

Charity Registration Number: 207610

THE MARK BENEVOLENT FUND
FINANCIAL STATEMENTS
31 AUGUST 2021

**THE MARK BENEVOLENT FUND
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their report and the financial statements for the year ended 31 August 2021.

LEGAL AND ADMINISTRATIVE DETAILS

The charity is The Grand Lodge of Mark Master Masons' Fund of Benevolence and is registered at the Charity Commission under registration number 207610. The charity operates as The Mark Benevolent Fund.

The charity's address is 86 St James's Street, London SW1A 1PL.

TRUSTEES

The Trustees of The Mark Benevolent Fund who served during the year, and to the date of signing this report, were:

D F Ashbolt
J Bell
I N Clark
H K Emmerson
P Hawken
K Hicks
C E Lord, OBE, JP
A S McLaren
A Morris
T C Pakrashi
A I Torrance
M J L Whelan, JP

Newly appointed Trustees receive an induction from the President and Grand Treasurer and attend training courses as necessary.

ORGANISATION

The Board of Trustees delegate the day-to-day running of the charity to the management of the Grand Lodge of Mark Master Masons. There are two sub-committees to the Board of Trustees:

- 1) The Worthy Causes Committee provides assistance to other registered charities. It meets two to three times a year to examine applications looking for financial support or from Mark Provinces and Districts wishing to support suitable charities. The appropriateness of the allocation of the charity's funds is at the forefront as applications are considered. Following a Worthy Causes Committee meeting, all members are sent copies of the approved applications. If no queries are raised within ten days, these grants will be paid. All of the Trustees of the charity are members of the Committee.

The Worthy Causes Committee also has a subcommittee that administers grants up to £50,000 to enable them to be dealt with swiftly. The members of this committee are D Ashbolt (Chairman), P Hawken, K Hicks, A McLaren, A Morris, C E Lord, T C Pakrashi.

- 2) The Petitions Committee provides relief to poor and distressed Freemasons, their wives, widows and children. Individual grants of up to £15,000 may be made for help with general living expenses for a 12-month period, relief of debt if appropriate and one-off items such as roof repairs and heating system replacement. The Committee meets generally every six to eight weeks depending on the level of applications. The members of the Committee are H K Emmerson (Chairman), I Clark, D Ashbolt, M Whelan and A Torrance.

**THE MARK BENEVOLENT FUND
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

PRINCIPAL ADVISERS

BANKERS

Clydesdale Bank plc
154-158 Kensington High Street
London
W8 7RL

FUND MANAGERS

J M Finn & Co Ltd
4 Coleman Street
London
EC2R 5TA

AUDITOR

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

CONSTITUTION AND OBJECTS

The Mark Benevolent Fund is governed by both statute (Charities Act) and the Constitutions and Regulations dated 1955 and subsequent amendments. The objects of the charity are:

- 1) the application of the charity's funds to any other exclusively charitable purposes as may be determined from time to time by the trustees. In reaching that determination, the trustees seek and consider the views of the Grand Lodge and
- 2) the relief of need, hardship and distress among Mark Master Masons, their families or other dependant and/or amongst retired employees of The Grand Lodge in such manner as the trustees shall from time to time determine.

The Mark Benevolent Fund is supported by contributions from Brethren, Ladies, Lodges and Provinces and these may take the form of either donations, covenants, legacies or bequests.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

ACTIVITIES

The total grants in the year paid out under the trustees' grant making policy (see page 3) amounted to £2,166,327 (2020: £1,422,744) of which £1,286,000 was paid to hospices, £832,958 was paid to 42 charities, and £47,369 was paid to Mark Master Masons and other dependants in need.

The Trustees have continued to review all applications for grants and grants were made from The Mark Benevolent Fund to Mark Master Masons or their wives, widows, sisters etc. and for specific purposes to other Registered Charities.

FUNDRAISING

The majority of the charity's income is from the members of the Grand Lodge of Mark Master Masons. The Mark Benevolent Fund has not engaged with third parties to raise funds and any direct approach to members of the public for funding has been limited. No complaints were received in relation to the Mark Benevolent Fund's fundraising activities.

**THE MARK BENEVOLENT FUND
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

GRANT MAKING POLICY

Grants are made to Mark Master Masons or their wives, widows, sisters or other dependents or children, or employees of the Grand Lodge who have retired, provided that such grants are for the relief of need. All grants awarded are subject to financial means testing and approval by the Petitions Committee.

Grants are also made for charitable purposes other than for the relief of need (which are reported to Grand Lodge). All grants awarded are subject to review and approval by the members of the Worthy Causes Committee.

In April 2021, the Trustees of the Mark Benevolent Fund announced a Major Capital Grant to hospices to commemorate the significant contribution made to the Crown and the nation by H R H The Prince Philip, Duke of Edinburgh (see note 4, page 13).

RESERVES POLICY

The total reserves of the Fund amounted to £23.50 million (2020: £20.91 million), comprising unrestricted reserves of £22.48 million (2020: £19.88 million) and designated funds of £1.02 million (2020: £1.03 million). The free reserves of the Fund total £22.48 million at the year-end (2020: £19.88 million).

The majority of grants are paid to Non Masonic Charities with the balance paid in the main to the elderly, these take the form of either emergency grants or annuity grants which may have to be maintained for, on average, between 12 and 15 years. It is the policy of the Trustees to ensure that the fund has adequate reserves to pay these grants each year. Funds are also retained as it is the practice to make substantial donations from time to time and investments and income therefore must be maintained to further this policy.

GOING CONCERN

The Mark Benevolent Fund is managed by the Board of Trustees which are all honorary positions therefore there are no direct financial costs in the management of the fund. The Charities Manager and the financial control administration duties are provided by employees of the Grand Lodge of Mark Master Masons.

Our planning processes take into consideration the current economic climate, including the Covid-19 pandemic, and its ongoing impact on the various sources of income and planned donations. The fund raising is mainly provided by Mark Masons who have, by rotation of each province in the England and Wales, Mark Benevolent Festivals which are usually the result of special events over the previous five to seven years. It is expected that this will continue for the foreseeable future. In addition the donation policy of the trustees is that the annual payments to Worthy Causes do not normally exceed the dividend income from the investments.

Trustees consider that there are sufficient reserves held at 31 August 2021 to manage any foreseeable downturn in the UK economy. The Trustees consider that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and, for this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

INVESTMENT POWERS

Investment powers are set out and operated within the provisions of the Trustee Act 2000. The investments are managed by the Investment Committee, appointed by the Trustees, which is advised by J M Finn & Co Limited.

INVESTMENT POLICY AND PERFORMANCE

The policy of the trust deed is to quickly provide grants in relief of need for Mark Masons and their dependents and from time to time to make substantial grants to worthy causes likely to benefit Mark Masons and so far as funds permit to make similar grants to non-Masons. The sources of income for the fund are donations from the members with additional receipts from the annual festivals, the amount of which depends on the number of Lodges in the province supporting the festival, and any investment income (including capital gains).

Changes are made to investments held on the basis of seeking to maintain the existing funds and to increase them so far as possible. In accordance with these aims, the funds are managed by J M Finn & Co Limited. The Investment Committee, appointed by the Trustees, reviews the funds on a regular basis.

**THE MARK BENEVOLENT FUND
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

RISK POLICY

The Trustees have reviewed their procedures to identify and examine the major strategic, business and operational risks that the charity faces. The necessary systems are established to enable reports to be produced to ensure that action is taken to manage the effects of the identified risks. Below a summary of the major risks faced and policies to mitigate these.

Risk	Steps to mitigate risk
Loss of Key Staff	Succession planning, document systems, agree notice periods and handovers
Disaster recovery	Agree IT recovery plan, implement data back-up, review insurance, create disaster recovery plan
Investment Policies	Review & agree policy, obtain advice & management, implement reserves policy, regular performance monitoring
Public Perception	Communicate with supporters & beneficiaries, good quality reporting of activities & financial situation, implement public relations training/procedures
Regulatory reporting	Review & agree compliances procedures and allocation of staff responsibilities

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net incoming/outgoing resources for that period. 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 judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 charity's constitution. 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.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Approved by the Trustees on 24th January 2022 and signed on their behalf by:

D F Ashbolt
Deputy President of the Mark Benevolent Fund



Independent Auditor's Report to the Trustees of the Mark Benevolent Fund

Opinion

We have audited the financial statements of the Mark Benevolent Fund for the year ended 31 August 2021 which comprise Statement of Financial Activities, the Balance Sheet, 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 August 2021 and of its incoming resources and application of resources, including 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 trustees' 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 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 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 trustees' report; or
- sufficient accounting records have not been kept; 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 set out on page 4, 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 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.

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:

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.

