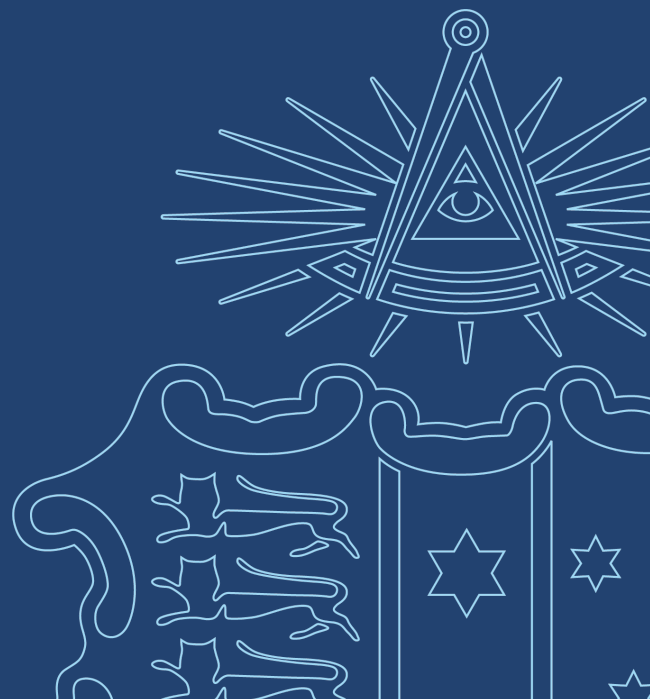




Freemasons  
Victoria

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

# ANNUAL REPORT 2018 2019





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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# Contents

|    |                                         |
|----|-----------------------------------------|
| 2  | Message from the Grand Master           |
| 3  | Message from the President of the Board |
| 4  | Board of General Purposes               |
| 6  | Constitutional and Other Committees     |
| 7  | 2019 Grand Lodge Ceremonial Team        |
| 8  | Volunteers                              |
| 9  | District Principles                     |
| 10 | Organisational Structure 2019           |
| 11 | Constitutional Review                   |
| 12 | Strategic Objectives Review             |
| 14 | Property Portfolio                      |
| 16 | Financial Year Overview                 |
| 20 | Masonic Year in Review                  |
| 21 | Our Supporters                          |

# Message from the Grand Master

Brethren all,

**This Annual Report is intended to give everyone a clear picture on where we are at in an organisational sense but let me restate my opinion on the purpose we all have responsibility for. Growing our balance sheet and focussing purely on the bottom line, means very little if it does not help the ordinary Lodge member.**

Let us be clear, the three simple goals we have set for ourselves are to:

- 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.

In today's media we often hear politicians throwing punchlines such as "let's make America great again" or talk of "getting back to basics" as though the past had all the answers to our present situation. So it is hardly surprising that some in our fraternity talk as though our best years are behind us. Personally, I do not subscribe to that view. Rather I firmly believe that now is the most exciting time to be a Freemason and wonderful opportunities are now opening to our fraternity, like never before.

In the last twelve months the entire membership have been partners in making decisions and voicing their views on how we as a fraternity can adapt to today's society and make our fraternity strong and vibrant with a clear direction for the future.

Our fundamental financial position is stronger than it has been for generations and green shoots of growth in membership are starting to appear in many Lodges. It is also true that in the past we have suffered from a poor level of member retention, but even this is starting to show signs of considerable improvement with a 50% reduction in resignations/exclusions from five

years ago and at the lowest level in percentage of membership for decades. This has not come about by chance. Rather it is a direct result of every Lodge, making every Brother feel wanted. Well done Brethren!

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 fundamentals.

Long needed improvements have been made in developing a long-term financial plan while also strengthening the governance and safeguards we need as a fraternity in managing our finances and responding to the expectations and needs of our Brethren. Most importantly, the entire Board of General Purposes and I are committed to transparency and accountability while guiding every decision. Member forums and Q&A sessions across the state are just one example of our willingness to share information.

More improvements are underway to better serve our fraternity. The Eastbourne development will provide a net increase in value to Freemasons Victoria of \$30 million and provide an additional \$2 million in gross income. In addition to the financial benefits, we will all have a superb Masonic centre and gathering place that will encourage all Brethren and families to meet and share within Freemasonry.

We are now progressing with the revision of our Constitution to make it more suited to the 21st century as well as the needs of current members. Further exciting developments in our buildings are planned and a new and contemporary communications strategy is being rolled out. Its principal aim being to improve communication across our membership, but also to position

us at front of mind for men of integrity that are looking to be part of our fraternity. We must also work together in unity 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 Victorian Freemasonry's future.

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 each and every one of you, for you have been helping make the world a better place, one man at a time.



MWBro. Keith Murray, Grand Master



# Message from the President of the Board

Brethren,

12 months ago, our focus was on our membership, our fiscal responsibility and our Constitutions. We were driving towards a membership experience that is owned within our Lodges and encouraged by our Districts and Freemasons Victoria. We spoke of our financial responsibility and the need to protect the assets of our organisation for the future. We started the process of constitutional reform while working to engage our membership in the key decision-making processes that drive Freemasonry.

To drive membership, we are empowering our organisation by implementing the District Principles Project; a program of work that will encourage Districts to make decisions that directly impact and improve the Masonic experience within Lodges. We have a project team reviewing the Masonic experience as it relates to the delivery of our Ritual and Ceremonial aspects, including the delivery of other Masonic rituals within our Lodges. We have empowered the Lodge of Research to take carriage of our Masonic Education Programs. We are now actively addressing our recruitment processes to ensure that candidates for Freemasonry meet our high standards whilst we deliver the outcomes that we advertise.

To address our financial responsibility, we have continued to actively address our expenses whilst looking at how we can derive additional income from our existing asset base. We understand that our buildings are the foundation of our organisation; a foundation that has been provided to this generation by our forefathers. However, our buildings are also a liability; they have expenses relating to Land Tax, Rates, maintenance, insurance and to improvements, as well as the day-to-day operating costs. Many of our buildings are old and antiquated and the ability to derive additional income from them is limited due to their state.

In addition, when maintenance is required, we often have additional expenses to meet current building code requirements. On average our buildings are used 10% of their lettable time. For all new projects, our driver is to provide multiple income streams to offset the operational costs.

Constitutional reform is ongoing. We all recognise that our constitution is based on a historical document that was first generated in 1889; a document that framed the birth of Freemasons Victoria. The provision of secret ballots and electronic voting is the first step in modernising our constitution. The next stage of reform will be driven by our membership but will include re-framing the constitution to place the importance of a Freemason before a Lodge, a District, or Grand Lodge. It should include provisions for excluding a Brother for specific criminal offences, but also provide an appeals process, and mercy provisions to ensure that no-one can take advantage of the rules. It should provide more flexibility with respect to schedules and appendices in order to provide the ability to make decisions that affect members and Lodges. It should empower our membership and not restrict the opportunities for growth and advancement that Freemasonry offers.

As we move forward, we cannot drive these programs without support and we must recognise the efforts of our staff, our volunteers, volunteer action teams, Senior Grand Officers and our Board of General Purposes. Our staff not only support our membership but are also active in a number of Masonic activities. They ensure that our Quarterly Communications, Grand Installations and other major events are managed to a professional level. In the next 12 months, they will ensure that our new home is established and the Lodges moving into Freemasons – Melbourne are supported. We all owe them a debt of gratitude for the work they do for the Craft.



**RWBro. Justin Stark, PBGP**

Our volunteers within Lodges, Districts and Freemasons Victoria ensure that the Masonic experience is positive. What is more impressive, is the work that is done within the community. This is reflected by the number of Australian Orders that are presented to our membership. We are, without doubt, over-represented in this area. Our volunteers support our committees; Ritual and Ceremonial, History and Heritage, Education, Membership, Marketing and Buildings (Works) within Grand Lodge while our District Coordinators and their teams drive the Masonic experience within Districts. It is virtually impossible to measure the hours of volunteer work that is completed in Lodges. The level of commitment and responsibility undertaken by our Board is enormous and I am personally grateful for having a Board of such committed Freemasons supporting our organisation.

