



Freemasons
Victoria

THE UNITED GRAND LODGE OF
ANTIENT, FREE AND ACCEPTED
MASONS OF VICTORIA

ANNUAL REPORT

2017-2018



Freemasonry is a worldwide community of men that believe in the principles of equality and charity. It is one of the few remaining organisations that honour and respect religious, cultural and political diversity.



Freemasons Victoria

The official Annual
Report of the United
Grand Lodge of Victoria
(Freemasons Victoria)

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Brethren all,

Someone once said, "What you do today can improve all your tomorrows."

I truly believe we are all part of a new and exciting cycle for Freemasonry. To reposition our fraternity in Victoria as an organisation that men aspire to join and remain members for life is not some lofty ambition, it is our collective responsibility. Let us be clear, the three simple goals we have set for ourselves are:

- Attract new members
- Retain 100% of all members for life
- Have a sustainable business model that supports the fraternity now and for future generations in perpetuity

Our fraternity in Victoria has a proud past and more importantly, we have a clear direction with a straight forward Strategic Plan, supported by our Lodges and District Strategic Plans. We are all part of making this happen and to achieve this, we require not only a complete understanding of the challenges we face, but also what we can and are doing to improve.

This Annual Report gives an insight into what has been a particularly busy and challenging twelve months. However, it has also been a time which has seen significant progress in making sure we have an appropriate focus on putting in place the fundamental structure that will set us up for the future.

Fundamental changes have been made in developing a long-term financial plan while implementing the organisational structure which will set us up in all aspects of our operations to be more agile, aligned and clear on our collective responsibility. Most importantly, the entire Board of General Purposes and I commit to transparency and accountability while guiding every decision.

More improvements are underway to better serve our fraternity and provide a satisfactory service stemming from our Three Great Principles of Brotherly Love, Relief and Truth. We are looking at revising elements of our Constitution, reviewing our income and expenditure planning, improving our internal and external communications all while placing a greater focus on serving our members. We must also work together to encourage and support those who heavily contribute to our fraternity and show our appreciation; every little bit helps.

Brethren, I commend this Annual Report to you, as part of improving our tomorrows.

I sincerely thank all the staff, our Committees, our Volunteer Action Teams, our District Coordinators and Lodge Administrators, for their dedication and selfless support. **Most of all though, I thank you Brethren, for you are helping make the world a better place, one man at a time.**



The 2017-2018 reporting period has seen much change within our organisation; change that we have had to embrace and use to frame the growth of Freemasonry into the future. As a Board, we have been very fortunate to have been able to maintain a level of consistency with both Bro. Keith Murray and Bro. Richard Elkington being actively involved as ongoing Directors. Given their experience with a number of our change programs, their continued involvement as leaders within our organisation has ensured that we have maintained the program of remediation as well as balancing new requirements and meeting the needs of our membership.

As an organisation we have undertaken change well beyond the bi-annual change of Grand Master. We have had change in our office environment, with the Grand Secretary and Head of Operations commencing recently as well as a considerable reduction in our operational staff to reflect the financial capacity and needs of Freemasons Victoria. I congratulate Bro. Garry Runge and Mr. Paul McEvey on their appointments. At the same time, we have developed detailed forecasts and plans that are underpinning our ongoing financial management. These complex models reflect our Strategic Plan and place an emphasis on future sustainability and growth. It ensures that our decision making reflects our Masonic heritage and requirements whilst balancing our ongoing financial responsibilities.

We are continually indebted to our staff and the work that they undertake as well as the support that they provide to our membership and the Board however, we would not be able to provide the services we do without the commitment from our volunteers. Our Volunteer Action Teams provide core support to our organisation and they do this on their own time and in many cases, without the key recognition that they deserve. The Board is incredibly grateful to our volunteers and the efforts that they provide.

Looking forward, we have recently updated our message around Freemasonry. We are Freemasons and we must continue to celebrate that brand. More importantly, each of us needs to ensure that all new members and candidates are welcomed into Freemasonry in a way that engages them. We must all continue to promote our fraternity and ensure we deliver to those expectations. The Strategic Plan has been updated to focus on member experience and retention; this is a responsibility that each of us has to ensure our current, new and prospective members are enjoying Freemasonry.

We have continued in our approach to financial and property management, confirmed by our auditors KPMG, with respect to our financial report and the ongoing communications and reporting on financial affairs. Moving forward, we



will continue to report on our finances on a regular basis rather than annually. This will provide more transparency in our operations for our membership.

We have valued the close relationship with Grand Mark and Supreme Grand Chapter and have been especially pleased to have their leadership involved in several key decisions within the office, especially around our key staffing appointments, and wish to celebrate the signing of the Memorandum of Understanding between all three Orders.

My thanks to the members of the Board of General Purposes and in particular, Vice-President Bro. Peter Clarke. I warmly welcome our new Board members Bro. Graeme Wallace and Bro. William (Bill) Lodge, and acknowledge the valued contribution of Bro. Don Reynolds, who as a recently retired Board Member, continues to support Freemasonry.

Next year will see us move back to Freemasons Melbourne and celebrate the completion of The Eastbourne Project. It will see closer relationships with our Masonic partners in Royal Freemasons and Freemasons Foundation.

I continue to be astounded by the support provided to Freemasonry from our Committees and Volunteer Action Teams, our diverse membership, families and our community partners and wish to thank everyone for their continued support and dedication to our Craft.

Members at the end of 2017-2018 Financial Year:



JUSTIN STARK

BSc, GradDipMgmt, MBA, PMP, MACS(Snr), MAICD
President of the Board since 2018
Justin is a well respected technology consultant who has worked across the Asia Pacific region for a number of enterprise and government customers. Currently, he is employed by IBM as the CTO for the NAB account, specialising in operational management within a Cloud context.



KEITH MURRAY

BSc, MRICS, AREIV, Licensed Estate Agent
Grand Master
Board Member since 2009
Keith is a Property Consultant.



RICHARD ELKINGTON

Deputy Grand Master
Board Member since 2016
Richard is an Engineer who ended his career as a General Manager in the Latrobe Valley Power Generation Sector. He is the Past Chair of Gippsland Water, Past Director of East Gippsland Water and Gippsland Ports, Chairman of both Fuel Plus International and Regional Development Australia, Gippsland and a broadcaster on Gippsland FM.



PETER CLARK

Vice-President of the Board
Board Member since 2013
Peter is a retired Civil Engineering Design Manager for a Chemical Engineering Company, Uhde Shedden Pty Ltd.



GARRY JAMES

BComm, CPA, ICAANZ
Grand Treasurer
Board Member Since 2015
Garry was a Principal in the Chartered Accounting firm Kidmans Partners Pty Ltd, having retired on 30 June 2018.



