

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(including an Income and Expenditure Account)

For the year ended 31st December 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME:					
Donations	3	74,419	-	74,419	178,520
Legacies		27,007	-	27,007	5,500
Income from charitable activities					
Hewlett Court rental and miscellaneous income	4	873,866	-	873,866	750,691
Investment income	5	116,677	-	116,677	101,682
Other income		117	-	117	311
Total income		<u>1,092,086</u>	<u>-</u>	<u>1,092,086</u>	<u>1,036,704</u>
EXPENDITURE:					
Costs of raising funds					
Costs of raising voluntary income	7	45,051	-	45,051	42,209
Investment management costs		22,878	-	22,878	20,748
Property expenses	7	47,268	-	47,268	28,300
		<u>115,197</u>	<u>-</u>	<u>115,197</u>	<u>91,257</u>
Expenditure on charitable activities					
Masonic grants	6	223,704	-	223,704	85,722
Non-Masonic grants	6	77,590	-	77,590	75,018
Grant administration	7	54,054	-	54,054	51,841
Hewlett Court rental expenditure	6	835,158	-	835,158	708,941
		<u>1,190,506</u>	<u>-</u>	<u>1,190,506</u>	<u>921,522</u>
Total expenditure		<u>1,305,703</u>	<u>-</u>	<u>1,305,703</u>	<u>1,012,779</u>
Net income		(213,617)	-	(213,617)	23,925
Transfers between funds		-	-	-	-
Other recognised gains and losses					
Gains/(Losses) on revaluation of investments	12	295,445	-	295,445	219,023
Gains/(Losses) on disposal of investments	9	(125)	-	(125)	1,161
Net movement in funds		<u>81,703</u>	<u>-</u>	<u>81,703</u>	<u>244,109</u>
Reconciliation of funds					
Total funds brought forward at 1st January 2024		9,502,315	32,099	9,534,414	9,290,305
Total funds carried forward at 31st December 2024		<u>9,584,018</u>	<u>32,099</u>	<u>9,616,117</u>	<u>9,534,414</u>

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

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

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BALANCE SHEETAs at 31st December 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	11	4,919,099	4,882,393
Investments	12	4,147,406	3,883,355
		<u>9,066,505</u>	<u>8,765,748</u>
CURRENT ASSETS			
Debtors	13	171,062	198,756
Bank and other deposits		<u>515,059</u>	<u>621,167</u>
		686,121	819,923
LIABILITIES			
Amounts falling due within one year	14	<u>136,509</u>	<u>51,257</u>
NET CURRENT ASSETS		<u>549,612</u>	<u>768,666</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,616,117	9,534,414
NET ASSETS		<u><u>9,616,117</u></u>	<u><u>9,534,414</u></u>
FUNDS			
Unrestricted:			
Free reserves		7,988,094	7,994,560
Revaluation reserve		<u>1,595,924</u>	<u>1,507,755</u>
		9,584,018	9,502,315
Restricted funds			
Endowed capital		32,099	32,099
	15	<u><u>9,616,117</u></u>	<u><u>9,534,414</u></u>

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

The financial statements on pages 33 to 45 were authorised for issue by the directors on

Signed on behalf of the directors by

M Roe

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

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STATEMENT OF CASH FLOWSFor the year ended 31st December 2024

	Note	2024 £	2023 £
Operating Activities			
Net cash provided by/(used in) Operating Activities	A	<u>(178,827)</u>	<u>(133,867)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		116,677	101,682
Purchase of tangible fixed assets		(75,227)	-
Proceeds from the sale of investments		236,783	180,075
Purchase of investments		(205,514)	(1,200,840)
Net cash provided by/(used in) Investing Activities		<u>72,719</u>	<u>(919,083)</u>
Change in cash and cash equivalents in the reporting period		(106,108)	(1,052,950)
Cash and cash equivalents at 1st January 2024		621,167	1,674,117
Cash and cash equivalents at 31st December 2024	18	<u>515,059</u>	<u>621,167</u>

Notes on the cash flow statement**A Reconciliation of net income/(expenditure) to net cash flow from operating activities**

Net income/(expenditure) as per the Statement of Financial Activities	81,703	244,109
Adjustments for:		
Depreciation charges	31,155	29,734
Dividends, interest and rents from investments	(116,677)	(101,682)
(Gains)/losses in investments (excluding within cash balances)	(295,320)	(220,184)
(Gains)/losses on sale of tangible fixed assets	7,366	-
Decrease/(increase) in debtors	27,694	(52,874)
Increase/(decrease) in creditors	85,252	(32,970)
Net cash provided by/(used in) Operating Activities	<u>(178,827)</u>	<u>(133,867)</u>

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2024

1 COMPANIES ACT 2006

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

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

2 ACCOUNTING POLICIES

(a) Basis of accounting

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

(b) Investment Income

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

(c) Donations and grants

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

(d) Legacies

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

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2024

2 ACCOUNTING POLICIES continued

(e) Fund accounting

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

(f) Expenditure

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

(g) Allocation of support costs

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

(h) Pension contributions

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

(i) Tangible fixed assets and depreciation

Fixed assets, with the exception of freehold land and buildings, are stated at cost less depreciation. Freehold land and buildings are included at fair value and the aggregate surplus or deficit is transferred to the revaluation reserve. No depreciation is provided on freehold land and buildings. The buildings are maintained to ensure that their value does not diminish over time and their realisable value, is in equivalent to the fair value. In these circumstances, the directors consider that any charge for depreciation would not be material and thus it is inappropriate to charge depreciation on these assets.

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

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

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2024

2 ACCOUNTING POLICIES continued

(j) Investments

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

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

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2024

	2024	2023
	£	£
3 DONATIONS		
<u>Unrestricted Donations</u>		
Donations from Masons, their Lodges and Chapters and Events	56,987	160,655
Gift Aid tax reclaimed	9,638	11,107
Donations to Hewlett Court	7,794	6,758
	<u>74,419</u>	<u>178,520</u>
Restricted donations	<u>-</u>	<u>-</u>
4 INCOME FROM CHARITABLE ACTIVITIES		
	£	£
<u>Hewlett Court rental and miscellaneous income</u>		
Income from residents	867,520	745,075
Sundry income	6,346	5,616
	<u>873,866</u>	<u>750,691</u>
5 INVESTMENT INCOME		
	£	£
Income from investments	106,416	92,550
Bank and Deposit interest	10,261	9,132
	<u>116,677</u>	<u>101,682</u>
Of the £116,677 received in 2024 (2023: £101,682) £Nil was restricted funds (2023: £Nil) and £116,677 (2023: £101,682) unrestricted funds.		
6 DIRECT CHARITABLE EXPENDITURE		
<u>Masonic grants to individuals</u>	£	£
Other grants including Christmas and birthday gifts	85,498	54,476
Holidays paid for beneficiaries	32,808	25,535
Comforts fund	5,398	4,699
<u>Masonic grants to organisations</u>		
Other grants	100,000	1,012
	<u>223,704</u>	<u>85,722</u>
Restricted Masonic grants	<u>-</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2024

	2024	2023
	£	£
6 DIRECT CHARITABLE EXPENDITURE (Continued)		
Non-Masonic grants	77,590	75,018
Restricted Non-Masonic grants	-	-
Hewlett Court rental expenditure		
Salaries, wages and related costs	447,036	382,422
Food and kitchen consumables	101,154	86,597
Repairs and renewals	83,589	75,882
Other property costs including heat, light, rates, water and insurance	106,432	69,124
Depreciation of tangible fixed assets	23,337	21,916
Loss on disposal of tangible fixed assets	7,366	-
Other expenses	66,244	73,000
	835,158	708,941

