

THE RUSPINI FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Charity Number: 1176327

THE RUSPINI FUND

Contents	Page
Trustee's Annual Report	3
Statement of Trustee's Responsibilities	11
Auditor's Report	12
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18

THE RUSPINI FUND

TRUSTEE'S ANNUAL REPORT

The trustee is pleased to submit its report for the year ended 31st March 2023.

Reference and Administrative Information

Name and Registered Office

The name of the charity is The Ruspini Fund (the "Charity") and its principal office is located at 60 Great Queen Street, London, WC2B 5AZ.

Trustees

The trustee who served during the whole of the year was:

- The Masonic Charitable Foundation ("MCF") (Corporate Trustee, Registered Charity No. 1164703, Company Number 09751836)

The trustees of the MCF who served during the year were:

- John Boyington, CBE
- Sinead Brophy
- Charles A.G. Cunningham (Resigned 1st August 2022)
- Simon D'O. Duckworth, OBE, DL
- Clive Emerson
- Dr Simon Fellerman
- Alan P. Graham, MBE
- Antony D.G. Harvey
- Christopher Head
- Michael R. Heenan (Treasurer)
- Richard M. Hone, QC (President) (Resigned 28th April 2022)
- James M. Long (President) (Appointed 28th April 2022)
- Stephen Robinson
- David Southern
- Nigel J. Vaughan (Resigned 1st August 2022)
- Andrew G. Wauchope
- Sir Paul Williams, OBE, KStJ, DL (Deputy President and Chairman)
- Howard G. Wilson
- Bruce G. Walker (Appointed 1 August 2022)

THE RUSPINI FUND

TRUSTEE'S ANNUAL REPORT

Executive

The Executive during the year to 31st March 2023 were:

- Les Hutchinson, Chief Executive
- Charles Angus, Group Finance Director
- Brenda Nurse, Company Secretary

Auditor

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London, EC3A 2AD

Bankers

National Westminster Bank Plc, Bloomsbury Parr's Branch, 214 High Holborn, London, WC1V 7BX

Investment Advisors

Asset Risk Consultants Limited, 7 New Street, St. Peter Port, Guernsey, GY1 2PF

Investment Managers

CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Sarasin & Partners LLP, Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU

Royal London Asset Management Ltd., 55 Gracechurch Street, London, EC3V 0UF

Thesis Unit Trust Management Ltd, Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP

Waverton Investment Management Ltd., 16 Babmaes Street, St. James, London, SW1Y 6AH

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

THE RUSPINI FUND

TRUSTEE'S ANNUAL REPORT

Structure, Governance and Management

Organisation

The Charity is governed under the terms of Charity Commission Schemes dated 28th December 1990, 3rd March 2016 and 1st April 2016. The Charity was formally delinked from its previous parent, the Royal Masonic Trust for Girls and Boys ("RMTGB"), and was re-registered with the Charity Commission under its new charity number 1176327 on 18th December 2017.

As the MCF is the sole trustee of the Charity, the MCF exercises control over the Charity, and will consolidate the Charity's results in its group accounts.

Details of the processes for the appointment, induction and training of the MCF's trustees are given in the annual report and accounts of that company.

Governance and Management

All governance and management capabilities are provided by the MCF and details of the relevant committees and processes are provided in the annual report and accounts of that company. Trustees and committees of the MCF address the specific needs of the Charity as part of their roles and responsibilities for the MCF. The trustee board and the main committees meet as follows:

Board/Committee	Purpose	Meetings per year
Trustee Board	Main decision-making body with ultimate responsibility for the Charity	4
Audit and Risk	Identification and mitigation of risk, oversight of external audit	4
Charity Grants	Consideration of applications for grants from organisations recognised by the Charity Commission	4
Finance	Ensuring adequate procedures are in place to manage all aspects of financial planning, controlling and reporting.	4
Fundraising	Supporting the masonic community's fund raising activities to support the Charity	4
Investments	Maintaining investment strategies to meet the requirements of the Charity, appointment and monitoring of fund managers	4
Masonic Support	Consideration of applications from individuals connected with the masonic community for financial relief	4
Property (RMTGB only)	Development and execution of strategies to optimise the returns from the Charity's property portfolio	4
Remuneration	Determination of executive and staff pay & benefits	2
Strategy	Development and implementation of strategies to support the Charity's objectives. In addition, the trustees hold an annual strategic 'away day'.	4

The Charity does not employ any staff, with services being provided by staff employed by the MCF.

