

LIONS CLUBS INTERNATIONAL



**MULTIPLE DISTRICT 105
GENERAL FUND**

**REPORT and ACCOUNTS
for
YEAR ENDED
30 JUNE 2021**

G PHILIP GOODIER CPFA
MD COUNCIL TREASURER

LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105
GENERAL FUND

BALANCE SHEET as at 30 JUNE 2021

		2021		2020	
	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		120,106	
Additions during year		-		788	
		120,894		120,894	
Less: Depreciation to date	1b	117,261		115,445	
			3,633		5,449
Chairman's Jewel at cost			140		140
			398,381		400,197
Current Assets					
Investments	2	217,122		173,626	
Stock of Goods for Resale	3	12,618		18,057	
Debtors & Prepayments	4	51,995		48,228	
Balances at Bank & Cash	1c	169,598		144,257	
		451,333		384,168	
Current Liabilities					
Creditors & Accruals	5	34,332		63,576	
PR Reserve	6	23,643		23,643	
B Mason Humanitarian Award	7	3,500		3,375	
		61,475		90,594	
Net Current Assets			389,858		293,574
Total Assets less Current Liabilities			788,239		693,771
Less Provisions					
MD Convention General	8	12,500		12,500	
Property Repairs		26,000		26,000	
Self Insurance Provision		-		25,000	
			38,500		63,500
Total Net Assets			£ 749,739		£ 630,271
Represented by					
Capital Reserves	9		400,000		400,000
Accumulated General Fund			349,739		230,271
			£ 749,739		£ 630,271

**LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105
GENERAL FUND
INCOME & EXPENDITURE for the YEAR to 30 JUNE 2021**

	Note	£	2021 £	2020 £
Income				
Dues	10		304,973	324,612
Injection to Dues from Provisions			3,322	9,349
Insurance (Clubs)	11		30,219	37,055
Sales of Goods & Services		30,847		50,503
Less: Cost of Sales	12	<u>30,482</u>	365	(42,875)
Rent			9,987	15,396
Other Income			5,941	1,163
Interest & Investment Income Received			2,488	4,313
Total Income			357,295	399,516
Expenditure				
Council of Governors & Seminars	14		2,293	19,462
Multiple District Officers Expenses	15		7,297	26,756
Multiple District Convention Not Held (Swansea)	16		7,346	5,158
International Convention Virtual (Not Held)			-	884
Europa Forum Attendance Not Held (Tallinn)			-	3,822
Publicity Programmes (Net of LCI Grant)	18		42,660	33,505
Special Meetings			-	116
Lion Magazine	17		35,732	42,198
Members' Liability & Accident Insurance	11		28,803	25,830
Clubs Equipment, Cash, Legal Insurance	11		30,219	37,055
Multiple District Directory			475	2,135
Operating Costs			83,941	86,582
Website, Equipment & IT			10,520	9,178
Rates & Refuse			12,922	12,782
Cleaning & Gardening			1,506	1,793
Repairs & Renewals			8,202	13,221
Miscellaneous Expenses			1,542	4,860
Legal & Professional Fees			2,400	3,720
Accountancy Fees			1,750	1,500
Depreciation – Office Equipment			1,816	2,724
			279,424	333,231
Surplus before Tax			77,871	66,285
Corporation Tax			(1,899)	(2,952)
Surplus after Tax			75,972	63,333
Unrealised Gains/Losses on Investments			18,496	(8,374)
Transfers from/(to) Reserves			25,000	54,970
			119,468	109,929
Accumulated General Fund Brought Forward			230,271	120,342
Accumulated General Fund Carried Forward			£ 349,739	£ 230,271

LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105 GENERAL FUND

NOTES to the ACCOUNTS for the YEAR to 30 JUNE 2021

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	£ 173,626
Additions	£ 25,000
Disposals	£ -
<i>Realised/Unrealised Gains/Losses (Posted to I & E)</i>	£ 18,496
At end of year	£217,122
Comprising:	
Listed Investments – UK	£217,122
Fixed Income	£ 14,376
Index Linked Gilts	£ 13,345
Corporate Bonds	£ 11,746
Global Strategic	£ 51,980
UK Equity	£ 8,378
International Equity	£ 83,955
Hedge Funds	£ 11,661
Mixed Investment	£ 11,132
Income account balance/other	£ 10,549

	£217,122

3 STOCK of GOODS for RESALE

Stock was physically counted as at 30 June 2021 and is valued at the lower of cost or net realisable value; the basis is unchanged.

4 DEBTORS and PREPAYMENTS

Debtors	£ 18,564	includes £7,046 due from LCI re Lion Magazine.
Prepayments	£ 33,431	includes Insurance apportionment, £9,615.

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.

5 CREDITORS and ACCRUALS

Creditors **£ 34,332** **includes Tax Liability £1,899 and £25,620 following the sale of Mast income rights that will be reduced over 7 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.

