

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 JANUARY 2023

CORE PURPOSE AND VISION

Museum of Freemasonry exists to help people learn about freemasonry in all its social and cultural richness. Through openness, dialogue, many voices and multiple perspectives, we illuminate the history and origins of freemasonry, explore its history, values and spirit, and reveal what it has meant for individuals and society through the ages. We thereby help people gain insight into freemasonry and freemasons past and present.

Our vision is to become a world-class museum, library and archive. In 2018 we created a five year strategy, which is the current basis for our strategic aims:

1. Public offer: To create an excellent, relevant, accessible visitor attraction and research environment
2. Communications: To increase awareness, reposition the museum, attract audiences and build long-term relationships
3. Income generation: To become more entrepreneurial and financially resilient
4. Collections: To develop, care for and build knowledge of our collections
5. Our people: To nurture and develop our people, expanding the skills in our team

ABOUT MUSEUM OF FREEMASONRY

The Museum's origins go back to 1838, when the United Grand Lodge of England, the governing body of English freemasonry, allocated a sum of £100 for collecting books, manuscripts and objects of masonic interest, and for commencing the formation of a library and museum. These were housed in the masonic hall on Great Queen Street in London. After the First World War it was decided to build a new masonic hall on the site. The Masonic Peace Memorial opened in 1933 and included a purpose-built museum, library and reading room. Initially just for members, the museum began opening to the general public from the 1980s onwards. In 1996, the Library and Museum Charitable Trust (LMCT) was established as an independent charity. Today, we are a fully Accredited museum, and we welcome visitors from across the world to begin or further their exploration of freemasonry.

Like most museums only a fraction of our collection is on display. We look after an extraordinary array of artefacts, many almost 300 years old. These include items as diverse as songbooks, ceremonial regalia and snuffboxes handmade by Napoleonic prisoners of war. Together, our Museum, Library and Archives collections have been awarded Designated Outstanding status.

In total we have approximately 30,000 objects related to freemasonry and other fraternal societies, and we're still collecting. The Library contains nearly 60,000 items, including books, pamphlets and manuscripts related to freemasonry and esoteric traditions globally. Our Archives contain over three linear kilometres of documents, drawings, private papers, photographs and audio-visual material, plus

digital assets. The collection includes the records of the United Grand Lodge of England, the Supreme Grand Chapter and various freemasonry charities. It also includes archives relating to individual freemasons, lodges and chapters.

The Museum is open to everyone free of charge, Monday to Saturday. Researchers can view museum collection material in storage by appointment, and anyone is welcome to register as a reader to access material in the Library and Archives collections.

ACHIEVEMENTS

In March 2022 the Museum submitted its Accreditation return to the Arts Council England (ACE). In August we were contacted by our appointed Relationship Manager for ACE and were asked to submit additional supporting information, which was then put towards the ACE Assessment panel in September. We achieved a Full Accreditation Award in October 2022.

- We reached a digital audience of 135,209 people in 2022 (2021: 112,345; 2020: 122,167)
- We welcomed 40,361 visitors in 2022 (2021: 18,190; 2020: 12,135)
- We hosted 367 research visits in 2022 (2021: 164; 2020: 128) and answered 1255 research enquiries (2021: 894; 2020: 944)

STRATEGIC AIM 1: PUBLIC OFFER

To create an excellent, relevant, accessible visitor attraction and research environment

Exhibitions

In February 2022 we installed the second round of items for the exhibition entitled *Treasures*, which is a special display in the library featuring highlights from both the library and archive collections. It was intended to showcase the variety of the collections, and to encourage people to use them for research. The display included items selected for their curious stories, beautiful illustrations, unusual bindings, or connections to remarkable people.

Throughout 2022 the Museum team worked in collaboration with the United Grand Lodge of England (UGLE) to support and give advice on the development of a new major exhibition about Freemasonry in the 18th century, to celebrate the tercentenary of Anderson's Constitutions of the Free-Masons, first published in 1723. The exhibition entitled *Inventing the Future; the 1723 Constitutions*, occupies the Library display cabinets and the South Gallery. There is also a display of photographs of Museum objects in the corridor leading the Library, highlighting a few of the key items on display in the Museum. The exhibition opened on 3rd January 2023 and will continue to be open to the public throughout the whole of 2023.