THE RUSPINI FUND

TRUSTEE'S ANNUAL REPORT

Objectives and Activities

The objects of the Charity

The relief of need, hardship or distress of persons who are children (including adopted children, step children or other children of the family) of Freemasons under the United Grand Lodge of Ancient Free and Accepted Masons of England, or former pupils of any school of the Royal Masonic Institution for Girls, or the Royal Masonic Institution for Boys, or former pupils of the Royal Masonic School for Girls.

The main activities

The Charity awards grants in accordance with its objects and continues to support the children of the family of Freemasons who are in distressed circumstances. In planning the activities for the year the trustees kept in mind the Charity Commission's guidance on public benefit.

The assistance of volunteers

The trustee acknowledges the assistance of many lodge and provincial almoners who as volunteers provide an invaluable service in bringing potential beneficiaries to their attention.

Achievements and Performance

During the year the trustee awarded 7 grants in support of 3 beneficiaries (2022: 7) amounting to £19k (2022: £22k). The number of grants remains lower than prior years owing to the impact of COVID-19, which meant that fewer opportunities arose to support potential beneficiaries.

Amongst those that benefited from the Fund were:

- The granddaughter of a Freemason who benefitted from intensive mental health support; and
- The daughter of a Freemason who required support to enable her to secure accommodation following an eviction.

In addition a Christmas grant was awarded to a former Royal Masonic School pupil who is an older person and has a low income.

In all cases support was provided as quickly as possible in order to relieve financial hardship and improve the lives of those concerned.

THE RUSPINI FUND

TRUSTEE'S ANNUAL REPORT

Financial Review

Review of the Year

Income for the year amounted to £30k (2022: £25k) and awards were made of £19k (2022: £22k). The fund's resources reduced from investment losses of £62k (2022: £107k gain). Net assets as at 31st March 2023 were £1,234k (2022: £1,291k).

Reserves Policy

In accordance with the trust deed both the capital funds and the income generated are unrestricted and are available for distribution each year to further the aims of the charity. The reserves are held to meet present and future commitments of the Charity and enable grants to be made to future beneficiaries in accordance with the objects. The trustee is satisfied that reserves are sufficient to meet that need.

Investment Policy and Performance

The MCF global investment strategy seeks to protect the capital value of investments that are required to fund operations for a three-year time horizon (the "Cash Reserve") and to invest all remaining funds for long term growth, on a total return basis, with an overall objective of making a return of RPI plus 3% net of all expenses.

The Cash Reserve is provided by Royal London Asset Management ("RLAM") and utilises three of their funds, which provide a mix of instruments, including cash instruments, Treasury Bills, covered (secured) bonds, corporate bonds, Supranationals and mortgage-backed securities. The performance objectives of the three funds are:

- | | |
|---|--------------------------------|
| • Short Term Money Market Fund: | SONIA |
| • Short Term Fixed Income Fund: | SONIA plus 0.50% gross of fees |
| • Short Term Fixed Income Enhanced Plus Fund: | SONIA plus 1.00% gross of fees |

The MCF sponsored the launch of the Masonic Charitable Foundation Investment Fund CAIF, which took place on 1st October 2018. This is a unit trust with a highly efficient tax wrapper in which the MCF and all its subsidiary charities own their shares in the form of units. Units will be sold as required in order to top up the Cash Reserve on a quarterly basis. The investment strategy is directed for "Steady Growth", which is a medium-high risk strategy. Risk is managed through diversification, with the funds split between four different fund managers operating on multi asset mandates but utilising differing investment management styles. The overall fund manager is Thesis Unit Trust Management Limited and the custodian in Northern Trust.

The asset allocation for the CAIF was amended on 30th June 2022 by the investment committee following advice from Asset Risk Consultants. The strategic and actual asset allocations as at 31st March 2023 are shown in the table overleaf:

THE RUSPINI FUND

TRUSTEE'S ANNUAL REPORT

Asset Class	Strategic Allocation	Benchmark	Actual 31 st March 2023
Cash	0.00%	SONIA	2.90%
Fixed Income	7.50%	FTSE UK World Gov. Bond Index GBP	8.80%
International Equity	54.50%	MSCI World ex UK NR GBP	59.20%
U.K. Equity	18.00%	MSCI UK Equity NR GBP	18.10%
Emerging Market Equity	12.50%	MSCI Emerging Markets Equity NR GBP	3.20%
Alternative Investments	3.75%	HFRX Global Hedge Fund GBP	5.90%
Property	3.75%	IA UK Direct Property TR	1.90%
	100.00%		100.0%

