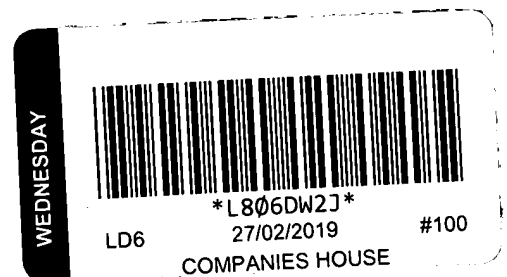


**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018**

FOR

CROYDON & DISTRICT MASONIC HALL PLC



CROYDON & DISTRICT MASONIC HALL PLC

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	5
Report of the Independent Auditors	7
Income Statement	9
Other Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Statement of Cash Flows	14
Notes to the Financial Statements	15

CROYDON & DISTRICT MASONIC HALL PLC

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2018**

Directors: B Payne
R T Fielding
W A Harris
D Candeland
G N Billington
I D Lloyd

Secretary: R T Fielding

Registered office: 73 Oakfield Road
Croydon
Surrey
CR0 2UX

Registered number: 00453294 (England and Wales)

Auditors: Kings Mill Partnership
Chartered Accountants and Statutory Auditors
75 Park Lane
Croydon
Surrey
CR9 1XS

CROYDON & DISTRICT MASONIC HALL PLC

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The strategic report for the financial year ended 31st August 2018 contains a fair review of the company's business as well as describing the principal risks and uncertainties it faces both in the short and long term.

The report attempts to achieve this by covering three main areas:

- i) Strategic Management;
- ii) Business Environment;
- iii) Business Performance.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of provision of accommodation and facilities for Masonic organisations and Chapters as well as provision of function facilities for Non-Masonic organisations.

BACKGROUND

Strategic Management

Croydon & District Masonic Hall plc has been established at 73 Oakfield Road, Croydon since the building was purchased in 1947. The original building was erected as a Presbyterian Church in 1863 and, being over 150 years old, is now showing its age.

The building has progressively transformed into a centre providing Masonic temples, dining facilities, committee rooms and many more functions.

The strategic aim of the board is to maintain and develop the hall as a centre for freemasonry in the Croydon area and to provide a resource for Non-Masonic uses and functions to retain the institution's place within the wider community.

The Hall currently has sixty-four Surrey Lodge and Chapter units meeting here, along with other orders and some Metropolitan Lodges and Chapters, which add up to 135 units that use the facilities provided by the Hall.

REVIEW OF BUSINESS

Business Environment

The company faces many challenges in a changing business environment.

These changes include:

- > A decline in the underlying membership of the various Masonic orders that use the hall facilities;
- > An increase in legislative and regulatory compliance;
- > The age and underlying condition of the building; and
- > Increased expectation of the service experience of customers.

The board and management have made progress in attracting new Masonic units and orders to the hall. They have also been successful in attracting an increased number of Non-Masonic users. This has resulted in an increase in turnover and additional repeat bookings.

This has been achieved by reorganising the business into two arms:

1. The CDMH arm, which is for Masonic units; and
2. The Festival Suite, which is for our outside events.

To further the reach into the wider community, advertising has been undertaken through various media. Having become a licensed venue for marriages and civil partnerships, the hall now promotes its availability for such ceremonies in the Wedding Finder website and Croydon Council's own publication. Funeral receptions are promoted on the Venues 4 Funerals website and in publications produced by JB Shakespeare Ltd and Rowland Brothers. All of which are producing additional bookings.

These websites are further promoted by dedicated Twitter & Facebook pages, and users are encouraged to "follow" the hall.

CROYDON & DISTRICT MASONIC HALL PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their report with the financial statements of the company for the year ended 31 August 2018.

Dividends

No dividends will be distributed for the year ended 31 August 2018.

Directors

The directors set out in the table below have held office during the whole of the period from 1 September 2017 to the date of this report.

