	800,000	-	-	-	-	800,000
Legacy fund	145,303	-	-	-	-	145,303
2021 Festival fund	-	-	-	-	-	-
General reserves						
Revaluation	1,832,694	-	-	-	(24,720)	1,807,974
Other Reserves	5,608,790	652,852	(272,204)	-	(57,657)	5,931,781
	<u>8,386,787</u>	<u>652,852</u>	<u>(272,204)</u>	<u>-</u>	<u>(82,377)</u>	<u>8,685,058</u>

The designated reserve fund has been set up by the trustees to meet the cost of any repurchase of properties as required.

The Norman Jackson Fund has been set up by the trustees to allocate monies from the Norman Jackson legacy. The legacy was donated to the Universities Lodge and the Durham Masonic Benevolent Fund manage the money on their behalf. A subcommittee is set up to distribute the fund by way of grants.

The legacy fund has been set up by the trustees to reflect investments to be made; any income from these investments along with the capital element will be used to match fund projects carried out by Brethren at the discretion of the General Purposes Committee.

The 2021 festival fund was set aside by the trustees to make any future contributions towards the Provincial Grand Lodge of Durham 2021 Festival.

13. RELATED PARTY TRANSACTIONS

The Benevolent Committee of the Province of Durham, is a charity under the same control as Durham Benevolence Trading Limited. This company donates all of its profits to the Benevolent Committee of the Province of Durham and during the period this amounted to £nil (2020: £21,169). During the period the Benevolent Committee of the Province of Durham paid expenses on behalf of the company totalling £nil (2020: £30). During the period the Benevolent Committee of the Province of Durham received monies totalling £9,753 (2020: £nil) on behalf of the company. At the current balance sheet date the Benevolent Committee of the Province of Durham was owed £12,443 (2020: £2,690).

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

APPENDIX 1

Community Support Grants for the Period

	Total £
AFSC Ambulance	1,000
Kirk Merrington	1,000
Uni Hospital Durham	600
Neuroactive UK	1,185
Jarrow School of Dance	1,500
Scott Arnold	500
St Margarets Center	1,000
South Shields U7	700
Stockton Netball Club	500
MTFSC	1,000
Guiding Association	500
Charlie & Carter	1,000
Jamboree	500
E Durham U 13's	455
Children in Nature	5,000
607 SDN RAF	750
Phoenix Daycare	1,000
N of England Brass Band Championship	500
DS43 Defibrilators	3,500
Durham Stickmakers	1,000
Sam Laidler FB Rugby Team	500

23,690

Accounts

THE DURHAM MASONIC BENEVOLENT FUND

Operating as

**BENEVOLENT COMMITTEE OF
THE PROVINCE OF DURHAM**

**REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
FINANCIAL STATEMENTS
PERIOD ENDED 31 DECEMBER 2020

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BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

CHAIRMAN'S REPORT PERIOD ENDED 31 DECEMBER 2020

I am delighted to present my second annual report as Chairman of Durham Benevolence. This report covers a period of 15 months instead of the usual 12 months and brings our new annual reporting date of 31st December in line with the reporting dates of the Provincial Grand Lodge of Durham.

The nine months leading up to 31st December have been particularly challenging and have been dominated by the COVID-19 pandemic. Sadly, the pandemic has had an adverse effect on the physical, mental, and emotional well-being of many individuals and families as well as effecting a wide range of businesses and organisations. Despite these adverse effects, I am proud to report that Durham Benevolence has risen to the challenges posed and has continued to provide support to many individuals, families and organisations that have suffered. In addition to providing much needed support, we have also seen an increase in our reserves.

The audited accounts for the 15 months to 31st December 2020 show an overall increase in total funds realized from £8,619,628 to £8,906,801. The increase of £287,173 reflects an increase in our income, particularly from donations and legacies which rose from £27,441 to £226,266.

Grant Giving

The pandemic had a major impact on our grant giving during the last nine months of the reporting period. For the first six months of the 15-month period, we continued to provide Youth Grants and Community Support Grants in line with our normal working practices. However, these activities had to change at the beginning of the pandemic due to the restrictions imposed by the "lock down" which precluded some individual-based activities, team-based activities, and travel. Despite these problems, we made Youth Grants and Community Support Grants of £40,539 during the reporting period (£49,530 in 2019) as well as grants for Defibrillators (£3,000) and Emergency Support grants (£2,650).