Performance under the new arrangements is shown in the following table:

	MCF CAIF	RLAM Money Market	RLAM Short Term Fixed Income	RLAM Short Term Fixed Income Enhanced	CCLA
Fund at 31 st March 2023	£1.18 M	£ Nil	£ Nil	£ Nil	£ Nil
Investment approach	Steady Growth Multi-Asset	Capital Protection	Capital Protection	Capital Protection	Income & long-term Capital Growth
Benchmark	Composite	SONIA	SONIA	SONIA	MSCI/AREF UK other balanced property
Peer Group	ARC Charity GBP Steady Growth	None	None	None	ARC Charity GBP Steady Growth
Return for the year	(1.00)%	2.27%	2.13%	0.90%	(11.40)%
Benchmark return for year	(1.00)%	2.23%	2.23%	2.23%	(10.60)%
Peer group return for year	(4.10)%	N/A	N/A	N/A	(4.10)%
3 year return	39.60%	0.79%	1.04%	0.83%	8.80%
3 year benchmark	37.70%	0.80%	0.80%	0.80%	(6.30)%
3 year peer group	26.40%	N/A	N/A	N/A	26.40%

The CAIF had a volatile year due to challenging financial markets, falling from its opening value of £129.73 to close at £126.25 per unit.

THE RUSPINI FUND

TRUSTEE'S ANNUAL REPORT

Principal Risks and Mitigation

The principal risks identified and agreed actions to mitigate are shown in the following table:

Risk	Consequence	Mitigation
Significant unexpected financial loss from operations	Reputational damage, loss of confidence with key stakeholders and impact upon continuing financial sustainability	Strong financial procedures, particularly budgetary planning and control. Oversight from the Finance Committee.
Inadequate liquidity to meet financial commitments	Poor service to beneficiaries and reputational damage. Withdrawal of key services from suppliers	Cash flow forecasting and liquidity planning within the Investment Strategy
Significant long-term loss in the value of the investment portfolio	Impacts financial sustainability and reputational damage with donors	Appointment of Asset Risk Consultants as expert investment advisors, providing monthly performance reporting and analysis. Oversight from investment and property committees.
Grants made outside the Charity's Objects and operating guidelines	Reputational damage, loss of confidence with key stakeholders and potential trustee liability	Strong procedures and controls for processing grants. Oversight from Masonic Support and Charity Grants committees
Cyberattack on IT systems	All key operations are compromised	United Grand Lodge of England ("UGLE") and IT network providers have strong security procedures in place covering access, protection, backups and disaster recovery facilities. Mandatory cybersecurity training in place for all staff
Data protection breach	Reputational damage and significant financial penalties	Data protection policy, IT security and HR policies in place
Fraud	Financial loss, reputational damage, adverse impact upon staff	Financial procedures, segregation of duties, authority limits, IT security, increased awareness amongst staff
Unavailability of office accommodation	Operations compromised	UGLE Business Continuity Plan
Loss of paper records from fire/flooding	Breach of legal obligations, adverse impact upon operations, potential financial penalties	Reduced reliance on paper records with increased use of IT.
Lack of compliance with employment legislation	Breach of legal obligations, potential financial penalties, breakdown of staff morale and adverse impact upon service provision	HR procedures and staff handbook. Induction processes for new staff. Ongoing management training and Personal Development Review
Undue reliance on key persons	Operational breakdown, adverse impact upon staff morale, poor service to beneficiaries and potential reputational damage	HR procedures: organisational and succession planning. Comprehensive documentation of procedures and controls

Risks are actively monitored by the Executive and the senior leadership team, and formally reviewed by the audit and risk committee at their biannual meetings.

THE RUSPINI FUND

TRUSTEE'S ANNUAL REPORT

Plans for Future Periods

Following the formation of the MCF on 1 April 2016 and the subsequent Scheme from the Charity Commission appointing MCF and the chairman of the MCF as the sole trustees from that date, the chairman of the MCF Masonic Support committee and the MCF chief executive officer have acted, under authority delegated by the trustee, to utilise the Ruspini Fund to complement the core Masonic Support activities of the MCF.