IAN UPJOHN

CSC, QC, LLB (Hons), LLM (Dist)
Grand Registrar
Board Member Since 2018
Ian is a Queen's Counsel for the State of Victoria. He holds degrees in law from the University of Melbourne (Bachelor of Laws with Honours, 1991) and the University of London (Master of Laws with Distinction, 1999).



MATTEO DONATO

PhD, MComm, MBA, DipEng (Civil), AFAIM
Board Member Since 2015
Matteo has over 35 years of senior management and project management experience in building and civil construction. He currently teaches building and construction at RMIT.



CRAIG HEAD

MBus (Accounting), BBus (Accounting), CPA, FIPA, FFA MAICD
Board Member Since 2015
Craig is the Chief Financial Officer at Form 700 Group Pty Ltd, Director at Royal Freemasons Ltd and Chairman Quality Committee (Oct 2015).



CHRYS KYPREOS

AMFAA, Dip. Mortgage Lending, Licensed Estate Agent
Board Member since 2017
Chrys is the Managing Director at Ideal Finance Pty Ltd.



MICHAEL MAHER

Dip. Human Resources, Dip Adv. Japanese, MAIIA
Board Member since 2017
Michael is the Founder & CEO of Aged Care Development Network, Managing Director of SureComply, and Advisory Board Member of GlobalCQ.



HARRY PITARO

BBus (Marketing), Certificate (Logistics)
Board Member since 2017
Harry is the Principal at David Glass Co. Pty Ltd.

The 13 member Board of General Purposes (BGP) is the core leadership group of Freemasons Victoria, and is responsible for establishing and facilitating the corporate governance framework of UGLV. This includes the setting of strategic directions in line with its stated mission, vision and values, formulating policy, monitoring compliance and maintaining an effective system of internal controls.

The lifecycle of the BGP is unique and changes are made based on individual terms, which may vary. Following the Grand Installation in April 2018, the Board saw a major transition by which a new President was appointed and ex-officio members held their new positions.

This is represented in the tables below.

Period from July 2017-March 2018, individual Board Members' attendance is recorded as follows:

Member	Number of meetings attended	Number of meetings held during the time member held office
Richard Elkington	7	8
Don Reynolds	8	8
Keith Murray	7	8
Craig Head	8	8
Garry James	8	8
Peter Atkin (retired October 2017)	3	3
Peter Clark	6	8
Matteo Donato	8	8
Bill Kee (retired September 2017)	2	2
Chrys Kypreos	6	8
Michael Maher	8	8
John Molner (acting October 2017 - April 2018)	1	4
Harry Pitaro	7	8
Fotios Spiridonos (retired March 2018)	5	7

Period from April 2018-June 2018, individual Board Members' attendance is recorded as follows:

Member	Number of meetings attended	Number of meetings held during the time member held office
Justin Stark	3	3
Keith Murray	3	3
Richard Elkington	2	3
Peter Clark	3	3
Garry James	3	3
Ian Upjohn QC	2	3
Matteo Donato	2	3
Craig Head	3	3
Chrys Kypreos	2	3
Michael Maher	3	3
Harry Pitaro	3	3

Appointed in July 2018 after the end of 2017-2018 Financial Year:

Member
Bill Lodge
Graeme Wallace OAM

EXECUTIVE COMMITTEE	
Chair:	Justin Stark
	Peter Clark
	Richard Elkington
	Craig Head
	Keith Murray
	Don Reynolds*
AGENDA (GENERAL) COMMITTEE	
Chair:	Justin Stark
	Barry Dyce
	Richard Elkington*
	Garry James
	Bill Kee*
	Myles King*
	John Molnar*
	Keith Murray
	Don Reynolds*
	Ian Upjohn QC
FINANCE COMMITTEE	
Chair:	Craig Head (appointed April 2018)
	Garry James
	Roy Alderton*
	Tim Bradd
	Robert Brennan***
	Richard Elkington
	Ron Forsyth*
	Neil Hart-Smith*
	Larry Jackson
	Keith Murray
	Nicholas Nerantzoulis
	Don Reynolds*
	Justin Stark
RISK & AUDIT COMMITTEE	
Chair:	Robert Brennan
	Peter Clark
	Jeffrey Cripps

	Mark Freudenstein
	Craig Head***
	David Heazlewood*
	Stephen Kapolitsas
	Scott Trevethan
	Graeme Wallace
COMPLAINTS COMMITTEE	
Chair:	Andrew Crozier-Durham
	John Chanter
	Mark Eadon
	John Molnar*
	David Triplow
COMPLAINTS REVIEW COMMITTEE	
Chair:	John Evans**
	Peter Crick
	Ron Fuchs
	Rodger Marsden
	Don Nicholls
	Bob Orr
	George Watson
LEGAL & CONSTITUTIONAL COMMITTEE PROVISIONAL	
	Jack Aquilina*
	Peter Bryce
	Matteo Donato
	Bill Kee*
	Garry Sebo
	Ian Upjohn QC
DBC PROJECT REVIEW GROUP	
Chair:	Keith Murray
	Matteo Donato
	Peter Shellie

* Denotes retired
** Denotes deceased
*** Denotes observer on Committee and does not vote



GRAND MASTER
MWBro. Keith Murray
DEPUTY GRAND MASTER
RWBro. Richard Elkington
SENIOR GRAND WARDEN
RWBro. Andrew McPhee
JUNIOR GRAND WARDEN
RWBro. Bill Schultz
PRESIDENT OF THE BOARD OF GENERAL PURPOSES
RWBro. Justin Stark
GRAND SECRETARY
RWBro. Bruce Cowie (April 2017 - September 2018)
RWBro. Garry Runge, JP (September 2018 - Present)
GRAND CHAPLAINS
VWBro. Rev. Gordon McKenzie
WBro. Felix Pintado
GRAND TREASURER
RWBro. Garry James
GRAND REGISTRAR
VWBro. Ian Upjohn, CSC, QC
GRAND ALMONER
RWBro. Barry Minster, OAM, OS
GRAND SUPERINTENDENT OF MEMBERSHIP
RWBro. Garry Runge, JP (April 2018 - September 2018)
GRAND SUPERINTENDENT OF WORKS
VWBro. Matteo Donato
GRAND INSPECTOR OF WORKINGS
VWBro. Bruce Carey
GRAND SUPERINTENDENT OF EDUCATION
VWBro. Ian Buckingham
GRAND DIRECTOR OF CEREMONIES
VWBro. Barry Dyce
GRAND DIRECTOR MUSIC
VWBro. Jim Taylor
DEPUTY GRAND INSPECTOR OF WORKINGS
WBro. John Reygers
DEPUTY GRAND SUPERINTENDENT OF EDUCATION
WBro. Brendan Kyne
GRAND ORGANIST
WBro. Roger Manderson
GRAND HERALD
WBro. Bill O'Shea
DEPUTY GRAND DIRECTOR OF CEREMONIES
WBro. Ian Goddard
ASSISTANT GRAND DIRECTOR OF CEREMONIES
WBro. Brendon Wallace
GRAND PURSUIVANT
WBro. Ian Clark
SENIOR GRAND DEACONS
WBro. John Blyth
WBro. Adrian Kamer
WBro. Stephen Norris
JUNIOR GRAND DEACONS
WBro. Lee Andrikopoulos
WBro. Ravinder Sehmi
WBro. Milton Mann
GRAND SWORD BEARERS
WBro. Wayne Millard
WBro. Shawn Momen
WBro. John Lloyd
GRAND STANDARD BEARERS
WBro. Michael Fernando
WBro. Greg Todio
WBro. Lee Pattinson

