

Masonic Girls Benefit Fund

Report and Financial Statements

For the Year Ended 31 December 2018

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COMMITTEE AND OTHER INFORMATION

Trustee

Masonic Trust Company

Committee - Ex Officio Members

M.W. Grand Master

R.W. Deputy Grand Master

R. W. Assistant Grand Master

(appointed 1 November 2018)

Committee - Elected Members

A C M Hamilton

D Colton

N U Stewart

J Symes

D Wheavill

W Oliver

N Hand (appointed 1 January 2019)

P Bruce

J Edens

T E Henry

W M Costello

W J Dixon

(appointed 1 January 2019)

(appointed 1 January 2019)

(resigned 1 June 2018)

(resigned 31 December 2018)

(resigned 31 December 2018)

Honorary secretary and registered office

Philip Daley

17 Molesworth Street

Dublin 2

Solicitors

Harrison Solicitors

Unit 13 Heritage House

Dundrum Office Park

Dundrum

Dublin 14

Bankers

Bank of Ireland

College Green

Dublin 2

Bank of Ireland

Belfast City Branch

Donegall Square

Belfast BT1 5LR

Accountants

PricewaterhouseCoopers

Chartered Accountants

One Spencer Dock

North Wall Quay

Dublin 1

Investment advisors

Tilman Brewin Dolphin
Limited

3 Richview Office Park

Clonskeagh

Dublin 14



The Trustees of the Masonic Girls Benefit Fund
17 – 19 Molesworth Street
Dublin 2

20 August 2019

Dear Sirs

Chartered Accountants' report on the unaudited Fund accounts of the Masonic Girls Benefit Fund

In accordance with our engagement letter dated 9 August 2019 we have compiled the Fund's annual accounts which comprise the Income and Expenditure Account, the Statement of Total Recognized Gains and Losses and the Balance Sheet and the related notes from the accounting records and information and explanations you have given us.

This report is made to you, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the Fund's accounts that we have been engaged to compile, for management purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance in M48 'Chartered Accountants' Reports on the Compilation of Historical Financial Information of Unincorporated Entities' issued by the Institute of Chartered Accountants in Ireland (ICAI) and have complied with the ethical guidance laid down by the ICAI relating to members undertaking the compilation of historical financial information.

You have approved the Fund accounts for the year ended 31 December 2018 and have acknowledged your responsibility for them, including the creation and maintenance of all accounting and other records supporting them and the appropriateness of the accounting basis on which they have been compiled, and for providing us with all information and explanations necessary for their compilation.

We have not been instructed to carry out an audit of the Fund accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations given to us by you and we do not, therefore, express any opinion on the Fund accounts.

A stylized, handwritten-style signature of 'PricewaterhouseCoopers' in a dark grey or black ink.

PricewaterhouseCoopers
Chartered Accountants
Dublin
20 August 2019

INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 31 December 2018

	Notes	2018 €	2017 €
Income			
Investment income	2	732,523	722,115
Rent from investment property		430,454	392,822
Deposit and other interest		117,646	242,112
Secretary Grahame pupils		821	845
Subscriptions		-	355
Profit/(loss) on sale of investments	7	(187,865)	303,039
Bequests and donations	7	402	-
		<u>1,093,982</u>	<u>1,661,288</u>
Expenditure			
Office administration expenses	3	125,975	116,361
Rental property expenses		38,034	49,462
Management committee expenses		5,298	7,373
Computer costs		-	23,193
Unfunded pensions		7,013	6,817
Accountants fee		13,101	7,430
Legal fees		6,525	4,805
Investment management fees		80,537	70,572
Bank charges		831	814
		<u>277,314</u>	<u>286,827</u>
Total administration		<u>277,314</u>	<u>286,827</u>
Income before payments to beneficiaries and transfers to capital reserves		816,668	1,374,461
School fees and maintenance of girls	4	<u>895,875</u>	<u>673,034</u>
(Deficit/surplus for the year		<u>(79,207)</u>	<u>701,427</u>
Transfer to capital account	7	187,462	(303,039)
Transfer to investment property renovation reserve	5	(38,100)	(38,100)
Transfer from currency exchange reserve	9	<u>(6,746)</u>	<u>(16,188)</u>
Surplus for year after transfers		<u>63,409</u>	<u>344,100</u>