From March 2020, our emphasis switched to providing COVID-19 support and, in early April, our Provincial Grand Master made the pledge that Durham Benevolence would allocate £50,000 for COVID-19 support. This pledge was magnificently supported by Universities Lodge No. 2352 who donated a further £50,000. By 31st December 2020, we had donated £41,234 in COVID-19 grants and we have continued to make further grants during 2021. The Benevolence Covid sub-committee was set-up in April 2020 (meeting via Zoom) to swiftly and efficiently deal with finance applications related to Covid. Many of the successful grants have been widely reported and gratefully received.

Donations and Investments

Perhaps unsurprisingly, our income from donations fell during the reporting period as lodges could not meet and struggled to raise funds during the lockdown period. Donations from lodges (excluding the £50,000 from Universities Lodge for COVID-19 relief) fell from £27,441 to £10,563 in the reporting period. This downturn was more than matched by a legacy of £155,703 received from the estate of WBro Keith Sumby a member of Ellison Hall Lodge No 7165 and Hadrian Lodge No 1970 and a legacy of £10,000 received from the estate of WBro Sidney Pattison, a member of Shipcote Lodge No.3626.

The value of our investment portfolio increased from £930,742 to £960,885 albeit after we had invested a further £90,000 looking to take advantage of long-term good value in the market. We continue to take advice from our investment advisors and will continue to seek long term growth of our investments.

Property

We continue to invest for the long term in our properties and several properties at Peter Stacey House were refurbished during the period. It is only right that we thank Stan Hunter, Chairman of our Estates Committee, Dave Dorward, Liaison Officer at Peter Stacey House and Christos Katsambis and Jack Richardson, Liaison Officers at Boundary Court. Nest Egg Homes continue to manage our properties and we maintain a good working relationship with them.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

CHAIRMAN'S REPORT PERIOD ENDED 31 DECEMBER 2020

None of the many achievements during the reporting period could have happened without the generous contributions of our many members, the hard work of our committee members and the unstinting support of the staff at Provincial Office. I offer my grateful thanks to every person who has helped during very trying times.

I believe that Durham Benevolence remains in a very good financial position after a very difficult time for all concerned and well positioned to deal with any future problems that may be encountered. I also believe that we still have the right culture to deliver our aims and objectives.

In concluding this report, I would like to thank all those who have ensured a regular flow of articles to the Provincial Communications Team so that the breadth and depth of our support can be recognised. Finally, I express my sincere appreciation to all the brethren of the Province of Durham, members of the General Purposes Committee and the Benevolent Committee representatives for their time, energy, and dedication during the past year and for the insights and expertise they each bring to the activities of the Benevolent Committee.

.....
Craig Steele
Chairman

Date:

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

TRUSTEES ANNUAL REPORT PERIOD ENDED 31 DECEMBER 2020

The General Purposes Committee presents its report along with the financial statements of the charity for the period ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and reporting by Charities" revised in January 2015 (SORP 2015).

The Charity is registered with the Charity Commission under The Durham Masonic Benevolent Fund (Registration number: 279313) but operates as the Benevolent Committee of the Province of Durham.

Organisation, structure, governance and management

The Benevolent Committee consists of the Principal Officers of the Province of Durham, together with six nominees of the Provincial Grand Master appointed annually and a representative of each Lodge known as the Benevolent Representative elected annually within their lodge.

The board of the trustees, known as the General Purposes Committee, who are required to meet at least quarterly, but actually meets more frequently as the administrative requirements of the charity dictate, run the charity. There is a subcommittee for awarding educational and scholarship grants and a further subcommittee, which recommends Community Support grants to the Benevolent Committee for approval via sub committee.

The Benevolent Committee works closely with a number of other local Charities and the Masonic Charitable Foundation (MCF), which exist to provide support to Brethren and their dependants.

Other local charities:

- Provincial Grand Mark Benevolent Fund - available to assist necessitous Mark Masons and their dependants.

Masonic Charitable Foundation (MCF) comprising:

- The Royal Masonic Trust for Girls and Boys - provides care for the children of deceased or distressed Brethren with the aim of providing, as far as possible, the same opportunities in life as would have been available had death or misfortune not occurred. The Province has girls and boys under the care of the trust.
- The Royal Masonic Benevolent Institution - maintains a number of residential homes for Brethren and dependants.
- Masonic Samaritan Fund - provides support for needy, sick and infirm Freemasons, their partners, children and dependants. Relief may only be granted to those applicants who are unable to obtain medical treatment or support on the NHS without undue delay or hardship.
- Grand Charity - provides support for Masonic petitioners in distressed circumstances, other Masonic charities and non-Masonic charities.