ASSISTANT GRAND PURSUIVANTS
WBro. Dominic Gullace
WBro. Ron Swift
WBro. Neil Moehr
GRAND STEWARDS
WBro. Anton Alers
WBro. Peter Billings
WBro. Andrew Buchanan
WBro. Jhun Cortez
WBro. Stephen Kapolitsas
WBro. Tom Kelly
WBro. Nikolas Sakellaropoulos
WBro. Stephen Simpson
WBro. Ross Henderson
WBro. Robert Kerr
WBro. William Lowen
WBro. Charles Wright
GRAND TYLER
WBro. Bruce Jarvis
GRAND LODGE ORGANISTS
RWBro. Brian McDowell
RWBro. Clive Smith
RWBro. Col Perkins
RWBro. Eddie Farrell
RWBro. Len Kirchner
RWBro. Mark Gealer
RWBro. Richard Skilbeck
RWBro. Stan Edelsten
VWBro. Don Hall
VWBro. John Cantrill
VWBro. Peter Cain
WBro. Neil Jarrott
WBro. Peter Dettmann
WBro. Peter Dillon-Shallard
WBro. Alf Clements
WBro. Denis Middendorp
WBro. John Schneider
GRAND LODGE HERALDS
RWBro. Gavin Birch
RWBro. Jack Walker
RWBro. Ron Farrington
RWBro. Dr Stuart McMillan
RWBro. Milton Alexandrakis
RWBro. Rod Lomax
RWBro. Warren Gilbert
VWBro. Ian Spargo
VWBro. John Freudenstein
VWBro. Jim Puohotaua
VWBro. Kevin Stewart
WBro. David Jones
WBro. Domenic Donato
WBro. Don Moore
WBro. Eric Cross
WBro. Geoff Lowe
WBro. Chris Scott
WBro. Marc Law
WBro. Peter West
WBro. Robert Marks
WBro. Graeme Smith
WBro. Jefferson Smith
GRAND LODGE HERALDS (PIPERS)
WBro. Iain Townsley
WBro. Len Trezise
Bro. David Barnard
Bro. Rod Gillies

We gratefully acknowledge the significant work undertaken by all our member volunteers including but not limited to:



District Coordinators Meeting



Library Volunteer



Freemasons Taskforce

DISTRICT COORDINATORS	
DISTRICT NO. 101 - NORTH WEST	RWBro. Neil Gannon
DISTRICT NO. 102 - SOUTH WEST	WBro. John Patterson
DISTRICT NO. 103 - LODDON	WBro. Ron Aldering
DISTRICT NO. 104 - GOULBURN	RWBro. Geoff Thompson (Acting)
DISTRICT NO. 105 - GIPPSLAND EAST	WBro. Chris Scott
DISTRICT NO. 106 - CENTRAL HIGHLANDS	WBro. Eddie Koene
DISTRICT NO. 107 - WIMMERA	WBro. John McTaggart
DISTRICT NO. 108 - NORTH EAST	WBro. Neville Wiggins
DISTRICT NO. 109 - GIPPSLAND SOUTH/WEST	VWBro. Glen Richards
DISTRICT NO. 110 - BELLARINE OTWAY	RWBro. Trevor Somerville
DISTRICT NO. 111 - CENTRAL	WBro. Peter Borland
DISTRICT NO. 112 - BAYSIDE	WBro. Alan Tyndall*
DISTRICT NO. 113 - SOUTH EAST MORNINGTON	WBro. Shawn Momen (appointed December 2018)
DISTRICT NO. 114 - MONASH GULLY	WBro. John Grieve
DISTRICT NO. 115 - MAROONDAH	WBro. Lionel May
DISTRICT NO. 116 - NORTHERN	WBro. Ian Thompson
DISTRICT NO. 117 - WESTERN	WBro. Jeffrey Denison*
WBro. Emmanuel Marabeliotakis (appointed December 2018)	

TASKFORCE EXECUTIVE	
Chair:	Gary Edwards
	Russell Anthony
	Merv Dyer
	Hans Hannemann
	Bernard Henry
	Antoni Pisa
	Sashi Sanmugathas
	Alan Sewell
	Vito Spicuzza

VOLUNTEER ACTION TEAMS (VATs)	
WORKS VAT	
Chair:	Matteo Donato
	Chris Dzanovski
	Tony Matern
	Keith Murray
	Steve Simpson
	Peter Shellie*
MASONIC KNOWLEDGE VAT	
Chair	Ian Buckingham
	Bruce Carey
	Brendan Kyne
COMMUNICATIONS VAT**	
Chair	Andrew McPhee
	Peter Copp
	Jacques De La Porte
	Bob Fawkner
	Chris Formosa
	Dominic Gullace
	Colin Nguyen
MEMBERSHIP VAT	
Chair	Garry Runge*
Chair	Chris Andrews
	Ray Gordon
	Chrys Kypreos
	Felix Pintado*
	Sashi Sanmugathas
	Fotios Spiridonos*
LIBRARY VOLUNTEERS	
Librarian	Ange Kenos
	Ephraim Finch
	Victor Luci
	Geoff Vincent
ADMINISTRATIVE VOLUNTEERS	
	Jason Gribble
	Lance McGregor
	Graham Pitcher
	Graham Sloman

* Denotes retired
** Formed after end of FY

At Freemasons Victoria, we believe it is important that every employee understands how their work aligns with the 2017-2025 Strategic Plan. Looking ahead, we expect to make further enhancements and refinements to attract and retain membership by engaging “Today’s Man.” To better focus on the goals that have been set by our members, we have restructured our teams and refined lines of reporting. As at 30 June 2018, the number of full-time equivalent staff positions was 12.4.