As we move into 2020, our organisation will grow and improve. We will continue to address our strategic plan and the impact our organisation has on society. We will improve the Masonic experience, and encourage positive impacts across our organisation. We will be positive in all our interactions, and continue to thank all those involved in our craft for their support. We will leave Freemasonry to future generations with a positive viewpoint that will continue from generation to generation.

# Board of General Purposes



## Justin Stark

### President of the Board

BSc GradDipMgmt MBA  
PMP MACS(Snr) MAICD

### Board member 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

### Grand Master

BSc, MRICS, AREIV,  
Licensed Estate Agent

### 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.



## Craig Head

### Grand Treasurer

MBus (Accounting), FCPA, FIPA, FFA, MAICD

### Board Member since 2015

Craig is the Chief Financial Officer at Form 700 Group, Deputy Board Chair at Royal Freemasons Ltd and Chair of the Finance, Risk and Audit Committee at Freemasons Victoria.



## Ian Upjohn

### Grand Registrar

CSC, QC, LLB (Hons),  
LLM (Dist)

### 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)



## David Blake

### Elected Board Member

### Board member since 2019

David is a Director/Manager at Ky General Engineering, Deputy Chair of Kyabram Club and Deputy Chair of Kyabram Community Bank Ltd (Bendigo Bank).



## John Blyth

### Elected Board Member

BBus Acc, MBus Mkt, JurisD

### Board member since 2019

John is a commercial advisor in private practice with TGA Legal. He is active at board level in several community and member based organisations. His career spans 40 years in legal, management, accounting, finance, marketing, and sales.



## Dr Matteo Donato

### Elected Board Member

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.



## Chrys Kypreos

### Elected Board Member

AMFAA, Dip. Mortgage Lending, Licensed Estate Agent

### Board member since 2017

Managing Director at Ideal Finance Pty Ltd. Chrys has been in finance for over 25 years.



## Bill Lodge

### Elected Board Member

### Board member since 2018

Bill is a retired Senior Executive of the Australian Public Service.



## Harry Pitaro

### Elected Board Member

BBus (Marketing),  
Certificate (Logistics)

### Board member since 2017

Harry is Principal at David Glass Co. Pty Ltd.



## Graeme Wallace OAM

### Elected Board Member

### Board member since 2018

Graeme is a retired Managing Director with qualifications in Applied Chemistry, Chemical Engineering, Accounting and Nutritional Medicine.

# Board of General Purposes

## Board Attendance

Period from July 2018 - March 2019, individual Board Members' attendance is recorded as follows:

| Member                                     | Number of meetings attended | Number of meetings held during term |
|--------------------------------------------|-----------------------------|-------------------------------------|
| Justin Stark                               | 8                           | 8                                   |
| Keith Murray                               | 7                           | 8                                   |
| Richard Elkington                          | 7                           | 8                                   |
| Peter Clark                                | 7                           | 8                                   |
| Dr Matteo Donato                           | 8                           | 8                                   |
| Craig Head                                 | 8                           | 8                                   |
| Garry James                                | 7                           | 8                                   |
| Chrys Kypreos                              | 7                           | 8                                   |
| William Lodge (appointed August 2018)      | 6                           | 7                                   |
| Michael Maher (retired March 2019)         | 7                           | 8                                   |
| Harry Pitaro                               | 8                           | 8                                   |
| Ian Upjohn                                 | 8                           | 8                                   |
| Graeme Wallace OAM (appointed August 2018) | 7                           | 7                                   |