1. 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 and group 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 were the Charities Act 2011 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 and the group for fraud. The laws and regulations we considered in this context for the UK operations included 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 timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Management Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, sample testing of income, reviewing regulatory correspondence, 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

Crowe U.K. LLP

Statutory Auditor

London

7 March 2022

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.

**THE MARK BENEVOLENT FUND
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies		1,224,870	1,360,908
Investments:			
Investment income		503,998	592,166
Interest receivable		1,265	236
Other:			
Rent receivable, 86 St. James's Street, London SW1	9		
Total		1,730,133	1,953,310
EXPENDITURE ON:			
Raising funds			
Investment management fees		98,516	89,705
Charitable activities			
Grants & Support Costs	4	2,532,970	1,781,523
Benevolent jewels distribution		44,855	42,857
Total		2,676,341	1,914,085
OPERATING (LOSS) / SURPLUS		(946,208)	39,225
Net gains / (losses) on investment assets	7	3,534,646	(58,360)
NET INCOME / (EXPENDITURE)		2,588,438	(19,135)
NET MOVEMENT IN FUNDS		2,588,438	(19,135)
FUND BALANCES			
As at 1 September 2020		20,912,240	20,931,375
FUND BALANCES CARRIED FORWARD		23,500,678	20,912,240

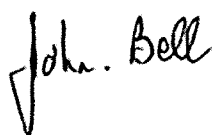
All of the above are represented by continuing operations.
There are no recognised gains and losses other than those shown above.

The notes on pages 11 to 16 form part of these financial statements.

THE MARK BENEVOLENT FUND
BALANCE SHEET
31 AUGUST 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	6	1,020,800	1,029,200
Investments	7	22,150,786	18,814,657
		23,171,586	19,843,857
CURRENT ASSETS			
Debtors		152,250	79,418
Cash at bank		317,627	1,054,454
		469,877	1,133,872
CURRENT LIABILITIES			
Creditors		140,785	65,489
		140,785	65,489
NET CURRENT ASSETS		329,092	1,068,383
TOTAL ASSETS LESS CURRENT LIABILITIES		23,500,678	20,912,240
REPRESENTED BY FUNDS			
Unrestricted			
Designated fixed assets fund		1,020,800	1,029,200
General fund		22,479,878	19,883,040
		23,500,678	20,912,240

The financial statements were approved by the Trustees and authorised for issue on 24th January 2022 and signed on their behalf by:



J Bell
President of the Mark Benevolent Fund

The notes on pages 11 to 16 form part of these financial statements.

THE MARK BENEVOLENT FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

	2021	2020
Notes	£	£
Cash flows from operating activities:		
Net cash used by operating activities	(1,440,607)	(530,935)
Cash flows from investing activities:		
Investment income	505,263	592,402
Proceed from sale of investments	2,622,412	2,487,870
Purchase of investments	(2,423,895)	(2,398,165)
Net cash provided by investing activities	<u>703,780</u>	<u>682,107</u>
Change in cash and cash equivalents in the year	(736,827)	151,172
Cash and cash equivalents brought forward	<u>1,054,454</u>	<u>903,282</u>
Cash and cash equivalents carried forward	<u>317,627</u>	<u>1,054,454</u>
Reconciliation of net (expenditure)/income to net cash flow from operating activities	2021	2020
	£	£
Net (expenditure)/income for the year (as per Statement of financial activities)	2,588,438	(19,135)
Adjustment for:		
Investment income	(505,263)	(592,402)
Loss/(gain) on investments	(3,534,646)	58,360
Depreciation of tangibles fixed assets	8,400	8,400
(Increase)/decrease in debtors	(72,832)	383
Increase/(decrease) in creditors	<u>75,296</u>	<u>13,459</u>
Net cash used by operating activities	<u>(1,440,607)</u>	<u>(530,935)</u>
Analysis of cash and cash equivalents	2021	2020
	£	£
Cash in hand	317,627	1,054,454
Total	<u>317,627</u>	<u>1,054,454</u>

**THE MARK BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. CHARITY INFORMATION

The Charity is a Public Benefit Entity registered as an unincorporated charity registered in England and Wales (registration no. 207610) and operates from its registered office Mark Masons' Hall, 86 St. James's Street, London, SW1A 1PL.

2. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice.

The 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 (FRS102) 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) Donations

Donations received for a specific year and deposited with The Mark Benevolent Fund are included in the Statement of Financial Activities in the year of receipt.