The beneficial interests of the directors holding office at 31 August 2018 in the shares of the company, according to the register of directors' interests, were as follows:

	31.8.18	1.9.17
Ordinary shares of £1 each		
B Payne	5	5
R T Fielding	-	-
W A Harris	-	-
D Candeland	-	-
G N Billington	-	-
I D Lloyd	-	-

These directors did not hold any non-beneficial interests in the shares of the company.

In accordance with the Articles of Association, B Payne and I D Lloyd will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

Taxation

On the information available to the Directors, the Company is not a Close Company within the meaning of the Corporation Taxes Act, 2010.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CROYDON & DISTRICT MASONIC HALL PLC

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2018

Our conference accounts are steady and we have taken on a new insurance company who wish to hold their training here.

As with many organisations, attendees are declining. We are approaching other organisations with a view of gaining more events.

We hold a licence for civil partnership and marriage ceremonies. To date, we have held 5 ceremonies. On a national scale wedding bookings are down by around 20%.

The company's principal activity is the provision of meeting and dining facilities for Masonic Lodges and Chapters. As has been outlined above, this is a market that is currently in decline, but activity to attract Non-Masonic business is now generating sales that is off-setting the decline in the core business to some extent.

KEY FINANCIAL HIGHLIGHTS

Business Performance

Food revenue has increased by 3.21%, from £400,140 to £412,998.

Bar revenue has increased by 3.53%, from £195,830 to £202,739.

Total revenue has increased by 3.31% from £595,970 to £615,737.

This year the company has made a pre tax loss of £22,378 (2017 Profit £24,318). There is a post tax loss of £14,662, which has arisen due to extensive repairs and upgrades being carried out on the premises.

Wages and salaries have increased by 15.8%, this is due to the National Minimum Wage/National Living Wage rates rising and staff pay increases. In 2017, we employed thirty six full and part time staff, whereas this rose to thirty eight in 2018 due to a new addition in catering, as well as our new Financial Manager, Colin Gray.

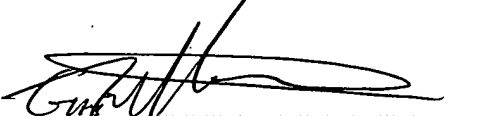
KEY PERFORMANCE INDICATORS

Business Performance

The results for the year and financial position of the company are shown in the annexed financial statements. The company's key financial highlights are as follows:

	<u>2018</u>	<u>2017</u>	<u>Variance</u>	<u>Variance</u>
	£	£	%	£
Turnover (Food)	412,998	400,140	+3	12,858
Turnover (Bar)	<u>202,739</u>	<u>195,830</u>	+4	<u>6,909</u>
Turnover (Total)	615,737	595,970	+3	19,767
Direct Costs	<u>(202,381)</u>	<u>(193,936)</u>	-4	<u>(8,445)</u>
Gross Profit	413,356	402,034	+3	11,322
Other income	157,263	162,299	-3	(5,036)
Profit Before Tax	(22,378)	24,318	-192	(46,696)
Food Inventory	17.6 days	18.3 days	-4	-0.7 days
Bar Inventory	33.4 days	30.4 days	+10	+3 days
Trade Receivables	4.9 days	3.2 days	+53	+1.7 days
Trade Payables	81.5 days	78.7 days	+4	+2.8 days

On behalf of the board:



G N Billington - Director

Date: 4th February 2019

CROYDON & DISTRICT MASONIC HALL PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their report with the financial statements of the company for the year ended 31 August 2018.

Dividends

No dividends will be distributed for the year ended 31 August 2018.

Directors

The directors set out in the table below have held office during the whole of the period from 1 September 2017 to the date of this report.

The beneficial interests of the directors holding office at 31 August 2018 in the shares of the company, according to the register of directors' interests, were as follows:

	31.8.18	1.9.17
Ordinary shares of £1 each		
B Payne	5	5
R T Fielding	-	-
W A Harris	-	-
D Candeland	-	-
G N Billington	-	-
I D Lloyd	-	-

These directors did not hold any non-beneficial interests in the shares of the company.