	2021	2020
	£	£
PR Reserve	23,643	23,643

7 BERT MASON HUMANITARIAN AWARD FUND

Donations Received for 1, (3) Awards	375	1,125
Other Income	-	-
Less Due/Sent to LCIF	(125)	(375)
Less Addition to MD Humanitarian Causes Reserve	(125)	(375)
Contribution towards Award Administration Acc.	<u>125</u>	<u>375</u>

Bert Mason Humanitarian Causes Reserve		
Balance Forward 1 July 2020	3,375	3,000
Additions for year	125	375
Reserve carried forward	<u>3,500</u>	<u>3,375</u>

Award Administration Account		
Balance Forward 1 July 2020	885	1,231
Expenses for year incl. Engraving, Certificates. Etc	14	29
Less Contribution from Donations for year	(125)	(375)
Balanced Carried Forward as Debtor to MD	<u>774</u>	<u>885</u>

8 PROVISIONS

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

	MD Convention	Property Repairs	Self Insurance Provision	TOTAL
	General			£
B/Fwd 1.7.20	12,500	26,000	25,000	63,500
Net Movement	-	-	(25,000)	(25,000)
Bal 30.6.21	<u>12,500</u>	<u>26,000</u>	<u>-</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 2020	£100,000	£300,000	£400,000
Movements for Year	-	-	-
Balances as at 30 June 2021	£100,000	£300,000	£400,000

10 DUES

The Dues collected were £14.25 (£14.25 – 2019/20) per member per half year in accordance with the Constitution based on the Membership numbers recorded at Lions Clubs International Headquarters on 30 June 2020 and 31 December 2020 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 2020/21 at £44.25 (2019/20 - £44.25). The required cover and premiums are under constant review with a view to securing maximum cover for lesser premium to Members.

	2021	2020
Total Payments Made	(26,897)	(27,706)
Charges received from Clubs	30,219	27,404
Other Insurance Related income	-	9,651
Surplus transferred to 'Injection to Dues'.	3,322	9,349
	2021	2020
12 COST OF SALES		
Opening Stock as at 1. 7.20	18,057	13,098
Purchases	23,292	45,794
	<u>41,349</u>	<u>58,892</u>
Less Closing Stock as at 30.6.21	(12,617)	(18,057)
	<u>28,732</u>	<u>40,835</u>
Add Postage Charges		
Streamline	1,750	2,840
Total Cost of Sales	30,482	42,875

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

	2021	2020
Council of Governors	144	19,462
DG Elect Seminar	-	3,096
1VDG & 2VDG Elect Seminars	2,149	5,508
DGE Spouse Travel – Virtual (None Held)	-	-
	<u>2,293</u>	<u>28,066</u>

15 MULTIPLE DISTRICT OFFICERS' EXPENSES

Meetings/Travel, Post, phone, stationery, copying	7,297	26,756
Attending MD Convention – Virtual (Not Held)	-	-
	<u>7,297</u>	<u>26,756</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	Virtual 2021	Not Held 2020
	Business & Accommodation Costs	7,346	5,158
	Social Events (Surplus)/Deficit	-	-
	Merchandise (Profit) / Cost	-	-
	Sundry (Surplus) / Deficit	-	-
		<u>7,346</u>	<u>5,158</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 £7,346 and at the year end the convention company owed the Council £15,995.

17	LION MAGAZINE (BRITISH EDITION)		
	Expenditure	2021	2020
	Printing	26,977	44,143
	Less Advertising Income & Discounts	<u>(5,103)</u>	<u>(9,783)</u>
	Sub Total - Net Printing	21,874	34,360
	Postage	19,674	25,784
	Editor	9,000	15,000
	Committee Expenses	-	611
	Sub Total - Costs	50,548	75,755
	Less		
	International Contribution (per members basis)	(14,816)	(33,557)
	Other Income		
		<u>35,732</u>	<u>42,198</u>
18	MARKETING & PUBLIC RELATIONS		
	Income	2021	2020
	Matching/Un-matched Grants-LCI	11,313	-
	Utilised and Balance from Reserves	-	-
	Other Income	-	81
	Total Receipts	<u>11,313</u>	<u>-</u>
	Less: Expenditure		
	Matching Grant Expenses	-	-
	Community Report	9,960	-
	Reserve (Un-utilized)		
	Other Approved Expenditure	42,620	32,163
	Committee Costs	1,393	1,423
	Total Expenditure	<u>53,973</u>	<u>33,505</u>
	Net	<u>42,660</u>	<u>33,505</u>

LIONS CLUBS INTERNATIONAL MULTIPLE DISTRICT 105 GENERAL FUND

Review 2020/2021

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.

As a responsible employer, and to achieve 'social distancing' in the workplace, members of our Headquarters Staff were, on occasion, 'furloughed', in accordance with Government advice and the Coronavirus Job Retention Scheme grant was successfully applied for.

A significant reduction in and restrictions around 'face to face' activity led to the Multiple District Convention, the International Convention and many planned meetings being held digitally.

In March 2020 global markets saw significant levels of reduction in capital values resulting in falls in the Association's investment asset values. While asset values have recovered from initial market shocks, Global markets have continued to be volatile as they react to ongoing developments relating to the pandemic 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 positive movement.

As a consequence of the duration of the pandemic and restrictions imposed, a significant, and unforeseeable, surplus was achieved over the year.

Net assets amount to £749,739 (£630,271 - 2019/20) of which £394,608 represents Freehold property including Extension and Improvements.

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G Philip Goodier CPFA
Council Treasurer
2020/21

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Ujjal Kular
Acting Council Chairman
2020/21

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 2022.

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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 2021

I report on the accounts of the Multiple District for the year ended 30th June 2021, 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.

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

Date: