



**The Masonic Province
of West Kent**



'Guidance Paper'
for
Charity Stewards
for
the 2015 Festival
in Support of
The Masonic Samaritan Fund

(First Anniversary Update)

Contents	Page
Introduction.....	3
Provincial Charity Structure.....	4
Reminder of Process for Setting up a Relief Chest	5
Fund Raising	6
Maximising Donations.....	7
Flow of Charity Money	8
Target	8
Patronage.....	8
Festival Jewel	9
Festival Dinner - June 2015	9
Record Keeping and Reporting	9
MSF Procedural Management and Reportage Issues.....	13
Useful Contacts	15

Tables	Page
Table 1 Charity and Non-Charity Fund Raising Mechanisms.....	6
Table 2 Patronage Levels	8
Table 3 Charity Steward Income Record Structure.....	11
Table 4 Charity Steward Donations Record Structure.....	12
Table 5 Charity Steward Relief Chest Record Structure.....	12
Table 6 Questions to MSF and Responses.....	13

Figures	Page
Figure 1 Provincial Charity Structure.....	4
Figure 2 Bank / Relief Chest Structure.....	7
Figure 3 Flow of Charity Money	8

Introduction

This document is intended to give guidance and assistance to Lodge and Chapter Charity Stewards during the Festival period in support of the Masonic Samaritan Fund which was launched at the end of May 2009 and scheduled to end in 2015 (typically shortened to the **2015 Festival**).

It is intended that it will provide a practical approach and guide to a variety of topics including:

- The organisation of the Provincial Charity Structure
- Fund Raising issues
 - The various sources of Charity funds that are raised
 - With special emphasis on maximising the use of Gift Aid tax recovery
 - Getting the best from the donations especially considering the financial situation subsisting leading up to the start of the Festival
- What records should the Charity Steward be keeping and why
- What reports can the Charity Steward expect from the MSF
- A useful reference to typical questions that members of Lodges and Chapters may raise with their Charity Stewards together with answers to those questions to improve understanding of the various topics addressed.

The Province of West Kent has always demonstrated itself to be very caring and generous in its support of worthy causes. Recent splendid examples of Province led success can easily be cited in the successful conclusion of the 2003 Festival in support of the RMBI, the raising of the Provincial Benevolent Fund and support for the Demelza (Eltham) Capital Appeal. In addition each Lodge and Chapter has various causes that are close to their hearts and a tremendous amount is raised to support them.

The first year of the 2015 Festival has been an astounding success and congratulations are due to all who have made it so thus far. We need to maintain the momentum throughout the Festival and from feedback I receive directly and via my team of Coordinators we are confident that this Festival will be a resounding success for the Members; Lodges and Chapters and the Province. Best of luck in all that you have done, and continue to do, to support this worthy cause.

Philip May

ProvGCS

Provincial Charity Structure

The following diagram represents the organisation of the Provincial Charity teams. It shows the strong involvement between the Provincial Executive and the Provincial Charity Committee. The Charity Committee includes Charity Liaison members, responsible for a group of centres, ably supported by the team of Charity Coordinators to the Lodge and Chapter Charity Stewards for all centres throughout the province.

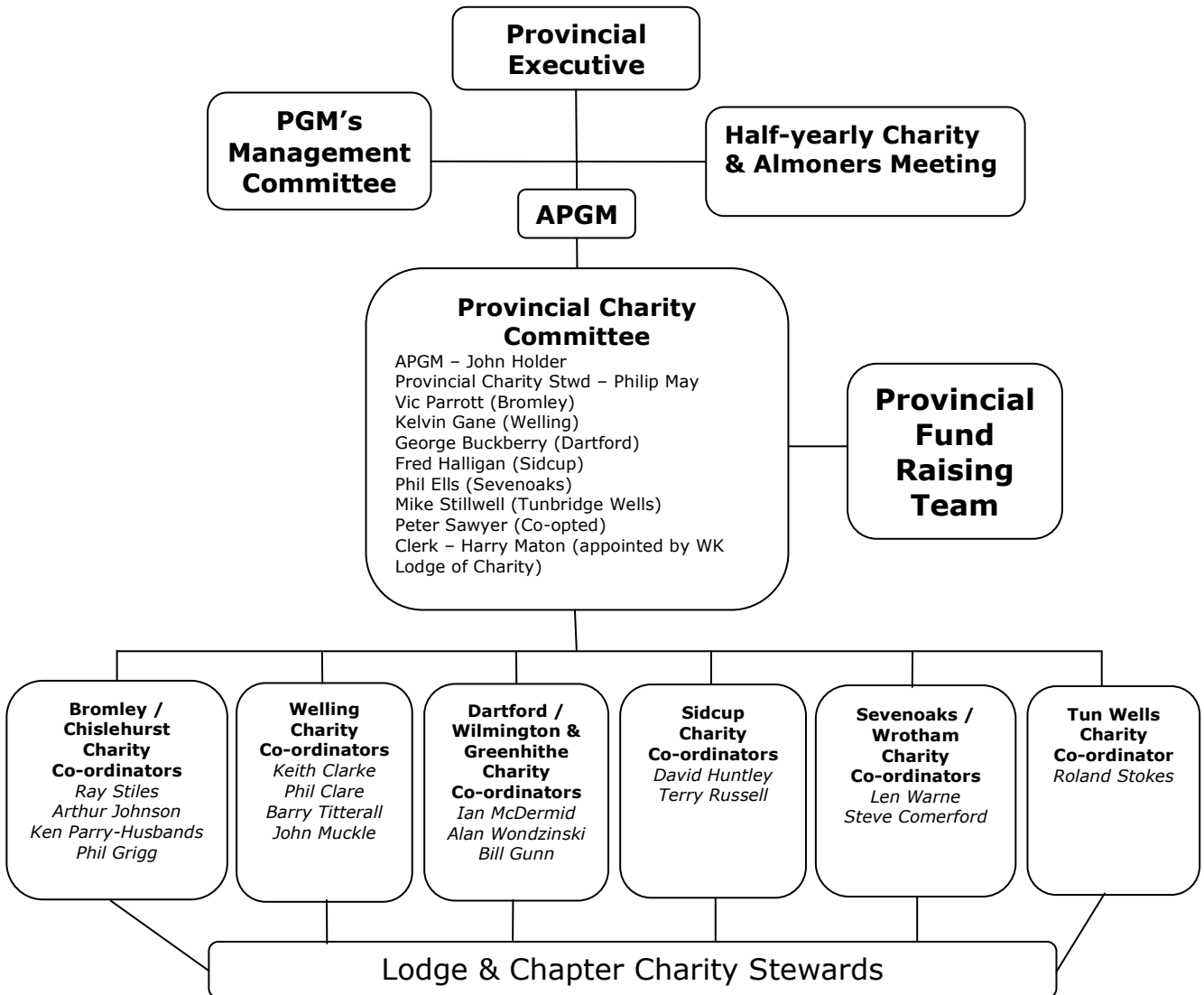


Figure 1 Provincial Charity Structure

A detailed list of Charity Coordinators is available to download from the Provincial Web Site at: http://www.freemasons-westkent.org.uk/charity_provincial_coordinators.php .

This list is also contained in the Charity Stewards Handbook available for download from the Provincial Web Site at: http://www.freemasons-westkent.org.uk/info_charity_stewards.php

These documents are regularly updated and the latest version is always available to download.

Reminder of Process for Setting up a Relief Chest

All Lodge and Chapter Charity Stewards have been kept fully informed about the need to establish alternative repositories for their Charity monies following the dissolution of the WKMCA (e.g. The Grand Charity Relief Chest scheme). There may be some that due to unforeseen circumstances have not concluded this so the following is a reminder to help them to complete the process.

- Obtain a Grand Charity Relief Chest pack from the Grand Charity
- Pass a Resolution in the Lodge or Chapter for a Relief Chest to be opened
- Forward Relief Chest opening form to the Grand Charity
- Completion of member **Gift Aid Pledge – Direct Debit** pledges as a fresh form will have to be re-signed in favour of the Relief Chest.

On completion by the individual and Relief Chest Coordinator these should be sent to The Grand Charity.

