



Grand Lodge of Free & Accepted Masons of Alabama

FINANCIAL FORECAST

September 30, 2021-2025



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ACCOUNTANTS' COMPILATION REPORT

To Management of the Grand Lodge of Free & Accepted Masons of Alabama
Millbrook, Alabama

Management is responsible for the accompanying financial forecast of the Grand Lodge of Free & Accepted Masons of Alabama (the Organization), which comprises the summarized five year forecast of general fund income, expenses and the change in net assets, which comprises the forecasted schedule of revenues, expenses and changes in net assets for the years ended September 30, 2021, 2022, 2023, 2024, and 2025, and the related summaries of significant assumptions in accordance with guidelines for the presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the financial forecast nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial forecast.

The projected results may not be achieved, as there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and these differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the Summary of Significant Assumptions of the financial forecast, which describes the basis of accounting. The financial forecast is prepared in accordance with accounting principles generally accepted in the United States of America, except as noted in the Summary of Significant Assumptions.

The Organization has elected to omit substantially all the disclosures required by guidelines for the presentation of a financial forecast established by the AICPA other than those related to the significant assumptions. If the omitted disclosures were included in the financial forecast, they might influence the user's conclusions about the Organization's forecasted financial position, results of operations, and cash flows. Accordingly, the financial forecast is not designed for those who are not informed about such matters.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Montgomery, Alabama
November 5, 2021

Grand Lodge of Free & Accepted Masons of Alabama Forecasted Schedule of Changes in Revenues, Expenses and Net Assets

<i>Average Dues Rate of \$8</i>					
<i>Projected as of September 30,</i>					
	2021	2022	2023	2024	2025
Revenues and gains					
Dues	\$ 160,800	\$ 154,400	\$ 148,000	\$ 142,400	\$ 128,800
Other income	23,500	23,500	23,500	23,500	23,500
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Total revenues and gains projected	184,300	177,900	171,500	165,900	152,300
Total expenses and losses projected	382,538	392,101	401,904	411,952	422,250
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Increase (decrease) from operations	(198,238)	(214,201)	(230,404)	(246,052)	(269,950)
Investment transfers from endowment	208,000	208,000	208,000	208,000	208,000
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Projected increase (decrease) in net assets	\$ 9,762	\$ (6,201)	\$ (22,404)	\$ (38,052)	\$ (61,950)

<i>Average Dues Rate of \$18</i>					
<i>Projected as of September 30,</i>					
	2021	2022	2023	2024	2025
Revenues and gains					
Dues	\$ 361,800	\$ 347,400	\$ 333,000	\$ 320,400	\$ 289,800
Other income	23,500	23,500	23,500	23,500	23,500
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Total revenues and gains projected	385,300	370,900	356,500	343,900	313,300
Total expenses and losses projected	382,538	392,101	401,904	411,952	422,250
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Increase (decrease) from operations	2,762	(21,201)	(45,404)	(68,052)	(108,950)
Investment transfers from endowment	208,000	208,000	208,000	208,000	208,000
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Projected increase (decrease) in net assets	\$ 210,762	\$ 186,799	\$ 162,596	\$ 139,948	\$ 99,050

<i>Average Dues Rate of \$20</i>					
<i>Projected as of September 30,</i>					
	2021	2022	2023	2024	2025
Revenues and gains					
Dues	\$ 402,000	\$ 386,000	\$ 370,000	\$ 356,000	\$ 322,000
Other income	23,500	23,500	23,500	23,500	23,500
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Total revenues and gains projected	425,500	409,500	393,500	379,500	345,500
Total expenses and losses projected	382,538	392,101	401,904	411,952	422,250
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Increase (decrease) from operations	42,962	17,399	(8,404)	(32,452)	(76,750)
Investment transfers from endowment	208,000	208,000	208,000	208,000	208,000
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Projected increase (decrease) in net assets	\$ 250,962	\$ 225,399	\$ 199,596	\$ 175,548	\$ 131,250

Note:

Total expenses and losses forecasted were based on the budgeted expenses and losses for the 2021 yearend and then increased by 2.5% per year.

See Accountants' Compilation Report and Summary of Significant Assumptions.

Grand Lodge of Free & Accepted Masons of Alabama Summary of Significant Assumptions

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Carr, Riggs & Ingram, LLC (CRI) was asked to provide an analysis of the operations of the general fund by the Grand Lodge of Free & Accepted Masons of Alabama (Grand Lodge). CRI used the annual financial statements to compile a trend analysis of those funds used for operating the Grand Lodge for the last 5 years. CRI was provided projected dues membership through 2025 by management. The financial forecast was prepared in accordance with accounting principles generally accepted in the United States of America, except as noted here.

CRI then compiled a 5 year forecast based on the following significant assumptions provided by the management of the Grand Lodge:

- Dues would be projected at \$8, \$18, and \$20 average to forecast the effect of dues change on the increase (decrease) in net assets.
- Management requested that CRI use the forecasted membership numbers that they provided to CRI. Those numbers were 20,100, 19,300, 18,500, 17,800, and 16,100 for the years ended September 30, 2021, 2022, 2023, 2024 and 2025, respectively.
- Nonrepeating revenue streams were removed from the forecast.
- Other income was provided by management to CRI. Other income includes rental income from cell tower, interest on money market accounts and reinstatements.
- Management requested that the unrealized gains/losses on investments be removed from income.
- Expenses and losses were expected to increase, but management did not provide a specific amount. Management determined to forecast 2021 operating expenses at the 2021 budgeted amount.
- CRI used an annual inflationary increase of 2.5% for the forecasted expenses and losses.
- Investment transfers were based on average of the last five years and were held constant based on variability from year to year.