In the context of the Strategic Plan, our Executive Team is responsible for leading the delivery of the Operations Plan and outcomes defined as indicators of success. Our collective achievements and emphasis on team work stems from past challenges of sustainability and our future focus surrounds the needs of “Today’s Man” while supporting and providing a personalised service to our current membership.



B COM, FCA

Head of Operations since October 2018

Paul is the principal manager of Freemasons Victoria and its related entities. In his role he is responsible for the efficient and effective operations in respect to membership, marketing, Masonic activities and commercial operations. Paul has extensive leadership experience across both the commercial and not-for-profit sectors with a background in professional services, membership and media/communications organisations.



BA (POL STDS), PROF. CERT. MEDIATION,

Grand Secretary since August 2018

Garry is responsible for providing Masonic advice, guidance and counsel across all Freemasons Victoria portfolios; he advises the Grand Master, Senior Grand Officers and the Head of Operations on matters related to the Constitution and the practice of Freemasonry. Prior to this role Garry had a long service in law enforcement and politics. Garry’s skills include leadership, management, risk, business analysis, and mediation.



B BUS, FCA, MAICD

Commercial Services Manager since February 2017

Frank leads the finance, human resources, information technology, governance services and support for Freemasons Victoria, bringing diverse commercial experience across professional services in the private, government and not-for-profit sectors. He holds several Board positions including Treasurer of Arts Project Australia.



ADVDIP LEADERSHIP & MGT, DIP SMM, DIP CLINHYP, NLPMP, DIP LC, NGH, AACHP

Head of Marketing since October 2016

Andrew is responsible for innovative projects, member support systems, the member experience and delivery of the member value proposition. He remains dedicated to improving the community perceptions of Freemasonry through a stronger brand and engaged membership at the Lodge level. As a Board Director for the Australian Autism Association, Andrew is committed to the ongoing support and greater social awareness, compassion, and understanding.