In accordance with the Articles of Association, B Payne and I D Lloyd will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

Taxation

On the information available to the Directors, the Company is not a Close Company within the meaning of the Corporation Taxes Act, 2010.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CROYDON & DISTRICT MASONIC HALL PLC

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2018**

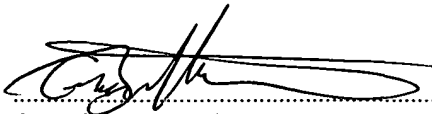
Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Kings Mill Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:


.....
G N Billington - Director

Date: 4th February 2019

Opinion

We have audited the financial statements of Croydon & District Masonic Hall PLC (the 'company') for the year ended 31 August 2018 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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 company's affairs as at 31 August 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors 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 directors determine 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

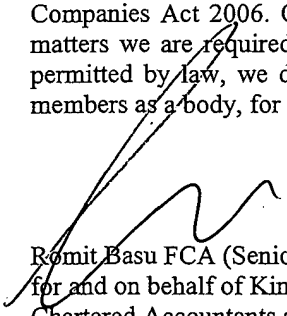
Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Romit Basu FCA (Senior Statutory Auditor)
for and on behalf of Kings Mill Partnership
Chartered Accountants and Statutory Auditors
75 Park Lane
Croydon
Surrey
CR9 1XS

Date: 20th February 2019

The notes form part of these financial statements

CROYDON & DISTRICT MASONIC HALL PLC**INCOME STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Notes	2018 £	2017 £
Turnover		615,737	595,970
Cost of sales		<u>(202,381)</u>	<u>(193,936)</u>
Gross profit		413,356	402,034
Administrative expenses		<u>(592,997)</u>	<u>(540,015)</u>
		(179,641)	(137,981)
Other operating income		<u>156,565</u>	<u>161,428</u>
Operating (loss)/profit	6	(23,076)	23,447
Interest receivable and similar income		<u>698</u>	<u>871</u>
(Loss)/profit before taxation		(22,378)	24,318
Tax on (loss)/profit	7	<u>7,716</u>	<u>(8,464)</u>
(Loss)/profit for the financial year		<u><u>(14,662)</u></u>	<u><u>15,854</u></u>

The notes form part of these financial statements

CROYDON & DISTRICT MASONIC HALL PLC

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2018**

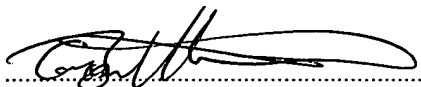
	Notes	2018 £	2017 £
(Loss)/profit for the year		(14,662)	15,854
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(14,662)</u>	<u>15,854</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 AUGUST 2018

		2018	2017
	Notes	£	£
Fixed assets			
Tangible assets	8	470,892	455,084
Current assets			
Stocks	9	12,507	14,913
Debtors	10	39,256	39,503
Cash at bank		<u>247,764</u>	<u>265,635</u>
		299,527	320,051
Creditors			
Amounts falling due within one year	11	<u>90,489</u>	<u>72,827</u>
Net current assets		<u>209,038</u>	<u>247,224</u>
Total assets less current liabilities		679,930	702,308
Provisions for liabilities	13	<u>17,967</u>	<u>25,683</u>
Net assets		<u>661,963</u>	<u>676,625</u>
Capital and reserves			
Called up share capital	14	57,932	57,932
Retained earnings	15	<u>604,031</u>	<u>618,693</u>
Shareholders' funds		<u>661,963</u>	<u>676,625</u>

The financial statements were approved by the Board of Directors on 4th February 2019 and were signed on its behalf by:


G N Billington - Director


D Candeland - Director

The notes form part of these financial statements

CROYDON & DISTRICT MASONIC HALL PLC**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 September 2016	57,932	602,839	660,771
Changes in equity			
Total comprehensive income	<u>-</u>	<u>15,854</u>	<u>15,854</u>
Balance at 31 August 2017	<u>57,932</u>	<u>618,693</u>	<u>676,625</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>(14,662)</u>	<u>(14,662)</u>
Balance at 31 August 2018	<u>57,932</u>	<u>604,031</u>	<u>661,963</u>

The notes form part of these financial statements

CROYDON & DISTRICT MASONIC HALL PLC**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018**

