

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr M Harris (Chairman)
Mr T Ashdown (Deputy Chairman)
Mr C Dann
Mr R P Ison
Dr R M Wicks
Mr C S Ballard
Mr P A Lang
Mr T Newman
Mr M Lamb

Charity number 1177420

Principal address

25 Queens Road
Brighton
East Sussex
BN1 3YH

Independent examiner

Colin Dadswell FCA FCCA DChA
Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

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SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "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 2019).

Objectives and activities

The objectives of the charity are relieve sickness and preserve health, advance education and prevent or relieve poverty or financial hardship, amongst such persons as the trustees consider from time to time to be in need of assistance to the extent to which the trustees in their absolute discretion think appropriate; and to further such other purposes (being exclusively charitable) as the trustees may from time to time in their absolute discretion consider appropriate.

Nothing in this constitution shall authorise an application of the property of the CIO for the purposes which are not charitable.

Sussex Masonic Charitable Foundation CIO has succeeded the original Sussex Masonic Charity, established in 1941 by the Provincial Grand Lodge of Sussex, as a separate organisation, but independent of it. It combines the support for Masons and their dependents with a remit to support non-Masonic charities benefiting the wider community by way of grants and donations.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The Trustees continued to oversee the raising and distributing of funds in accordance with its objects.

Masonic lodges in Sussex have been encouraged to raise their own funds for local charities which have been "match funded" by Sussex Masonic Charitable Foundation, CIO to a maximum of £600. During the year total matched funding applications approved and paid amounted to over £19,800. For larger donations the Trustees have reviewed and approved significant gifts to local charities under the umbrella of an initiative referred to as "Sussex for Sussex" where over £234,400 was distributed from funds, again, raised by Sussex Freemasons.

This has been another particularly challenging year for everyone given the changing economic climate. The Charity and Trustees have continued to support those charities providing vital help and support.

Other donations to institutions, not included as part of 'Sussex for Sussex' above amounted to over £6,205. Amounts donated to individuals in line with the charitable objects amounted to almost £23,460.

Financial review

The results for the year are set out in the Statement of Financial Activities on page 7.

The Charity's main source of income continues to be derived from donations from Sussex freemasons and dividends from the investment portfolios. The Trustees would like to thank all Lodge members for their continued support.

Total income for the year amounted to £171,004 (2022: £389,110). The expenditure of the charity during the year totalled £364,122 (2022: £334,906). Of this total expenditure, £306,780 (2022: £294,692) related directly to distributions for charitable purposes from its total income and reserves. Administration charges were kept to a minimum with one member of staff supplemented by a dedicated team of volunteers. The financial statements show a headline deficit of £193,118 (2022: surplus of £54,204) excluding the effects of investment gains and losses.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial effect of significant events – unfortunately with the current status of the economy, the charity has seen another downward movement of its investments during the year. The market value of the investments fell resulting in an unrealised loss of £18,605 (2022: unrealised loss of £61,332).

At the date of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Principle risks and uncertainties - the charity held over £1.54m of investments at the balance sheet date, in a balanced portfolio, and uses the interest and dividend income to make grants to local charities across Sussex. The current market uncertainty has meant that the Trustees are continually scrutinising market conditions and, with the help of external professional advisors, to seek to minimise the inherent risk.

Principle sources of funding and how these resources support the key objectives of the charity - all (incoming resources) are secured from freemasons or from investment income and are distributed to local freemasons (and their dependents) in times of hardship and to local charities following applications to the Trustees.

The Charity's funds at the year end comprised almost £1.43m in unrestricted funds, £272k in designated funds and £443k in restricted funds. The details of movement in these funds are detailed in Note 21 and 22 to the accounts, and the Charity's reserves policy is set out below.

Investment policy

The investment policy is reviewed by the Trustees, at least once a year and currently the investment objective is for a balance between income and growth with moderate risk. The Trustees are satisfied with the current investment strategy and are confident that the future portfolio performance will be enhanced in the long term. Investments held and the use of cash funds are continually reviewed with our investment advisors.

Restricted and Unrestricted Funds

The General fund of the Charity is unrestricted and both capital and income can be used for the Charity's objectives. There are five restricted funds at the year end: the Provincial Grand Master's Relief Fund, the Sussex Masonic Fund, the Sussex for Sussex Fund, the Royal Arch Fund, TLC Fund and the Wilkins Bequest Fund.

The Provincial Grand Master's Relief Fund is funded annually by Lodges in Sussex and payments are restricted to the charitable needs of Sussex Masons and their dependents. The Sussex Masonic Fund was established during the year ended 31 December 2004 when the Mid Sussex Masonic Trust donated its residual assets to the Provincial Grand Master's Relief Fund and payments can only be made for Masonic purposes. Sussex for Sussex is an initiative set up in a previous year following the closure of the 2017 Festival. The Wilkins Bequest Fund consists of funds to be utilised in accordance with the charitable purposes decided under the sole discretion of Tilsmore Lodge in accordance with the terms of the will of the late Roger Reginald Thomas Wilkins. The Royal Arch Fund was established during the course of 2017 to ensure that charitable funds raised by Royal Arch Chapter Lodges is governed in accordance with the same mechanisms as Craft masonry. The TLC Fund has been established to record those donations primarily from Lodge donations which are of a restricted nature towards the TLC Appeal, with the associated costs of distributing teddy bears to hospitals within Sussex.

The Bennett Bequest Fund is a designated fund to generate future investment income which can then be utilized to assist the charity in its charitable purposes.

Reserves policy

Sufficient investments must be maintained to produce income to meet the Charity's costs and to contribute towards the donations and grants provided by the Charity. In addition to this, reserves must be maintained at a sufficient level to meet any unforeseen expenses met by the Charity and to ensure the continuation of the Charity's work in the event of a downturn in income. Free reserves comprising unrestricted funds at 31 December 2023 were £1,423,249 (2022: £1,379,755). The Trustees do not consider this level of free reserves to be excessive as the majority of funds are held as part of an investment portfolio to earn future income from.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Welfare and administration

The Trustees would like to express their thanks to the Lodge members, many of whom are Lodge Almoners and Charity Stewards, on whom they rely for their continued support in the help given to Brethren or their dependents who are in need.

Christmas gift cheques are sent to all Sussex Masons, or their dependents, who receive Grand Charity Support and also to children under the age of 18 with Sussex Masonic connections who were in the care of The Royal Masonic Trust for Girls and Boys, now the Masonic Charitable Foundation.

The Trustees would also like to express their thanks to the Brethren who give their time to provide for the proper administration of the Province, especially in the Charities Office, who were supported by one part time paid member of staff.

Plans for future periods

In the short term, the trustees intend for the charity to continue to pursue its charitable objects, continue its investment strategy, and to distribute the income generated in the form of grants and donations.

Structure, governance and management

The Charity was established as a Charitable Incorporated Organisation (CIO) on 5th March 2018 with a Constitution registered with the Charity Commission. The charity was formed following a merger with Sussex Masonic Charities (registration no. 212979) which itself was formed under a Deed of Trust dated 27 June 1941 and a deed of appointment dated 17 August 1961. Subsequently Sussex Masonic Charities ceased registration on 31st December 2019 after completion of a Merger Transfer Agreement which assigned all assets and liabilities to the new charitable foundation on 1st January 2019.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr M Harris (Chairman)
Mr T Ashdown (Deputy Chairman)
Mr C Dann
Mr R P Ison
Dr R M Wicks
Mr C S Ballard
Mr P A Lang
Mr T Newman
Mr M Lamb

R A Needham, Officer (Charity Steward)
A Towler, Officer (Honorary Treasurer)
R Gravestock, Officer (Provincial Almoner)
P Baker, Officer (Honorary Secretary)

Trustees are appointed at a properly convened meeting of the charity trustees and by a resolution passed by two-thirds or more of the charity trustees at the time. The term of office is not fixed.

The charity trustees will make available to each new charity trustee, on or before his first appointment: a copy of the current version of this constitution; and a copy of the CIO's latest Trustees' Annual Report and statement of accounts. Additionally, they are given a series of teach ins to inform them of the structure of the various trusts within the Charity and the policies determined by the Trustees from time to time regarding the form of charitable giving. They are also made aware of the obligations of each Trustee in law and the need to ensure proper accounting and investment of funds.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

There must be at least three charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustee or appoint a new charity trustee. The maximum number of charity trustees is fifteen. The charity trustees may not appoint any charity trustee if as a result the number of charity trustees would exceed the maximum.

The Trustees and Officers usually meet six times a year to receive reports and make decisions. However from March 2020, Trustees and Officers have met monthly via virtual meeting spaces. Important decisions required between Trustee meetings are dealt with through the Chairman of the Trustees in consultation with other Trustees as necessary. The decisions are then reported to the board of Trustees at their next meeting for ratification.

To facilitate effective operation of the Charity, the Trustees have delegated responsibility for the day to day administration of the Charity to the Provincial Almoner, Charity Steward and Treasurer, assisted by the Secretary to the Trustees and one member of staff. No Trustees are remunerated or reimbursed for their time or expenses.

Investment Powers

The Trustees have powers to:

- (i) appoint a proper and competent person as investment manager,
- (ii) delegate to them discretionary powers in relation to the management of the Charity's investments, and
- (iii) appoint a corporate body, as the Trustees nominee, to hold the investments of the Charity.

The Trustees have appointed Canaccord Genuity Limited to oversee the portfolio and make recommendations. The Trustees retain the right to decide what is bought or sold.

Risk management

As part of its ongoing risk assessment and risk assessment management, the major risks to which the Charity is exposed are continually reviewed and the findings notified to the Trustees at regular meetings or by other communication methods between meetings. The Trustees are satisfied that appropriate measures are being implemented to mitigate the effects of these risks.

The trustees' report was approved by the Board of Trustees.

Mr M Harris (Chairman)

Trustee

28 May 2024

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees 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 incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

I report to the trustees on my examination of the financial statements of Sussex Masonic Charitable Foundation, CIO (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Colin Dadswell FCA FCCA DChA

Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Dated: 30 May 2024

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income from:						
Donations and legacies	3	9,478	-	59,746	69,224	304,220
Other trading activities	4	3,263	-	-	3,263	5,636
Investments	5	97,787	-	-	97,787	79,042
Other income	6	730	-	-	730	212
Total income		111,258	-	59,746	171,004	389,110
Expenditure on:						
Raising funds	7	29,385	-	27,957	57,342	40,214
Charitable activities	8	15,945	-	290,835	306,780	294,692
Total expenditure		45,330	-	318,792	364,122	334,906
Net gains/(losses) on investments	13	(20,612)	2,007	-	(18,605)	(16,454)
Net income/(expenditure)		45,316	2,007	(259,046)	(211,723)	37,750
Transfers between funds	21	(2,698)	-	2,698	-	-
Net movement in funds		42,618	2,007	(256,348)	(211,723)	37,750
Reconciliation of funds:						
Fund balances at 1 January 2023		1,388,545	270,648	699,580	2,358,773	2,321,023
Fund balances at 31 December 2023		1,431,163	272,655	443,232	2,147,050	2,358,773

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income from:					
Donations and legacies	3	18,504	-	285,716	304,220
Other trading activities	4	5,636	-	-	5,636
Investments	5	79,042	-	-	79,042
Other income	6	212	-	-	212
Total income		103,394	-	285,716	389,110
Expenditure on:					
Raising funds	7	22,803	-	17,411	40,214
Charitable activities	8	3,291	-	291,401	294,692
Total expenditure		26,094	-	308,812	334,906
Net losses on investments	13	(10,136)	(6,318)	-	(16,454)
Net income/(expenditure)		67,164	(6,318)	(23,096)	37,750
Transfers between funds	21	(7,690)	-	7,690	-
Net movement in funds		59,474	(6,318)	(15,406)	37,750
Reconciliation of funds:					
Fund balances at 1 January 2022		1,329,071	276,966	714,986	2,321,023
Fund balances at 31 December 2022		1,388,545	270,648	699,580	2,358,773

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Property, plant and equipment	15		7,914		8,790
Investments	16		1,544,766		1,493,547
			<u>1,552,680</u>		<u>1,502,337</u>
Current assets					
Inventories	17	-		7,215	
Trade and other receivables	18	245,038		278,150	
Cash at bank and in hand		364,598		590,368	
		<u>609,636</u>		<u>875,733</u>	
Current liabilities	19	15,266		19,297	
		<u>15,266</u>		<u>19,297</u>	
Net current assets			594,370		856,436
Total assets less current liabilities			<u>2,147,050</u>		<u>2,358,773</u>
The funds of the charity					
Restricted income funds	21		443,232		699,580
Unrestricted funds - general	22		1,431,163		1,388,545
Unrestricted funds - designated			272,655		270,648
			<u>2,147,050</u>		<u>2,358,773</u>

The financial statements were approved by the trustees on 28 May 2024

Mr M Harris (Chairman)
Trustee

Mr T Ashdown (Deputy Chairman)
Trustee

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Sussex Masonic Charitable Foundation, CIO is a Charitable Incorporated Organisation (CIO). The CIO's principal address is 25 Queens Road, Brighton, East Sussex, BN1 3YH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Constitution the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of fixed asset investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost. Tangible fixed assets are capitalised if they can be used for more than 1 year and cost at least £1,000.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Computer equipment	8 years on a straight line basis
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.9 Inventories

Inventories are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any material unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	9,478	59,746	69,224	8,504	285,716	294,220
Legacies receivable	-	-	-	10,000	-	10,000
	<u>9,478</u>	<u>59,746</u>	<u>69,224</u>	<u>18,504</u>	<u>285,716</u>	<u>304,220</u>
Donations and gifts						
Donations	9,478	3,114	12,592	8,504	2,851	11,355
Sussex for Sussex	-	23,393	23,393	-	263,081	263,081
PGM Relief	-	7,980	7,980	-	9,280	9,280
TLC	-	25,259	25,259	-	10,504	10,504
	<u>9,478</u>	<u>59,746</u>	<u>69,224</u>	<u>8,504</u>	<u>285,716</u>	<u>294,220</u>

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Sale of goods and merchandise	<u>3,263</u>	<u>5,636</u>

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	72,077	68,181
Interest receivable	25,710	10,861
	<u>97,787</u>	<u>79,042</u>

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	730	212
	<u>730</u>	<u>212</u>

7 Expenditure on raising funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fundraising and publicity						
Governance costs	3,360	-	3,360	2,035	-	2,035
Support costs	16,557	-	16,557	13,603	-	13,603
	<u>19,917</u>	<u>-</u>	<u>19,917</u>	<u>15,638</u>	<u>-</u>	<u>15,638</u>
Trading costs						
Rituals and teddy bear expenses	7,215	27,957	35,172	6,016	17,411	23,427
Investment management	2,253	-	2,253	1,149	-	1,149
Total costs	<u>29,385</u>	<u>27,957</u>	<u>57,342</u>	<u>22,803</u>	<u>17,411</u>	<u>40,214</u>

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Expenditure on charitable activities

	Grant giving	Sussex for Sussex	Total	Grant giving	Sussex for Sussex	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Direct costs						
Direct charitable costs	-	1,817	1,817	-	1,648	1,648
Sundry expenses	-	-	-	291	-	291
	-	1,817	1,817	291	1,648	1,939
Grant funding of activities (see note 9)	30,665	254,380	285,045	19,878	257,160	277,038
Share of support and governance costs (see note 10)						
Support	-	16,558	16,558	-	13,680	13,680
Governance	-	3,360	3,360	-	2,035	2,035
	30,665	276,115	306,780	20,169	274,523	294,692
Analysis by fund						
Unrestricted funds - general	15,945	-	15,945	3,291	-	3,291
Restricted funds	14,720	276,115	290,835	16,878	274,523	291,401
	30,665	276,115	306,780	20,169	274,523	294,692

9 Grants payable

	Grant giving	Sussex for Sussex	Total	Grant giving	Sussex for Sussex	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Grants to institutions:						
Sussex for Sussex donations	-	254,380	254,380	-	257,160	257,160
Donations to other charities	7,205	-	7,205	3,000	-	3,000
	7,205	254,380	261,585	3,000	257,160	260,160
Grants to individuals	23,460	-	23,460	16,878	-	16,878
	30,665	254,380	285,045	19,878	257,160	277,038

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Support costs allocated to activities

	2023 £	2022 £
Staff costs	13,233	6,766
Depreciation	1,541	1,465
Bank charges	159	488
Office equipment and expenses	4,082	3,590
Printing, postage and stationery	1,377	(26)
Contribution for office services	10,000	15,000
Sundry expenses	969	-
Governance costs	8,474	4,070
	<u>39,835</u>	<u>31,353</u>
Analysed between:		
Fundraising	19,917	15,638
Sussex for Sussex	19,918	15,715
	<u>39,835</u>	<u>31,353</u>
Governance costs comprise:	2023 £	2022 £
Accountancy	2,792	2,594
Legal and professional	3,927	1,476
Trustee expenses	1,755	-
	<u>8,474</u>	<u>4,070</u>

The accounts include payments to the Independent Examiner of £1,200 for the independent examination and £1,592 for other services (2022: £1,200 for independent examination work and £1,394 for other services).

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year two trustees were reimbursed the total of £222 for travelling expenses (2022: £nil).

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Support	<u>1</u>	<u>1</u>

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	12,570	6,468
Social security costs	473	212
Other pension costs	190	86
	<u>13,233</u>	<u>6,766</u>

There were no employees whose annual remuneration was more than £60,000.

13 Gains and losses on investments

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Gains/(losses) arising on:						
Revaluation of investments	(20,612)	2,007	(18,605)	(55,014)	(6,318)	(61,332)
Sale of investments	-	-	-	44,878	-	44,878
	<u>(20,612)</u>	<u>2,007</u>	<u>(18,605)</u>	<u>(10,136)</u>	<u>(6,318)</u>	<u>(16,454)</u>

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Property, plant and equipment

	Computer equipment £
Cost	
At 1 January 2023	11,720
Additions	665
	<hr/>
At 31 December 2023	12,385
	<hr/>
Depreciation and impairment	
At 1 January 2023	2,930
Depreciation charged in the year	1,541
	<hr/>
At 31 December 2023	4,471
	<hr/>
Carrying amount	
At 31 December 2023	7,914
	<hr/>
At 31 December 2022	8,790
	<hr/>

16 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 January 2023	1,480,562	12,985	1,493,547
Valuation changes	(18,605)	-	(18,605)
Investment income reinvested	-	69,824	69,824
	<hr/>	<hr/>	<hr/>
At 31 December 2023	1,461,957	82,809	1,544,766
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2023	1,461,957	82,809	1,544,766
	<hr/>	<hr/>	<hr/>
At 31 December 2022	1,480,562	12,985	1,493,547
	<hr/>	<hr/>	<hr/>

17 Inventories

	2023 £	2022 £
Finished goods and goods for resale	-	7,215
	<hr/>	<hr/>

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

18 Trade and other receivables

	2023 £	2022 £
Amounts falling due within one year:		
Other receivables	37,200	49,624
Prepayments and accrued income	9,065	9,857
	<u>46,265</u>	<u>59,481</u>

	2023 £	2022 £
Amounts falling due after more than one year:		
Other receivables	<u>198,773</u>	<u>218,669</u>
Total debtors	<u>245,038</u>	<u>278,150</u>

19 Current liabilities

	2023 £	2022 £
Other taxation and social security	112	34
Trade payables	2,000	1,144
Accruals and deferred income	13,154	18,119
	<u>15,266</u>	<u>19,297</u>

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £190 (2022 - £86).

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Provincial Grand Master's Relief Fund	64,690	7,981	(13,720)	-	58,951
Sussex for Sussex Fund	603,131	23,392	(276,115)	-	350,408
Sussex Royal Arch Fund	21,740	3,114	-	-	24,854
Wilkins Bequest	10,019	-	(1,000)	-	9,019
TLC Fund	-	25,259	(27,957)	2,698	-
	<u>699,580</u>	<u>59,746</u>	<u>(318,792)</u>	<u>2,698</u>	<u>443,232</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
	£	£	£	£	£
Provincial Grand Master's Relief Fund	62,521	9,280	(7,111)	-	64,690
Sussex Masonic Fund	3,309	-	(9,845)	6,536	-
Sussex for Sussex Fund	614,497	263,081	(274,447)	-	603,131
Sussex Royal Arch Fund	18,889	2,851	-	-	21,740
Wilkins Bequest	10,019	-	-	-	10,019
TLC Fund	5,751	10,504	(17,409)	1,154	-
	<u>714,986</u>	<u>285,716</u>	<u>(308,812)</u>	<u>7,690</u>	<u>699,580</u>

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Restricted funds (Continued)

The Provincial Grand Master's Relief Fund - The Provincial Grand Master's Relief Fund consists of funds utilised for the granting of relief to Sussex Freemasons (including Tylers of Sussex Lodges), their widows and their children and is administered by the Trustees on his behalf.

Sussex Masonic Fund - The Sussex Masonic Fund was established when the Mid Sussex Masonic Trust donated its residual assets to the charity and payments can only be made for Masonic purposes.

Sussex for Sussex Fund - The Sussex for Sussex Fund is an initiative to support a wide range of registered charities in Sussex with no direct masonic connections. Applications are considered by the Trustees and awards made that generally support, but are not limited to, early years, later life, medical research and hospice care.

Wilkins Bequest Fund - The Wilkins bequest Fund consists of funds to be utilised in accordance with charitable purposes decided under the sole discretion of Tilsmore Lodge in accordance with the terms of the will of the later Roger Reginald Thomas Wilkins.

Royal Arch Fund - The SRAF was established when the Sussex Royal Arch Benevolent Fund transferred its assets to the umbrella of Sussex Masonic Charities in 2017 to be allocated by Trustees for masonic and charitable purposes as decided by the Trustees of the Sussex Masonic Charities.

TLC Fund - The TLC Fund has been established to record those donations primarily from Lodge donations which are of a restricted nature towards the TLC Appeal, with the associated costs of distributing teddy bears to hospitals within Sussex.

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Bennett Bequest Fund	270,648	-	-	2,007	-	272,655
General funds	1,117,897	111,258	(45,330)	(4,705)	(20,612)	1,158,508
	<u>1,388,545</u>	<u>111,258</u>	<u>(45,330)</u>	<u>(2,698)</u>	<u>(20,612)</u>	<u>1,431,163</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£	£	£
Bennett Bequest Fund	276,966	-	-	-	(6,318)	270,648
General funds	1,052,105	103,394	(26,094)	(7,690)	(3,818)	1,117,897
	<u>1,329,071</u>	<u>103,394</u>	<u>(26,094)</u>	<u>(7,690)</u>	<u>(10,136)</u>	<u>1,388,545</u>

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Unrestricted funds (Continued)

Bennett Bequest Fund - in the year ended 31 December 2022 the Trustees reviewed the original Will of the late Mr R Bennett, and it was agreed that the Will did not impose any specific restriction on the funds. It only stated that the funds should be used in line with the charitable purposes, and therefore does not need to be presented as a restricted fund. As such the Trustees have chosen to designate these funds for future capital growth and income generation, rather than show them as restricted funds.

23 Analysis of net assets between funds

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:				
Property, plant and equipment	7,914	-	-	7,914
Investments	1,272,111	272,655	-	1,544,766
Current assets/(liabilities)	151,138	-	443,232	594,370
	<u>1,431,163</u>	<u>272,655</u>	<u>443,232</u>	<u>2,147,050</u>

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:				
Property, plant and equipment	8,790	-	-	8,790
Investments	1,222,899	270,648	-	1,493,547
Current assets/(liabilities)	156,856	-	699,580	856,436
	<u>1,388,545</u>	<u>270,648</u>	<u>699,580</u>	<u>2,358,773</u>

24 Financial commitments, guarantees and contingent liabilities

In addition to the grants payable noted above, the trustees have also pledged certain grants which are subject to the recipient fulfilling certain conditions. The total amount pledged but not accrued as expenditure at 31 December 2023 was £NIL (2022: £50,000).

The pledges are expected to be honoured in the next two years depending on the charity receiving satisfactory applications for the projects. These pledges will be funded out of the Sussex for Sussex restricted fund.

SUSSEX MASONIC CHARITABLE FOUNDATION, CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

25 Related party transactions

During the year donation were made to the charity by trustees through individual lodges. All donations were made at arms length and had no conditions attached, these amounted to £720 (2022:£1,970).

There were no other disclosable related party transactions during the year (2022 - none).