Other donations, where the resolution to make a gift to The Mark Benevolent Fund is uncertain, are included in the Statement of Financial Activities on a receipts basis.

(c) Gifts

Gifts received in the year are included in the Statement of Financial Activities at their market value on the date received.

(d) Amortisation of Leasehold Property

In accordance with the terms agreed with the Charity Commissioners, The Mark Benevolent Fund invested £1,200,000 in the acquisition and conversion of 86 St. James's Street, London SW1. The original lease was for 99 years from 5 January 1979. This has been subsequently renegotiated and a new 125 year lease from April 2018 agreed. This has resulted in an increase in the charge for the amortisation of the lease from £4,200 per annum to £8,400 with effect from September 2019. This will continue to be borne by the General Fund of The Grand Lodge of Mark Master Masons.

The residual economic life of leasehold property is reviewed on a regular basis. The Trustees have determined the position with regard to property depreciation as stated above. The Trustees are also of the view that the carrying value of this asset is not impaired having assessed the service delivery and will undertake future reviews in accordance with FRS 102.

(e) Investments

Fixed asset investments are revalued to market value at the balance sheet date and the surplus or deficit of this revaluation represents unrealised gains or losses.

The differences between the carrying value (or cost if acquired in the year) and the proceeds of investments disposed of represent realised investment gains or losses.

Net realised and unrealised gains or losses are shown as a combined figure in the Statement of Financial Activities.

THE MARK BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (CONTINUED)

(f) Expenditure

Expenditure is accounted for under the accruals concept. The irrecoverable element of VAT is included with the item of expense to which it relates. Staff are employed by The Grand Lodge of Mark Master Masons and relevant staff costs are recharged to The Mark Benevolent Fund as part of the administration fee.

(g) Investment Income

Investment income is accounted for on an accruals basis.

(h) Governance Costs

Governance costs relate to the statutory running of the charity.

(i) Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade debtors, accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

(j) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

THE MARK BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (CONTINUED)

(k) Going concern

The Mark Benevolent Fund is managed by the Board of Trustees which are all honorary positions therefore there are no direct financial costs in the management of the fund. The Charities Manager and the financial control administration duties are provided by employees of the Grand Lodge of Mark Master Masons.

Our planning processes take into consideration the current economic climate including the Covid-19 pandemic, and its ongoing impact on the various sources of income and planned donations. The fund raising is mainly provided by Mark Masons who have, by rotation of each province in the England and Wales, Mark Benevolent Festivals which are usually the result of special events over the previous five to seven years. It is expected that this will continue for the foreseeable future. In addition the donation policy of the trustees is that the annual payments to Worthy Causes do not normally exceed the dividend income from the investments.

Trustees consider that there are sufficient reserves held at 31 August 2021 to manage any foreseeable downturn in the UK economy. The Trustees consider that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and, for this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

3. SUPPORT COSTS	2021	2020
	£	£
Administration fee	200,000	<i>200,000</i>
Printing and stationery		
General expenses	11,825	<i>4,227</i>
Rent paid	135,000	<i>135,000</i>
Bank charges and insurance costs	18	<i>52</i>
Governance costs (note 5)	19,800	<i>19,500</i>
	366,643	<i>358,779</i>

All support costs are applicable to grant making which is the charity's only charitable activity and are included with the grant making costs on the face of the Statement of Financial Activities.

THE MARK BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

4. GRANTS	2021	2020
	£	£
Grants to other charities	832,958	1,304,326
Major capital grant to support hospices in England & Wales	1,286,000	0
Grants to individuals	47,369	118,418
	2,166,327	1,422,744
Support costs (note 3)	366,643	358,779
	2,532,970	1,781,523
The grants to other charities in the year were:		
Carers Support Centre	2,883	
Leicestershire & Rutland Festive Keystone Boxes	4,000	
Stafford & District Carers Trust	3,581	
The Martha Trust	13,288	
United Response Cheriton Community Network	3,980	
Hope4 Centre in Rugby	6,154	
West Yorkshire Scouts	74,500	
Tree of Hope	4,000	
Transform CPR	29,512	
West London Masonic Centre	7,000	
Kingfisher Medway Trust	32,739	
Age Concern Manchester	15,897	
Isight Cornwall	10,700	
Miskin Scout Village	20,000	
C'Land & Westmorland Laptops Project	25,000	
Clowns in the Sky	29,600	
SERV OBN – Blood Bike Group	5,000	
Basingstoke & Alton Cardiac Rehab Charity	6,678	
Blooming Blossoms	5,000	
Maryport Inshore Rescue Boat Charity	62,890	
1 st Burstow Scouts Group	5,192	
Horsley, Bookham & Leatherhead Riding for the Disabled	18,506	
Disabled Sailors Association	27,590	
Colney Heath Scout Group	15,000	
1 st Warlingham Scout Group	6,880	
Abbey Lane JFC – Sheffield	13,375	
Kingfisher Medway Trust	29,712	
Sea Palling Independent Lifeboat	56,394	
Reigate & Banstead Women's Aid	5,430	
Forget Me Not Children's Hospice	10,000	
George Elliot Hospital – Serenity Garden Project	2,608	
St John Ambulance – Southwick	24,000	
Beep Fund Ltd	83,500	
Kingfisher Medway Trust	24,605	
Kent Association for the Blind	8,440	
Cheltham's School of Music	2,500	
Peter Le Marchant	25,000	
Hertfordshire Scouts	17,345	
Emergency Cyprus Appeal	25,000	

