

**THE GRAND CHARITY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**Charity Number: 281942**

# THE GRAND CHARITY

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# **THE GRAND CHARITY**

## **TRUSTEE'S ANNUAL REPORT**

The Trustee is pleased to submit its report for the year ended 31<sup>st</sup> March 2024.

### **Reference and Administrative Information**

#### **Name and Registered Office**

The name of the charity is The Grand Charity (the "Charity") and it has its registered office at 60 Great Queen Street, London, WC2B 5AZ.

#### **Trustees**

The Trustee who served during the year were:

- 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 (Resigned 31<sup>st</sup> July 2023)
- Sinead Brophy (Resigned 31<sup>st</sup> July 2023)
- Simon Duckworth, OBE, DL (Resigned 31<sup>st</sup> July 2023)
- Clive Emerson (Appointed Treasurer 1<sup>st</sup> August 2023)
- Dr Simon Fellerman
- Edward Goodchild (Appointed 1<sup>st</sup> August 2023)
- Alan Graham, MBE
- Antony Harvey (Resigned 31<sup>st</sup> July 2023)
- Christopher Head
- Michael Heenan (Treasurer) (Resigned 31<sup>st</sup> July 2023)
- James Long, TD (President) (Appointed Chairman 1<sup>st</sup> January 2024)
- Charlotte Miller (Appointed co-optee 1<sup>st</sup> August 2023)
- Stephen Robinson
- Marie Shenton (Appointed 1<sup>st</sup> August 2023)
- David Southern
- Bruce Walker
- Andrew Wauchope (Resigned 31<sup>st</sup> July 2023)
- Sir Paul Williams, OBE, KStJ, DL (Deputy President and Chairman to 31<sup>st</sup> December 2023)
- Howard Wilson

# **THE GRAND CHARITY**

## **TRUSTEE'S ANNUAL REPORT**

### **Executive**

The Executive during the year to 31<sup>st</sup> March 2024 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**

Coutts & Co, 440 Strand, London, WC2R 0QS

### **Investment Managers**

Royal London Asset Management, 55 Gracechurch Street, London EC3V 0RL

### **Solicitors**

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

## **Structure, Governance and Management**

### **Organisation**

The Charity was established by trust deed on 16<sup>th</sup> April 1980 by the United Grand Lodge of England, which provided initial funding from the Grand Lodge's Fund of Benevolence. At a meeting held on 9<sup>th</sup> September 2015, the trustees approved a deed of amendment and reinstatement and an amended trust deed altering the constitutional and governance arrangements of the charity to reflect changes in trustees and membership with effect from 1<sup>st</sup> April 2016.

The unrestricted assets and liabilities from the Charity, together with the assets and liabilities of the Transferred Beneficiaries Fund, were transferred to a fellow subsidiary company of the same name (charity number 1170335 and company number 01487345; hereafter "TGC Company") with effect from 1<sup>st</sup> February 2017 following a resolution from the trustees made on 15 December 2016. The restricted Relief Chest Fund remains in the unincorporated trust.

As the sole trustee, 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.

# THE GRAND CHARITY

## TRUSTEE'S ANNUAL REPORT

### 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                 |
| 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.

### Objectives and Activities

#### Objectives

The Charity is the central grant-making charity of all Freemasons under the English Constitution. The objects of the Charity, as expressed in the trust deed, are very broad and before the amendments approved at the annual general meeting in September 2015, gave discretion to the trustees to support charitable purposes as recognised under UK Law. As a result of the amendments, that discretion has now passed to the Trustee.

The Trustee has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and has ensured that its grant-making policies and activities comply with the requirements

#### Activities

Following the transfer of grant making activities to TGC Company in 2017, the sole activity of the Charity is now to provide administrative services to the Masonic community as laid out overleaf:

# THE GRAND CHARITY

## TRUSTEE'S ANNUAL REPORT

### Activities (Continued)

#### 1. Relief Chest Scheme

The Relief Chest Scheme (RCS), introduced in 1986, offers individual relief chests to lodges, chapters, provinces and other recognised Masonic organisations, which are used to generate funds for all types of charitable purposes. These funds are held by The Grand Charity unincorporated trust in a restricted fund. A donation is made from a relief chest to a charity, an organisation recognised as charitable, or for an individual in distress only at the request of the relief chest holder.