- Future charity monies should be sent directly by the Lodge or Chapter to the Grand Charity for credit to their respective Relief Chest. One off donations from individuals should be listed separately to the Lodge or Chapter monies on the appropriate form and if not previously provided, accompanied with a Gift Aid Pledge form, with the single donation section duly completed. This will enable tax to be recovered on the individual's donation and although these monies will form part of the total Lodge or Chapter Relief Chest monies held, the donation and tax recovered will be detailed on schedules accompanying annual statements.
- Similarly envelopes and sponsored event forms, together with the amount collected, should also be sent to the Grand Charity whereby Gift Aid tax recovery for the donations can be obtained by them and credited to the Lodge/Chapter relief Chest account.

Fund Raising

The following table summarises the differentiation between Non-Charity and Charity money.

Lodge / Chapter		
Non-Charity money		Charity money
General Funds	Benevolent Fund	
Lodge's general money for purpose of running the Lodge <ul style="list-style-type: none"> • Annual subscriptions • Surplus on Dining Fund (if any) 	Lodge's general money but raised and earmarked for benevolent purposes <ul style="list-style-type: none"> • Cash raised in Alms collection • Unfettered by Charity restrictions • Appropriate fund for e.g. widows' Christmas boxes, Remembrance Day wreaths, flowers, miscellaneous gifts • Not raised by the "Charity Box" • <u>NO TAX RELIEF</u> 	Money raised for Charitable purposes <ul style="list-style-type: none"> • Alms collection by Gift Aid envelopes • Gift Aid envelopes and Single or Regular Payments by Direct Debit to Lodge Relief Chest • Sponsored events • <u>Gift Aid TAX RELIEF</u> • "Charity" box • Raffles "for Charity" • Can use Lodge's own charity account if Lodge prepared to deal with statements • If operating as a registered Charity then must also deal with tax reclaim; registration required over minimum limit. • Transfer to other registered charities • Pay to beneficiaries or non-registered charities BUT have to comply with Charity restrictions (assessment of need, not relieving state support etc.)

Table 1 Charity and Non-Charity Fund Raising Mechanisms

Figure 2 depicts a general structure for bank and Relief Chest arrangements.

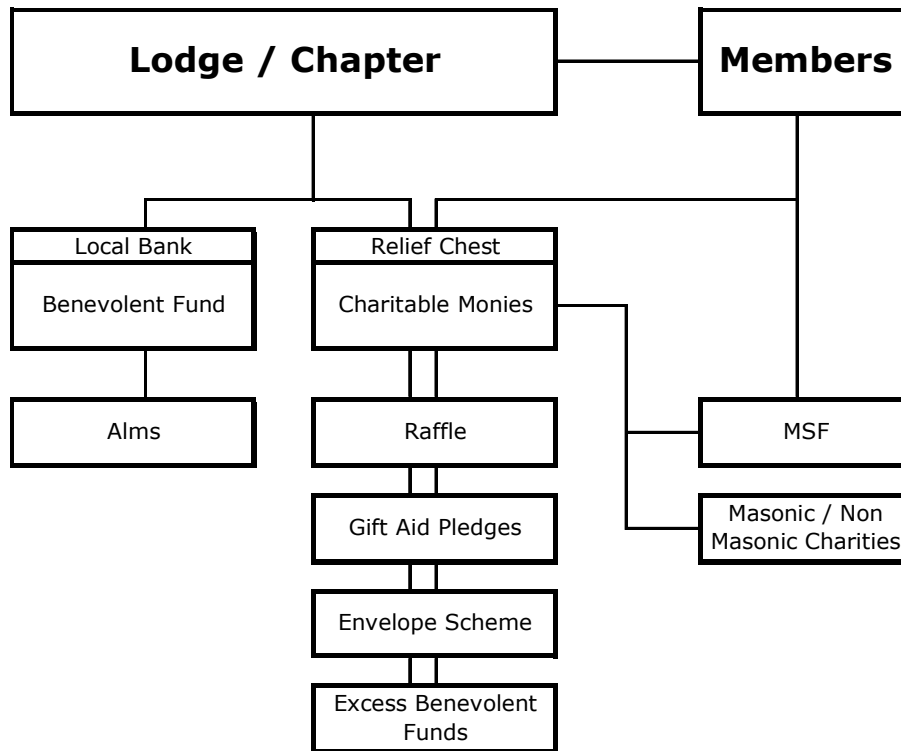


Figure 2 Bank / Relief Chest Structure

Maximising Donations

Given the financial situation and its dire effect on interest rates it is essential that all beneficial steps are taken to maximise the effective level of donations by making use of the two best elements to do this that are currently available:

- Gift Aid Tax Recovery – available for all donations that are made from individuals monies that have had tax paid on them. This includes regular mandates for direct debit contributions either into:
 - Relief Chest or any new mandates established directly with the MSF for the duration of the Festival.
 - Envelope donations directed to the Relief Chest
- Interest rates - the interest rate available in bank accounts is at the time of writing less than 1% per annum for many bank deposit accounts. A better rate of interest is possible via the MSF when handling the much larger aggregated amounts compared to the smaller amounts for an individual Lodge / Chapter.
- To maximise the effect of the extra interest it is recommended that Lodges and Chapters make regular transfer of funds that are intended to be donated to the MSF 2015 Festival rather than building up large sums in poor yielding accounts as described above. Figure 3 depicts the flow of Charity Monies between the various repositories.
- Other monies required to support other Charities of Lodge and Chapter would be retained in the Relief Chest and/or other accounts until required.

Flow of Charity Money

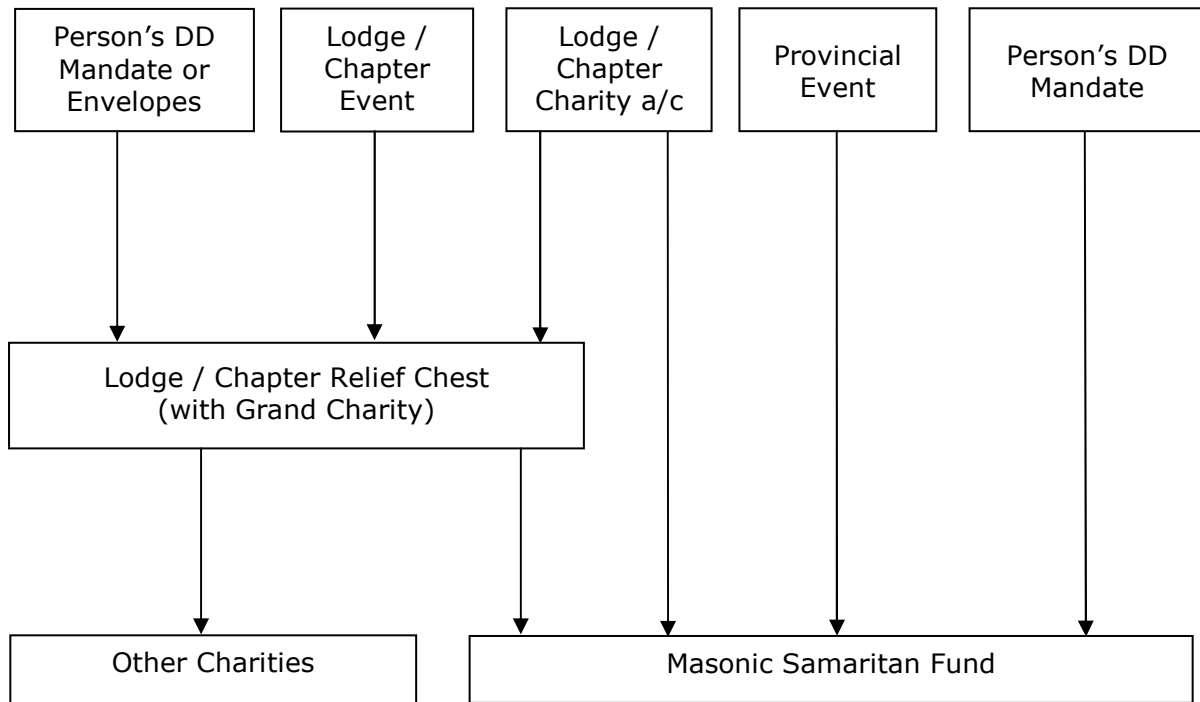


Figure 3 Flow of Charity Money

Target

The PGM announce a figure of £2.25m for the Province of West Kent to raise for the 2015 Festival in support of the Masonic Samaritan Fund. No 'target' was set for Lodges and Chapters but 'Guidance' is available from the Lodge / Chapter Charity Coordinator and Provincial Charity team.

Patronage

The MSF have established Patronage Scheme which the Province has agreed to support. The patronage levels of donations by individuals are as follows:

Freemasons:

Member	£100
Vice Patron	£300
Patron	£600
Grand Patron	£1,200

Lodges/Chapters:

Patron	£1,200
Grand Patron	£2,400

Non-Freemasons:

Patron	£150
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Table 2 Patronage Levels

It is also envisaged that there will be an Award / Incentive scheme established for Lodges and Chapters.

Festival Jewel

The PGM is keen for Brethren to wear the Steward's Jewel as soon as possible, therefore the qualifying donation has been set at £50 payable to the MSF plus £10 for the Jewel payable to the "Province of West Kent". The total of £60 may be paid in a single payment or by instalments to the Lodge or Chapter Charity Steward. **Festival Jewels in limited quantity are available from the Centre Information Officers and for larger quantities via the ProvGCS.**

Festival bars, available from the ProvGCS, will be awarded (with the logo) to recognise the following totals either by donation or by pledge (gift aid direct debit):-

£300	Vice-Patron
£600	Patron
£1200	Grand Patron

Festival Dinner - June 2015

As with previous Festivals a celebratory dinner is being planned for the conclusion of what is expected to be a successful Festival for the Province of West Kent, its Lodges and Chapters and their members.

This event is planned for June 2015 and more detail of venue etc. will emerge during the Festival.

Record Keeping and Reporting

An essential part of the Charity Steward's role is the recording and maintaining records of donations, especially by individual members. The information you should include is:-

- **Donations by individual Lodge / Chapter members**
- **An indication where donations are being made by Direct Debit**, i.e. commencement date and frequency of payment. This can assist when endeavouring to increase the amount of payment.
- **Festive Board Raffles**
- **Alms Collections**
- **Lodge Events**
- **Gift Aid Declaration** completed and signed where appropriate. It is important to remember that although a donation is being paid by direct debit any additional cash donations by that member will attract tax recovery with Gift Aid.
- **Tax** recovered on donations made under the Gift Aid scheme.
- **Interest** accrued on monies held in the Lodge / Chapter Relief Chest or with the MSF.
- **Miscellaneous**

The Charity Steward usually maintains the records, but the Treasurer may also be in part or wholly involved in managing the funds although the Treasurer will not have details of individual's donations. However it is done, it is important that it is carried out, especially where tax is to be recovered as part of the Gift Aid scheme, as a Charity Steward could be required to show his records should any query be raised, e.g. from HM Revenue & Customs (HMRC).

The importance of maintaining good records is particularly important when in Festival where an Honorific scheme is in place. An award given (Grand Patron, Patron, Vice Patron, etc.) is related to the amount donated by an individual member or Lodge / Chapter during the period of the Festival. Many members may be keen to receive honorific awards and therefore accurate recording of their donations, which should also include tax recovery and interest earned, is essential. A person may be a member of a number of Lodges or Chapters and may donate through some or all of them.

The Charity Steward of each should keep records of the amounts attributable to each member in his own Lodge or Chapter.

If your Lodge / Chapter has a Relief Chest the annual statement will show all donations credited or debited to the account, together with tax reclamations and interest. Further details include reference to an individual's donations plus the associated tax recovered.

Annual statements are sent direct to the Lodge / Chapter Relief Chest Representative, who may also be the Charity Steward, but not necessarily.

This information is invaluable to assist the Charity Steward to reconcile the amounts of donations made via the Lodge / Chapter for which the Charity Steward is responsible.

A similar reporting process will apply during the 2015 Festival to monies donated to the MSF via Gift Aid mandates or accounted within a transfer from Lodge funds and more detail about how this will work is given in the section "MSF Procedural Management and Reportage Issues"

It is essential that an outgoing Charity Steward makes a complete hand over to his successor but in case of illness or death being the agent of change this might not happen. Other members of a Lodge/Chapter (e.g. Treasurer) should also be involved in the process of managing the Charity issues to avoid difficulties that such events might give rise to.

The following three tables provide simple structures for recording many of the items discussed in this Guidance paper and can simply be added to depending on the circumstances and arrangements that exist for each Lodge / Chapter.

The entries in the tables are purely for example and each Charity Steward would create their own records based on these examples and add to them as needed.

Blank versions of these tables will be made available to be downloaded from the Provincial Web site.

Lodge/Chapter Name No 1234								
Income								
2009 - 2010								
			Envelopes					
Name	T/payer	Direct Debit	Date	Date	Date	Date	Date	Total
Meeting >>			Nov	Feb	May	June	Sept	
Black B	Y		5	5	5	5		20
Blue B	Y	£10	24	24	24	24		96
Cream C	Y		10	10	10	10		40
Crimson C	N	£5	5	5	5	5		20
Gray G	Y		5	5	6	5		21
Green G	N		10	10	10	10		40
Pink P	Y		10	10	10	10		40
Purple P	Y	£4	4	4	4	4		16
Red E	Y		5	5	5	5		20
White W	N		20	20	20	20		80
Yellow Y	Y		15	10	15	15		11
	Envelopes		113	108	114	113	0	404
	Alms		50	75	75	75	100	375
	Raffle		100	125	125	125	150	275
	Copper Pot		10	15	15	15	20	45
	Total		273	323	329	328	270	
	Total for year >>							1099

Table 3 Charity Steward Income Record Structure

Lodge/Chapter Name No 1234		
Donations		
2009-2010		
Date	Donated To	Amount
02/12/2008	Demelza Hospice	1000
10/01/2009	Red Cross	200
12/02/2009	RMBI	500
	Total Donations	1700

Table 4 Charity Steward Donations Record Structure

Lodge/Chapter Name No 1234				
Relief Chest Balance				
2009-2010				
Date	Description	Paid in	B/F	Balance
	B/F from 2007/8		1099	1099
01/11/2009	Raffle	170		170
	Garden Party	100		100
01/02/2009	Sponsored Walk	200		200
	Sales of gifts	150		150
15/05/2010	Bequeath by Joe Soap	3000		3000
01/06/2010	Raffle	210		210
			Sub Total	4929
			Less Donations	1700
			Current Balance	3229

Table 5 Charity Steward Relief Chest Record Structure

MSF Procedural Management and Reportage Issues

Ultimately the primary issue is knowing how much each Lodge or Chapter and their members have contributed during the Festival. The Grand Total raised for the 2015 Festival from all methods of donation will benefit from clarity of the Festival management arrangements. The more flexibility that there is that can be monitored easily then the more chance of reaching/exceeding the desired total for the Festival. This is presented in part as questions to MSF and answers from their Chief Executive Richard Douglas.

Table 6 Questions to MSF and Responses

Q/A Detail of Question and Responses

- Q Gift Aid Mandates direct to the MSF – These would identify the Lodge/Chapter that the donation is made via so will some ID be applied for management and reporting on total donated (plus tax recovered and interest on them).
- A The MSF issues each donor with a unique reference number. This is recorded against the relevant Lodge/Chapter and Province/Festival as appropriate.
- Q Individual donation direct to MSF (with or without Gift Aid tax recovery) – how would a specific Lodge/Chapter be identified for that individual and is there such a donation form as with the Relief Chest?
- A As above – the unique reference number is linked to an individual’s Lodge/Chapter as specified by the donor. If he wants donations credited to a specific Lodge /Chapter, and informs the MSF, this will be done.
- Q Gift Aid Mandates via other Masonic entities (e.g. Relief Chest) will result in funds (incorporating any tax recovered and interest attributed) available to assign/transfer to the MSF – How will funds from these sources be managed and identified to individuals and the Lodge/Chapter that they were donated via?
- A Any donation received at the MSF will be identified and credited according to the details that accompany the donation. If a Lodge donation is received from the Relief Chest it will be allocated to individuals if that information is available. This will need to come from the Lodge / Chapter Charity Steward as the Relief Chest will not have this information. **A letter incorporating a detailed list plus the Relief Chest form (Blue) should be sent directly to the MSF, they will record the individual and Lodge/Chapter amounts and arrange for the funds to be transferred as per the instruction on the form.**
- Q Gift Aid Envelopes – typically now via the Relief Chest scheme but others may be used as above – How will funds from these sources be managed and identified to individuals and the Lodge/Chapter that they were donated via?
- A A Gift Aid envelope is treated in exactly the same way as any other donation. The detail on the envelope enables us to link the donation to a donor. Remember that Gift Aid envelopes are available from the MSF for direct donation towards the Festival thus speeding the availability of the funds for use by the MSF.
- Q Individual donation direct to a Lodge/Chapter account (Relief Chest or bank account).
- A MSF can only account for funds once they are received by us. Any transfer of funds must be accompanied by the relevant information detailing who has donated the funds. As long as this is available the donor will get the credit.
- Q How will interest be attributed to the share of a member’s donations and tax recovered on Gift Aid amounts and will they count towards patronage levels?
- A Where relevant, Gift Aid is claimed and credited to the individual and donations and tax recovered will both count towards the individual’s patronage level only.
- Interest is credited to the Lodge totals but only donations will count towards the Lodge/Chapter patronage total. Member donations and tax recovered and Interest will all count towards the Lodge/Chapter total for the overall festival.

Q/A Detail of Question and Responses

- Q Collections made during fund raising activities (Raffles and other social events).
A These will be credited to the Lodge total not to individuals.
- Q If the above are collected into Lodge/Chapter accounts (e.g. a Relief Chest or Lodge/Chapter bank account) then at some point a Lodge/Chapter will wish to transfer funds to the MSF. Will the Grand Charity transfer from a Relief Chest direct on behalf of a Lodge/Chapter or will they send a cheque to the Charity Steward to send in to the MSF behalf of his Lodge/Chapter?
A The transfer is a direct one into the MSF bank but is only made on the submission of the relevant instruction by the Lodge/Chapter to the Relief Chest.
- Q Will it be possible in either of the above cases to attribute amounts effectively donated by one or more of that Lodge/Chapter member's thus increasing those individual's donation totals?
A The proceeds of raffle and other events cannot be traced to an individual. They will count towards the Lodge/Chapter totals.
- Q Where a member may donate via more than one Lodge or Chapter combination will amounts via a specific Lodge/Chapter be reported only to the Charity Steward concerned?
A A Lodge/Chapter Charity Steward will only be told of donations credited to his Lodge/Chapter.
- Q It is essential that only those amounts donated (plus corresponding tax recovery and interest) assigned via a specific Lodge/Chapter be included in the totals for that Lodge/Chapter and no other donations made via another Lodge/Chapter. That said who would be informed of a person's total donations (plus tax and interest) via all Lodges/Chapters to facilitate individual patronage status.
A The MSF will advise when an individual when he has reached the qualifying levels.
- Q There were too many issues about formulating/confirming the totals per member during the latter stages of the 2003 festival not to mention double counting of donations via another Lodge/Chapter. What reportage will be available to enable reconciliation of the amounts that a Charity Steward or a member of a Lodge/Chapter will receive on donations during and especially at the end of the festival?
A Reports will be available quarterly to Lodge/Chapter Charity Stewards enabling any queries to be dealt with at an early stage.
- Q How will reportage be managed to ensure that only the appropriate Lodge/Chapter Charity Steward receives them?
A The Province will provide a list of who is entitled to receive which reports. They will not be released to anyone else.
- Q Will a member be able to request a statement?
A A member will only be able to ask about his own donations.
- Q If members/Lodges/Chapters choose not to use MSF mandates and use transfers from the Relief Chest or other sources then the method of accounting for the totals made in this way must also be made clear.
A This is already covered. People who choose not to donate direct to the MSF can only expect reports from the MSF once these donations have been received at the Fund. The MSF can not comment or report on any donations that are held elsewhere.
- Q How will change of Charity Steward and subsequent reportage be managed by MSF?
A The Province will need to keep the MSF informed of any changes to personnel and contact details so that periodic reports can be sent to the Charity Stewards.
- Q Why is so much information needed on Gift Aid envelopes?
A The legal minimum is post code and house number and name of donor. However the additional information enables definitive identification of an individual.

Useful Contacts

Provincial Web Site - www.freemasons-westkent.org.uk

Also available from the West Kent web site are:

Charity Stewards Handbook:

http://www.freemasons-westkent.org.uk/info_charity_stewards.php

List of Charity Coordinators:

http://www.freemasons-westkent.org.uk/charity_provincial_coordinators.php

The Grand Charity: <http://www.grandcharity.org/>

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David Monger, Supervisor Relief Chest Scheme,

Tel: 020 7395 9245

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or visit their Website www.msfund.org.uk