Loans out

We loaned items from the collection for two major external exhibitions in 2022. The first was a framed print that we lent to Tate Britain for their exhibition entitled *Hogarth and Europe*, which ran from November 2021 until March 2022. The second was a framed apron that we lent to the Wellcome Collection for their exhibition entitled *In Plain Sight*, which began in October 2022 and runs until February 2023.

Events

Throughout 2022 the Museum continued to host its late night openings, which fall on the first Thursday of each month until 8pm. To further enhance visitor experiences of the collections, staff prepared and delivered short talks and handling sessions for visiting audiences throughout each opening. These included talks about archives related to the British passenger liner RMS Titanic and jewel handling sessions.

In March the Museum supported an event organised by UGLE at Freemasons' Hall to celebrate a donation to the Duke of Edinburgh's Award (D of E). The occasion was attended by the Duke of Kent as representative for UGLE and the Patron of the scheme the Earl of Wessex (now Duke of Edinburgh). The Curator did a show and tell about selected items from the Museum collection that had connections to Royalty and charity.

In June we supported an event organised by UGLE being held in the ceremonial area of Freemasons' Hall to celebrate the Platinum Jubilee celebrations for Her Majesty Queen Elizabeth II. We selected and displayed items from the Museum collection that had connections to the monarch, which were put on display in the Grand Temple Vestibules. Once the event had concluded the display cases were reinstated in the Museum's South Gallery until October 2022.

We collaborated with UGLE to open for London Open House on the weekend of 10-11 September. Over 3,980 people visited the Museum and Freemasons' Hall during the weekend (2021: 3,300). The Librarian also did a special behind the scenes tour to support this event for 60 visitors.

In October we supported a concert organised by UGLE to mark HRH the Duke of Kent's 55 years as Grand Master. We selected and displayed items related to the Duke of Kent in exhibition cases, which were positioned down the corridor leading to the Library for invited guests and the public to view.

On 30th & 31st January 2023, VIP openings took place in the Library and Museum's South Gallery to launch the major new exhibition *Inventing the Future; the 1723 Constitutions*.

STRATEGIC AIM 2: COMMUNICATIONS

To increase awareness, reposition the museum, attract audiences and build long-term relationships

Blog

We continued to expand our blog post series, about specific items from the collections. A total of six new subjects were explored and written about throughout

2022. A few examples of subjects and objects discussed and explored by the team were Napoleonic French Prisoner of War items, Charles D'Eon de Beaumont and Women and Freemasonry.

Moments

The 'Moments' section of our website includes picture-led stories about key events or people in freemasonry's history. We created a new Moment about Royal Grand Masters.

Video content

To help support the exhibition *Inventing the Future; the 1723 Constitutions* staff featured as guests on several podcasts as part of series dedicated to the exhibition and produced by UGLE. They cover a range of aspects about the 18th Century including key people of this period and are available to listen to via the UGLE 1723 Podcast YouTube Channel.

Social media

Our social media audience continues to grow and our digital marketing campaigns focussed on driving traffic to our website. Twitter followers increased by 12%, Facebook by 7% and Instagram by 11%. Our website attracted 90% of visits from new users and the largest demographic segment was men aged 25-34.

Printed publications

Staff submitted articles to both Freemasonry Today and Arena magazines. Topics included the renovations of the Museum South Gallery, the Book of Constitutions, newly discovered letters from the Archives and new acquisitions to the collection.

STRATEGIC AIM 3: INCOME

To become more entrepreneurial and financially resilient

Donations and payments

Throughout 2022 we have been able to offer the public various ways to donate and support the Museum financially. On-site cash and contactless card donations can be made in person and online donations can be taken via the website. All outgoing email communications from the Museum team members include a signature promoting online donations. There is also a legacy giving page on the Museum's website, encouraging gifts in wills.

Funding from the United Grand Lodge of England (UGLE)

UGLE provides the greater part of the financial resources required by the Museum of Freemasonry.

The activities of the Museum are also funded by donations and fees charged for through genealogical research. We also generate income through our Photography services.

Throughout 2022 six members of staff have run the Museum services on a daily basis. The three Senior Management team members (Curator, Librarian and the Archivist and Records Manager) now report directly to the Chairman of Trustees.

STRATEGIC AIM 4: COLLECTIONS & RESEARCH

To develop, care for and build knowledge of our collections

In February 2022 and in conjunction with UGLE we began a tendering process for the re-valuation of the whole collection for insurance purposes; which is carried out every 10 years. A company was appointed in March to embark on valuing the three areas of the collection and four specialist valuers from this company were engaged to carry out the work over a two month period.

Digital preservation

We have continued to add material to Preservica, our digital preservation software, specifically material relating to our Covid 19 Collecting project. To date we have ingested 37.7 GB of material contributed by 38 freemasonry organisations and Provinces. The Archives Team have attended regular digital preservation User Group meetings to keep up to date on software developments and have taken advantage of available training.

Collecting Covid

We continued to collect physical objects and digital assets that represent freemasons' responses to the Coronavirus pandemic. This project continues to serve as a pilot for consolidating and developing digital collecting and preservation procedures at the Museum.

Documentation

During 2022 we created 1579 catalogue records across all three areas of the collection (2021: 394). We continued to improve access for researchers by making key archival catalogue records available from the National Archives' Discovery platform, including the previously uncatalogued collection of manuscript personal papers.

Research service

We have continued to open the library and archives for researchers on Wednesdays to Saturdays, 10am-5pm, through pre-booking via our website. We welcomed 367 researchers to the library over the course of the year, answered 1255 research enquiries and 169 family history enquiries. The booking service has been extremely successful and our research visitor numbers have now more than doubled.

Specialist talks

In addition to our public talks, we delivered private talks to masonic bodies and specific lodges in person and online. Our Archivist- Digital Lead also did a presentation at the Museums and Heritage Show 'Building Digital Capacity' at Olympia, London.

STRATEGIC AIM 5: OUR PEOPLE

To nurture and develop our people, expanding the skills in our team

Although the Visitor Services team are now managed by UGLE their roles remain integral to the day to day running of the Museum. Throughout 2022 they have worked regularly in conjunction with all the members of the museum team. They

open and close the Museum's North and South Galleries, provide welcome services for visitors in the North Gallery, as well as invigilation tasks of this space. They also carry out daily Environmental Visual Assessments (EVA's) of the footprint that the Museum occupies for security and accreditation purposes.

We have continued to develop the digital skills within the team, specifically in support of the 1723: Inventing the Future exhibition. These skills included digital photography, image editing, video editing and use 3D rendering software.

Throughout the year staff continued to completed e-learning modules provided by Museum Development London, some of which included Emergency Planning, Handling Museum objects and packing museum objects for storage. The British Library also provide videos via their website about how to handle books, how to handle archival material and how to handle prints, drawings and photographs, all of which staff have continued to complete.

The yearly training schedule for these e-learning resources is being expanded and all staff are asked to complete and refresh on an annual basis.

At the beginning of January 2023 we were informed by the LMCT Board of Trustees that capital was available to employ another member of staff. The role deemed most suitable was a Reading Room Supervisor, who would be employed to manage the day to day running of the Research Service. The post was advertised in mid-January 2023.

PLANS FOR FUTURE PERIODS

STRATEGIC AIM 1: PUBLIC OFFER

The exhibition *Inventing the Future; the 1723 Constitutions* will run for a full year through to January 2024. To support the displays in the Library and South Gallery we will continue to look at delivering onsite events in the Museum.

We will continue with our late night openings and to further enhance visitor experiences of the collections, staff will prepare and deliver short talks and handing sessions for these evenings.

STRATEGIC AIM 2: COMMUNICATIONS

Our focus will be on the creation and promotion of digital content, on our website and third-party platforms.

We will continue to focus our marketing efforts on digital channels, enhancing our online advertising and social media presence.

We will continue to engage with freemasons through content in masonic publications and e-newsletters.

We will continue to raise our profile with academic and sector colleagues through presentations at conferences and seminars and contributing papers for publication by the academic sector.

STRATEGIC AIM 3: INCOME

We plan to develop the gift aid offer to enable on-site cash and contactless donations to be gift-aided to boost income further from donations.

To support our legacy giving webpage we plan to expand this with the development of a "support us" leaflet, that will explain to our visitors how they can support us further, through donations, legacy giving and a newly developed patrons scheme to replace the existing friends scheme.

We will apply for external funding to enable us to deliver public facing and collections-based projects.

STRATEGIC AIM 4: COLLECTIONS AND RESEARCH

We will continue to plan projects around cataloguing and digitisation of high priority material to enhance its accessibility by diverse audiences.

We are working towards providing online access to material in Preservica.

We will continue to develop a series of 'How To' videos for our website promoting available research resources.

We have a series of information sheets covering subjects such as Royal Freemasons, Commemorative jewels and Friendly and Fraternal Societies, which we intend to update and make available to download via our website.

We plan to produce online exhibitions through *Google Arts and Culture*. This offers a free, flexible platform to upload high quality images and text stories to create online exhibitions. It will provide an opportunity for people who may not ever get the chance to visit the museum in person to learn about freemasonry and engage with our collections.

We plan to add others to the Archives Hub resource in order to enhance awareness of the richness of our archive collections.

We have been approached by two external organisations who wish to borrow items from the collection for exhibitions they are planning to open in 2023 and 2024. We will work closely with the borrowing institutions to facilitate these loans throughout 2023.

STRATEGIC AIM 5: OUR PEOPLE

We will work closely with the Visitor Services team now employed by UGLE to ensure the smooth running of the services we provide.

As outlined above we have advertised for a new Reading Room Supervisor role. This position has now been filled and is subject to a three month probation period.

Priorities for skills development include disaster salvage, digital skills and media training.

The LMCT Council will continue to review aspects of governance, including succession planning for the Council.

FINANCIAL REVIEW

The consolidated are set out on pages 12 to 20.

As at 31 January 2023 the consolidated net assets of the Library and Museum Charitable Trust were £1,344,683 (2022: £1,729, 064).

Principal funding sources

The United Grand Lodge of England ("UGLE") provides the greater part of the financial resources required by the Museum. The Friends of the Library and Museum established in 2001 enables individuals (whether freemasons or not), lodges and chapters to support the Museum by way of an annual subscription. The Friends scheme is open to all those interested in developing their understanding of the varied collections of the Museum and who wish to contribute to their development and care.

The Museum of Freemasonry has not engaged with third parties to raise funds and any direct approach to members of the public for funding has been limited to museum visitors and is financially insignificant. No complaints were received in relation to our fundraising activities.

Investment powers and policy

The Council's powers of investment are governed by the Trust Deed and regulations applicable to registered charities. There is an Investment Policy reviewed by the Council each year. This does not include any specific social, environmental or ethical guidelines. Investments are professionally managed and are monitored by an Investment Sub-Committee established by the Council in February 2005 against a target for capital growth and income generation against pre-determined benchmarks. In the twelve month period ending 31st January 2023, the portfolio returned 1.82% net of all fees compared to the composite benchmark's 1.61%

The Investment Committee reviews this performance regularly and was satisfied with the performance of the investment managers in 2022-23. Funds held in anticipation of planned expenditure during the year are maintained as cash deposits with major banks and the charity's fund managers.

Reserves policy

The Council has a policy of maintaining reserves at half of annual expenditure.

At 31 January 2023, the charity had free reserves totaling £779,303 (2022: £1,055, 928). This complies with the policy above.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Library and Museum Charitable Trust is a registered charity constituted by a Trust Deed dated 31 July 1996.

Charitable objects

The charitable objects of the Museum, as expressed in its Trust Deed, are to collect, preserve, conserve, display and make available to enquirers the archives, records, printed material, regalia, jewels and artefacts of Freemasonry and the continued running of a library and museum for the benefit of the general public and making the items available for research and education and the preservation of the items as collections.

Public benefit

The Council keeps under review the Museum's areas of activities, achievements and performance with regard to the Charity Commission's published guidance and is satisfied that its activities are carried out for public benefit.

Appointment of the Council

The Chairman is appointed by the Board of General Purposes of UGLE.

As set out in the Trust Deed (including amendments), four members of the Council are ex-officio appointments of UGLE: the Pro Grand Master, the Second Grand Principal of the Supreme Grand Chapter of England and the President and Deputy President of the Board of General Purposes.

The Board of General Purposes also appoints up to three other members who are to be freemasons and can appoint up to six other members.

When considering appointments to the Council, the Board of General Purposes has regard to the requirement for any specialist skills needed.

Organisation

The Council administers the charity. It meets at least three times a year. There is an Investment Committee which meets at least twice a year.

The three Senior Management Staff manage the day to day operations of the Museum. To facilitate effective operations all matters including finance, employment and acquisitions are communicated by the Senior Management staff to the Chair of the Council.

Members of the Council

The members of the Council are the trustees of the Museum. Members serving during the year 2022 to the year-end were as follows:

R Vaughan (Chair)

J Long (Deputy President of the Board of General Purposes)

P G Lowndes (Pro Grand Master)

R J Race (Second Grand Principal, Supreme Grand Chapter of England)

G G Dearing (President of the Board of General Purposes)

Dr R A Berman

G C Bond OBE DL FSA

S R N Fenton (Treasurer)
G P Francis
P Glanville OBE, FSA
J M J Havard
K R Smith
T Myatt
M Aspey
M Ward

Related parties

UGLE has placed its extensive collections on loan to the Museum and there is a Loan Agreement dated 18 November 1997 which sets out the terms and conditions of the Loan.

Certain operating and administrative expenses are charged to the Museum by UGLE on a basis which reflects the amount of space occupied by the Museum within Freemasons' Hall, which is owned by UGLE.

Risk management

The Council believes that it has identified major risks to which the Museum is exposed.

The collections are subject to potential physical deterioration due to handling and environmental factors. Handling of objects, fragile books and archives is undertaken only under supervision of staff and in accordance with recommended practice in the sector. Measures are in hand to improve the conditions of storage of objects, regalia and jewels. Environmental conditions are regularly monitored and preventative measures taken where possible.

The collections held by the Museum are insured against loss arising from fire, theft or damage. Preventative measures including security arrangements are reviewed regularly.

Computer systems maintained by the Museum are supported by appropriate back up arrangements.

The Council is satisfied that adequate systems and procedures are in place to manage the identified risks.

Key management personal details

The Council judges that the key management personnel are the managers of the museum, library and archives functions. The remuneration of these key management personnel is set by the Council taking into account performance during the year and current advertised rates for similar roles.

ADMINISTRATIVE DETAILS

Name

The Library and Museum Charitable Trust of the United Grand Lodge of England is known as the Museum of Freemasonry.

Charity number

1058497

In June 2007 The Museums, Libraries and Archives Council awarded Designated status to the collections held by the Museum as collections of international significance. Having been a Registered Museum since October 2001, in October 2022 the Museum's Accredited status was renewed for a further 5 years.

Principal Office

Freemasons' Hall
60 Great Queen Street
London WC2B 5AZ

Auditors

Crowe U.K LLP
55 Ludgate Hill
London EC4M 7JW

Bankers

Barclays Bank PLC
1 Churchill Place
London E14 5HP

Investment Advisers

Rathbone Investment Management
8 Finsbury Circus
London EC2M 7AZ

Legal Advisers

Wedlake Bell
52 Bedford Row
Covent Garden
London WC1R 4LR

Approved by the Council on 20 June 2023 and signed on its behalf by:

Chair

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JANUARY 2023

		Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
	Note ref.	£	£	£	£
Income from					
Donations	2	567,785	-	567,785	1,057,299
Charitable activities		6,654	-	6,654	9,515
Income from investments	3	29,024	-	29,024	35,350
Other		3,839	-	3,839	125
Total		607,302	-	607,302	1,102,289
Expenditure on					
Raising Funds (including cost of goods sold)	4	20,920	-	20,920	64,317
Charitable activities	5-8 & 13	905,939	-	905,939	932,299
Other		12,075	-	12,075	12,194
Total		938,935	-	938,935	1,008,811
Net gains on investments		(52,749)	-	(52,749)	93,539
Net income/(expenditure)		(384,381)	-	(384,381)	187,018
Transfer between funds				-	-
Net movement in funds		(384,381)	-	(384,381)	187,018
Reconciliation of funds					
Total funds brought forward at 1 February	15,16	1,729,064	-	1,729,064	1,542,046
Total funds carried forward at 31 January		1,344,683	-	1,344,683	1,729,064

THE LIBRARY AND MUSEUM BALANCE SHEETS AS AT 31 JANUARY 2023

	Note ref.	Operating and Other Assets 2023 £	Heritage and Exhibition Assets 2023 £	Total 2023 £	Total 2022 £
Fixed assets					
Tangible fixed assets	9	13,194	552,186	565,380	673,136
Investments	10	731,705	-	731,705	1,148,429
Total fixed assets		744,899	552,186	1,297,085	1,821,565
Current assets					
Debtors	11	17,180	-	17,180	18,522
Cash at bank and in hand		136,755	-	136,755	122,464
Total current assets		153,935	-	153,935	140,986
Liabilities					
Creditors: Amounts falling due within one year	12	(106,338)	-	(106,338)	(91,313)
Total net current assets		47,597	-	47,597	49,673
Defined benefit pension scheme liability	14	-	-	-	(142,175)
Total net assets		<u>792,497</u>	<u>552,186</u>	<u>1,344,683</u>	<u>1,729,064</u>
The funds of the charity					
General Reserves		792,497	-	792,497	1,077,900
Heritage and Exhibition Reserves		-	552,186	552,186	651,164
Total charity funds	15,16	<u>792,497</u>	<u>552,186</u>	<u>1,344,683</u>	<u>1,729,064</u>

The accounts were approved and authorised for issue by the Council on _____ and signed on its behalf by:

R Vaughan

S R N Fenton

**CONSOLIDATED CASH FLOW STATEMENT FOR
THE YEAR ENDED 31 JANUARY 2023**

	Total funds 2023 £	Total funds 2022 £
Cash flows from operating activities:		
Net cash (not provided) by operating activities	(378,353)	(18,377)
Cash flows from investing activities		
Disposal of tangible fixed assets	-	-
Purchase of tangible fixed assets	(355)	(2,351)
Net cash used in investing activities	(355)	(2,351)
Cash flows from financing activities:		
Dividends and interest from investments	29,024	35,350
Proceeds from sale of investments	588,092	420,472
Purchase of investments	(224,117)	(420,587)
Net cash from/ (used) in financing activities	392,999	35,235
Change in cash and cash equivalents in the reporting period	14,291	14,507
Cash and cash equivalents at the beginning of the reporting period	122,464	107,957
Cash and cash equivalents at the end of the reporting period	136,755	122,464
Net income/(expenditure) for the reporting period (as per statement of financial activities)	(384,381)	187,018
Adjustments for:		
Depreciation charges	108,111	108,634
Gains on investments	52,749	(93,539)
Dividends and interest from investments	(29,024)	(35,350)
Decrease in debtors	1,342	23,829
(Decrease) in creditors	(127,150)	(208,969)
Net cash (not provided) by operating activities	(378,353)	(18,377)

NOTES TO THE CONSOLIDATED ACCOUNTS

1 ACCOUNTING POLICIES

a) **Accounting convention**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102). The Library and Museum of Freemasonry meets the definition of a public benefit entity under FRS 102.

After making enquiries, the members of the Council have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Responsibilities of the Council on page 10.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

b) **Recognition of incoming resources**

Voluntary income and donations are credited to incoming resources when the amounts have been confirmed and there is certainty of receipt. Grants are credited to incoming resources on the earlier date of when they are receivable under the terms of the grant or when they are received. Earned income is accounted for when it is receivable.

c) **Resources expended**

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any irrecoverable VAT. Costs not directly allocated to categories of activity are apportioned as support costs in accordance with time spent by staff on each activity. Governance costs represent the statutory costs of administering the charity.

d) **Heritage and Exhibition Assets**

Heritage and exhibition assets held by the charity are capitalised unless reliable information about cost is unavailable or where there would be significant costs involved in obtaining a valuation. Items purchased during the year are shown in Note 9 on page 20 and the Museum maintains a register of all purchases. It is the view of the Council, however, that the cost of obtaining a valuation of items already held or donated during any year is likely to be significant and would outweigh the benefits of undertaking such an exercise and these items are therefore capitalised at cost.

e) **Tangible Fixed Assets**

Depreciation is provided at rates calculated to write off the value of each asset on a straight line basis over its expected useful life, as follows:

Exhibition space	over 9 years
Computer equipment	over 5 years
Office equipment, furniture and fittings	over 5 years

f) **Financial instruments**

Library and Museum Charitable Trust has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

(i) Listed investments, including fixed interest securities and cash held for investment, are measured at fair value through income and expenditure accounts and are reported at their market values at the balance sheet date.

(ii) Other financial instruments, which comprise bank and cash, debtors, other creditors and accruals are initially recognised at transaction value and are subsequently measured at amortised cost using the effective interest method.

Assets, other than those measured at their fair value, are assessed for indicators of impairment at each balance sheet date.

g) **Taxation**

No taxation is payable by the Library and Museum Charitable Trust as it is able to make use of the tax exemptions on income and capital gains available to charities.

h) **Pension contributions**

Multi-employer defined benefit scheme current service contributions are charged in the year in which the service is provided by the relevant employees. Contributions to fund the past service scheme deficits as identified by the actuarial valuation are provided for at the net present value of any agreed future payments.

NOTES TO THE CONSOLIDATED ACCOUNTS (Continued)

2	DONATIONS AND LEGACIES		2023	2022
			£	£
	Donations:			
	United Grand Lodge of England		557,955	1,000,000
	Other donations and income including The Friends of the Museum		9,830	6,251
	Government Grants - furloughed staff costs		-	51,048
			<u>567,785</u>	<u>1,057,299</u>
3	INCOME FROM INVESTMENTS		2023	2022
			£	£
	Dividends		29,024	35,350
			<u>29,024</u>	<u>35,350</u>
		Direct costs	2023	2022
		£	Total	Total
		£	£	£
4	RAISING FUNDS			
	Investment management costs	6,862	6,862	8,189
	Fundraising	- 14,058	14,058	56,128
	Total	<u>6,862</u>	<u>20,920</u>	<u>64,317</u>
5	CHARITABLE ACTIVITIES			
	Exhibitions and tours	16,574	480,444	528,112
	Cataloguing and conservation	11,743	132,678	100,785
	Library and museum acquisitions	8,611	38,083	23,891
	Provision of research resources	-	201,265	120,265
	Awareness raising	3,900	50,396	155,165
	Governance costs	3,073	3,073	4,081
	Total	<u>43,901</u>	<u>905,939</u>	<u>932,299</u>

The charity incurred audit fees of £2,950 (2022: £3,890).

TANGIBLE FIXED ASSETS

	Exhibition space costs £	Library and Museum heritage and exhibition assets £	Library and Museum computers, furniture & fittings £	Total £
Cost				
At 1 February 2022	894,000	253,831	377,981	1,525,812
Disposal	-	-	(7,313)	(7,313)
Additions in year	-	355		355
At 31 January 2023	894,000	254,186	370,668	1,518,854
Depreciation				
At 1 February 2022	496,667	-	356,009	852,676
Disposal	-	-	(7,313)	(7,313)
Charge for year	99,333	-	8,778	108,111
At 31 January 2023	596,000	-	357,474	953,474
Net book value				
At 31 January 2023	298,000	254,186	13,194	565,380
<i>At 31 January 2022</i>	<i>397,333</i>	<i>253,831</i>	<i>21,972</i>	<i>673,136</i>
Summary of transactions in Museum heritage and exhibition assets				
Year ended	31.1.23	31.1.22	31.1.21	31.1.20
	£	£	£	£
Acquisitions in the year	355	2,351	438	768

NOTES TO THE CONSOLIDATED ACCOUNTS (Continued)

10 INVESTMENTS

(Library and Museum Charitable Trust)

	Cost 2023 £	Market value 2023 £	Cost 2022 £	Market value 2022 £
UK listed investments	457,222	451,521	628,687	716,823
Non-UK listed investments	175,081	260,144	220,007	362,802
Cash	20,040	20,040	68,804	68,804
Total Investments	<u>652,343</u>	<u>731,705</u>	<u>917,498</u>	<u>1,148,429</u>
		2023 £		2022 £
Market value as at 1 February		1,148,429		1,054,775
Net monies (disinvested)/ invested		(363,975)		115
Net (losses)/gains on investments		(52,749)		93,539
Market value as at 31 January		<u>731,705</u>		<u>1,148,429</u>

From time to time investments are sold and the proceeds reinvested as part of managing the portfolio.

11 DEBTORS

	2023 £	2022 £
Prepayments	5,946	8,495
Donations	-	469
Sundry debtors	11,234	9,558
	<u>17,180</u>	<u>18,522</u>

12 CREDITORS

	2023 £	2022 £
Trade creditors	15,014	-
Sundry creditors	79,808	80,151
Accruals	4,100	4,813
HM Revenue & Customs-PAYE	3,404	2,732
HM Revenue & Customs-NI	4,011	3,617
	<u>106,338</u>	<u>91,313</u>

NOTES TO THE CONSOLIDATED ACCOUNTS (Continued)

13 TRANSACTIONS WITH THE UNITED GRAND LODGE OF ENGLAND

Certain operating and administrative expenses of £244,168 (2022: £163,071) are charged by the United Grand Lodge of England on a basis which reflects the amount of space occupied by the Museum within Freemasons' Hall. The amount due to the United Grand Lodge of England at 31 January 2023 was £79,808 (2022: £80,468). United Grand Lodge made donations to the Library and Museum Charitable Trust of £557,955 (2022: £1,000,000).