MEMBER SERVICES

Graham Berry
Lodge Support Manager

Julia Edwards
Executive Assistant to the Grand Master and Grand Secretary

Damien Hudson
Membership Intake Officer

Ben Quick
Member Support Manager

COMMERCIAL SERVICES

Jennifer Galea
Finance Manager

Natasha Hall
Office Manager

Sarah Pratt
Finance Officer

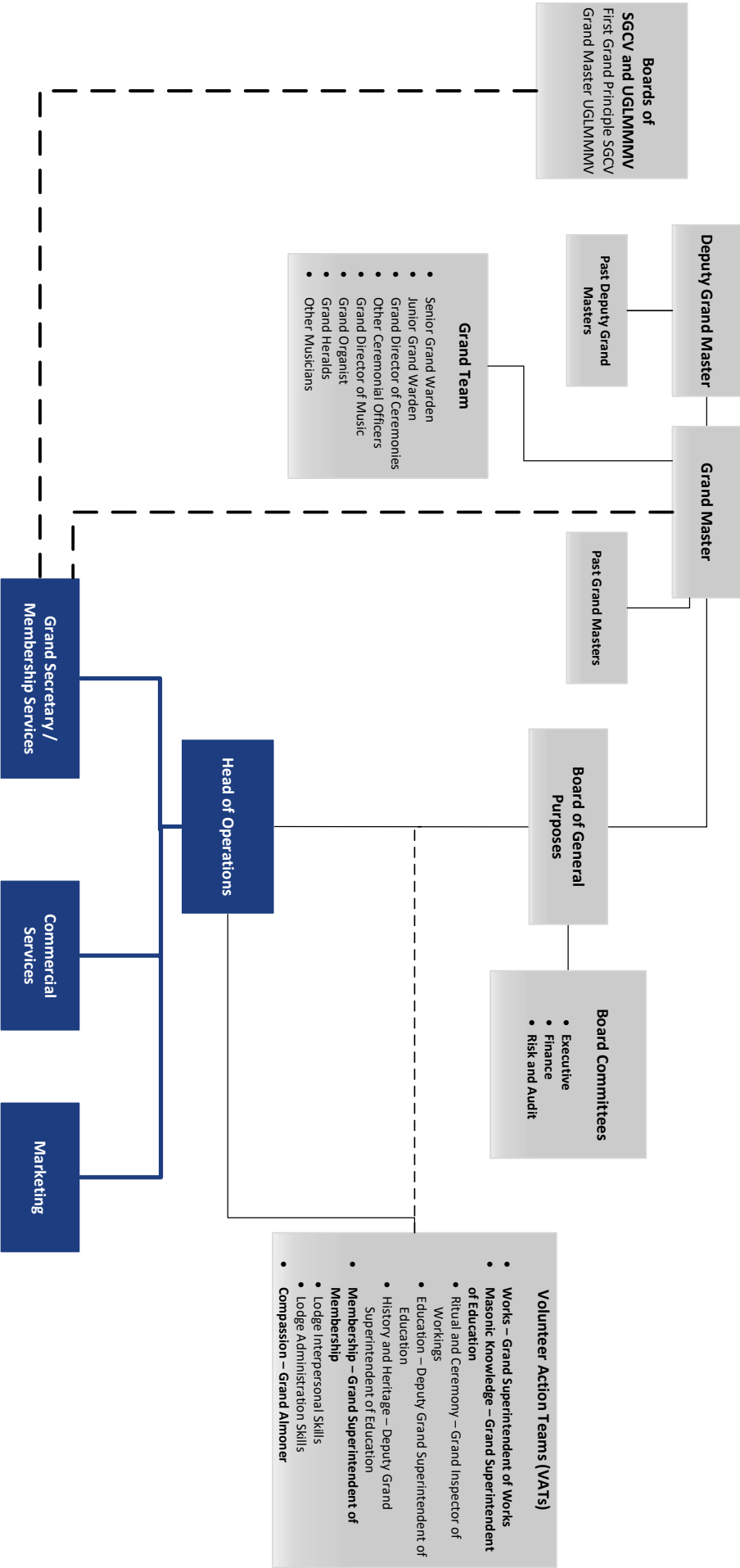
Alex Thomson
Property Manager

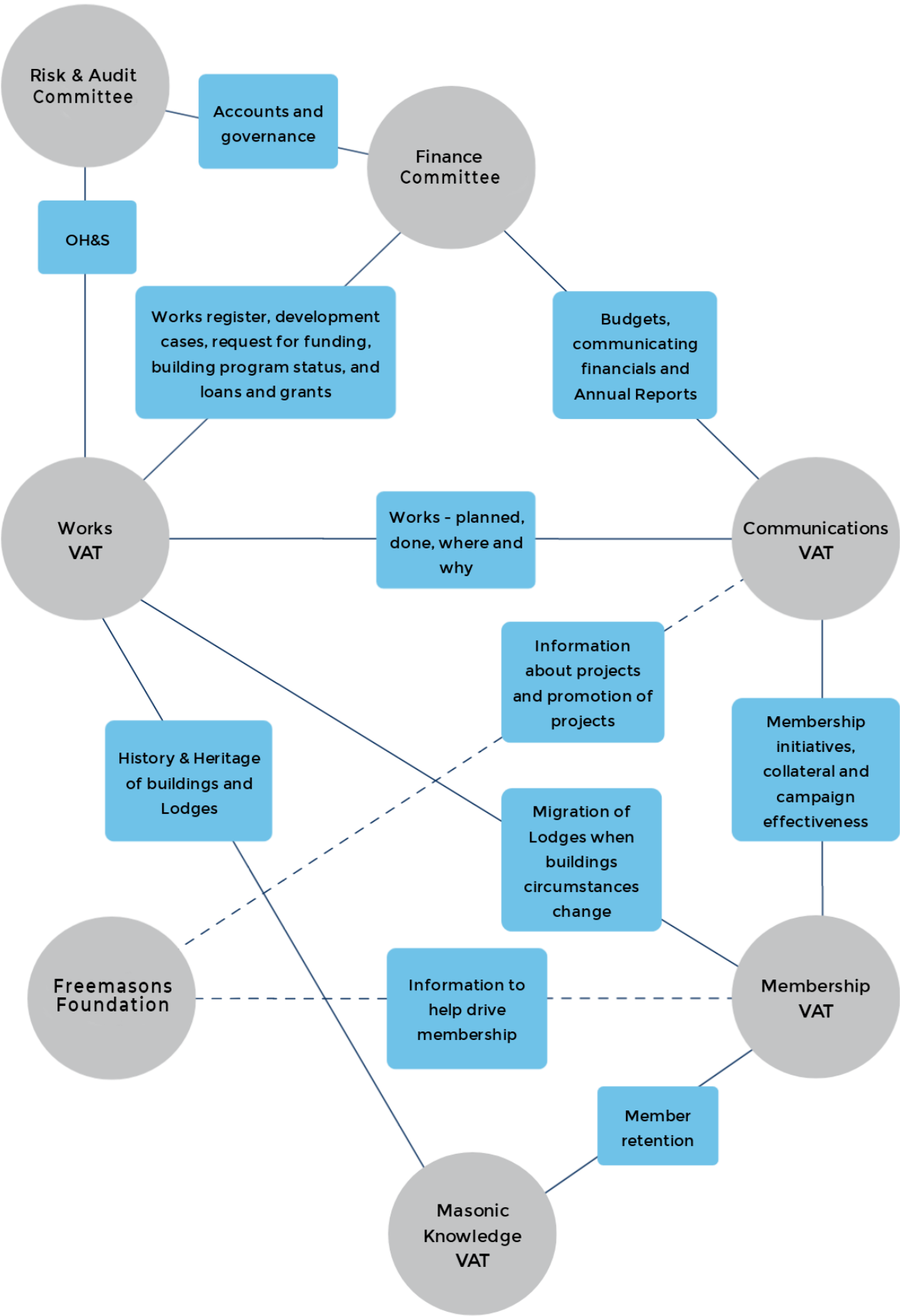
MARKETING

Emily Johnson
Marketing and Communications Coordinator

Kelly Leventis
Marketing and Administration Coordinator

* Staff page as at 30 November 2018





1. Building the Brand for Today’s Man

Following extensive membership feedback and the insights gathered from our incoming applicants, we followed the previous planning with course-correction and tweaks to ensure our brand continues to grow in relevance with Today’s Man.

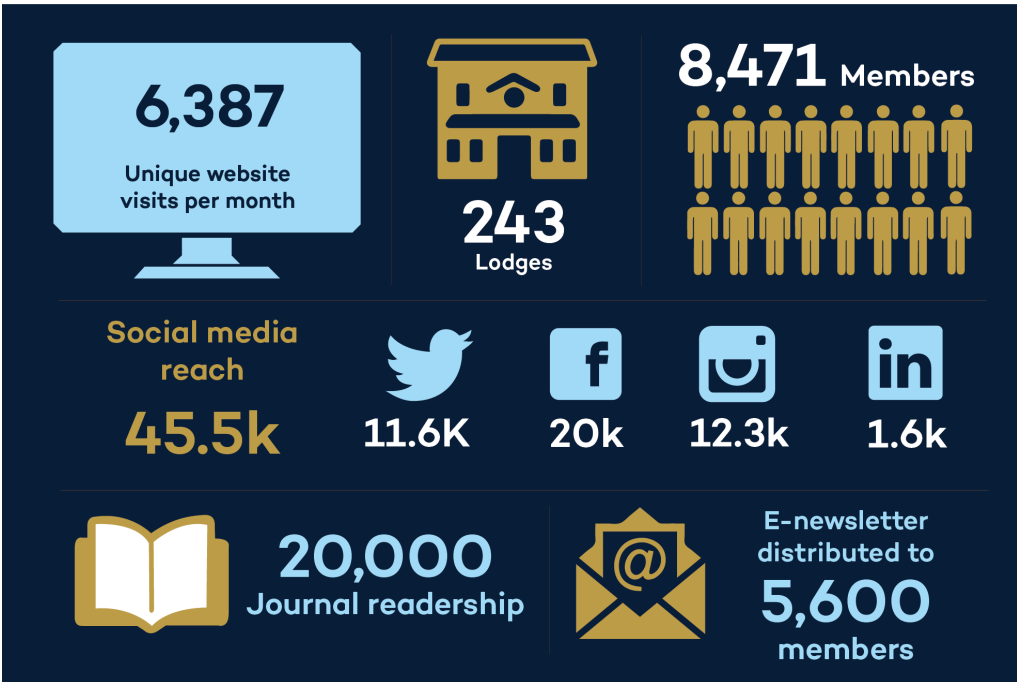
Bringing brand management inhouse, we have been able to refine and adjust in a more agile manner, which has seen an increase in the adoption and support of our brand throughout Freemasons Victoria, and our affiliated organisations. Particularly, we have learnt that our target applicants are mostly searching for personal development, mateship and a sense of belonging.

Continuing, the feedback and data has shown we must focus on:

AWARENESS The need for members and Lodges to be proud to share that they are Freemasons and the great work we do collectively within the Victorian community.	THIRD PLACE We need to continue to communicate how Freemasonry provides a safe haven from the troubles of life.	AFFILIATION The purpose and direction that Freemasonry helps both the individual and the collective to achieve great results for the community.	CONFIDENCE Publicly display and demonstrate how we support each other, our friends and the community to strive toward a greater sense of meaning and purpose.
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Refining the Brand

As we learn more about what our members, partners, friends and the community want, we are continually refining our brand, website and marketing to ensure the greatest level of connectedness and resonance. This results in a stronger message to market, marketing cohesion and a more attractive organisation to those seeking to join Freemasonry.