Period from April 2019 - June 2019, individual Board Members' attendance is recorded as follows:

| Member                             | Number of meetings attended | Number of meetings held during term |
|------------------------------------|-----------------------------|-------------------------------------|
| Justin Stark                       | 3                           | 3                                   |
| Keith Murray                       | 3                           | 3                                   |
| Richard Elkington                  | 1                           | 3                                   |
| Peter Clark                        | 3                           | 3                                   |
| David Blake (appointed April 2019) | 2                           | 3                                   |
| John Blyth (appointed April 2019)  | 3                           | 3                                   |
| Dr Matteo Donato                   | 1                           | 3                                   |
| Craig Head                         | 3                           | 3                                   |
| Garry James (retired May 2019)     | 1                           | 1                                   |
| Chrys Kypreos                      | 2                           | 3                                   |
| William Lodge                      | 3                           | 3                                   |
| Harry Pitaro                       | 3                           | 3                                   |
| Ian Upjohn                         | 3                           | 3                                   |
| Graeme Wallace OAM                 | 3                           | 3                                   |

# Constitutional and Other Committees



## Executive Committee

Justin Stark (Chair)  
Peter Clark  
Richard Elkington  
Craig Head\*  
Bill Lodge  
Keith Murray

## Agenda (General) Committee

Justin Stark (Chair)  
Richard Elkington  
Ian Goddard  
Craig Head  
Keith Murray  
Ian Upjohn CSC, QC

## Finance Committee

Larry Jackson (Chair)  
Tim Bradd  
Richard Elkington  
Craig Head  
Garry James  
Nicholas Nerantzoulis\*  
Keith Murray  
Justin Stark  
Jennifer Galea (Secretary)  
Robert Brennand (Observer)  
Frank Warner (Observer)

## Risk and Audit Committee

Robert Brennand (Chair)  
Peter Clark  
Jeffrey Cripps  
Mark Freudenstein  
Stephen Kapolitsas

Scott Trevethan\*  
Graeme Wallace\*  
Jennifer Galea (Secretary)  
Frank Warner (Secretary)  
Craig Head (Observer)

## Legal and Constitutional Committee (Provisional)

Ian Upjohn CSC, QC (Chair)  
Jack Aquilina  
Geoff Becker  
Peter Bryce  
Garry Sebo AM\*  
Garry Runge OAM (Secretary)

## Complaints Committee

Andrew Crozier Durham (Chair)  
Mark Eadon  
Myles King  
Don Shearman  
David Triplow  
Garry Runge OAM (Secretary)

## Complaints Review Committee

Peter Crick  
Ron Fuchs\*  
Rodger Marsden  
John Molnar  
Don Nicholls  
Bob Orr  
George Watson  
Garry Runge (Secretary)

## DBC Project Review Committee

Dr Matteo Donato

Keith Murray

## DBC Consultative Committee

Richard Elkington (Chair)  
Dr Matteo Donato  
Peter Gurr  
Bill Jones  
Peter Julier  
Keith Murray  
Graeme O'Donnell  
Justin Stark  
Frank Warner (Secretary)

## Fraternal Relations Committee

Mike Burrell (Chair)  
Åke Akerfeldt  
John Molnar  
Keith Murray  
Stuart Pike  
Robert Redman  
Kent Henderson (Secretary)  
Garry Runge OAM (Observer)

## Executive Remuneration Committee

Justin Stark (Chair)  
John Blyth  
Richard Elkington  
Craig Head  
Garry James\*  
Keith Murray  
Harry Pitaro  
Ian Upjohn CSC, QC

