

# DUTIES AND RESPONSIBILITIES OF A TREASURER

## PART ONE

The Treasurer is the most governed Officer in Masonry. His duties and responsibilities are set out in Rule 153 as revised in June 2019, which must be read and understood by all who undertake the work.

Among the most important aspects of his responsibilities are these.

1. He must operate one or more bank accounts in the name of the Lodge which have been approved by resolution of the Lodge.
2. He must **NEVER, NEVER** put Lodge funds through his own personal bank accounts.
3. **ALL CHEQUES** issued in the name of the Lodge, if not signed by the treasurer, must bear the signature of two Brethren.

*(Note: the funds held in a Lodge Charity Disbursement Account (if it has one) are never the property of the Lodge but are held in trust by the Almoner on behalf of the Masonic Charities. Cheques drawn on this account need not necessarily require the signature of the Treasurer, but the banking arrangements must have been approved by the Lodge in Open Lodge.)*

4. The Treasurer must keep a current record (up-to-date) of all Lodge monies passing through his hands, in books of account, transparently maintained. Those books are deemed to be the property of the Lodge. The Treasurer must surrender them to the Lodge when properly required to do so.
5. He must prepare annual accounts by the date each year required in the By-Laws of the Lodge. These accounts must demonstrate '**the exact financial position of the Lodge**'. They must subsequently be audited by Officers elected by the Lodge according to the By-Laws and the report of the Auditors must be made to the Lodge members by the due date. At the meeting specified in the By-Laws, the Lodge will consider the accounts for approval.

## PART TWO

A substantial revision and re-presentation of Rule 153 was undertaken by Grand Lodge in June 2019. This Note of Advice is a result of that revision, and should be studied and understood by the Treasurers and their Lodges and Chapters.

Grand Lodge have made a number of principal changes:

- a. They have rewritten the Rule into paragraphs, which makes it easier to follow.
- b. They have provided a commentary to assist with understanding it.
- c. They have removed the requirement that the Treasurer must sign every cheque but at the same time made it compulsory for cheques issued on Lodge accounts, unless signed by the Treasurer, to bear TWO signatures
- d. They have addressed the issue of, and made provision for, electronic banking.

As a result the Province now offers the following check list for Lodges and Chapters, and in particular Treasurers, to assist them with ensuring that they are in conformity with the requirements of Rule 153. This is an opportune moment for Lodges systematically to check that they are observing the Rule in full and in accordance with the proper procedure.

### CHECK LIST

Lodges and Chapters should check that they have decided **IN OPEN LODGE**, (not in Lodge/Chapter Committee) and duly minuted....

1. The election of their Treasurer (annually).
2. The bank (and if appropriate the branch) to be used for the Lodge/Chapter finances.
3. The **ACTUAL NAMES** (*not the offices*) of those authorised to sign cheques. There must now be TWO signatures on each cheque. Names of new nominees to be similarly resolved when circumstances dictate.
4. Resolutions concerning bank and signatories (by name) for any secondary funds managed by or on behalf of the Lodge/Chapter, not the responsibility of the Treasurer (such as perhaps social or dining funds) must also be made in Open Lodge and minuted.

### **IF THE LODGE WISHES TO EMBRACE ELECTRONIC BANKING AND IN PARTICULAR ELECTRONIC PAYMENTS....**

5. Lodges and Chapters must check that they have specifically authorised the Treasurer to do so by resolution, (in which case **ONLY HE** can authorise electronic payments) and they must also resolve in Open Lodge the bank to be used.
6. If electronic banking is employed, the Treasurer must regularly produce and retain for audit records of electronic transactions sufficient, and sufficiently permanent, to satisfy the audit of Lodge accounts. The audit cannot be conducted 'online'.

## OTHER THINGS TO KNOW

7. The Treasurer is responsible for all the Lodge principal accounts and therefore he must usually be a signatory to any cheque issued by or on behalf of the Lodge. Lodges and Chapters must therefore select Treasurers who will be sufficiently available, on a regular basis, to conduct the financial affairs of the Lodge or Chapter.
8. Other signatories to cheques must understand their responsibility to assure themselves, before signing, that any payments they are authorising are proper and due, particularly if the Treasurer is not himself signing a particular cheque.
9. That the Treasurer understands that he is under a duty to pay Lodge and Chapter monies into the bank 'without undue delay', which, in practical terms, must mean at the very first opportunity.
10. Lodges and Chapters must ensure that Auditors are elected (annually in Open Lodge) who have sufficient seniority and experience to undertake a meaningful and independently-minded audit.
11. Lodges and Chapters must ensure that Lodge accounts are issued to all members of the Lodge or Chapter in advance of the meeting at which they are due to be approved and that *it is insufficient for the accounts to be handed out at that meeting*.
12. IN THE VERY PARTICULAR CIRCUMSTANCES OF THE CHARITY DISBURSEMENT ACCOUNT, administered by the Almoner, the Province has asked Grand Lodge for guidance as to how this account will stand in relation to the revision of Rule 153. Until clear guidance has been offered by Grand Lodge, the Province suggests that Almoners continue to administer the Charity Disbursement Account as they have been doing currently. However, of course, the banking arrangements for that account must also have been approved in Open Lodge or Chapter together with the name(s) of the signatory or signatories on any cheques issued against that account.