2. Attracting and Retaining New Members

The Lodge Experience

Our Lodges are what is key to member retention. As more Lodges have become member-ready, there is a greater focus on the experience that members of the Lodge enjoy. This has led to greater involvement outside of Lodge, with entire Districts of Lodges now working together to improve the presence within their local communities.

Uniting the Brand

Organisations such as Freemasons Foundation, Royal Freemasons and Epworth Freemasons working closer toward unifying the tremendous work that Freemasonry brings to the community. The result of this has led to the Square and Compasses featured publicly, from trams

and buses, through to the entire Freemasons Forest ward located at the Monash Children’s Hospital.

The Good Man Test

Over the past year, we have developed extensive social media campaigns that focus primarily on attracting those men who are most interested in the values that our members and Freemasonry in general embody. The result of this was the development of The Good Man Test, a psychometric test that primarily identifies those most likely to share the values and virtues indicated from our membership.

In the last financial quarter of 2018 we sent 121 applicants to District & Lodges, with 61 going out in May.

3. Refining the Member Experience

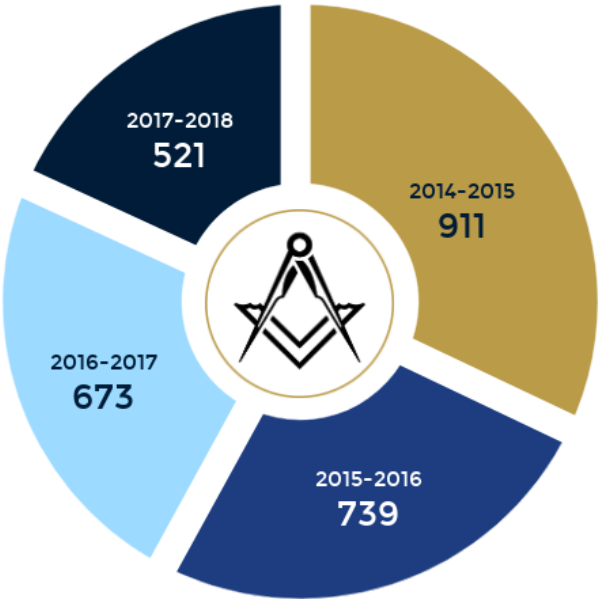
Recruitment has been positive during the last twelve months; however retention remains as the real task. From 1 July 2017 to 30 June 2018 we initiated 258 members, however our losses were 521*. Membership continues to develop and implement strategies to reduce the loss of members and turn the curve upwards.

Victoria continues its reputation for ceremonial excellence within Lodges which has been further enhanced this year by the efforts of the Grand Lodge Ceremonial Team. The metropolitan and country members of the Ceremonial Team dedicate many hours comprising of rehearsal and travel at their own expense to achieve perfection. The life long bonds made through commitment in the team is something of great value and honour.

Education continues to be a way for our members to gain further Masonic and personal growth. The use of online platforms as well as traditional sources has enabled members to explore the fundamental and deeper meanings behind Freemasonry. In the future we will continue to provide resources for all members seeking to become more educated about Freemasonry.

The Library and Museum continues to attract attention from Freemasons and the public with regular requests about the Masonic history of family members. There is an extensive collection on display at Freemasons Bayside and we look forward to showing more of our history upon the completion of Freemasons Melbourne in East Melbourne.

Slowing Annual Membership Reduction



*Number of resigned or excluded members during the 17-18 FY, not including bereavements



4. Making the Difference

Community initiatives often depend on donations, and our partnership with Freemasons Foundation Victoria Limited allows us to provide support to organisations with a great purpose. Together, we have supported Think Pink, Monash Children’s Hospital, Australian Prostate Centre and Werribee Mercy Hospital.

Freemasons Victoria also supported the Uncle Bob’s collection for the Royal Children’s Hospital Good Friday Appeal, Blue Ribbon, Anzac Day, Michael Long Walk and head-space amongst many others. These organisations were also beneficiaries of Freemasons’ active involvement in the community.

Freemasons uphold Three Great Principles of Brotherly Love, Relief and Truth. Through the teachings of these principles, good men learn about tolerance, charity and moral standards. Freemasons are encouraged and taught to practice charity and to care not only for one another, but for the community as a whole, through charitable giving and voluntary effort.

5. Developing a Sustainable Organisation

Coupled with the strategic objectives of membership growth and engagement, significant attention has been given by the Board and administration to the challenges of financial sustainability. This focus has seen considerable discussion regarding income sources as well as the costs of operations, and at the same time improving returns on investments and funding ongoing support of the property portfolio. Added to this are projects of the significance of Eastbourne and its anticipated impact on the financial position of the organisation. Conscious of this complexity, the Board committed to development of a mid to long term financial planning strategy and


covering all facets of the organisation. Financial modelling has since been created covering the period 2018-2025 which focuses on improving budgetary planning (profitability, asset/liability management, funding) and informing investment decisions.

Developing a sustainable business model for the organisation is fully integrated with the strategic objectives of membership attraction and continuing engagement. Consultation with the membership regarding financial sustainability is ongoing.

Overview

The property portfolio of Freemasons Victoria is extensive and diverse across metropolitan and regional areas. The improvement of existing and development of new facilities is governed by the need to support the organisation's strategic objectives of membership attraction and retention and commercial necessity for improved building utilisation.

For the benefit of members and other users of Freemasons' facilities we remain committed to ensuring compliance with essential safety requirements and risk management practices across all sites.



Capital Upgrades directly impacting
6 Metro & 5 Regional Buildings

Assisted with Repairs and Maintenance to
24 Buildings

Invested over **\$1M**
on improving our existing meeting places

Managed
The Eastbourne & Bayside Projects

Significant work is underway in our Property portfolio and building projects for the 2017-18 FY included:

Hamilton

The building's internal refurbishment and major restoration works to the facade completed in the 2017-18 FY.



Mount Waverley

Internal refurbishment of this centre was completed during 2017-18 and encompassed an upgrade of all amenities, inclusion of a disability ramp and bathroom, lift, and rear parking provisions.



Traralgon

Freemasons Latrobe Valley was dedicated on 10 February 2018. This new centre provides increased amenities for all members and guests, along with the opportunity for greater engagement with the local community and venue hire. The centre hosted a meeting of the Board and open forum prior to the consecration ceremony on 10 February.



Bayside

Freemasons Bayside was completed in December 2017 and was dedicated on 17 March 2018.