\*denotes retired



# 2019 Grand Lodge Ceremonial Team

## Grand Master

MWBro. Keith Murray

## Deputy Grand Master

RWBro. Richard Elkington

## Senior Grand Warden

RWBro. Garry James

## Junior Grand Warden

RWBro. Chris Scott

## President of the Board of General Purposes

RWBro. Justin Stark

## Grand Secretary

RWBro. Garry Runge OAM

## Grand Chaplain

VWBro. Rev. Gordon Mckenzie

## Grand Chaplain

VWBro. Felix Pintado

## Grand Treasurer

VWBro. Craig Head

## Grand Registrar

VWBro. Ian Upjohn CSC, QC

## Grand Almoner

RWBro. Barry Minster OAM, OS

## Grand Superintendent of Membership

VWBro. Chris Andrews

## Grand Superintendent of Works

VWBro. Dr Matteo Donato

## Grand Inspector of Workings

VWBro. Ian Cross

## Grand Superintendent of Communications

RWBro. Andrew McPhee

## Grand Superintendent of Education

VWBro. Ian Buckingham

## Grand Director of Ceremonies

VWBro. Ian Goddard

## Grand Director of Music

VWBro. Jim Taylor

## Deputy Grand Superintendent of Membership

WBro. Bill Lodge

## Deputy Grand Inspector of Workings

WBro. Jim Karabatsos

## Deputy Grand Superintendent of Education

WBro. Brendan Kyne

## Grand Organist

RWBro. Roger Manderson

## Grand Herald

WBro. Marc Law

## Deputy Grand Director of Ceremonies

WBro. Frank Lombardo

## Assistant Grand Director of Ceremonies

WBro. Colin McCowan

## Grand Pursuivant

WBro. Stephen Simpson

## Senior Grand Deacon

WBro. Andrew Farquhar

WBro. Graeme Parry

WBro. Bill Sheahan

## Junior Grand Deacon

WBro. Nicholas Alivizatos

WBro. Andrew Buchanan

WBro. Glenn Coster

## Grand Sword Bearer

WBro. Dr Michael Fernando

WBro. Stuart Hill

WBro. Wayne Millard

## Grand Standard Bearer

WBro. Elias Eracleous

WBro. Bob Mallows

WBro. Ron Swift

## Assistant Grand Pursuivant

WBro. David Foong

WBro. Geoff Newby

WBro. Graeme Oldfield

## Grand Steward

WBro. Emmanuel Barakis Barboussas

WBro. Robert Billing

WBro. Stephen Buckle

WBro. Tom Butera

WBro. Charles Charalambous

WBro. Carl Donadio

WBro. Warren Dorling

WBro. Ron Evans

WBro. John Follett

WBro. Gary Liew

WBro. Bill Miller

WBro. Ted Reginaldo

WBro. Barry Watson

## Grand Tyler

WBro. Bruce Jarvis

## Grand Lodge Organist

VWBro. Peter Cain

VWBro. John Cantrill

WBro. Alf Clements

VWBro. Peter Dillon-Shallard

RWBro. Stan Edelsten

RWBro. Mark Gealer

VWBro. Don Hall

WBro. Neil Jarrott

RWBro. Wes Jolley

RWBro. Len Kirchner

RWBro. Brian McDowell

WBro. Dennis Middendorp

RWBro. Colin Perkins

RWBro. John Rebbechi

WBro. John Schneider

RWBro. Richard Skilbeck

RWBro. Clive Smith

## Grand Lodge Herald

RWBro. Gavin Birch

WBro. Eric Cross

WBro. Domenic Donato

RWBro. Warren Gilbert

WBro. David Jones

WBro. Marc Law

WBro. Geoff Lowe

RWBro. Robert Marks

WBro. Dr Stuart McMillan

VWBro. James Puohotaua

WBro. Ray Gibson

WBro. Nikolas Sakellaropoulos

WBro. Graeme Smith

WBro. Jefferson Smith

VWBro. Ian Spargo

VWBro. Kevin Stewart

WBro. Peter West

## Grand Lodge Herald (Piper)

WBro. Benjamin Casey

WBro. Rod Gillies

WBro. Iain Townsley

WBro. Len Trezise

# Volunteers

## Taskforce Executive

Garry Edwards (Chair)  
Russell Anthony (Secretary)  
Ray Dawson  
Merv Dyer  
Bernard Henry (Deputy Chair)  
Antoni Pisa  
Sashi Sanmugathas  
Vito Spicuzza

## Library Volunteers

Ange Kenos (Librarian)  
Ephraim Finch\*  
Kristian Kefalas Baziotis  
Victor Luci\*\*  
Geoff Vincent\*

## Administrative Volunteers

Jason Gribble  
Lance McGregor  
Graham Pitcher  
Graham Sloman

## Volunteer Action Teams (VATs)

### Works VAT

Dr Matteo Donato (Chair)  
Chris Dzanovski  
Tony Matern\*  
Keith Murray  
Steve Simpson  
Henderikus van Ravenstein