Related Party

The charity has a very close relationship with Durham Benevolence Trading Limited, a company owned by a number of committee members as representatives of their Masonic organisation. A summary of the transactions with this party is set out in note 13 to the financial statements.

The Trustee

The trustees and its directors who served the charity during the period are set out on page 1 of this report.

The directors of the trustee consist of the Principal Officers of the Provincial Grand Lodge of Durham and twelve Benevolent Representatives who are elected annually.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD ENDED 31 DECEMBER 2020

Objectives and activities

The Benevolent Committee is a masonic organisation set up by trust deed dated 24 July 1956. The object of the Durham Masonic Benevolent Fund is to provide support for the needy brethren of masonic lodges in the Province of Durham and their dependants, and to provide children of brethren with assistance to further their education.

In order to further these objectives, the activities of the charity can be categorised as follows:

- Provision of sheltered accommodation to aged brethren or their dependants,
- Awarding grants to needy brethren or their dependants,
- Awarding grants to the children of brethren,
- Awarding Community Support Grant, and
- Provision of holiday or convalescent breaks for needy brethren and dependants

Public Benefit Statements

The trustees have had regard to the Charity Commission's guidance on their legal duty on public benefit, and are satisfied that the Charity delivers public benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake.

Grant Policy

The trustees meet on a regular basis to consider what grants they will make; Masonic or Community Support grants.

Emergency grants are made to beneficiaries at the discretion of the management and approved retrospectively at trustees' meetings.

Education and scholarship grants are paid to finance further education and are approved by a subcommittee set up for this purpose.

Achievements and performance

The main activity this period has been the administration of the two sheltered accommodation housing developments known as Peter Stracey House and Boundary Court. The extensive renovation programme of apartments at Peter Stracey House continues and costs kept within budget. Out of a total of 100 apartments very few remained unoccupied at the period end.

The normal activities of the Benevolent Committee in administering and distributing community support grants and group breaks have been subject to much disruption during the period due to the Covid 19 pandemic. The Group break has been postponed until 2022 and community support grants to our normal type of recipient – clubs, community projects and youth travel grants etc – have been greatly disrupted. Instead, the focus of our grant giving has switched since March 2020 to supporting organisations that require assistance due to the pandemic.

The economic climate over the last year has resulted in considerable fluctuations in the valuation of our investments but prudent planning and a further application of funds of £90,000 during the period, when prices of investments were reduced, has helped to produce acceptable results. At the time of writing, investments have improved in value but are still subject to fluctuations caused by uncertain trading conditions caused by the pandemic.

Financial review

During the period the Benevolent Committee raised £691,767. Rental income totalled £414,131. Income from our investments totalled £46,390.

Charitable expenditure amounted to £299,154 so that a net surplus of £310,237 occurred on ordinary activities. Also many local charities benefited from the now well established programme of Community Support grant giving which this period totalled £40,539. Loss on investment assets amounted to £82,376.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD ENDED 31 DECEMBER 2020

Plans for future periods

The programme for the immediate future is to continue to encourage donations to enable our activities to be maintained at least at their current levels.

In the medium term the plan is for consolidation of the fund so that investments can be maintained and at the same time make further provision for increase in reserves to meet our existing commitments, establishing a solid income base from investments, rental income and donations. The Committee is also exploring ideas for new forms of charitable giving.

In the long-term further expenditure will be incurred so as to make sure our sheltered accommodation projects are well maintained and improved where deemed necessary.

Investment Policy

The General Purposes Committee have the power to invest in such stocks, shares, property and other assets as they see fit. Quarterly reports are submitted by their stockbrokers, together with recommendations for managing the portfolio in the forthcoming quarter. The policy is to adopt a medium risk strategy based on maximising the returns on the investments whilst obtaining reasonable growth in the market value of the portfolio.

Volunteers and other contributors

The General Purposes Committee would especially like to thank the following:

Benevolent representatives for their attendance at quarterly meetings and for their considerable efforts to ensure that the needs of brethren and their dependants are identified and acted upon;

The officers of the general purpose Committee, the Chairman S. C. Steele who conducted meetings with skill and efficiency, the Vice Chairman M. S. Shaw, Treasurer S. A. Willis, the Secretary T. Gittins all of whom made invaluable contributions to the management and administration of the Benevolent Committee and all the staff at the Provincial Office for their willing and cheerful assistance in the work of the Benevolent Committee.

Thanks are also extended to all those members of the general purpose committee old and new for their very valuable contributions to the work of Durham Benevolence.

