

**PROVINCIAL GRAND LODGE
OF MARK MASTER MASONS OF DURHAM**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PROVINCIAL GRAND LODGE OF MARK MASTER MASONS OF DURHAM**

Opinion

We have audited the financial statements of Provincial Grand Lodge of Mark Master Masons of Durham for the year ended 31 December 2021 which comprise of income and expenditure account, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and FRS 102 Section 1A, The Financial Reporting Standard applicable in the UK and the 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 Lodge's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.

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 Lodge 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 entity'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

Our responsibilities do not extend to any other information.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Lodge and its environment obtained in the course of the audit, we have not identified material misstatements in the members' report.

We have nothing to report in respect of the following matters:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the members were not entitled to prepare the financial statements in accordance with the small entities regime; or
- a satisfactory system of control over transactions has not been maintained.

Responsibilities of members

The members 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 members 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 members are responsible for assessing the Lodge'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 members either intend to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROVINCIAL GRAND LODGE OF MARK MASTER MASONS OF DURHAM

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 design tailored and specific audit procedures to enable us to gather sufficient audit evidence. These tests are proportionate and appropriate to the Lodge in terms of assessed risk level and the nature of the entity's activities. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance.

- We obtained an understanding of the legal and regulatory requirements which applied to the Lodge, which we deemed to be the Lodge'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) (effective January 2015.)
- We obtained an understanding of how the Lodge had complied with these regulations 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 lodge dues and income from ties and tokens 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 Lodge'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 company 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PROVINCIAL GRAND LODGE OF MARK MASTER MASONS OF DURHAM**

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.

Use of our report

This report is made solely to the members as a body, in accordance with the Lodge's constitution and by-laws. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' 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 members and the members as a body, for our audit work, for this report, or for the opinions we have formed.

**Somerford Buildings
Norfolk Street
Sunderland
SR1 1EE**

Date:

**Alison Henshaw FCCA
(Senior Statutory Auditor)
For and on behalf of
Torgersens
Statutory Auditors
and Chartered Accountants**

PROVINCIAL GRAND LODGE OF MARK MASTER MASONS OF DURHAM

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Income		
Lodge Dues	2,310.50	4,306.00
Fees of Honour	300.00	810.00
Bank Interest	2.24	17.54
Centenary Income	500.00	4,825.50
Special Functions	-	1.50
Ties & Tokens	842.39	624.81
	<u>3,955.13</u>	<u>10,585.35</u>
Expenditure		
Provincial Grand Lodge (Craft):		
Cost of Year Book	246.00	206.00
Centenary Expenses	4,000.00	31,645.00
Ties & Tokens	-	-
Administration Expenses:		
Printing & Stationery	265.00	276.05
Postage & Telephone	50.00	240.00
Sundries	293.99	168.44
Audit	2,400.00	1,830.00
	<u>3,008.99</u>	<u>2,514.49</u>
Annual Meeting	-	(17.00)
	<u>7,254.99</u>	<u>34,348.49</u>
Deficit of Income over Expenditure	(3,299.86)	(23,763.14)
Transfer from Centenary Fund	3,500.00	26,819.50
	<u>200.14</u>	<u>3,056.36</u>
Surplus for the Year		

The notes on page 6 form part of these financial statements

PROVINCIAL GRAND LODGE OF MARK MASTER MASONS OF DURHAM

BALANCE SHEET AT 31 DECEMBER 2021

	Note	2021	2020
		£	£
Fixed Assets			
Regalia	1	4.00	4.00
Current Assets			
Stock		1,114.34	1,151.95
Debtors		867.00	500.00
Cash at Bank:			
Current Account		25,441.97	28,425.46
Deposit Account – Barclays		22,429.94	22,427.70
		<u>49,857.25</u>	<u>52,509.11</u>
Creditors:- amounts falling due within one year		(1,938.00)	(1,290.00)
		<u>47,919.25</u>	<u>51,219.11</u>
Total Net Assets		<u>47,919.25</u>	<u>51,219.11</u>
Represented by:			
Accumulated Fund			
Balance at 1 January 2021		31,193.79	28,137.43
Deficit for the Year		(3,299.86)	(23,763.14)
Transfer from Income & Expenditure Account		3,500.00	26,819.50
Balance at 31 December 2021		<u>31,393.93</u>	<u>31,193.79</u>
Special Reserve Account	2		
Balance at 1 January 2021		5,178.46	5,178.46
Transfer (to)/from Income & Expenditure Account		-	-
Balance at 31 December 2021		<u>5,178.46</u>	<u>5,178.46</u>
2020 Centenary Fund			
Balance at 1 January 2021		14,846.86	41,666.36
Transfer to Income & Expenditure Account		(3,500.00)	(26,819.50)
Balance at 31 December 2021	3	<u>11,346.86</u>	<u>14,846.86</u>
		<u>47,919.25</u>	<u>51,219.11</u>

Approved & Agreed on:

The notes on page 6 form part of these financial statements

PROVINCIAL GRAND LODGE OF MARK MASTER MASONS OF DURHAM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Fixed Assets	Regalia £	Computer Equipment £	Total £
Cost			
At 1 January 2021 and 31 December 2021	783.84	-	783.84
Depreciation			
At 1 January 2021 and 31 December 2021	779.84	-	779.84
Net Book Value			
At 31 December 2021 and 31 December 2021	<u>4.00</u>	<u>-</u>	<u>4.00</u>

2. Special Reserve Account

The special reserve account is a provision towards the cost of any future installation of a Provincial Grand Master.

3. 2020 Centenary Fund

The Centenary fund is a reserve created to celebrate the Centenary in 2020. This fund will be transferred to the Durham Mark Benevolent Fund.

4. Related Party

There are no related parties or related party transactions during the year.

5. Other Matters

Covid-19

Covid-19 has had an impact on the income and expenditure account this year as Centenary events and the annual AGM were cancelled due to lockdown restrictions. The AGM was held via Zoom to discuss the financial statements for the prior year.