Chairman



Member



STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the Year Ended 31 December 2018

	Notes	2018 €	2017 €
(Deficit)/surplus for the year		(79,207)	701,427
Currency translation losses on foreign currency net investments	9	<u>(6,746)</u>	<u>(16,188)</u>
Total recognised gains for the year		(85,953)	685,239
Opening capital account and reserves		<u>21,906,069</u>	<u>21,220,830</u>
Closing capital account and reserves		<u>21,820,116</u>	<u>21,906,069</u>

BALANCE SHEET
As At 31 December 2018

	Note	2018 €	2017 €
Current assets			
Bank balance		782,941	2,097,177
Debtors		33,395	106,641
Tax recoverable		-	3,586
		<u>816,336</u>	<u>2,207,404</u>
Current liabilities			
Creditors		<u>243,337</u>	<u>213,468</u>
Net current assets		572,999	1,993,936
Investments at cost (market value €31,509,895)	2	18,024,969	16,689,985
Freehold investment property at cost	5	3,254,273	3,254,273
Carrick Manor	6	-	-
		<u>21,852,241</u>	<u>21,938,194</u>
Capital account			
Capital reserve	7	18,075,524	18,262,986
Investment property renovation reserve	5	531,178	493,078
Accumulated surplus	8	3,245,539	3,182,130
		<u>21,852,241</u>	<u>21,938,194</u>
Currency exchange reserve	9	-	-
		<u>21,852,241</u>	<u>21,938,194</u>

Chairman



Member



NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The significant accounting policies adopted are:

- (a) The financial statements are prepared under the historical cost convention. The market value of investments (mid-market price on the balance sheet date) is disclosed on the balance sheet.
- (b) Revenue and costs with the exception of investment income are accrued as they are earned or incurred. Investment income is dealt with on a cash receipts basis and the related tax credits recoverable are accrued at the same time. School fees and maintenance of girls are dealt with on a cash payment basis.
- (c) The book value of investments is the cost of purchased investments or the market value on the date and investment is received where the investment is received by way of bequest or donation.
- (d) Assets and liabilities denominated in currencies other than Euro are translated into Euro using the closing rate method. Differences on translation are taken into Income and Expenditure. Income and Expenditure in currencies other than Euro are included in the income and expenditure account at the average rate of exchange ruling during the year.
- (e) Both freehold investment property and the units at Carrick Manor are stated at cost and no depreciation is provided.
- (f) Expenditure of a capital nature is charged to the income and expenditure account in the year of expenditure.

2 Investments

	Book value €	Market value €	Gross income €
2018			
Fixed interest securities			
- Irish	-	-	5,544
- U.K. and overseas	232,610	241,791	-
	<u>232,610</u>	<u>241,791</u>	<u>5,544</u>
Equities			
- Irish	1,015,423	2,841,438	691,254
- U.K. and overseas	12,664,522	24,314,252	35,725
	<u>13,679,945</u>	<u>27,155,690</u>	<u>726,980</u>
Cash	<u>4,112,414</u>	<u>4,112,414</u>	<u>-</u>
Total	<u>18,024,969</u>	<u>31,509,895</u>	<u>732,523</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

2 Investments - continued	Book value €	Market value €	Gross income €
2017			
Fixed interest securities			
- Irish	2,185,177	1,600,000	8,093
- U.K. and overseas	83,515	98,585	-
	<u>2,268,692</u>	<u>1,698,585</u>	<u>8,093</u>
Equities			
- Irish	1,025,378	3,601,002	690,010
- U.K. and overseas	12,257,490	25,889,231	24,012
	<u>13,282,868</u>	<u>29,490,232</u>	<u>714,023</u>
Cash	<u>1,138,425</u>	<u>1,138,425</u>	<u>-</u>
Total	<u>16,689,985</u>	<u>32,327,242</u>	<u>722,115</u>