Risk management

The General Purposes Committee has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and is satisfied that systems are in place to mitigate any exposure to major risks.

Reserves

Note 12 to the financial statements shows the assets and liabilities attributable to the various funds by type and also shows the various trusts of the charity and summarises the period's movements on each fund.

The General Purposes Committee has examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed and consider that this should be at a level to give sufficient working capital to cover costs.

The free reserves at 31 December 2020 amounted to £903,841.

General Purposes Committee responsibilities

Law applicable to charities in England and Wales requires the General Purposes Committee to prepare financial statements for each financial period which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period.

In preparing the financial statements, the General Purposes Committee are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD ENDED 31 DECEMBER 2020

General Purposes Committee responsibilities (continued)

The General Purposes Committee are responsible for keeping accounting records, which 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 applicable law. 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.

Insofar as the members of the General Purposes Committee are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the General Purposes Committee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the General Purposes Committee and signed on their behalf:

.....Treasurer

.....Secretary

Date:

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
PERIOD ENDED 31 DECEMBER 2020**

Opinion

We have audited the financial statements of Durham Masonic Benevolent Fund (the 'charity') for the period ended 31 December 2020 which comprise the balance sheet, statement of financial activities 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

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

the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

PERIOD ENDED 31 DECEMBER 2020

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.

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' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit with regards to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance.

Our approach was as follows:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

PERIOD ENDED 31 DECEMBER 2020

- We obtained an understanding of the legal and regulatory requirements which applied to the entity, which we deemed to be the entity's Constitution and Bye-laws and the Statement of Recommended Practice: Accounting reporting by Charities and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).
- We obtained an understanding of how the entity complies with these requirements by reviewing their treatment of transactions, reviewing minutes of meetings and discussing compliance with members.
- The risk of material misstatement of the financial statements due to fraud or error was assessed, and we deemed the entity to be low risk. The Lodge's Treasurer, who is deemed to have sufficient knowledge, works closely with the members who approve all transactions. We considered how fraud may occur within the financial statements and identified that the receipt of rental income and dividends, as well as property repairs and maintenance expenditure were susceptible to fraud or error. We designed our audit work to test the controls in place regarding the processing of these transactions and how these controls are capable of preventing or detecting fraud or error.
- Our audit procedures gathered evidence to support the claims of the members whilst maintaining professional scepticism to allow us to draw our own conclusion on the matter.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ☐ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ☐ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ☐ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- ☐ Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- ☐ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Torgersens
Chartered accountant & statutory auditor
Somerford Buildings
Norfolk Street
Sunderland
SR1 1EE

Date:

THE BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

STATEMENT OF FINANCIAL ACTIVITIES

PERIOD ENDED 31 DECEMBER 2020

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
INCOMING RESOURCES						
Donations & legacies	2	226,266	-	-	226,266	27,441
Charitable activities						
Sale of annual reports		4,980	-	-	4,980	4,800
Investments						
Dividends	3	46,390	-	-	46,390	41,735
Rental income		391,275	22,856	-	414,131	332,753
TOTAL INCOMING RESOURCES		668,911	22,856	-	691,767	406,729
Expenditure on raising funds						
	4	(153,198)	(10,890)	-	(164,088)	(88,988)
Expenditure on charitable activities						
	4	(135,066)	-	-	(135,066)	(140,464)
Gains/(Losses) on investment assets						
		(82,376)	-	-	(82,376)	3,342
NET INCOME/EXPENDITURE						
		298,271	11,966	-	310,237	180,619
Transfer between funds		-	-	-	-	-
NET MOVEMENT OF FUNDS IN THE PERIOD		298,271	11,966	-	310,237	180,619
Total funds at 1 October 2019		8,386,787	215,861	16,980	8,619,628	8,433,528
Transfer of BC/PSH						
Repair Fund		-	(23,064)	-	(23,064)	5,481
TOTAL FUNDS AT 31 DECEMBER 2020		8,685,058	204,763	16,980	8,906,801	8,619,628

The notes on pages 13 to 23 form part of these financial statements.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM**BALANCE SHEET****31 DECEMBER 2020**

	Note	£	2020 £	2019 £
FIXED ASSETS				
Investment properties	8		6,835,914	6,675,834
Investments	9		960,885	930,742
			<u>7,796,799</u>	<u>7,606,576</u>
CURRENT ASSETS				
Debtors	10	48,780		180,192
Cash at bank and in hand		1,077,642		853,122
		1,126,422		1,033,314
CREDITORS: Amounts falling due within one year	11	(16,420)		(20,262)
NET CURRENT ASSETS			1,110,002	1,013,052
NET ASSETS			<u>8,906,801</u>	<u>8,619,628</u>
FUNDS				
RESTRICTED INCOME FUNDS:				
Endowment funds	12		16,980	16,980
Restricted funds	12		204,763	215,861
Unrestricted income funds	12		8,685,058	8,386,787
TOTAL FUNDS			<u>8,906,801</u>	<u>8,619,628</u>

These financial statements were approved by the members of the committee on the and are signed on their behalf by:

Treasurer

Secretary

The notes on pages 13 to 23 form part of these financial statements.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

1 Accounting Policies

a Basis of Preparation

These financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value and in accordance with:

- i) the Statement of Recommended Practice: Accounting reporting by Charities preparing their accounts in accordance with the financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued in January 2015 (SORP 2015)
- ii) the financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)
- iii) the Charities Act 2011

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

b Funds

Funds held by the charity are:

Unrestricted general funds - these are funds which are used in accordance with the charitable objects of the charity at the discretion of the trustees.

Restricted funds - these are funds that are to be used for specific purposes as laid down by the donor or by the specific terms of the appeal under which the funds are raised. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

Transfers to and from funds are made as designated by the trustees.

c Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Voluntary donations are accounted for when received. The value of services provided by volunteers has not been included.

Legacies and bequests are accounted for at the earlier of notification of the personal representative of the estate or the date received.

Income from investments and from rental income is included in the Statement of Financial Activities ("SOFA") in the period in which it is receivable. Income from investments together with the income tax recoverable is shown gross as is rental income.

Sale of annual report income represents contributions by lodges towards the cost of printing and distributing the annual report.

Grants from Grand Charity and other masonic charities are accounted for when receivable.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

1 Accounting Policies (continued)

d Resources expended and liabilities

Resources expended are accounted for on an accruals basis.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Grants payable to beneficiaries are included in the SOFA when the charity's obligation has been established. The value of such grants that are unpaid at the period end is accrued.

Expenditure relating to specific activities or projects is shown under charitable activities.

Support costs consist of costs for processing grants and applications, including support to actual and potential applicants. Management and administration comprise of costs for the running of the charity itself as an organisation. Support costs are allocated to each activity on the basis of estimated time spent by support staff.

e Tangible fixed assets and depreciation

Tangible fixed assets consist of two sheltered housing complexes, Peter Stracey House and Boundary Court, which were built to provide sheltered accommodation to aged brethren or their close dependants at a reasonable rental charge.

In order to help fund the building, a number of flats were sold on leasehold to the occupants. Although generally accepted accounting practice and the SORP requires that assets and liabilities should be shown separately, the General Purposes Committee are of the opinion that disclosing the charity's net interest in the property is required to give a true and fair view.

The charity's properties are held in part to achieve the objects of the charity and are included in the balance sheet at their open market value. The surplus or deficit on revaluation of the property is transferred to the revaluation reserve within unrestricted funds. Depreciation is not provided in respect of the freehold property.

This policy represents a departure from the SORP, which requires depreciation to be provided on all fixed assets. The committee considers that this policy is necessary in order that the financial statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

f Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial period. Unrealised gains and losses are calculated as the difference between the fair value at the period end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

g Taxation

Due to the company's charitable operations no corporation tax is payable on the results for the period.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

2. DONATIONS & LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Brethren and lodges	60,563	-	60,563	27,441
Legacies	165,703	-	165,703	-
	<u>226,266</u>	<u>-</u>	<u>226,266</u>	<u>27,441</u>

Donations and legacies comprised of £226,266 unrestricted (2019: £27,441) and £nil restricted (2019: £nil).

3. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Dividend and interest				
UK equities	34,244	-	34,244	30,277
UK investment trusts and unit trusts	2,454	-	2,454	1,813
UK fixed interest	5,129	-	5,129	6,487
Interest on cash deposits	4,563	-	4,563	3,158
	<u>46,390</u>	<u>-</u>	<u>46,390</u>	<u>41,735</u>

Income from investments comprised of £46,390 unrestricted (2019: £41,735).

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 DECEMBER 2020

4. EXPENDITURE

	Investment management costs	General funds	Ambulance Fund	2021 Festival	Youth of Durham	Total Funds 2020	Total Funds 2019
		£	£	£	£	£	£
Direct expenditure							
Refurbishment and repairs	125,425	-	-	-	-	125,425	72,653
Rates and service charges etc	28,856	-	-	-	-	28,856	8,171
Respite holiday	-	400	-	-	-	400	(310)
Grants and donations	-	87,423	-	-	-	87,423	60,380
2021 Festival start up	-	-	-	-	-	-	25,000
Audit fee	-	10,410	-	-	-	10,410	14,850
Meeting expenses	-	450	-	-	-	450	950
Investment management costs	4,577	-	-	-	-	4,577	2,952
Bank charges	2,980	180	-	-	-	3,160	2,962
Support costs:-							
Management recharge	2,250	35,250	-	-	-	37,500	37,500
Other expenses	-	953	-	-	-	953	4,344
	<u>164,088</u>	<u>135,066</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>299,154</u>	<u>229,452</u>

Allocation of support costs

Management recharge costs have been allocated to each activity on the basis of estimated time spent by the support staff as follows:

Period Ended 31 December 2020	<u>6%</u>	<u>94%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>100%</u>
Year Ended 30 September 2019	<u>6%</u>	<u>94%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>100%</u>

Expenditure on raising funds comprised of £153,198 unrestricted (2019: £77,146); and £10,890 restricted (2019: £11,842); Expenditure on charitable activities comprised of £135,066 unrestricted (2019: £138,864), £nil restricted (2019: £1,600)

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

5. GRANTS

	Institutions	Individuals	Total Funds 2020	Total Funds 2019
	£	£	£	£
Emergency grants	-	2,650	2,650	4,250
Covid-19 grants	41,234	-	41,234	-
Mark Centenary	-	-	-	3,000
Defibrillators	3,000	-	3,000	2,000
Community Support grants	40,539	-	40,539	49,530
	<u>84,773</u>	<u>2,650</u>	<u>87,423</u>	<u>58,780</u>

6. STAFF COSTS AND NUMBERS

The General Purposes Committee are not remunerated. The average number of employees during the period was nil (2019: nil).

7. TRUSTEES REMUNERATION, EXPENSES AND KEY MANAGEMENT PERSONNEL

During the current and preceding period the trustees did not receive any remuneration.

During the period trustees were reimbursed for out of pocket expenses amounting to £nil (2019: £nil).

The key management personnel of the charity comprise of the treasurer and secretary. The total employee benefits of the key management personnel of the charity were £nil (2019: £nil).

8. Investment Properties

	Land and buildings £
COST OR VALUATION	
At 1 October 2019	6,675,834
Additions	-
Revaluation in period	(24,720)
Purchase of leaseholders interest	184,800
Sale of interest to leaseholders	-
At 31 December 2020	<u>6,835,914</u>
NET BOOK VALUE	
At 31 December 2020	<u>6,835,914</u>
At 30 September 2019	<u>6,675,834</u>

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

8. TANGIBLE FIXED ASSETS (continued)

Rental Properties	Freehold Buildings £	Leaseholders' Interest £	Charity's Interest £
VALUATION			
At 1 October 2019	8,181,602	(1,505,768)	6,675,834
REVALUATION IN THE PERIOD			
Sale of interest to leaseholders	-	-	-
Purchase of leaseholders interest	-	184,800	184,800
Revaluation in period	(24,720)	-	(24,720)
At 31 December 2020	(24,720)	184,800	160,080
NET BOOK VALUE			
At 31 December 2020	8,156,882	(1,320,968)	6,835,914
At 30 September 2019	8,181,602	(1,505,768)	6,675,834

On 1 September 2018 the properties were revalued by Alfred Pallas, Chartered Surveyors, on the basis of open market value.

The historic cost of the freehold buildings are as follows:

	2020 £	2019 £
Freehold land	587,022	587,022
Building expenditure	5,937,256	5,937,256
Professional and legal fees	164,607	164,607
Loan interest capitalised	223,105	223,105
	<u>6,911,990</u>	<u>6,911,990</u>

9. INVESTMENTS

	2020 £	2019 £
Market value at 1 October 2019	930,742	928,809
Additions	271,603	141,447
Disposals at book value	(188,048)	(142,857)
Revaluation	(53,412)	3,343
Market value at 31 December 2020	<u>960,885</u>	<u>930,742</u>

Investments at market value are represented by the following U.K. listed securities

	2020 £	2019 £
Equity shares	683,564	640,538
Investment trusts and unit trusts	87,656	49,461
UK fixed interest	181,364	228,727
Cash	8,301	12,016
	<u>960,885</u>	<u>930,742</u>
Cost at 31 December 2020	<u>880,850</u>	<u>813,422</u>