The RCS provides vital support to provinces in festival and other appeals, enabling them to reach their fundraising targets efficiently. It also ensures that all statutory compliance and administration requirements, for example, of the Charity Commission, Information Commissioner's Office and HMRC have been met.

Investment in infrastructure and latest technology ensures that the RCS delivers a risk management framework in a cost efficient manner.

In 2018, RCS launched donor advised funds for individuals. The Individual Relief Chest Scheme (IRCs) programme was released in beta version. It is now open to all Freemasons, their families and friends. These funds are held by the Masonic Charitable Foundation in a restricted fund.

All services of the RCS are provided free, no administration fee is charged to the chest holder.

The services of the RCS, which assist donors to give to both Masonic and non-Masonic charitable activities efficiently, contribute to the public benefit by creating value for other charities and extending the Scheme's positive impact.

The Charity is transforming Masonic charitable giving to make the process easy and to help give substantial donations each year to charitable causes.

The Charity is committed to helping Freemasons to make a difference to the world in which they live and to inspire greater generosity from this community, by offering practical tailored support through its wealth of resources and tools.

#### 2. Maintaining and supporting the Honorifics Evaluation IT system (HONE)

RCS designed and developed an application to manage the honorific programme for the Masonic Charitable Foundation. This IT system is maintained and supported by RCS.

# THE GRAND CHARITY

## TRUSTEE'S ANNUAL REPORT

### Achievements and Performance

During the year, activity in the RCS included:

|                                                       | 2024   | 2023   |
|-------------------------------------------------------|--------|--------|
| • Number of Relief Chests                             | 5,148  | 5,110  |
| • Average number of monthly donations into the Scheme | 45,973 | 50,642 |
| • Average number of monthly tax reclaims              | 41,698 | 38,784 |
| • Average number of monthly payments from the Scheme  | 532    | 416    |
| • Number of new Relief Chests opened                  | 205    | 204    |

Relief Chest holders utilised the Scheme by requesting charitable donations as follows.

|                                            | 2024   | 2023   |
|--------------------------------------------|--------|--------|
|                                            | £000   | £000   |
| Masonic Charitable Foundation              | 11,141 | 11,625 |
| The Grand Charity (General Fund)           | 5      | 17     |
| The Royal Masonic Trust for Girls and Boys | 45     | 72     |
| The Royal Masonic Benevolent Institution   | 121    | 198    |
| Masonic Samaritan Fund                     | 15     | 18     |

|                           |       |       |
|---------------------------|-------|-------|
| Other charitable purposes | 5,416 | 3,470 |
|---------------------------|-------|-------|

|              |               |               |
|--------------|---------------|---------------|
| <b>Total</b> | <b>16,743</b> | <b>15,400</b> |
|--------------|---------------|---------------|

The following achievements during the year have enhanced the support and services that the Relief Chest provides, therefore contributing towards the strategic objectives of the Charity:

- Implementing the new seven-year strategy for the Relief Chest to promote engagement and increase use by donors and potential donors.
- Engaging in a programme of community engagement with eight provinces visited during the year and holding an open week for London lodges in July 2023.
- Rolling out the new Relief Chest Online service that allows relief chest holders to access securely their accounts online for enquiries and reporting, and to add second officers to the account. By the end of the year, 51% of Relief Chest holders had registered for the service. The number of active users had increased to 663 by the end of the year (2023: 108).
- Increasing the proportion of donations received electronically from 10% in April 2023 to 17% by the end of the year.
- Increasing the proportion of charitable donations paid through the e-voucher system to 66% from 53% in the prior year.

# THE GRAND CHARITY

## TRUSTEE'S ANNUAL REPORT

### Achievements and Performance (continued)

- Reducing dormant Relief Chests to 117 at the end of the year, holding funds of less than £0.2 M.
- Promoting "continuous giving" between festivals with eight provinces signed up and 2,808 direct debits processed. This will give the provinces concerned a "flying start" for when their next festivals are launched.
- A new document management strategy was implemented allowing for the elimination of paper records held off-site and the proper management of electronic records including destruction at the appropriate times.