The top floor accommodates three Lodge rooms, a bar/lounge and a banquet room with a capacity of 240 people and the option to partition the room into three rooms, all supported by more than 100 car spaces.

The centre now hosts over 20 Lodges and other Orders and is in constant use for meetings as well as social events. Bayside, by reason of its capacity and amenities, has become the principal venue for hosting Quarterly Communications.

In relation to the commercial tenancies within the building the childcare centre, Kool Kidz formally commenced operations in May 2018. The fitout of this space is extensive and includes a range of indoor and outdoor play areas, catering for age groups between 1 and 6 years old. Additional space has also been leased on Level 2 by Kool Kidz for use as a staff training facility and administration office. Negotiations are underway for the letting of the ground floor areas.



The Eastbourne, 300 Albert Street

In conjunction with property and development group Mirvac, significant progress with construction was made during the year and programmed completion is expected by end 2019. By 30 June 2018 all 258 apartments were sold, with demand reflecting the unique location and quality of the project.

Architects, The Buchan Group have been actively designing the interiors of our Freemasons spaces across three levels and incorporating requirements for Masonic meetings, Masonic heritage and displays, social areas, and office accommodation as well as commercially lettable areas. Having been involved in the design of the Freemasons Bayside, the Buchan Group are familiar with our styling preferences and functional uses of formal and informal spaces. Based on current projections the internal fitout of our spaces will be completed by end 2019.



Year Ended 30 June 2018

The consolidated net result for the United Grand Lodge of Victoria for 2017-18 was an after-tax profit of \$308,000. When referring to the consolidated result, we are including the activities of not only UGLV (the Chief Entity), but also a number of controlled and fully-owned entities through which we operate. These are:

- Grand Lodge Holding Limited
- Southern Freemasonry Pty Ltd
- Eastern Freemasonry Pty Ltd
- Freemasons Ringwood Pty Ltd
- Freemasons Hospital Limited
- Freemasons Victoria Pty Ltd
- Freemasons Title Custodian Company Limited
- Square One Publications Pty Ltd

The net assets of the consolidated entity have changed from \$105.253m in 2017 to \$104.589m in 2018.

The Special Purpose Financial Report is prepared in accordance with applicable Australian Accounting Standards and reviewed by both the Finance Committee and the Risk and Audit Committee, before adoption by the Board of General Purposes. The Report is independently audited by Chartered Accountants, KPMG.

The Constitution requires that separate funds be kept within the books of Grand Lodge, which are:

The General Fund

Receives funds from members, earnings from investments and, through the Freemasons Victoria office, provides services to members and Lodges.

The Building Fund

Responsible for all Masonic buildings (except 300 Albert Street) and includes Eastern Freemasonry (Freemasons Inner East), Southern Freemasonry (Freemasons Bayside) and Ringwood.

An Addendum to the Consolidated Special Purpose Financial Report, showing the allocation of 2018 result between the various activities that comprises the consolidated position was circulated to members as part of the September Quarterly Communication.

Key influences on the 2017-18 year's result are highlighted below.

a. Station Street, Box Hill

Sale of the last 4 apartments in the Belle development, signalling completion of this project.

b. Freemasons Bayside, Gardenvale

Freemasons Bayside was completed in December 2017 and Masonic use commenced in January 2018. The 2017-18 result reflects the cost of occupancy including appropriate claims for depreciation and capital allowances.

The first key commercial tenant officially commenced operations in late May 2018. The full financial impact as a mixed commercial and centre will not be recognised until 2018-19.

c. 300 Albert Street, East Melbourne

This project progressed significantly in 2017/18. By June 2018 construction of the building's underground works and high-rise central cores were completed.

The 2017 financial report recognised the expected amount receivable upon completion of the project (2020) as a non-current asset. In the 2018 Statement of Comprehensive Income a positive adjustment of \$2.08m was made to reflect this receivable being recorded at its discounted present value.

The 2018 result also includes, as revenue, the amount of \$5.12m being the present value of the Owners Additional Retention expected to be received upon settlement of The Eastbourne apartment sales.

During the year, the Board of General Purposes resolved to enter into a Syndicated Facility Agreement with Mirvac, as developer, and the ANZ Bank to facilitate prepayment of the development fee. This arrangement affects the Balance Sheet through recognition of a non-current asset and offsetting non-current liability amounting to \$103m at 30 June 2018. Property ownership costs related to 300 Albert Street, such as land tax, are expensed as incurred in the General Fund, and are seen as strategic rather than operational costs.

d. Fair Value Adjustments

In accordance with UGLV's 'fair value' accounting policy, the Gardenvale and Traralgon properties were independently valued at 30 June 2018. The 'fair value' accounting standard requires disclosure based on the assessed 'sale value', whereas the 'in use' value is typically higher after consideration of amounts spent to meet member needs and Masonic purposes. The 'fair value' decrements in the 2017/18 statement of profit or loss totalled to \$1.6m.

Looking Ahead

In 2018, strategic financial forecasts to FY 2025 have been developed by the Finance Committee in conjunction with the Board of General Purposes, and with particular focus on the financial sustainability of our organisation. This work has already been shared through various communications and Member Forums, and will continue to provide the framework for ongoing engagement with members.

The 2018-19 Budget anticipates a deficit of \$1.4m. However, the Board is focused on improving all income sources as well as reducing operating costs in a sustainable way, and is aiming to achieve a break-even position by 2020-21.

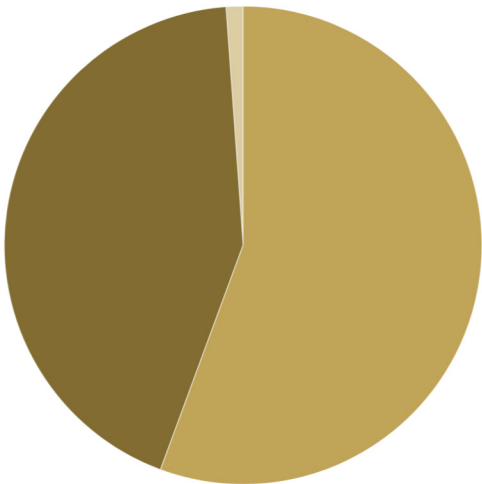
Consolidated Financial Results at 30 June 2018*	2017-18 \$000s	2016-17 \$000s
Revenue – membership	898	977
Development – net income	(76)	9,287
Net gain on Masonic properties	103	2,270
Rental income	604	592
Eastbourne OAR	5,122	-
Other income	829	754
Income	7,480	13,880
Employee expenses	1,883	1,944
Repairs, maintenance & centre expenses	1,224	2,755
Professional fee expenses	354	445
Depreciation	1,269	443
Other expenses	4,335	6,262
Results from operating activities	(1,585)	2,031
Investment income	3,263	2,181
Interest expense	(410)	(158)
Net finance income	2,853	2,023
Profit (loss) before income tax	1,268	4,054

* Consolidation of General Fund, Building Fund, Hospital Fund, Eastern Freemasonry, Southern Freemasonry and Freemasons Ringwood.