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

10. DEBTORS

	2020	2019
	£	£
Prepayments and accrued income	139	1,711
Other debtors	48,641	178,481
	<u>48,780</u>	<u>180,192</u>

11. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Accruals and other creditors	15,450	10,454
Grants payable	970	9,808
	<u>16,420</u>	<u>20,262</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Total	Fixed assets £	Investments £	Net current assets £
Endowment Funds	16,980	-	-	16,980
Restricted Funds	204,763	-	-	204,763
Unrestricted Funds	8,685,058	6,835,914	960,885	888,259
Total Funds	<u>8,906,801</u>	<u>6,835,914</u>	<u>960,885</u>	<u>1,110,002</u>

	Total	Fixed assets £	Investments £	Net current assets £
Analysis of net assets between funds – previous year				
Endowment Funds	16,980	-	-	16,980
Restricted Funds	215,861	-	-	215,861
Unrestricted Funds	8,386,787	6,675,834	930,742	780,211
Total Funds	<u>8,619,628</u>	<u>6,675,834</u>	<u>930,742</u>	<u>1,013,052</u>

12a. ENDOWMENT FUNDS: movement on the period

	Balance at 1 Oct 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2020 £
Ernest Dixon Scholarship fund	<u>16,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,980</u>

12b. ENDOWMENT FUNDS: movement on the previous year

	Balance at 1 Oct 2018 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 30 Sep 2019 £
Ernest Dixon Scholarship fund	<u>16,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,980</u>

Ernest Dixon Scholarship fund

This is an endowment to provide grants to children of brethren who are students at Universities or Technical Colleges. The income from this fund contributes to grants expended during the period any surpluses are retained as a restricted fund as below.

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

12b. RESTRICTED FUNDS: movement in the period

	Balance at 1 Oct 2019 £	Incoming resources £	Outgoing resources £	Transfer of BC/PSH repair Fund £	Transfers £	Balance at 31 Dec 2020 £
Education funds						
Ernest Dixon Scholarship fund	3,919	-	-	-	-	3,919
Durham Masonic Education fund	27,648	-	-	-	-	27,648
Durham Masonic Scholarship fund	13,664	-	-	-	-	13,664
Repair contribution fund	86,940	22,856	(10,890)	-	-	98,906
PSH Repair fund	35,021	-	-	(23,732)	-	11,289
BC Repair fund	46,732	-	-	668	-	47,400
Province of Durham Relief Chest Fund	1,672	-	-	-	-	1,672
Search and Rescue	265	-	-	-	-	265
	<u>215,861</u>	<u>22,856</u>	<u>(10,890)</u>	<u>(23,064)</u>	<u>-</u>	<u>204,763</u>

12b. RESTRICTED FUNDS: movement on the previous year

	Balance at 1 Oct 2018 £	Incoming resources £	Outgoing resources £	Transfer of BC/PSH repair Fund £	Transfers £	Balance at 30 Sep 2019 £
Education funds						
Ernest Dixon Scholarship fund	3,855	-	-	-	64	3,919
Durham Masonic Education fund	29,248	-	(1,600)	-	-	27,648
Durham Masonic Scholarship fund	13,664	-	-	-	-	13,664
Repair contribution fund	87,953	10,829	(11,842)	-	-	86,940
PSH Repair fund	38,200	-	-	(3,179)	-	35,021
BC Repair fund	38,072	-	-	8,660	-	46,732
Province of Durham Relief Chest Fund	1,672	-	-	-	-	1,672
Search and Rescue	265	-	-	-	-	265
	<u>212,929</u>	<u>10,829</u>	<u>(13,442)</u>	<u>5,481</u>	<u>64</u>	<u>215,861</u>

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

12b. RESTRICTED FUNDS: movement in the period (continued)

The Durham Masonic Education Fund is to provide assistance in the education and maintenance of necessitous children aged between five and eighteen. The Durham Masonic Scholarship and The Ernest Dixon Masonic Scholarship funds provide grants to children of brethren who are students at Universities or Technical Colleges. The transfer in the previous period for the Ernest Dixon Scholarship Fund was with regards to interest.

The repair contribution fund represents monies set aside by the charity to meet capital property expenditure costs as landlords.

The PSH and BC repair funds represent amounts put aside for future maintenance work on the properties.

The Continuous Giving fund represents funds donated by brethren to fund a national Masonic charity. This has now been completed.

Durham Relief Chest fund represents funds donated by members and gift aid claimed on donations. These funds remain unpaid to the Durham Relief Chest fund at the period end.

