

LIONS CLUBS INTERNATIONAL



MULTIPLE DISTRICT 105 GENERAL FUND

REPORT and ACCOUNTS for YEAR ENDED 30 JUNE 2022

G PHILIP GOODIER CPFA
MD COUNCIL TREASURER

LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105
GENERAL FUND
BALANCE SHEET as at 30 JUNE 2022

			2022		2021
	Note	£	£	£	£
Fixed Assets					
Freehold	1a		300,000		300,000
Extension & Improvements			94,608		94,608
			394,608		394,608
Office Equipment at cost		120,894		120,894	
Additions during year		4,562		-	
		125,456		120,894	
Less: Depreciation to date	1b	119,993		117,261	
			5,463		3,633
Chairman's Jewel at cost			140		140
			400,211		398,381
Current Assets					
Investments	2	196,397		217,122	
Stock of Goods for Resale	3	11,338		12,618	
Debtors & Prepayments	4	47,512		51,995	
Balances at Bank & Cash	1c	241,550		169,598	
		496,797		451,333	
Current Liabilities					
Creditors & Accruals	5	114,720		34,332	
PR Reserve	6	23,643		23,643	
B Mason Humanitarian Award	7	3,625		3,500	
		141,988		61,475	
Net Current Assets			354,809		389,858
Total Assets less Current Liabilities			755,020		788,239
Less Provisions	8				
MD Convention General		12,500		12,500	
Property Repairs		26,000		26,000	
Self Insurance Provision					
International Promotion					
			38,500		38,500
Total Net Assets			£ 716,520		£ 749,739
Represented by					
Capital Reserves	9		400,000		400,000
Accumulated General Fund			316,520		349,739
			£ 716,520		£ 749,739

**LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105
GENERAL FUND
INCOME & EXPENDITURE for the YEAR to 30 JUNE 2022**

	Note	£	2022 £	2021 £
Income				
Dues	10		275,239	304,973
Injection to Dues from Provisions			1,244	3,322
Insurance (Clubs)	11		29,692	30,219
Sales of Goods & Services		48,577		30,847
Less: Cost of Sales	12	(40,050)	8,527	(30,482)
Rent			10,866	9,987
Other Income			2,723	5,941
Interest & Investment Income Received			2,906	2,488
Total Income			331,197	357,295
Expenditure				
Council of Governors & Seminars	14		19,017	2,293
Multiple District Officers Expenses	15		21,425	7,297
Multiple District Convention Birmingham (Virtual)	16		34,976	7,346
International Convention Montreal (Virtual)			16,478	-
Europa Forum Attendance Thessaloniki (Virtual)			4,276	-
Publicity Programmes (Net of LCI Grant)	18		35,730	42,660
Special Meetings			-	-
Lion Magazine	17		25,259	35,732
Members' Liability & Accident Insurance	11		36,609	28,803
Clubs Equipment, Cash, Legal Insurance	11		29,692	30,219
Multiple District Directory			-	475
Operating Costs			80,731	83,941
Website, Equipment & IT			8,665	10,520
Rates & Refuse			12,934	12,922
Cleaning & Gardening			1,884	1,506
Repairs & Renewals			8,060	8,202
Miscellaneous Expenses			807	1,542
Legal & Professional Fees			-	2,400
Accountancy Fees			1,800	1,750
Depreciation – Office Equipment			2,732	1,816
Total Expenditure			341,075	279,424
Surplus before Tax			(9,878)	77,871
Corporation Tax			(2,616)	(1,899)
Surplus after Tax			(12,494)	75,972
Unrealised Gains/(Losses) on Investments			(20,725)	18,496
Transfers from/(to) Reserves			-	25,000
			(33,219)	119,468
Accumulated General Fund Brought Forward			349,739	230,271
Accumulated General Fund Carried Forward			£ 316,520	£ 349,739

LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105

GENERAL FUND

NOTES to the ACCOUNTS for the YEAR to 30 JUNE 2022

1 ASSETS

FIXED ASSETS

a. The freehold is situated at 257 Alcester Road South, Kings Heath, Birmingham in the names of, as Trustees, Messrs. Howard Lee, Philip Goodier, Martin Morgan and Andrew Pemberton. The building has been extended at the rear to provide for additional meeting facilities, and to conform with the requirements of the Disability Discrimination Act. The carrying value of the Property was increased by the cost of the extension and refurbishment. No depreciation has been charged in respect of the freehold property and building; the asset is considered to have a long useful life. The formal valuation as at 30 June 2011 was £330,000.

b. Office Equipment is depreciated at 33.3% on a reducing balance basis.