7 MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	Grant administration	Cost of raising voluntary income	Property expenses	Total costs
2024	£	£	£	£
Salaries, wages and related costs	15,500	6,500	-	22,000
Insurance	-	-	19,334	19,334
Rent, rates and water rates	-	-	5,126	5,126
Other expenses	2,711	2,710	14,990	20,411
Depreciation	-	-	7,818	7,818
Governance costs (see note 8)	22,359	22,358	-	44,717
Support costs (see note 8)	13,484	13,483	-	26,967
	54,054	45,051	47,268	146,373
2023	£	£	£	£
Salaries, wages and related costs	15,500	6,500	-	22,000
Insurance	-	-	16,173	16,173
Rent, rates and water rates	-	-	264	264
Other expenses	3,387	2,756	4,045	10,188
Depreciation	-	-	7,818	7,818
Governance costs (see note 8)	21,255	21,255	-	42,510
Support costs (see note 8)	11,699	11,698	-	23,397
	51,841	42,209	28,300	122,350

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NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2024**8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

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

	General support	Governance function	Total	
2024	£	£	£	
Salaries, wages and related costs	19,387	19,388	38,775	Estimate of time
Auditors remuneration	-	13,120	13,120	Governance
Auditors remuneration - other services	-	4,280	4,280	Governance
General office	7,508	7,507	15,015	Estimate of time
Committee expenses	72	72	144	Governance
Bank charges	-	350	350	Governance
	<u>26,967</u>	<u>44,717</u>	<u>71,684</u>	
2023	£	£	£	
Salaries, wages and related costs	16,146	16,146	32,292	Estimate of time
Auditors remuneration	-	13,120	13,120	Governance
Auditors remuneration - other services	-	4,400	4,400	Governance
General office	7,186	7,186	14,372	Estimate of time
Committee expenses	65	65	130	Governance
Bank charges	-	1,593	1,593	Governance
	<u>23,397</u>	<u>42,510</u>	<u>65,907</u>	

9 PROFIT ON DISPOSAL OF INVESTMENTS

	2024	2023
	£	£
Proceeds	236,783	180,055
Less: Cost	<u>245,711</u>	<u>197,424</u>
Gains (losses) over historical cost	(8,928)	(17,369)
Less: Revaluation gains (losses) realised	<u>(8,803)</u>	<u>(18,530)</u>
Profits (Losses) over book value	<u>(125)</u>	<u>1,161</u>

10 NET INCOME / (DEFICIT) FOR THE YEAR

	£	£
Net Income/(Deficit) for the year is stated after charging:		
Depreciation of tangible fixed assets	31,155	29,734
Loss on disposal of tangible fixed assets	7,366	-
Auditors remuneration	13,120	13,120
Auditors remuneration - non-audit services	<u>4,280</u>	<u>4,400</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2024**11 TANGIBLE FIXED ASSETS**

	Freehold Land and Buildings £	Leasehold Improvements £	Furniture, Plant and Equipment £	Total £
Cost or valuation				
As at 1st January 2024	3,645,670	1,141,260	380,633	5,167,563
Additions	48,624	-	26,603	75,227
Disposals	-	-	(19,296)	(19,296)
As at 31st December 2024	<u>3,694,294</u>	<u>1,141,260</u>	<u>387,940</u>	<u>5,223,494</u>
Depreciation				
As at 1st January 2024	-	38,965	246,205	285,170
Charge for the year	-	7,818	23,337	31,155
Eliminated on disposal	-	-	(11,930)	(11,930)
As at 31st December 2024	<u>-</u>	<u>46,783</u>	<u>257,612</u>	<u>304,395</u>
Net Book Value				
As at 31st December 2024	<u>3,694,294</u>	<u>1,094,477</u>	<u>130,328</u>	<u>4,919,099</u>
As at 31st December 2023	<u>3,645,670</u>	<u>1,102,295</u>	<u>134,428</u>	<u>4,882,393</u>

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

Land and buildings and furniture, plant and equipment are used for direct charitable purposes as part of the operating activities of the Charity. Authorised capital expenditure at 31st December 2024 amounted to £Nil (2023 £Nil).