### Masonic Knowledge VAT

Ian Buckingham (Chair)  
Bruce Carey\*  
Ian Cross  
Ange Kenos  
Brendan Kyne

### Membership VAT

Chris Andrews (Chair)  
Thad Mangalino  
Brent Rodriguez  
Sashi Sanmugathas  
Peter White

### Communications VAT

Andrew McPhee (Chair)  
Peter Copp  
Jacques de la Porte  
Bob Fawlkner  
Chris Formosa  
Dominic Gullace  
Colin Nguyen

\* denotes retired  
\*\* denotes deceased  
\*\*\* denotes DCO in charge pending structural review of districts



## District Coordinators

### District No. 101 – North West

RWBro. Neil Gannon

### District No. 102 – South West

WBro. Peter Barrand  
RWBro. John Patterson\*

### District No. 103 – Loddon

WBro. Ron Alderding

### District No. 104 – Goulburn

RWBro. Geoff Thompson (acting)

### District No. 105 – Gippsland East

WBro. Paul Brennand  
RWBro. Chris Scott\*

### District No. 106 – Central Highlands

WBro. Nathaniel Buchanan  
VWBro. 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

WBro. Chris Formosa  
RWBro. Trevor Somerville\*

### District No. 111 – Central

WBro. Shawn Momen\*\*\*  
WBro. Peter Borland\*

### District No. 112 – Bayside

WBro. Shawn Momen  
WBro. Alan Tyndall\*

### District No. 113 – South East Mornington

VWBro. John Fraser  
WBro. John Grieve\*

### District No. 114 – Monash Gully

RWBro. Lionel May

### District No. 115 – Maroondah

WBro. Wayne Millard  
WBro. Peter Atkin\*

### District No. 116 – Northern

WBro. Ian Thompson

### District No. 117 – Western

WBro. Emmanuel Marabeliotakis  
WBro. Jeffrey Denison\*



# District Principles

An organisation of 8,200 members belonging to 237 individual Lodges requires an organisational structure that supports Freemasons Victoria and its members to achieve their goals.

Having 237 Lodges reporting directly to the Grand Secretary is impractical and carries with it the inherent dangers of non-alignment, inconsistency and disassociation.

In line with the principles of alignment, accountability and agility and the Strategic Plan Vision, the Board of General Purposes is keen to advance an organisational model that:

- Empowers Lodges to have greater control over their destiny.
- Devolves control from the centre (Freemasons Victoria Operations/Board of General Purposes/Grand Master) to the Lodges, as far as practicable.
- Creates a network of semi-autonomous Districts and Lodges.
- Fosters the principles of Freemasonry at the local community level.
- Energises members of Freemasons Victoria to feel that Freemasonry is about them, their Lodge and their community, and that their individual and collective actions are what make a positive and lasting difference.

With this in mind, the District Principles paper outlines the principles that underpin the level of leadership necessary between Grand Lodge, the administration and individual Lodges. The paper is available for reading on the Freemasons Victoria website.

## Principle 1

A District Coordination/Leadership system is required.

## Principle 2

The purpose of a District Coordinator is to lead the membership into active participation and engagement.

## Principle 3

Responsibility should be delegated to the most appropriate level.

## Principle 4

The role of District Coordinators is to lead, coordinate, facilitate, plan, represent, communicate, mentor and make decisions.

## Principle 5

A District Coordinator will be supported with training and resources.

## Principle 6

The District Coordinator will identify talent and create succession plans.