14 PENSIONS

The Museum was a Participating Employer in the Staff Pension and Life Assurance Scheme of the Grand Lodge, a multi-employer scheme (the "Scheme") up until 31 May 2023 when it withdrew from the Scheme. Up until that point the Scheme, had 15 active members of whom 3 were employees of the Museum, is accounted for as a defined contribution plan on the basis that sufficient information is not available to use defined benefit accounting.

The split of deficit funding contributions was agreed between the Participating Employers with effect from February 2019 with the Museum contributing a fixed monthly amount of £12,925

A provision for the relevant deficit funding liability was included in the balance sheets at 31 January 2022. The provision amounts recorded on the balance sheet do not reflect any present value discounting adjustments on the basis that the impact of any discounting is not material.

The provision for this pension deficit funding and the movements in the year are below

	2023	2022
	£	£
Opening balance	142,175	297,275
Remeasurement	-	-
Payments in the year	<u>(142,175)</u>	<u>(155,100)</u>
Balance at 31 January	<u><u>-</u></u>	<u><u>142,175</u></u>

The Museum also participates in the United Grand Lodge Group Personal Pension Plan (GPPP). When the Staff Pension and Life Assurance Scheme of the Grand Lodge exited, existing members joined the GPPP Pension Scheme. Employer contributions to the GPPP in the year totalled £31,519 (2022: £33,960). All staff who were not members of the Staff Pension and Life Assurance Scheme of the Grand Lodge are automatically enrolled in the GPPP Pension Scheme

NOTES TO THE CONSOLIDATED ACCOUNTS (Continued)

15 CHARITY FUNDS

The Museum hold funds represented by its net assets which can be allocated into two categories

a) In providing its public benefit the Museum holds heritage and exhibition assets and exhibition space in the Prince Regent Room at Freemasons' Hall in which some of these are exhibited. Although the Museum has necessarily incurred costs in acquiring these assets, they are not held with any expectation that they will be realised by way of sale or other disposal. Accordingly these assets ("Heritage and Exhibition Assets") do not form part of the general reserves of the Museum.

b) The Museum also holds investments and other current assets and liabilities which provide the charity with the funding necessary for its operations as set out in its reserves policy ("General Reserves").

The Council of the Library and Museum Charitable Trust consider that, taking account of the differing nature of Heritage and Exhibition Reserves and General Reserves, the balance sheet presentation should reflect the liquidity of the Museum. Accordingly the balance sheet has been presented as two columns to separate and record the above allocation of the Museum funds and assets.

To comply with the requirements of the Charity SORP(FRS 102) a total balance sheet column is also presented.

16 CHARITY INFORMATION

The charity is constituted by a trust deed dated 31 July 1996 and is a public benefit entity registered as a charity in England and Wales, charity number 1058497. The charity operates from its principal office Freemasons' Hall, 60 Great Queen Street, London, WC2B 5AZ

Independent Auditor's Report to the Trustees of The Library and Museum Charitable Trust of The United Grand Lodge

Opinion

We have audited the financial statements of The Library and Museum Charitable Trust of The United Grand Lodge ('the charity') for the year ended 31 January 2023 which comprise the the Statement of Financial Activities, the Balance Sheets, the Cash Flow Statement and notes to the financial statements, including 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 charity's affairs as at 31 January 2023 and of its income and expenditure, 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 Charities Act 2011.

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 charity 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 trustee's 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 charity'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

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees'

report; or

- sufficient and proper accounting records have not been kept by the charity 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context was the Charities Act 2011 and taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context were employment legislation, health & safety legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and Trustees about their own identification and assessment of the risks of irregularities, analytical procedures and sample testing of income,

sample testing on the posting of journals, reviewing accounting estimates and judgements for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP
Statutory Auditor

London, UK

Date:

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.