In the future it is planned to continue to use the Ruspini Fund to meet the objects set out at page 6 and in particular to provide immediate relief and support to the children of the family of Freemasons who are in distressed circumstances, but that fall outside of the general remit of the MCF Masonic Support committee.

THE RUSPINI FUND

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

Statement of Responsibilities

The trustee is responsible for preparing the trustee's report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (U.K. "GAAP").

The law applicable to charities in England and Wales, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that year.

In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

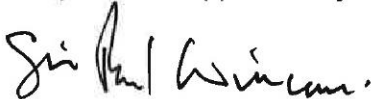
The trustee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that Knox Cropper LLP be reappointed as auditor will be put to the members.

Approval by Trustee

This report, was approved by the trustee on 14th September 2023 and signed on its behalf by



Sir Paul Williams, OBE, KStJ, DL

Chairman, MCF

THE RUSPINI FUND

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RUSPINI FUND

We have audited the financial statements of the Ruspini Fund (the "Charity") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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 Charity's affairs as at 31 March 2023 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis of 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 trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information.

THE RUSPINI FUND

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RUSPINI FUND

Our opinion on the financial statements does not cover the other information and 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 there is 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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 11, the trustee is 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 trustee determines 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 trustee is 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 trustee either intends to liquidate the company or to cease operations, or has 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 144 of the Charities Act 2011 and report in accordance with the Act 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.

THE RUSPINI FUND

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE RUSPINI FUND

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for any restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for any restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

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.

Use of the audit report

This report is made solely to the Charity's trustee, 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 trustee 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 trustee as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Knox Cropper LLP
Statutory Auditor
65 Leadenhall Street
London EC3A 2AD
14th September 2023

Knox Cropper 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.

THE RUSPINI FUND

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2023

	Note	2023 £'000	2022 £'000
INCOME			
Donations and legacies		1	1
Investment income	2	29	24
Total income		<u>30</u>	<u>25</u>
EXPENDITURE			
Investment management costs		(6)	(6)
Cost of generating funds		<u>(6)</u>	<u>(6)</u>
Charitable activities	3	(19)	(22)
Total expenditure		<u>(25)</u>	<u>(28)</u>
Net gains/(losses) on investments	4	(62)	107
NET MOVEMENT IN FUNDS		<u>(57)</u>	<u>104</u>
Total funds brought forward		1,291	1,187
Total funds carried forward		<u>1,234</u>	<u>1,291</u>

All income and expenditure derive from continuing activities and all gains/losses are included in the statement of financial activities

The notes on pages 18 to 21 form part of these financial statements

THE RUSPINI FUND

BALANCE SHEET as at 31 March 2023

	Note	March 2023 £'000	March 2022 £'000
FIXED ASSETS			
Investments	4	1,181	1,320
		<u>1,181</u>	<u>1,320</u>
CURRENT ASSETS			
Debtors	5	0	0
Investments	4	63	5
		<u>63</u>	<u>5</u>
CURRENT LIABILITIES			
Creditors falling due within one year	6	(10)	(34)
NET CURRENT ASSETS		<u>53</u>	<u>(29)</u>
Total net assets		<u>1,234</u>	<u>1,291</u>
CHARITABLE FUNDS			
Unrestricted funds			
General reserves		1,234	1,291
Total charitable funds		<u>1,234</u>	<u>1,291</u>

The financial statements were approved and authorised for issue by the Trustee Board on 14th September 2023 and signed on their behalf by:


.....
Sir Paul Williams, OBE, DL

Chairman


.....
Clive Emerson

Treasurer

The notes on pages 18 to 21 form part of these financial statements

THE RUSPINI FUND

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2023

	2023 £'000	2022 £'000
Operating Activities		
Net cash provided by/(used in) Operating Activities	A (71)	(20)
Cash flows from investing activities		
Dividends, interest and rents from investments	29	24
Proceeds from the sale of investments	100	0
Net cash provided by/(used in) Investing Activities	129	24
Change in cash and cash equivalents in the reporting period	58	4
Cash and cash equivalents at the beginning of the reporting period	5	1
Cash and cash equivalents at the end of the reporting period	B 63	5
Notes on the cash flow statement		
A Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net movement in funds as per the Statement of Financial Activities	(57)	104
Adjustments for:		
Dividends, interest and rents from investments	(29)	(24)
Other movements in investments	39	(124)
Decrease in debtors	0	3
(Decrease)/increase in creditors	(24)	21
Net cash provided by/(used in) Operating Activities	(71)	(20)
B Analysis of cash and cash equivalents		
Cash held by investment managers	63	5
Total cash and cash equivalents	63	5

THE RUSPINI FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements of the Ruspini Fund (the "Charity") have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). Additionally, they comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 second edition) published in 2019 (the "SORP") in all material respects. The Charity meets the definition of a public benefit entity under FRS 102.

(b) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments, on a basis consistent with previous years. The functional currency of the Charity is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Charity operates.

(c) Going concern

The trustee has assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustee has made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustee of the Charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustee is of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

(d) Incoming resources

Revenue is recognised when the significant risks and rewards of ownership have been transferred, the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Charity and when the specific criteria relating to each of the Charity's revenue channels have been met, as described below:

- i. Monetary donations are brought into account when received.
- ii. Legacies are recognised where there has been a grant of probate, the executors have identified that there are sufficient assets in the estate after settlement of liabilities to pay the legacy and any conditions attached to the legacy are either in control of the Charity or have been met. Legacies subject to the interest of a life tenant are not recognised during the lifetime of the life tenant.
- iii. Dividends are reinvested in the CAIF on the date that they are declared.

THE RUSPINI FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

(d) Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of any obligation can be measured reliably. All resources expended are recognised on an accruals basis, with the exception of grants as noted below.

Grants are recognised as expenditure in the year in which the grant is formally approved by the Charity and has been communicated in writing to the recipient, except to the extent that it is subject to conditions that enable the Charity to revoke the award.

(e) Employee benefits

All staff are employed by the parent charity, The Masonic Charitable Foundation. No charge is made to the Charity in respect of staff providing services to the Charity. No remuneration is paid to trustees and no expenses reimbursed.

(f) Fund accounting

Unrestricted funds may be utilised for any purpose in accordance with the charitable objectives of the Charity.

(g) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are stated at market value. All realised and unrealised gains and losses are recognised within the Statement of Financial Activities. Investments which the Charity holds for resale or pending their sale and cash or cash equivalents with a maturity date of less than one year, which are held for investment purposes, are disclosed as current asset investments.

(j) Taxation

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and it is considered to pass the test set out in paragraph 1, schedule 6 of the Finance Act 2010, and therefore it meets the definition of a charity for U.K. Corporation Tax purposes. The Charity is unable to recover Valued Added Tax (VAT) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

THE RUSPINI FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

2. INVESTMENT INCOME	2023 £'000	2022 £'000
Income from investment portfolios	29	24
	<u>29</u>	<u>24</u>

3. CHARITABLE ACTIVITIES	2023 £'000	2022 £'000
Care and welfare support	19	22
	<u>19</u>	<u>22</u>

4. INVESTMENTS	March 2023 £'000	March 2022 £'000
Fixed Asset Investments:		
- Managed Funds		
MCF CAIF	1,181	1,320
Current Asset Investments		
- Cash and cash equivalents	63	5
	<u>1,244</u>	<u>1,325</u>

MOVEMENTS IN INVESTMENTS

Listed

Balance at 31 March 2021	1,325	1,197
Disposals	(100)	0
Investment income reinvested	29	23
Management fees charged to the fund	(6)	(6)
Gains/(losses)	(62)	107
Changes in cash balances held	58	4
Balance at 31 March 2022	<u>1,244</u>	<u>1,325</u>

RECONCILIATION TO SOFA

Gains/(losses) on listed investments	(62)	107
	<u>(62)</u>	<u>107</u>

THE RUSPINI FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

5. DEBTORS

	March 2023 £'000	March 2022 £'000
Amounts owed by group undertakings	0	0
	<hr/> 0	<hr/> 0

6. CREDITORS

	March 2023 £'000	March 2022 £'000
Falling due within one year		
Grants payable	4	5
Amounts owed to group undertakings	6	29
	<hr/> 10	<hr/> 34

7. RELATED PARTY TRANSACTIONS

The investments of the Charity are incorporated within the investment funds held by the RMTGB, its previous parent and now a fellow subsidiary. At the balance sheet date, the Charity was owed £Nil (2022: £Nil) by the RMTGB.

The MCF has borne all the administrative costs of supporting the Charity, as well as its fellow subsidiary charities.

8. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Masonic Charitable Foundation (Registered Charity No. 1164703, Company Number 09751836). Consolidated accounts for the MCF, which include the accounts of the Charity, can be obtained from the registered office of the Charity.