BANKERS

c. The principal bankers for the General Fund are Royal Bank of Scotland plc, Holts Branch, Farnborough; Lloyds Bank, Leeds and CAF Bank. The MDHQ Petty Cash account is held at Lloyds Bank, Kings Heath, Birmingham.

2 INVESTMENTS

Investments at market value

At beginning of year	£ 217,122
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Additions	£ -
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Disposals	£ -
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<i>Realised/Unrealised Gains/Losses (Posted to I & E)</i>	£ (20,725)
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At end of year	£196,397
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Comprising:

Listed Investments – UK	£196,397
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Fixed Income	£ 13,706
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Corporate Bonds	£ 41,340
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Global Strategic	£ 23,630
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UK Equity	£ 6,079
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International Equity	£ 76,216
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Hedge Funds	£ 11,101
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Mixed Investment	£ 10,005
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Income account balance/other	£ 14,320
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£196,397

3 STOCK of GOODS for RESALE

Stock was physically counted as at 30 June 2022 and is valued at the lower of cost or net realisable value; the basis is unchanged.

4 DEBTORS and PREPAYMENTS

Debtors	£ 27,412	includes £7,174 due from LCI re Lion Magazine.
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Prepayments	£ 20,100	includes Insurance apportionment, £10,425.
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RELATED PARTY - LIONS MD105 LIFESKILLS LTD

In April 2012 the Council of Governors approved the purchase of the stock, publishing and intellectual property rights of Tacade Ltd following their Administration. The price paid was £15,500 and a non-refundable 'seed grant' of £6,300 (\$10,000) was received from Lions Clubs International Foundation to assist with the purchase. The net price paid was £9,200 and this has been repaid in its entirety. The Directors of the Company 'Lions MD105 Lifeskills Ltd' are nominated by the Council of Governors, to whom they are responsible.

As a consequence of changed trading conditions due to the ongoing impact of Covid, the pandemic and an inability to approach the education sector direct, the Directors took the decision to cease trading on 30th June 2022. There was no indebtedness to any party.

5 CREDITORS and ACCRUALS

Creditors **£114,720** **includes Tax Liability £2,616 and £21,960 following the sale of Mast income rights that will be reduced over 6 years and various accruals.**

6 PUBLIC RELATIONS RESERVE

This category of expenditure was set by MD Convention Resolution at a minimum of £20,000 per annum. The Reserve outstanding at the end of this year represents: (a) amounts put aside for planned future periodic expenditure, and (b) unspent funds from previous amounts provided.

	2022	2021
	£	£
PR Reserve	23,643	23,643

7 BERT MASON HUMANITARIAN AWARD FUND

Donations Received for 1, (3) Awards	375	375
Other Income	-	-
Less Due/Sent to LCIF	(125)	(125)
Less Addition to MD Humanitarian Causes Reserve	(125)	(125)
Contribution towards Award Administration Acc.	<u>125</u>	<u>125</u>
 Bert Mason Humanitarian Causes Reserve		
Balance Forward 1 July 2020	3,500	3,375
Additions for year	125	125
Reserve carried forward	<u>3,625</u>	<u>3,500</u>
 Award Administration Account		
Balance Forward 1 July 202-0	774	885
Expenses for year incl. Engraving, Certificates. Etc	52	14
Less Contribution from Donations for year	(125)	(125)
Balanced Carried Forward as Debtor to MD	<u>701</u>	<u>774</u>

8 PROVISIONS

Provision is made for possible future revenue expenditure where there is a likelihood that it will arise.