3 Office administration expenses	2018 €	2017 €
Salaries	82,626	78,739
Pension funding	<u>1,265</u>	<u>3,104</u>
	83,891	81,843
Apportionment of Grand Lodge expenses		
- Rent	1,600	1,600
- Rates and insurance	2,121	4,128
- Fuel and light	1,510	1,737
- Wages, cleaning and maintenance	<u>22,264</u>	<u>13,816</u>
	111,386	103,125
Office equipment	469	-
Postage and telephone	3,108	3,133
Printing and stationary	2,816	1,233
Other	<u>8,196</u>	<u>8,870</u>
	<u>125,975</u>	<u>116,361</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

4 School fees and maintenance of girls	2018 €	2017 €
School fees and grants (including: tuition fees, books, uniforms, travel and school meals, accommodation, etc.)	834,933	621,999
Field visitors fees and expenses	60,942	51,035
	<u>895,875</u>	<u>673,034</u>

	2018 No.	2017 No.
Number of beneficiaries	<u>258</u>	<u>257</u>

5 Freehold investment property	2018 €	2017 €
1 Setanta Place, Dublin at cost	<u>3,254,273</u>	<u>3,254,273</u>

In 1975 the Fee Simple of this site was conveyed to Masonic Trust Company as Trustee for the Fund. The property was developed on foot of an agreement dated 14 June 1974 with Grand Lodge Trustees, pursuant to which the Fund and Grand Lodge now respectively receive 51.39% and 48.61% of the net rental income.

The interest of the Masonic Girls Benefit Fund in this property was valued on the basis of open market value by Kilbride Auctioneers Ltd on 15 December 2004 at €5,652,900.

In previous years the Masonic Trust Company had decided to provide a reserve for future renovation work at the above. During 2011 and 2012 the property underwent major work to modernise the building. Some further renovation work will be required at the termination of an existing 5 year lease however the existing reserve together with the current rate of transfer from Income and Expenditure is deemed sufficient to meet these anticipated costs.

Investment property renovation reserve	2018 €	2017 €
Balance at 1 January	493,078	454,978
Transfer from Income and Expenditure account	38,100	38,100
Balance at 31 December	<u>531,178</u>	<u>493,078</u>

6 Carrick Manor

In 1985 the Masonic Girls Benevolent Fund purchased residential leases of 900 years each for three units of accommodation, for the use of their beneficiaries in the Masonic Havens Limited scheme at Carrick Manor.

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Capital reserve	2018	2017
	€	€
Balance at 1 January	18,262,986	17,959,947
Transfer from income and expenditure account	(187,462)	303,039
Balance at 31 December	<u>18,075,524</u>	<u>18,262,986</u>

Profits realised on the sale of investments and bequests received during the year are transferred to the Capital Reserve. This treatment has been adopted as the Trustees believe these profits should be retained as part of the capital base of the Fund.

8 Accumulated surplus	2018	2017
	€	€
Balance at 1 January	3,182,130	2,838,030
Surplus for the year after transfers	63,409	344,100
Balance at 31 December	<u>3,245,539</u>	<u>3,182,130</u>

9 Currency exchange reserve	2018	2017
	€	€
Balance at 1 January	-	-
Losses on currency	(6,746)	(16,188)
Transfer to income and expenditure account	6,746	16,188
Balance at 31 December	<u>-</u>	<u>-</u>

Investments purchased in Sterling were historically denominated in Sterling as the fund operated in both Sterling and Euro. At 1 January 2013 the investments denominated in Sterling were restated at their historical equivalent Euro cost. This resulted in an increase in cost of €731,211 which has now been taken to the statement of total recognised gains and losses.

The balance of the currency exchange reserve has been transferred to the accumulated surplus.

The rate of exchange used as at 31 December 2018 was € = Stg£0.8977 (2017: € = Stg£0.88723).

10 Approval of financial statements

These financial statements were approved by the Trustees on 19 March 2019.