		2018 £	2017 £
Cash flows from operating activities	Notes		
Cash generated from operations	A	17,217	14,776
Tax (paid) / received		<u>2,896</u>	<u>-</u>
Net cash from operating activities		<u>20,113</u>	<u>14,776</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(38,682)	(20,785)
Interest received		<u>698</u>	<u>871</u>
Net cash from investing activities		<u>(37,984)</u>	<u>(19,914)</u>
 Decrease in cash and cash equivalents			
Cash and cash equivalents at beginning of year	B	(17,871)	(5,138)
		<u>265,635</u>	<u>270,773</u>
 Cash and cash equivalents at end of year	B	<u>247,764</u>	<u>265,635</u>

The notes form part of these financial statements

CROYDON & DISTRICT MASONIC HALL PLC**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018**

A. Reconciliation of (loss)/profit before taxation to cash generated from operations

	2018	2017
	£	£
(Loss)/profit before taxation	(22,378)	24,318
Depreciation charges	22,874	23,367
Finance income	<u>(698)</u>	<u>(871)</u>
	(202)	46,814
Decrease/(increase) in stocks	2,406	(4,122)
Increase in trade and other debtors	(2,478)	(2,482)
Increase/(decrease) in trade and other creditors	<u>17,491</u>	<u>(25,434)</u>
Cash generated from operations	<u><u>17,217</u></u>	<u><u>14,776</u></u>

B. Cash and cash equivalents

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 August 2018

	31.8.18	1.9.17
	£	£
Cash and cash equivalents	<u><u>247,764</u></u>	<u><u>265,635</u></u>

Year ended 31 August 2017

	31.8.17	1.9.16
	£	£
Cash and cash equivalents	<u><u>265,635</u></u>	<u><u>270,773</u></u>

The notes form part of these financial statements

CROYDON & DISTRICT MASONIC HALL PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

1. General information

Croydon & District Masonic Hall PLC is a company limited by shares, incorporated in England and Wales. Its registered office is 73 Oakfield Road, Croydon, Surrey, CR0 2UX.

2. Statutory information

Croydon & District Masonic Hall PLC is a private company, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. Statement of compliance

The individual financial statements of Croydon & District Masonic Hall PLC have been prepared in accordance with Financial Reporting Standard 102 (FRS102) and Companies Act 2006.

4. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared under historic cost convention.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods supplied and services rendered, stated net of discounts and of value added tax.

Tangible fixed assets

Land and building include freehold premises and land. Land and building are carried at historic cost, less subsequent depreciation and impairment losses.

Land is not depreciated. Depreciation on other assets is calculated to write off the cost of an asset over its estimated useful life as follows:

Freehold property	1% Straight line
Fixtures & fittings and catering equipment	10% Straight line
Office equipment	20% Straight line

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in profit and loss and included in other operating income.

Inventories

Inventories are measured at the lower of cost and net realisable value less any allowance for perished items. Cost is calculated on a first in, first out basis and includes all costs of purchase and other costs incurred in bringing inventories to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

CROYDON & DISTRICT MASONIC HALL PLC

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2018

4. Accounting policies - continued

Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Leases

Expenditure incurred in respect of operating leases is written off as a charge to the profit and loss account in the year in which it is incurred.

Provisions

Provisions are recognised when the company has a legal or constructive obligation at the reporting date as the result of past event, it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated. is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Employee benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

5. Employees and directors

	2018	2017
	£	£
Wages and salaries	351,775	303,785
Social security costs	18,101	14,029
Other pension costs	<u>1,443</u>	<u>1,443</u>
	<u>371,319</u>	<u>319,257</u>

The average number of employees during the year was as follows:

	2018	2017
Management and Office staff	4	4
Catering and Bar staff	3	3
Part time staff	<u>31</u>	<u>29</u>
	<u>38</u>	<u>36</u>

The time and services of the Directors are provided voluntarily and consequently no fees or other emoluments were either paid or payable to them apart from D Candeland the Managing Director who's salary was £25,260 in year end 31st August 2018 (£25,000 2017) and G Billington the Chairman who's salary was £25,260 in year end 31st August 2018 (£18,750 2017). No retirement benefits are due to the Directors.