	MD Convention	Property Repairs	TOTAL
	General		£
B/Fwd 1.7.21	12,500	26,000	38,500
Net Movement	-	-	-
Bal 30.6.22	<u>12,500</u>	<u>26,000</u>	<u>38,500</u>

9 CAPITAL RESERVES

Reserves are held for the possibility of future capital expenditure or for minimum essential working capital needs.

	Capital	Property	TOTAL
Balances as at 1 July 2021	£100,000	£300,000	£400,000
Movements for Year	-	-	-
Balances as at 30 June 2022	£100,000	£300,000	£400,000

10 DUES

The Dues collected were £13.50 (£14.25 – 2020/21) per member per half year in accordance with the Constitution based on the Membership numbers recorded at Lions Clubs International Headquarters on 30 June 2021 and 31 December 2021 respectively.

11 INSURANCE PREMIUMS

Insurance premiums are collected in two ways:

Members Liability and Accident cover	- via Members' Dues
MD Premises/Contents, Professional Indemnity, etc,	- via Members' Dues
Equipment/Cash on a "All Risks" basis, Legal cover	- via charges to Clubs

Insurances relative to The Lion Magazine are paid from within the magazine budget.

Policies were renewed on 1 September. Policies are placed with reputable insurers. The Council of Governors have the power to consider a "self-insurance" scheme.

Club Insurance Account

It was possible to maintain overall 'Premium' costs per club for 2021/22 at £44.25 (2020/21 - £44.25). The required cover and premiums are under constant review with a view to securing maximum cover for lesser premium to Members.

	2022	2021
Total Payments Made	(28,449)	(26,897)
Charges received from Clubs	29,693	30,219
Other Insurance Related income	-	-
Surplus transferred to 'Injection to Dues'.	1,244	3,322

12 COST OF SALES

	2022	2021
Opening Stock as at 1. 7.21	12,617	18,057
Purchases	35,502	23,284
	48,119	41,340
Less Closing Stock as at 30.6.21	(11,338)	(12,617)
	36,781	28,723
Add Postage Charges		
Streamline	3,269	1,750
Total Cost of Sales	40,050	30,473

The results are as expected as Headquarters now carry Merchandise previously available from LCI.

13 OTHER INCOME

This incorporates income not identifiable as being recorded elsewhere.

14 COUNCIL OF GOVERNORS and SEMINARS

	2022	2021
Council of Governors	12,491	144
DG Elect Seminar	2,645	-
1VDG & 2VDG Elect Seminars	-	2,149
DGE Spouse Travel – Montreal (Virtual)	3,881	-
	19,017	2,293

15	MULTIPLE DISTRICT OFFICERS' EXPENSES		
	Meetings/Travel, Post, phone, stationery, copying	21,425	7,297
	Attending MD Convention – Birmingham (Virtual)	-	-
		<u>21,425</u>	<u>7,297</u>

Line Management costs for our Multiple District Headquarters have been shown separately and not within the overall total for Multiple District Officer expenses.

16	MULTIPLE DISTRICT CONVENTION	Birmingham 2022	Virtual 2021
	Business & Accommodation Costs	33,731	7,346
	Social Events (Surplus)/Deficit	777	
	Merchandise (Profit) / Cost	468	
	Sundry (Surplus) / Deficit	-	
		<u>34,976</u>	<u>7,346</u>

Related Party - Lions MD105 Conventions Ltd

The whole of the issued share capital of the company is held in trust for the Council of Governors of Multiple District 105 (an administrative district of the International Association of Lions Clubs) and the Council is thereby the ultimate controlling party. During the year the transactions with this Company amounted to income and expenditure of £50,225 and at the year end the convention company owed the Council £2,600.

