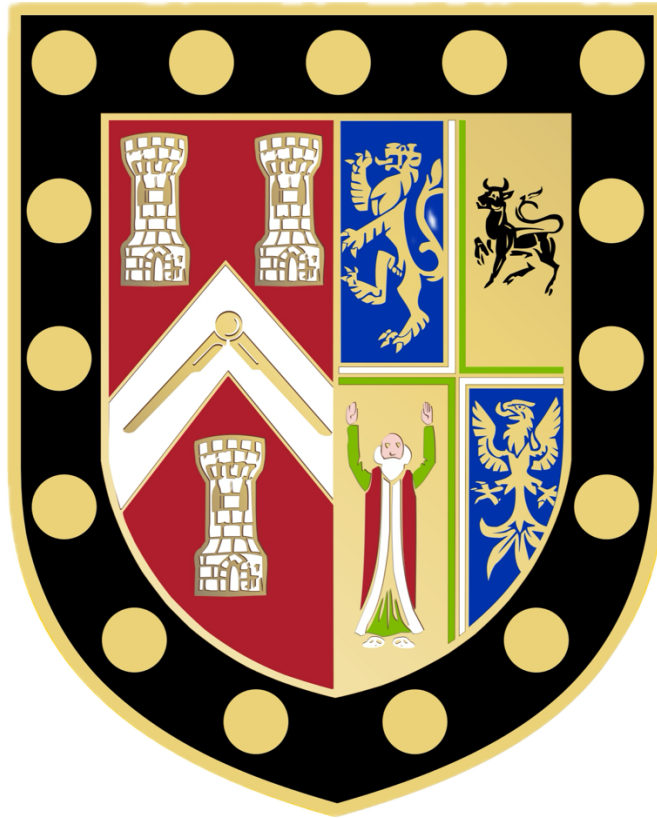


PROVINCIAL GRAND LODGE OF CORNWALL



THE LODGE TREASURER

2025 Edition

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1 Introduction

1.1 Role and responsibilities

The Treasurer of a private lodge is elected (not appointed) annually. This is an indication of the importance of the position.

The Treasurer's role is to manage the Lodge finances, which therefore includes:

- Budgeting subscriptions and dining fees for the ensuing year,
- Collecting subscriptions and dining fees,
- Paying masonic dues and other expenses promptly,
- Keeping accurate records and preparing annual accounts, and
- Administering and disbursing charity donations.

The key to doing it well is being organized, methodical, and regular – don't leave the admin build up, as a small task becomes a mammoth effort (and confusing)

In a recent survey of Lodge Treasurers, the most common problems encountered were:

- Collecting subscriptions,
- Changing bank mandates i.e., signatures etc.
- Dealing with the lodge bankers and finding a new bank
- Budgeting, and
- Finding a successor.

The intention of these notes is to offer guidance, particularly to those Treasurers who do not have experience in book keeping or accountancy.

It is hoped that guidance in the various aspects the role entails will help to avoid some of the more common pitfalls, and to minimise any problems which might arise. The Treasurer has specific responsibilities laid down in both The Book of Constitutions and in his Lodge By-laws (which, in the Province of Cornwall, generally follow a standard form). The abstracts and commentary below cover the principal points.

In the event of any doubt or concern, contact the Provincial Grand Treasurer without delay, so that he can support you, the Lodge, and alleviate any concerns or worry.

2 Key Rules (Book of Constitutions)

- **Rule 112(a) - Election of Treasurer.**

The Treasurer shall be elected by the members on the regular day of election of the Master and in the same manner by all brethren present at the business meeting.

- **Rule 145 - Lodge subscriptions.**

All members must pay annually the same amount of subscription, except that, if the By-laws so provide, a smaller rate of annual subscription may be fixed for members who are not able to attend the Lodge regularly (out of county members).

- **Rule 147 – Remittance of fees, etc.**

When it makes its Annual Return to United Grand Lodge (done by the Secretary immediately after the Installation) the Lodge shall remit the dues payable in respect of every member whose name appears on the return, irrespective of whether his subscription has been paid or not.

In the case of a member who has not paid his subscription, the date to which he has paid shall be stated in the appropriate place on the return.

The Annual Return is a list of all brethren who were members of the Lodge on the 1st January the previous year, and the dues are therefore by default always paid in arrears.

- **Rule 148 - Cessation of membership when two years in arrears.**

Should the subscription of a member to his Lodge remain unpaid for two full years, he shall automatically cease to be a member of the Lodge, and this fact must be reported to the Lodge at the next regular meeting, and recorded in the minutes.