THE MARK BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

4. GRANTS (continued)

Age Concern – Elderly Merstham Redhill & Reigate	1,850	
Kingfisher Medway Trust	33,120	
Imperial Health Charity	34,509	
	832,958	<i>1,304,326</i>

The Major Capital Grant of £1,286,000 was distributed through Mark Lodges in England & Wales who each nominated a local hospice to receive a £1,000 donation wholly funded by the Mark Benevolent Fund. Of our 1,286 lodges of Mark Master Masons, 230 different charities were chosen which in turn manage the running of 273 hospices.

5. GOVERNANCE COSTS

	2021	<i>2020</i>
	£	£
Auditor's remuneration	19,800	<i>19,500</i>

No Trustee received any remuneration or reimbursement of expenses during the current or previous year.

6. FIXED ASSETS

	Leasehold property £
Cost	2021
At 31 August 2021 and 1 September 2020	<u>1,200,000</u>
Depreciation	
At 1 September 2020	<i>170,800</i>
Charge for the year	<i>8,400</i>
At 31 August 2021	<u>179,200</u>
Net Book Value	
At 31 August 2021	<u>1,020,800</u>
<i>At 31 August 2020</i>	<i><u>1,029,200</u></i>

THE MARK BENEVOLENT FUND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

7. INVESTMENTS	2021	2020
	£	£
Market value at 1 September 2020	18,814,657	<i>18,962,722</i>
Less : Disposal proceeds	(2,622,412)	<i>(2,487,870)</i>
Add : Acquisitions at cost	2,423,895	<i>2,398,165</i>
Net realised and unrealised gains	3,534,646	<i>(58,360)</i>
	<hr/>	<hr/>
Market value at 31 August 2021	22,150,786	<i>18,814,657</i>
	<hr/>	<hr/>
Historic cost	13,716,021	<i>13,295,396</i>
	<hr/>	<hr/>

All investments are listed on a recognised stock exchange and managed in the UK by J M Finn & Co Limited. The investments at the year-end comprised:

Fixed interest	2,176,366	<i>2,381,115</i>
Equities	15,553,816	<i>12,520,763</i>
Other (Property, Alternative Assets & Emerging Economies)	4,420,604	<i>3,912,779</i>
	<hr/>	<hr/>
	22,150,786	<i>18,814,657</i>
	<hr/>	<hr/>

Unrealised gains/(losses) amounting to £4,740,709 (2020: £1,825,205) are based on a valuation at the year-end which is unlikely to equate to the actual gains and losses which will arise on the subsequent realisation of those investments.

8. TAXATION

The Mark Benevolent Fund is a registered charity and is able to take advantage of the exemptions from tax for charities on its income and investment gains.

9. RELATED PARTY TRANSACTIONS

The Fund is administered by The Grand Lodge of Mark Master Masons (GLMMM). The Fund paid a management fee of £200,000 in the year (2020: £200,000) to GLMMM to cover staff and administration costs and charged rent of £nil (2020: £nil) to GLMMM. Due to changes in the terms of the Lease, GLMMM now pays the rent direct to Crown Properties. Included in Donations and Legacies is an amount of £135,000 (2020: £135,000) in respect of the rent paid directly on behalf of the Fund. A corresponding expense is included within support costs.

At the yearend GLMMM owed MBF £29,310 (2020: MBF owed GLMMM £14,284) in respect of these transactions.