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

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

	2024 £	2023 £
Cost	<u>2,321,611</u>	<u>2,272,987</u>

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NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2024**12 INVESTMENTS**

<u>CHARITY</u>	Freehold Land £	Listed Securities £	Total £
Cost or valuation			
As at 1st January 2024	10,000	3,873,355	3,883,355
Investments purchased in year	-	205,514	205,514
Investments sold in year	-	(236,908)	(236,908)
Increase/(decrease) in market value	-	295,445	295,445
As at 31st December 2024	<u>10,000</u>	<u>4,137,406</u>	<u>4,147,406</u>
Historical cost as at 31st December 2024	<u>10,000</u>	<u>3,472,280</u>	<u>3,482,280</u>

13 DEBTORS Amounts falling due within one year

	2024 £	2023 £
Sundry debtors	110,133	100,878
Prepayments and accrued income	<u>60,929</u>	<u>97,878</u>
	<u>171,062</u>	<u>198,756</u>

Sundry debtors include £95,574 (2023: £95,574) relating to monies held in an Escrow account for the purpose of carrying out refurbishment works to the third floor of Manchester Hall for which the Charity has been granted a 150 year underlease.

14 CREDITORS: Amounts falling due within one year

	2024 £	2023 £
Other taxes and social security costs	6,331	4,714
Sundry creditors	88,109	19,110
Accruals and deferred income	<u>42,069</u>	<u>27,433</u>
	<u>136,509</u>	<u>51,257</u>

THE EAST LANCASHIRE MASONIC CHARITY (Company number: 79735)

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NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2024**15 ACCUMULATED FUNDS**

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

	Fund at 1st January 2024 £	Surplus / (Deficit) for the year £	Transfers between reserves £	Other recognised gains and losses £	Provision released on sale of investments £	Fund at 31st December 2024 £
Unrestricted						
General Reserve Charity	7,994,560	(213,617)	-	(125)	207,276	7,988,094
Revaluation Reserve	1,507,755	-	-	295,445	(207,276)	1,595,924
	9,502,315	(213,617)	-	295,320	-	9,584,018
Restricted						
General Reserve Charity	32,099	-	-	-	-	32,099
Total Funds	9,534,414	(213,617)	-	295,320	-	9,616,117

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

Analysis of movements in restricted fund

	Fund at 1st January 2024 £	Income £	Expenditure £	Transfers between reserves £	Other recognised gains and losses £	Provision released on sale of investments £	Fund at 31st December 2024 £
Disaster Relief Fund	32,099	-	-	-	-	-	32,099

Description and purpose of the restricted funds

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

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets of the Restricted Funds were:

	£	£
Cash and deposits	32,099	32,099
	32,099	32,099

17 OPERATING LEASE COMMITMENTS

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

	£	£
Within one year	3,297	1,415
Between one and five years	5,573	972
	8,870	2,387

18 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	At 1st January 2024	Cash Flow	At 31st December 2024
Cash and cash equivalents			
Cash at bank and in hand	621,167	(106,108)	515,059

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NOTES TO THE FINANCIAL STATEMENTSfor the year ended 31st December 2024**19 EMPLOYEES**

The average monthly head count for the Charity was 30 staff (2023: 28 staff) and the average number of full time equivalent employees (including casual and part time staff) during the year was as follows:-

	2024	2023
	Number	Number
Main charity	2	2
Hewlett Court	17	16
	<u>19</u>	<u>18</u>
Total remuneration during the year amounted to:	2024	2023
	£	£
Wages and salaries	451,646	390,936
Social Security Costs	30,209	22,969
Pension costs	25,956	22,809
	<u>507,811</u>	<u>436,714</u>
Allocation:		
Direct charitable expenditure -		
Hewlett Court	447,036	382,422
Grant administration	15,500	15,500
Cost of raising voluntary income	6,500	6,500
Governance and support (see note 8)	38,775	32,292
	<u>507,811</u>	<u>436,714</u>

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

One of the Directors/Trustees has been paid remuneration from an employment with the Charity. Remuneration of £39,095 (2023: £35,541) and pension contributions of £4,212 (2023: £4,005) were paid to J Ward in accordance with an employment contract and related to duties as an employee of the charity rather than as a Director/Trustee.