Also, confirmation shall be sent to the member concerned and proof of posting recorded and kept on file as proof of correspondence.

Your own Lodge may have an earlier date in its bye-laws, i.e., 9 months, however UGLE Constitution rules are the very latest that the cessation can apply.

- **Rule 152 – Penalty to neglect to make returns**

If any Lodge shall neglect to make its return and payments to the Grand Lodge for a period of six months after the same are due according to these regulations, it shall be liable to erasure or to a lesser penalty under Paragraph 4 of the Schedule of Disciplinary Provisions and in addition the Board of General Purposes may impose such penalty as it considers fitting upon any of the members of the Private Lodges who have been responsible for the neglect.

The Master, Wardens, and Past Masters shall not be permitted to attend the Grand Lodge or sit upon any Board or Committee by virtue of any qualification derived from a Lodge until the proper returns and payments to the Grand Lodge from that Lodge have been made.

- **Rule 153 - Treasurer's Duties and Lodge Accounts.**

When the Treasurer receives any Lodge monies, he must deposit them in the Lodge's bank account without undue delay. This is not only good practice, but also minimises the risk of loss or error. The Treasurer shall make such payments as are duly authorised, or have been sanctioned by the Lodge.

All cheques must bear the signature of the Treasurer and of at least one other member authorised by the Lodge.

Equivalent authorisation should be arranged if the Lodge makes payment electronically (this can be authorised by the Treasurer only)

The Treasurer shall keep a complete record of all the Lodge's financial transactions.

The Treasurer shall prepare an annual statement of accounts, made up to the date stated in the Lodge By-laws.

The accounts shall be verified and examined by a Committee of members of the Lodge elected annually.

Note that both the Book of Constitutions and the Province of Cornwall By-laws use the word 'audit', which legally is a formal process which must be carried out by a Registered Auditor. This is not the intention of the Masonic regulations, so it is assumed that 'audit' can be interpreted wherever it appears herein with its commonly understood meaning of an independent examination and verification.

The accounts shall be presented to the Lodge no later than the third meeting after the year-end date. This can be a tight timetable, especially for Lodges which meet monthly, so the Treasurer should prepare carefully and involve the Auditors at an early stage.

Copies of the examined and approved accounts shall be sent to all members of the Lodge with the summons convening the meeting at which they are to be considered, and the books of account shall be produced for inspection in open Lodge at that meeting.

- **Electronic Payments and online banking**

A lodge can only transact electronic banking if a resolution has been passed within the lodge and approved by the members to allow the Treasurer to conduct online banking or mobile banking.

Without such a resolution to approve electronic banking a lodge must continue to use traditional methods i.e., cheque book for payments. This traditional method will always require two signatures to approve each payment.

The Lodge Treasurer must never deposit lodge funds into a private personal bank account.

- **Rule 169 - Fee for Initiation.**

When a person is made a mason, he shall pay to the Lodge the registration fee (as notified each year) payable to United Grand Lodge together with the Lodge initiation fee specified in its By-laws.

- **Rule 171 - Responsibility for fees.**

A member who proposes or seconds a candidate for initiation or joining membership shall be responsible to the Lodge for all fees payable under its By-laws in respect of that candidate.

- **Rule 175 - Grant of certificates by Private Lodges.**

In various circumstances, such as when joining another Lodge, a member will require a "Clearance Certificate" stating that he is not indebted to the Lodge. The certificate will normally be issued by the Secretary, but he will ask the Treasurer to confirm the financial position.

- **Rule 269 - Annual Dues payable.**

An annual fee (at the rate notified to the Secretary prior to the start of each Masonic year) is payable in arrears to United Grand Lodge in respect of each member of the Lodge.

The full fee is payable even when a brother has only been a member for a part of the Masonic year. A brother pays dues in every Lodge (with certain specific exceptions) of which he is a subscribing member.

In addition to the above, please also refer to the latest edition of "Information for the Guidance of Members of The Craft" produced by UGLE annually.

1.3 By-Laws

- **No. 5 – Examiners and annual accounts.**

The Accounts shall be made up to the last day in the month specified in the By-laws. This is usually the month immediately before the Installation. The Accounts shall be audited by the Audit Committee, which consists of at least two members of the Lodge elected annually. A copy of the Audited (examined) Accounts shall be sent to the members with the summons convening the meeting at which they are to be approved.

- **No. 6 - Fees and annual subscription.**

Fees for initiation, joining and re-joining are specified in the By-laws.

They can be changed only by changing the By-laws (which is more complex than a simple resolution on the summons).

The By-laws will often provide that in addition the candidate shall pay such registration fees as are payable to United Grand Lodge and, if applicable, Provincial Grand Lodge.

The annual subscription shall such as the Lodge shall from time to time decide. If he wishes to change the subscription, the Treasurer needs to make a formal proposition by notice of motion and on the summons, and be voted on by the members.

Depending on the practice of the Lodge, he may first need the approval of the Lodge Committee, so he must be aware of the time it may take to enact a change. Any member whose subscription is unpaid for 9 months shall be liable to be excluded from the Lodge.

- **No. 7 - Non-dining or country members.**

A Lodge may specify reduced fees for non-dining or country members.

- **No. 10 - Payments from Lodge funds.**

The Treasurer should seek approval from the Lodge for any payment if it is for other than ordinary purposes.

3 Bank

- 2.1. The Lodge will have current account, and may have a deposit account. Best practice, unless the Lodge uses the Grand Charity Relief Chest Scheme (see 6.3 below), is to have a separate account for its charity's funds.
- 2.2. Changing the mandate is always difficult and takes time. The Treasurer should start the process of getting his name added to the mandate as soon as he is appointed.

In practise, it is often more straightforward to add a new signatory first, then remove the retiring signatory later.

- 2.3. It is for the Lodge to decide whether the Master is to be a signatory during his year of office. Given the time taken by banks to change mandates, this can be problematical and it is generally more practical to include the Secretary as a joint signatory as he commonly remains in office for several years.
- 2.4. It is recommended that, even though the Lodge only needs two cheque signatories, two or three senior Past Masters (possibly Past Treasurers) are kept on the mandate for emergencies.
- 2.5. Electronic banking is recommended for several reasons:
 - If the Lodge has several accounts, it is much easier to transfer funds between them,
 - Statements can be viewed online, so for example if members have told the Treasurer that they have paid their subs directly into the account, he does not have to wait for the next statement to check.
 - The Treasurer can make payments directly from the account – but the Lodge should approve this (per Rule 153, Book of Constitutions), as it may be that only one authorisation is needed, and
 - When the Treasurer hands-over to his successor, he should ensure that the new Treasurer is set up on the mandate and has approval from the bank.
- 2.6 Payments To Provincial Grand Lodge
 - It is the wish of the Provincial Grand Treasurer, that all payments made to the Province are made by BACS with the Lodge Number as a Reference – eg L1234
 - There is only one Provincial Account – which ends in 560
 - Fees for new members payable to United Grand Lodge, should NOT be made to the Provincial Accounts

4 Income

- Subscriptions and dining fees are the Lodge's two sources of income.
- The Lodge subscription year runs from the first day of the month of the Installation, and subscriptions are payable in advance. It is usual for a candidate joining during a Lodge year to be charged a subscription calculated pro-rata to the number of meetings for which he is a member.
- Once the Treasurer has prepared his budget and has calculated the subscriptions required for the next Lodge year, it is the practice in some Lodges to present his proposals for approval to the Lodge Committee. Once approved the Secretary will include this as a proposition on the summons for the meeting prior to the installation for approval by the members.
- There is no need for a proposition if the required subscription is unchanged from the previous year.
- Dining fees are set by the Treasurer, though he usually requests the approval of the Lodge Management Committee, particularly if he wants to increase them.
- Dining fees are not regulated in the By-laws and so there is no need for changes to be approved in open Lodge, although in some Lodges it is the custom to do so.
- The Treasurer should be aware that there are several options when considering the level of fees, including:
 - Single annual sum to cover both Lodge subscription and dining fees
 - Subsidising dining fees out of subscriptions
 - Charging different fees for members and visitors
 - Charging a different dining fee at the Installation Meeting
- If a brother wishes to join another Lodge, he will be asked to provide a Clearance Certificate. This will be done by the Secretary, but he will need to confirm with the Treasurer that the brother's subscriptions are paid up to date.

5 Masonic dues

4.1. United Grand Lodge charges an annual capitation fee which is payable with the Annual Return and which is payable in full in respect of any brother who was a member at any time during the year.

Note that the charge is levied in full for joiners or leavers, even though they may only have been members of the Lodge for a few months during the year.

The fee is calculated in arrears, so is always paid after the end of the year to which it relates. The annual accounts must therefore include a provision for the amount due.

4.2. The same considerations apply for Provincial Grand Lodge.

4.3. Dispensations are required if, for example, a Lodge must change the date of its meeting from the regular day. A fee is payable to Provincial Grand Lodge, currently this is £10.00.