The Search and Rescue fund represents money received in a prior period to be donated to help the search and rescue charities to be distributed or part of the Community Support grant process.

All other restricted fund transfers are management fees deemed borne by the Benevolent Committee.

12c. UNRESTRICTED FUNDS: movement in the period

	Balance At 1 Oct 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	Gains/ (Losses) £	Balance At 31 Dec 2020 £
Designated						
Reserve fund	800,000	-	-	-	-	800,000
Legacy fund	145,303	-	-	-	-	145,303
2021 Festival fund	-	-	-	-	-	-
General reserves						
Revaluation	1,832,694	-	-	-	(24,720)	1,807,974
Other Reserves	5,608,790	652,852	(272,204)	-	(57,657)	5,931,781
	<u>8,386,787</u>	<u>652,852</u>	<u>(272,204)</u>	<u>-</u>	<u>(82,377)</u>	<u>8,685,058</u>

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

12c. UNRESTRICTED FUNDS: movement in the period (continued)

UNRESTRICTED FUNDS: movement on the previous year

	Balance At 1 Oct 2018 £	Incoming Resources £	Outgoing Resources £	Transfers £	Gains/ (Losses) £	Balance At 30 Sept 2019 £
Designated Reserve fund	800,000	-	-	-	-	800,000
Legacy fund	145,303	-	-	-	-	145,303
2021 Festival fund	-	-	(25,000)	25,000	-	-
General reserves						
Revaluation	1,832,694	-	-	-	-	1,832,694
Other Reserves	5,425,622	395,900	(191,010)	(25,064)	3,342	5,608,790
	<u>8,203,619</u>	<u>395,900</u>	<u>(216,010)</u>	<u>(64)</u>	<u>3,342</u>	<u>8,386,787</u>

The designated reserve fund has been set up by the trustees to meet the cost of any repurchase of properties as required.

The legacy fund has been set up by the trustees to reflect investments to be made; any income from these investments along with the capital element will be used to match fund projects carried out by Brethren at the discretion of the General Purposes Committee.

The 2021 festival fund was set aside by the trustees to make any future contributions towards the Provincial Grand Lodge of Durham 2021 Festival.

13. RELATED PARTY TRANSACTIONS

The Benevolent Committee of the Province of Durham, is a charity under the same control as Durham Benevolence Trading Limited. This company donates all of its profits to the Benevolent Committee of the Province of Durham and during the period this amounted to £21,169 (2019: £5,682). During the period the Benevolent Committee of the Province of Durham paid expenses on behalf of the company totalling £30 (2019: £840). During the period the Benevolent Committee of the Province of Durham received monies totalling £nil (2019: £330) on behalf of the company. At the current balance sheet date the Benevolent Committee of the Province of Durham was owed £2,690 (2019: £23,829).

BENEVOLENT COMMITTEE OF THE PROVINCE OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

APPENDIX 1

Community Support Grants for the Period

	Total £
Butterwick Hospice	1,000
Humbledon & Plains Farm Youth FC	750
Chance	500
St Benedict's Hospice	1,500
St Aidan's Church	500
Lucy McMartin	500
CLS PALS	750
Durham Palatines Netball Club	500
Learning 4 Life	1,000
Tyne & Wear MS Group	750
Hurworth Kyosho Karate Club	750
Multiple Systems Atrophy Trust	600
County Durham & Darlington NHS Trust	1,000
Catcote Academy	750
Leeholme & Coundon Scouts	750
Whitburn Bowling Club	1,000
Roseberry Grange – defibrillator	1,000
Don Memorial	1,000
22 nd South Shields Scouts	800
Langley Park Hotspurs	500
St Johns Methodist Church	600
Finchdale Group	1,000
Friends Hartlepool Wild Spaces	1,000
Tranfield Railway Trust	750
Ambulance Fund Scarborough Court	1,000
H Gerrard	500
F Hall	500
Martha Laws	350
Emma Holmes	350
C Bryant	500
Ben Edmonds	500
Peter Craig – wheelchair	500
S Collins	500
10 iPads for Care Homes	3,024
iPad Cases	55
4 iPads for Care Homes	1,215
Jigsaw	600
RT Community Projects	1,000
Tranfield Lea Partnership	1,000
Ihinnie Comm Garden	425
Leo's	400
Deliverance Christine Kipling	500
Erin Temple	500
Moses Project	3,000
Singing Hinnies	3,170
Stags	1,700
	<u>40,539</u>