	2018	2017
	£	£
Directors' remuneration	<u>50,520</u>	<u>43,750</u>

CROYDON & DISTRICT MASONIC HALL PLC**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2018**

6. Operating (loss)/profit

The operating loss (2017 - operating profit) is stated after charging:

	2018	2017
	£	£
Depreciation - owned assets	22,874	23,367
Audit fees	<u>6,840</u>	<u>6,300</u>

7. Taxation**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	-	170
Deferred tax:		
Timing differences	<u>(7,716)</u>	<u>8,294</u>
Tax on (loss)/profit	<u>(7,716)</u>	<u>8,464</u>

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2018	2017
	£	£
(Loss)/profit before tax	<u>(22,378)</u>	<u>24,318</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.580%)	(4,252)	4,761
Effects of:		
Expenses not deductible for tax purposes	1,230	(4,591)
Timing differences	<u>(4,694)</u>	<u>8,294</u>
Total tax (credit)/charge	<u>(7,716)</u>	<u>8,464</u>

CROYDON & DISTRICT MASONIC HALL PLC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2018**

8. Tangible fixed assets

	Freehold property £	Catering equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2017	416,451	57,953	431,267	15,654	921,325
Additions	7,919	4,044	26,170	549	38,682
Disposals	-	-	-	(140)	(140)
At 31 August 2018	<u>424,370</u>	<u>61,997</u>	<u>457,437</u>	<u>16,063</u>	<u>959,867</u>
DEPRECIATION					
At 1 September 2017	61,250	40,571	357,694	6,726	466,241
Charge for year	3,487	3,208	14,152	2,027	22,874
Eliminated on disposal	-	-	-	(140)	(140)
At 31 August 2018	<u>64,737</u>	<u>43,779</u>	<u>371,846</u>	<u>8,613</u>	<u>488,975</u>
NET BOOK VALUE					
At 31 August 2018	<u>359,633</u>	<u>18,218</u>	<u>85,591</u>	<u>7,450</u>	<u>470,892</u>
At 31 August 2017	<u>355,201</u>	<u>17,382</u>	<u>73,573</u>	<u>8,928</u>	<u>455,084</u>

Included in cost of land and buildings is freehold land of £75,651 (2017 - £75,651) which is not depreciated.

9. Stocks

	2018 £	2017 £
Goods for resale	<u>12,507</u>	<u>14,913</u>

10. Debtors: amounts falling due within one year

	2018 £	2017 £
Trade debtors	8,270	5,143
Corporation tax recoverable	-	2,725
Prepayments and accrued income	<u>30,986</u>	<u>31,635</u>
	<u>39,256</u>	<u>39,503</u>

11. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	45,211	41,800
Corporation tax	171	-
Other taxation	10,052	13,604
Other creditors	733	70
Accruals and deferred income	<u>34,322</u>	<u>17,353</u>
	<u>90,489</u>	<u>72,827</u>

CROYDON & DISTRICT MASONIC HALL PLC**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2018**

12. Leasing agreements

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

	2018	2017
	£	£
Within one year	2,841	3,091
Between one and five years	<u>2,591</u>	<u>5,432</u>
	<u>5,432</u>	<u>8,523</u>

13. Provisions for liabilities

	2018	2017
	£	£
Deferred tax		
Accelerated capital allowances	28,488	30,432
Tax losses carried forward	<u>(10,521)</u>	<u>(4,749)</u>
	<u>17,967</u>	<u>25,683</u>

	Deferred tax
	£
Balance at 1 September 2017	25,683
Released in year	<u>(7,716)</u>
Balance at 31 August 2018	<u>17,967</u>

14. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
57,932	Ordinary	£1	<u>57,932</u>	<u>57,932</u>

15. Reserves

	Retained earnings
	£
At 1 September 2017	618,693
Deficit for the year	<u>(14,662)</u>
At 31 August 2018	<u>604,031</u>