### Financial Review

#### Review of the Year

Incoming donations of £14.35 M were 5% higher than prior year. Investment income of £0.89 M was 188% higher than prior year as a result of significantly higher interest rates.

Expenditure of £16.74 M was 9% higher. Masonic grants of £11.33 M were 5% lower than prior year, whilst charity grants of £5.42 M were 56% higher. The net outflow was £1.50 M against a prior year outflow of £1.47 M.

#### Reserves Policy

Following the transfer of accumulated unrestricted reserves to TGC Company, the Charity has become solely the mechanism for continued operation of the Relief Chest. The policy is to transfer any ongoing residual income from donations and legacies directly to the MCF immediately following receipt.

#### Investment Policy and Performance

The aim is to maintain the capital and generate a reasonable level of income by utilising the services of Royal London Asset Management Ltd (RLAM), a qualified asset management firm regulated by the Financial Conduct Authority that provides investment capabilities across a range of asset classes. The position on risk is to consider only low risk investments such as treasury bills, deposits with approved banks, certificates of deposit by approved banks and other cash related products.

The Royal London Short Term Money Market Fund has been used for investing cash that is surplus to immediate operational requirements. The Short Term Money Market Fund can only invest in money market instruments, covered bonds, corporate bonds (minimum credit rating of AA-) and Gilts/Supranational, and is rated by Fitch as an AAA money market fund. For the year ended 31 March 2024, the investment return on the cash was 5.3% after fees. This compares to a benchmark return of 5.0% (SONIA).

# THE GRAND CHARITY

## 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                                           | Operational disruption resulting in financial, reputational, legal and regulatory damage.                                       | UGLE manage and monitor networks, servers and backup systems, and has deployed appropriate defence mechanisms e.g. firewalls, antivirus etc. Third party hosted systems /applications have relevant controls and security regimes. Information systems are only accessed via the VPN network and/or multi-factor authentication protocols.<br><br>MCF's Information Security Group (ISG) have various digital & IT procedures and policies in place. Cyber awareness and training programme mandatory 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                                                                                                          | MCF 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 quarterly meetings.

# **THE GRAND CHARITY**

## **TRUSTEE'S ANNUAL REPORT**

### **Plans for Future Periods**

The Charity will continue to operate the Relief Chest Scheme as described in page 6 of this report for the foreseeable future.

As part of the corporate plan 2024/25, RCS will:

- Roll out RCS on-line to the remaining users.
- Undertake a feasibility study to improve the efficiency of digital scanning and data capture.
- Promote further the use of QR codes to make donations and reduce the amount of gift aid envelopes for manual processing.

# THE GRAND CHARITY

## 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.

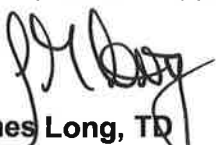
The Trustee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and 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 12<sup>th</sup> September 2024 and signed on their behalf by

  
James Long, TD

President and Chairman, MCF

# THE GRAND CHARITY

## REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE GRAND CHARITY

We have audited the financial statements of The Grand Charity (the "Charity") for the year ended 31 March 2024, 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 2024 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 GRAND CHARITY**

## **REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE GRAND CHARITY**

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 GRAND CHARITY

### REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEE OF THE GRAND CHARITY

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](http://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  
12th September 2024

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 GRAND CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2024

|                                    | Note | 2024<br>£'000   | 2023<br>£'000   |
|------------------------------------|------|-----------------|-----------------|
| <b>INCOME</b>                      |      |                 |                 |
| Donations and legacies             | 2    | 14,354          | 13,617          |
| Investment income                  | 3    | 891             | 309             |
| <b>Total income</b>                |      | <b>15,245</b>   | <b>13,926</b>   |
| <b>EXPENDITURE</b>                 |      |                 |                 |
| <b>Charitable activities</b>       |      |                 |                 |
| Masonic grants                     | 4    | (11,327)        | (11,930)        |
| Non-Masonic grants                 | 4    | (5,416)         | (3,470)         |
| <b>Total expenditure</b>           |      | <b>(16,743)</b> | <b>(15,400)</b> |
| <b>NET MOVEMENT IN FUNDS</b>       |      | <b>(1,498)</b>  | <b>(1,474)</b>  |
| Total funds brought forward        |      | 21,312          | 22,786          |
| <b>Total funds carried forward</b> |      | <b>19,814</b>   | <b>21,312</b>   |

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

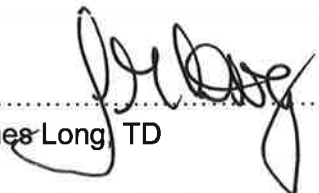
The notes on pages 18 to 22 form part of these financial statements.

# THE GRAND CHARITY

## BALANCE SHEET as at 31 MARCH 2024

|                                       | Note | March 2024<br>£'000 | March 2023<br>£'000 |
|---------------------------------------|------|---------------------|---------------------|
| <b>CURRENT ASSETS</b>                 |      |                     |                     |
| Debtors                               | 5    | 750                 | 500                 |
| Short term deposits                   |      | 17,972              | 19,222              |
| Cash at bank and in hand              |      | 1,092               | 1,590               |
|                                       |      | <u>19,814</u>       | <u>21,312</u>       |
| <b>CURRENT LIABILITIES</b>            |      |                     |                     |
| Creditors falling due within one year |      | 0                   | 0                   |
| <b>Total net assets</b>               |      | <u>19,814</u>       | <u>21,312</u>       |
| <b>CHARITABLE FUNDS</b>               |      |                     |                     |
| <b>Restricted income funds</b>        |      |                     |                     |
| Relief Chest                          |      | 19,814              | 21,312              |
| <b>Total charitable funds</b>         |      | <u>19,814</u>       | <u>21,312</u>       |

The financial statements were approved and authorised for issue by the Trustee Board on 12th September 2024 and signed on their behalf by:

  
James Long TD

President and Chairman

  
Clive Emerson

Treasurer

The notes on pages 18 to 22 form part of these financial statements

# THE GRAND CHARITY

## STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2024

|       |       |
|-------|-------|
| 2024  | 2023  |
| £'000 | £'000 |

### Operating Activities

Net cash provided by/(used in) Operating Activities

|   |         |         |
|---|---------|---------|
| A | (2,639) | (1,961) |
|---|---------|---------|

### Cash flows from investing activities

Dividends and interest from investments

|     |     |
|-----|-----|
| 891 | 309 |
|-----|-----|

Net cash provided by/(used in) Investing Activities

|     |     |
|-----|-----|
| 891 | 309 |
|-----|-----|

Change in cash and cash equivalents in the reporting period

|         |         |
|---------|---------|
| (1,748) | (1,652) |
|---------|---------|

Cash and cash equivalents at the beginning of the reporting period

|        |        |
|--------|--------|
| 20,812 | 22,464 |
|--------|--------|

Cash and cash equivalents at the end of the reporting period

|   |        |        |
|---|--------|--------|
| B | 19,064 | 20,812 |
|---|--------|--------|

### Notes on the cash flow statement

Reconciliation of net income/(expenditure) to net

cash flow from operating activities

Net movement in funds as per the Statement of Financial Activities

|         |         |
|---------|---------|
| (1,498) | (1,474) |
|---------|---------|

Adjustments for:

Dividends, interest and rents from investments

|       |       |
|-------|-------|
| (891) | (309) |
|-------|-------|

(Increase) in debtors

|       |       |
|-------|-------|
| (250) | (174) |
|-------|-------|

(Decrease) in creditors

|   |     |
|---|-----|
| 0 | (4) |
|---|-----|

Net cash provided by/(used in) Operating Activities

|         |         |
|---------|---------|
| (2,639) | (1,961) |
|---------|---------|

### Analysis of cash and cash equivalents

Short term deposits

|        |        |
|--------|--------|
| 17,972 | 19,222 |
|--------|--------|

Cash at bank and in hand

|       |       |
|-------|-------|
| 1,092 | 1,590 |
|-------|-------|

Total cash and cash equivalents

|        |        |
|--------|--------|
| 19,064 | 20,812 |
|--------|--------|

# **THE GRAND CHARITY**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2024**

### **1. ACCOUNTING POLICIES**

#### **(a) Statement of compliance**

The financial statements of The Grand Charity (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 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.

# THE GRAND CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

### (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.

### (e) 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.

Charitable activities are split between masonic activities and grants awarded to external institutions (designated as "non-Masonic" within the SOFA).

Masonic activities include the payment of grants directly to beneficiaries together with related welfare and support costs. Non-Masonic activities consist of the payment of grants to external institutions. Support costs are allocated to these activities on the bases laid out in note 4.

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.

The provision for multi-year grants is recognised at its present value when settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Charity that would permit it to avoid making future payments, settlement is probable and the effect of discounting is material. The discount rate used is the long-term return of inflation plus 4 percent used as the target for the Charity's investment portfolio.

# THE GRAND CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

**(f) Employee benefits**

All staff are employed by the parent charity, The Masonic Charitable Foundation, and no recharges are made to the Charity. Information relating to those employees is given in the accounts of the Masonic Charitable Foundation.

**(g) Fund accounting**

Restricted funds are subject to specific conditions imposed by the donors and/or for the purposes for which they are raised.

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

**(h) 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.

**(i) Financial assets and liabilities**

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. Financial assets and liabilities which qualify as basic financial instruments are initially recognised at the settlement amount after any trade discounts. They are subsequently valued at amortised cost and assessed for impairment at the end of each reporting period. Where settlement is not expected within 12 months of the balance sheet date, then the asset or liability is discounted using the long term return of inflation plus 4 percent used as the target for the Charity's investment portfolio. Basic financial instruments include debtors, cash and creditors within the balance sheet.

**(j) Provisions**

Provisions are recognised when the Charity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are discounted to present value where the effect is material.

# THE GRAND CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

(k) **Foreign currencies**

Transactions denominated in foreign currencies are translated into Pounds Sterling at the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Pounds Sterling at the rate ruling at the balance sheet date. All foreign exchange gains and losses, realised and unrealised, are recognised in the Statement of Financial Activities.

(l) **Taxation**

The Charity is exempt from taxation on its income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable activities. 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.

2. **DONATIONS AND LEGACIES**

|                                | 2024          | 2023          |
|--------------------------------|---------------|---------------|
|                                | £'000         | £'000         |
| Donations to Relief Chest Fund | 14,354        | 13,617        |
|                                | <u>14,354</u> | <u>13,617</u> |

3. **INVESTMENT INCOME**

|                           | 2024       | 2023       |
|---------------------------|------------|------------|
|                           | £'000      | £'000      |
| Interest on bank deposits | 891        | 309        |
|                           | <u>891</u> | <u>309</u> |

# THE GRAND CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2024

| 4. CHARITABLE ACTIVITIES               | 2024<br>£'000       | 2023<br>£'000       |
|----------------------------------------|---------------------|---------------------|
| <b>Masonic</b>                         |                     |                     |
| Relief Chest                           | 11,327              | 11,930              |
|                                        | <u>11,327</u>       | <u>11,930</u>       |
| <b>Non-Masonic</b>                     |                     |                     |
| Armed Forces                           | 66                  | 72                  |
| Arts, Culture & Sport                  | 79                  | 27                  |
| Disaster Relief                        | 52                  | 117                 |
| Education                              | 366                 | 303                 |
| Environment, Conservation and Heritage | 22                  | 20                  |
| Health and Disability                  | 1,969               | 1,673               |
| Hospices                               | 336                 | 217                 |
| Other Charitable Purposes              | 489                 | 608                 |
| Rescue Services                        | 1,945               | 351                 |
| Research                               | 92                  | 82                  |
|                                        | <u>5,416</u>        | <u>3,470</u>        |
| 5. DEBTORS                             | March 2024<br>£'000 | March 2023<br>£'000 |
| Prepayments and accrued income         | 750                 | 500                 |
|                                        | <u>750</u>          | <u>500</u>          |

### 6. RELATED PARTY TRANSACTIONS

Under the Relief Chest Scheme the Charity has made charitable donations to the MCF and other fellow subsidiaries on behalf of its holders as set out on page 7 of the trustees' report. The MCF has borne all the administrative costs of supporting the Charity.

### 7. 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.