17	LION MAGAZINE (BRITISH EDITION)		
	Expenditure	2022	2021
	Printing	8,746	26,977
	Less Advertising Income & Discounts	<u>(1,593)</u>	<u>(5,103)</u>
	Sub Total - Net Printing	7,153	21,874
	Postage	15,280	19,674
	Editor	17,000	9,000
	Committee Expenses	-	-
	Sub Total - Costs	39,433	50,548
	Less		
	International Contribution (per members basis)	(14,174)	(14,816)
	Other Income		
		<u>25,259</u>	<u>35,732</u>
18	MARKETING & PUBLIC RELATIONS		
	Income	2022	2021
	Matching/Un-matched Grants-LCI	9,186	11,313
	Utilised and Balance from Reserves	-	-
	Other Income	-	-
	Total Receipts	<u>9,186</u>	<u>11,313</u>
	Less: Expenditure		
	Matching Grant Expenses	-	-
	Community Report	45	9,960
	Reserve (Un-utilized)		
	Other Approved Expenditure	42,468	42,618
	Committee Costs	2,403	1,393
	Total Expenditure	<u>44,916</u>	<u>53,972</u>
	Net	<u>35,730</u>	<u>42,660</u>

LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105 GENERAL FUND

Review 2021/2022

Following its discovery in late 2019 as a new strain of coronavirus disease, COVID-19 developed into a worldwide pandemic resulting in severe restrictions on social interactions being imposed by authorities around the world. These restrictions have resulted in a significant reduction in economic activity.

A significant reduction in and restrictions around 'face to face' activity led to many planned meetings being held digitally.

In February 2022, as a consequence of Russia's invasion of the Ukraine, and the resulting and continuing 'cost of living crisis' the Association's investment asset values declined. While asset values have recovered from initial market shocks, Global markets have continued to be volatile as they react to ongoing developments and responses to it by authorities. These financial statements value investments at a specific point in time and adjustments have been made to the value of our investment assets to reflect the negative movement.

Although the 2021-22 budget proposed a return of money to members, because of the duration of the pandemic and restrictions imposed and the slow return to face to face meetings, the underspend recorded was significantly below that proposed.

Net assets amount to £716,520 (£749,739 - 2020/22) of which £394,608 represents Freehold property including Extension and Improvements.

.....
G Philip Goodier CPFA
Council Treasurer
2021/22

.....
Richard Williams
Council Chairman
2021/22

Council of Governors' Statement of Responsibilities

The Council of Governors are responsible for preparing the Annual Report and financial statements in accordance with applicable laws and regulations.

The Council of Governors are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Multiple District and of its excess of income over expenditure/ excess of expenditure over income for that period. In preparing these financial statements, the Council of Governors are required to:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) prepare the Financial Statements on a going concern basis, unless it is inappropriate to presume that the Multiple District will continue.

The Council of Governors are responsible for maintaining satisfactory system of internal control and keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Multiple District and enable them to ensure that the financial statements comply with the Constitution of the Multiple District. They are also responsible for safeguarding the assets of the Multiple District and hence for taking steps for the prevention and detection of fraud and other irregularities.

The Financial Statements, as set out on the appended pages herewith, were approved by the Council of Governors on 2023.

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LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105
GENERAL FUND

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 30th JUNE 2022

I report on the accounts of the Multiple District for the year ended 30th June 2022, which are set out on the appended pages.

Respective responsibilities of Trustees and Examiner

As the Multiple District's Members you are responsible for the preparation of the accounts; you consider that an audit is not required under your own rules, nor under any statutory regulations applicable to the Multiple District. It is my responsibility to state, on the basis of procedures followed for similar not for profit organisations (for example Section 145 (5)(b) of the Charities Act 2011), whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners (being the nearest relevant legislation to your circumstances). An examination includes a review of the accounting records kept by the Multiple District and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination no matter has come to my attention:

- (1) Which gives me reasonable cause to believe that in any material respect the requirements:
- To keep accounting records in accordance with your rules or any relevant regulations; and
 - To prepare accounts which accord with the accounting records and to comply with the accounting requirements of your rules and relevant regulations,
- have not been met; or
- (2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
P Buck FCA, DChA
Champion TLL Limited
Chartered Accountants
& Registered Auditors
7-9 Station Road
Hesketh Bank
Preston
Lancashire PR4 6SN

Date: