

COLLECTIONS & RAFFLES AND ACCOUNTING FOR CHARITABLE MONIES A Guide for Lodges & Chapters Revised January 2020

This Note of Advice deals with the laws, rules and conventions governing lodge and chapter fundraising. It should be followed meticulously by those in charge of such activities.

Part One

Any Mason (or visitor, Masonic or not) about to give of his generosity in lodge/chapter or at the Festive Board or some other Masonic event has the right to know beforehand precisely what he is being invited to give his money towards. This applies equally to raffles/tombola's/Old English/Race Nights etc as it does to collections in lodge/chapter.

He is also entitled to make certain *assumptions* unless informed otherwise.

COLLECTIONS

Various phrases are used in this context in papers of business and lodges and chapters should be careful to follow these assumptions, and if they wish to depart from them, to say so clearly *before the collection commences*. All of the following, and similar such phrases, imply that a collection is for Charity:

'To take a collection for Charity' would indicate that the funds might go to Masonic or non-Masonic Charitable destinations, while

'To take a collection for Masonic Charity' is obviously specific.

'To honour the Charities' is a phrase historically referring to Masonic Charity and brethren would be at liberty to assume that such was the destination of their giving.

'To collect alms' would imply *any charitable* destination.

Unless otherwise announced (orally in the Lodge or in writing on the summons) all collections in a Masonic Lodge are assumed to be for charitable purposes and are to be deposited in the **LODGE**

CHARITY ACCOUNT. (*The nature of this account is described in Part Two below*).

Lodges and Chapters should avoid the phrase 'To take a collection' as it is not specific enough to fulfil the requirements and assumptions. A lodge or chapter is not at liberty simply to collect funds from brethren and decide *later* whether it should be spent on charity or not. If this phrase is employed, it must be made clear beforehand to what purpose the collection will be given: i.e. for Masonic Charity; for non-Masonic charity or for some other purpose.

It is, however, perfectly in order for collections to be taken for a purpose other than charitable (such as for **Widows' Gifts** or a **Building Fund**) but it **must be made clear beforehand** what the object of the collection is and in these cases the funds collected must not be placed in the **LODGE CHARITY ACCOUNT**, but in the **Lodge General Account** or **Lodge Social Fund Account** and subsequently drawn from that account.

RAFFLES

It is imperative to announce, *before the raffle takes place*, the destination of the proceeds of the raffle. This allows all present to decide, in advance, whether or not to participate. Most Brethren, after proceedings, will assume the raffle will be used for Charitable purposes but, in reality, many are not so used. It is quite in order to run a raffle for **Masonic Hall** or other non-charitable projects, as long as this is made clear beforehand. A number of Lodges may run a raffle to provide **Widows' Gifts** at Christmas but this, although a nice thing to do, is not considered in law as 'for charitable purposes' and the

proceeds should be placed in the **Lodge GENERAL or SOCIAL FUND Account**, not the Lodge Charity Account. **Raffles and collections cannot be used to subsidise a Lodge's administrative expenses or subscriptions.**

It is improper to specify, suggest or imply in advance how much a brother should give to a collection or contribute to a raffle.

SPLITTING THE PROCEEDS

If more than one cause is to benefit, then the proportion of the intended split of funds raised must be made clear before the activity commences. It is the practice in some areas to circulate two boxes: one for Charity, the other for, say, The Hall. This is perfectly in order as long as the boxes are **clearly labelled** with their purpose.

OTHER FUNDRAISING ACTIVITIES

The same rules and understandings apply to any fundraising activity in a Masonic context.

NON-MASONS

If taking a collection in the presence of non-Masons, care should be taken that it is not assumed that they will wish to contribute to causes which will only benefit Masons.

Part Two

LODGE (AND CHAPTER) ACCOUNTS

1. **All Lodge accounts** are strictly governed by **Rule 153** of the Book of Constitutions. All those who handle Lodge funds, of whatever nature, should be familiar with Rule 153 as amended in June 2013. It sets forth the regulations governing the way in which Lodge funds are to be managed, accounted for and presented for scrutiny.

2. In addition to its **Lodge General Account(s)** employed for the general running of the Lodge (dining, social, administrative and non-Charitable purposes), every Lodge should maintain a **LODGE CHARITY ACCOUNT**. *Lodge Charitable accounts come within the ambit of Charities Law and consequently brethren must be meticulous in their management of such accounts.*

UNDER NO CIRCUMSTANCES WHATSOEVER MAY THE CHARITY ACCOUNT BE USED IN ANY WAY TO SUBSIDISE SUBSCRIPTIONS.

MANAGEMENT OF THE LODGE CHARITY ACCOUNT

The **LODGE CHARITY ACCOUNT** is a Lodge account as defined by Rule 153. It is subject to the same annual accounting and audit requirements as the other accounts of the Lodge, and **the Treasurer should usually be a signatory of every cheque issued against it.**

This account is to be used for the holding and disbursement of all monies received or collected from the brethren with the intention of onward transmission to a Charitable cause, whether Masonic or non-Masonic. (This does **NOT** include such gifts as those to widows at Christmas or birthdays, which must come from the **Lodge General Account(s)**, and collections or raffles specifically for such purposes should be paid into the **Lodge General Account(s)** similarly). Funds specifically given to a particular charitable cause may only be transmitted to that cause. (Recipients need not be 'registered' Charities as long as they have obvious Charitable purposes.)

THE LODGE RELIEF CHEST

There is reluctance on the part of some Lodges to make use of the Grand Charity Relief Chest scheme for the storage of their charitable funds. They feel that by using the scheme they are somehow losing control of their money. Such is certainly not the case, and Lodges are unlikely to obtain, from a bank, interest on their funds as advantageous as that available from The Relief Chest. The funds deposited remain entirely under the Lodge's control, and Lodges are relieved of much of the burden of management of the funds, including liability to account to the Inland Revenue, which makes the work of the Charity Steward and Almoner easier. The scheme is recommended.