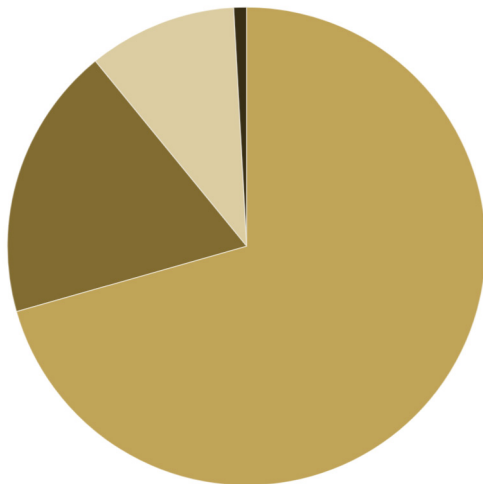
2017-18	General \$000s	Eastbourne \$000s	Building \$000s	Total \$000s
Operating income (expense)	(1,404)		(316)	(1,720)
Development income – net		7,201		7,201
Works – Centres			(1,082)	(1,082)
Strategic – 300 Albert Street		(60)		(60)
Gain on sale of Centres			103	103
Fair Value increments (decrements)			(1,637)	(1,637)
EBITDA	(1,404)	7,141	(2,932)	2,805
Depreciation	(88)		(1,181)	(1,269)
Interest income (expense)	1		(269)	(268)
Profit (loss) before income tax	(1,491)	7,141	(4,382)	1,268

The audited Special Purpose Financial Report is available online for members.

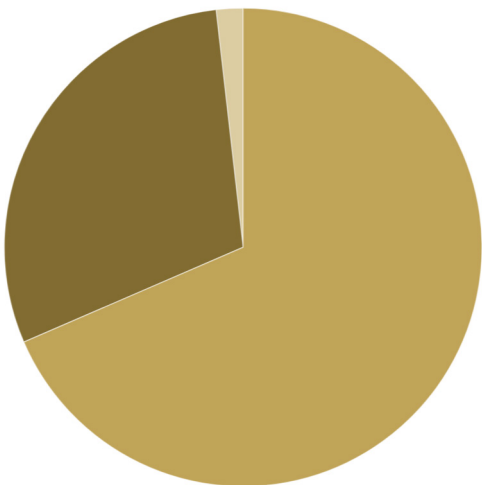
Consolidated Financial Position at 30 June 2018*	2017-18 \$000s	2016-17 \$000s
Current Assets	19,362	17,717
Non-Current Assets	228,115	110,745
Total Assets	247,477	128,462
Current Liabilities	7,791	16,088
Non-Current Liabilities	135,097	7,121
Total Liabilities	142,888	23,209
Net Assets	104,589	105,253



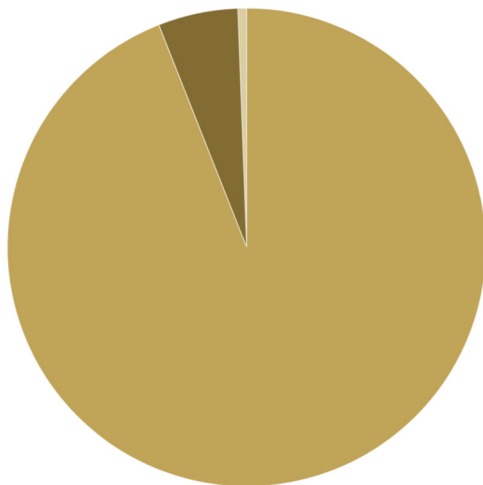
Current Assets		\$000s
Cash		8,370
Receivables		10,770
Other		222
Total		19,362



Non-Current Assets		\$000s
Property		42,206
Receivables		161,034
Investments		22,891
Other		1,984
Total		228,115



Current Liabilities		\$000s
Borrowings		5,338
Payables		2,312
Employee Benefits		141
Total		7,791



Non-Current Liabilities		\$000s
Borrowings		127,745
Deferred Tax		7,338
Employee Benefits		14
Total		135,097

2017-18 Budget	General \$000s	Eastbourne \$000s	Building \$000s	Total \$000s
Profit (loss) before income tax	(1,344)	(583)	(3,201)	(5,121)
2017-18 Actual	General \$000s	Eastbourne \$000s	Building \$000s	Total \$000s
Profit (loss) before income tax	(1,491)	7,141	(4,382)	1,268
Overview of 2018-19 Budget	General \$000s	Eastbourne \$000s	Building \$000s	Total \$000s
Operating Revenue	2,311		1,694	4,005
Development income		180		180
Sales – Centres			126	126
	2,311	180	1,820	4,311
Operating expenses				
Masonic activities	(800)			(800)
Image & marketing	(103)			(103)
Administration & support	(2,232)			(2,232)
Strategic - 300 Albert Street		(302)		(302)
Property portfolio			(1,234)	(1,234)
Grants to Centres			(500)	(500)
	(3,135)	(302)	(1,734)	(5,171)
Net operating income (expense)	(824)	(122)	86	(860)
Development income - Mirvac		1,030		1,030
EBITDA	(824)	908	86	170
Depreciation	(103)		(711)	(814)
Interest income	326		46	372
Interest expense	(4)		(1,085)	(1,089)
Profit (loss) before income tax	(605)	908	(1,664)	(1,361)

As noted in the messages from the Grand Master and President of the Board of General Purposes, the direction of our ongoing financial management is achieving financial sustainability and growth. Operations will continue to be managed to reflect the financial capacity and needs of Freemasons Victoria. As also noted, members will be kept informed through regular and transparent reporting.

The 2018-19 Budget assumes the returns on investments and commercial income are maintained at least at current levels, and that the current operational structure of Freemasons Victoria is largely unchanged. Improving the delivery of services to members and asset utilisation across the organisation are key areas of focus.



Top left to right: Freemasons Bayside Dedication, Tercentenary of UGLE, Taskforce Volunteers, Good Friday Appeal Donation, Grand Installation, Joint Orders Memorandum of Understanding

We acknowledge the valuable work of:



Good men supporting each other,
their families and the community.

FOR THE FUTURE





**Freemasons
Victoria**

THE UNITED GRAND LODGE OF
ANTIENT, FREE AND ACCEPTED
MASONS OF VICTORIA

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Making the world a better place,
one man at a time.