6 Other expenditure

- 5.1. Rent or running of the building is one of the Lodge's biggest expenses. In the case of shared rent this is calculated before the start of each year by the relevant Masonic Hall Company and is notified to the Secretary. This will not apply if a lodge owns its own building, which has to pay all running costs.
- 5.2. Dining costs are the next major expense. It is important that the Treasurer liaises regularly with the Catering provider, to ensure that the cost of the meals selected are within budget, and with the Secretary, to ensure that the number of meals ordered are correct at each regular meeting. A lack of communication here can quickly lead to significant cost overruns.
- 5.3. The Treasurer should be aware that the catering provision in most Lodges in Cornwall are operated by private individuals or volunteers, and finances are finely balanced. It is important to pay promptly and in full.
- 5.4. If the Tyler and Organist are paid fees this should be recorded and shown as an expense in the accounts, and a record kept by either proof of a cheque book stub or a signed receipt book.
- 5.5. There will be other, more general expenses such as printing and postage and the Treasurer deals with payment of these as and when they arise and informed by the lodge secretary.

A supplier's invoice or similar voucher should be obtained for every payment from Lodge funds.

This serves to protect the Treasurer as well as the Lodge.

- 5.6 Lodge Buildings insurance and other insurance cover- It is very important that the Lodge Treasurer liaises with the Lodge Secretary to ensure the renewal is made promptly and for the right amount of cover. Should the building be owned by the Lodge then a current market valuation for rebuilding costs would be relevant to ensure the Lodge is not under insured. Any employees such as cleaners etc., would also need Public Liability cover and a copy of the Public Liability Certificate should be posted onto the Lodge Notice Board for general circulation.

7 Charity funds

- 6.1. Charity collections in the Lodge room, and by raffle or similar at the Social Board, are generally pooled into the Lodge Charity account. Unless the Lodge uses the Grand Charity Relief Chest Scheme, it is vital to use a separate bank account for Charity proceeds.
- 6.2 When in a Festival fund raiser, a lodge will concentrate all its efforts in supporting the Province of Cornwall Festival. Donations can be made payable to the “Relief Chest Fund,” or to the “Masonic Grand Charity”. Typically, cheques or proof of payment are presented at the installation meeting by the Worshipful Master to the Provincial Grand Master or to the Presiding officer.
- 6.3 When not in Festival or at any time, donations can also be made to the Cornwall Masonic Charitable Foundation (CMCF) which supports many charities and good causes within Cornwall, such as the Teddies for Loving Care (TLC) which has provided popular with many Masons for the support it gives to poorly children in hospitals throughout the Province of Cornwall.
- 6.4. Other Charity Donations from the Lodge Charity account is usually discussed once a year at a meeting of the Lodge Committee and the Worshipful Master concerned, and once agreed, are proposed by the Charity Steward in open Lodge. As soon as the resolution has been approved, cheques or payments can be sent to the beneficiaries/charities selected by the Worshipful Master/Committee.
- 6.5. The Grand Charity Relief Chest was established in 1986 as a free service to private Lodges. The scheme is a facility whereby Lodge Charity Funds are sent to the Grand Charity as and when they are received, and are held to the order of the Lodge. When the Lodge wishes to donate, it sends a “withdrawal form” to the Grand Charity and they send the donation directly to the beneficiary. The Lodge is sent a statement once a year showing deposits, donations and interest earned. The advantages of using the scheme include:
 - No need for a separate bank account,
 - Better rate of interest and no tax is payable thereon,
 - Avoids the possibility of mixing General Lodge and Charity monies – after each meeting the Treasurer simply sends a cheque, or makes an electronic transfer, for the total sum collected,
 - Donations by individuals can be gift-aided, which increases their value by 25%,
 - The scheme is operated free of charge to the Lodge.

- Also, if the funds held within a charity steward's bank account should go above a certain limit in a 12-month period (i.e., £5,000) The Charity Commission can insist on a full audit of the monies held within the account, and the lodge will not be able to rely on a simple examination of the accounts. It is therefore advisable for a lodge to use the Relief Chest Scheme to avoid this situation with all Lodge Charitable donations.

8 Accounting records

- 7.1. The two key accounting records which the Treasurer needs to keep if he is to be able to control the Lodge finances and prepare annual accounts are the Income and Expenditure (cashbook) and the Subscription Register. These records will be supported by files of Bank Statements and Payment Vouchers, and often the Treasurer will keep a Summary Sheet for each Lodge meeting, on which he records the various transactions which occur on the night (dining fees, subscriptions, alms collected, payments to Tyler and Organist, etc.) the total of which will be the sum he pays into the bank the next day.
- 7.2. The Income and Expenditure (Cashbook) is essentially a list of receipts and payments, including the date of the transaction and a description of the source of funds or of the name of the payee, and at a very basic level this is all that is required. Commonly, however, it will also show an account balance and often it will be analysed into the various categories of income and expenditure to enable them to be easily summarised. In the modern era, a simple spreadsheet should suffice to monitor this, and provide an up to date position of the accounts. Alternatively, some Banks provide business customers with a basic computer program package. Lloyds Bank for example provided a program called DOSH, and has been popular with many for its simplicity.
- 7.3. The Subscription Register is simply a list of members, the amount and number of subs due each year and the date on which those subscriptions were paid. This can be created as a separate tab within a spreadsheet, and means that the Treasurer does not have to find individual receipts and work out to which year they relate, when he needs to check if a member is up-to-date.

In the event of any difficulty, contact the Provincial Grand Treasurer who will provide a template and assist with setting it up.

9 Accounts

- 8.1. The Lodge financial year starts on the first day of the month in which the installation is usually held (By-law 2). Separate accounts should be prepared for the Lodge General account and Charity Funds. The Charity account in some lodges can be prepared by the Charity Steward and approved and signed off by the Lodge Treasurer, who has full oversight.
- 8.2. The Book of Constitutions states that the accounts should present the 'exact financial position of the Lodge'. This means a Statement of Income and Expenditure and a Balance Sheet. Both accounts should include the figures for the previous year for comparison. Examples of accounts are given in the Appendices II and III.
- 8.3. The accounts should be examined and certified, again as shown in the appendices.
- 8.4. The Accounts, and the Report of the Examiners, needs to be sent to the members with the summons for the meeting at which they are to be approved.
- 8.5. All accounts or sub-accounts linked to the lodge MUST be reported to the Lodge, including Almoner's accounts, dining accounts and Charity Accounts

Should a spreadsheet or computer software be used for accountancy purposes then ensure it is regularly backed up and a restore to the system can be made. Do not leave it longer than one to two weeks to make a regular back-up of the records. Security of the system is also important and any computers or laptops should be securely stored and not left in a vehicle etc.

10 Budgeting

- 9.1. One of the principal tasks for the Treasurer is to ensure that the Lodge has enough income to cover its expenditure.
- 9.2. To calculate the subscription needed for the ensuing year, the Treasurer needs to collate all the relevant information. Some of this may be actual figures which have been set in advance, e.g., the amount of United Grand Lodge dues or the rent for the Lodge room. Some may have to be estimates, e.g., the expected average cost of meals and the number of members attending. Historical data, and the Treasurer's own experience, is the best guide to these.
- 9.3. There are many ways to perform a calculation, and many Treasurers simply add a small percentage to the previous year's amount and trust this is okay. This may work if the Lodge is in a reasonably static position, but if any costs rise by more than average, or if, e.g., the number of members or diners changes significantly from one year to the next, it could give the wrong answer.
- 9.4. To assist Lodge Treasurers, there are budgeting tools available online and some are downloadable free of charge from some accountancy websites (please make sure it is a reputable site) as it would allow the Treasurer to put in accurate membership numbers and provide a more accurate figure for the forthcoming year.

11 PAYMENTS TO UGLE & OTHER IMPORTANT INFORMATION

You will have to make payment to UGLE during the year if you have a new candidate or a joining member from another Grand Lodge. There are references that are to be used in this eventuality, they are: -

For all new candidates along with form P

- **Bank details: - United Grand Lodge of England**
- **Sort Code: 20-32-29**
- **Account No. 40920592**

Other reference Numbers to be used in correspondence with UGLE: -

Annual Dues LxxxxAR, so for example Lodge No.1006 would be L1006AR

Registration of a New Initiate LxxxxRF, so for this example Lodge No. 1006 would be L1006RF

These reference numbers need to be written on all paperwork and any cheque payments sent to UGLE

Do not send BACS payments or Bank transfer to the Province of Cornwall bank account for new candidates or Annual Dues.

These must go to UGLE to the bank account detailed above.

If you are in any doubt at all please contact Cheryl Libby at Provincial Grand Lodge in Truro on Tel: 01872 276 191 who will be very pleased to help and assist you.

Please do not ignore calls or correspondence from Provincial Grand Lodge relative to any of your members.