## Principle 7

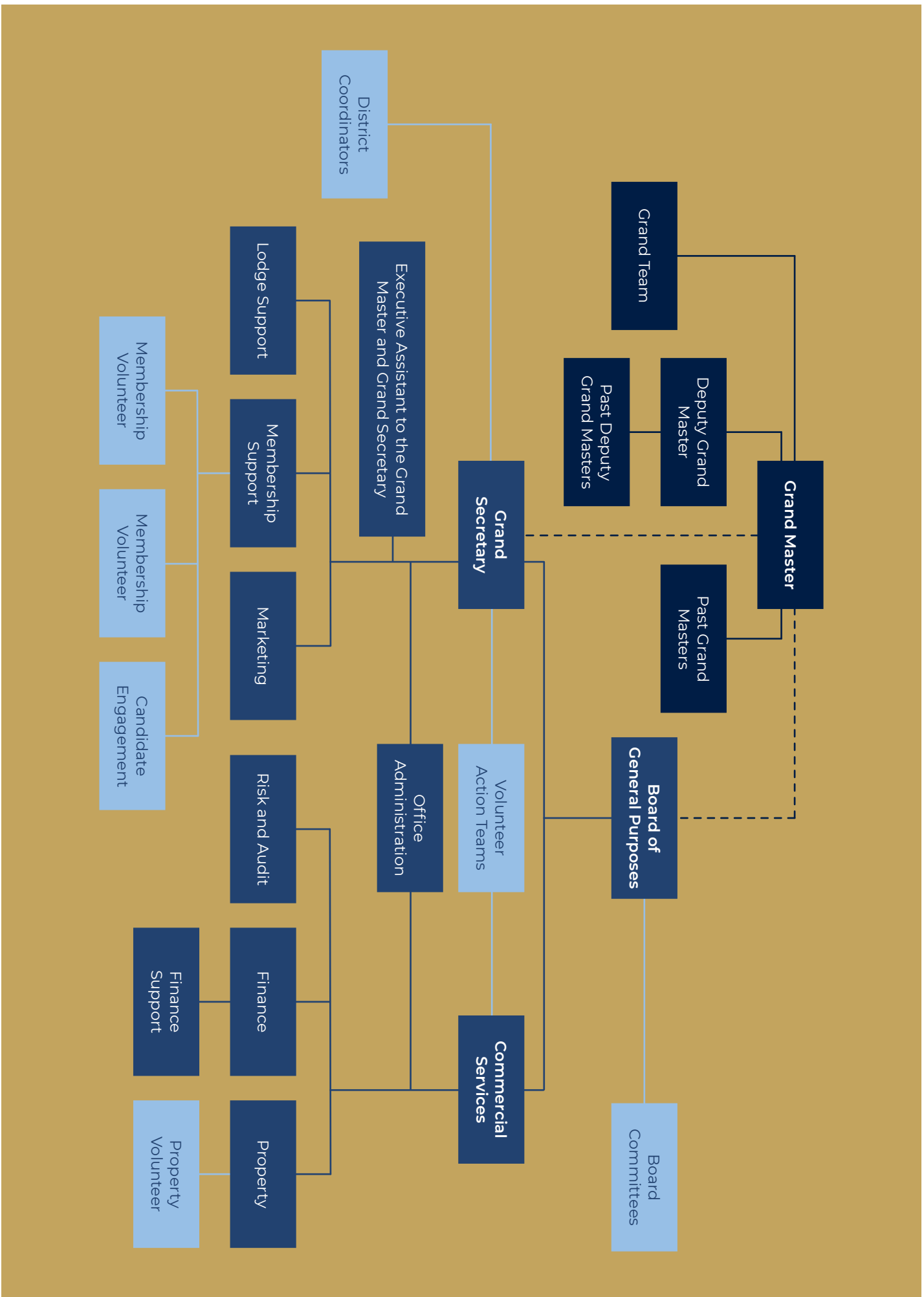
The District Coordinator will form part of a cascading mechanism for implementation of organisational goals.

To enable the introduction of the District Principles the Board has formed a District Principles Implementation Committee who continue to work towards a design for implementing the above Seven Principles.

Through the adoption of these principles, empowering District Coordinators and Lodges to manage their own affairs more directly, is in the best interest of members. This framework is key to improving the Masonic experience in Lodge communities.

Ongoing support of key Lodge Officers through training and development of a mentoring program are further initiatives being introduced across the organisation.







## Voting Reforms

At the Quarterly Communication held on 18 September 2019 members of Grand Lodge adopted a significant reform to the Book of Constitutions, concerning how votes are to be taken at Quarterly Communications and other Grand Lodge meetings.

Such change was not radical or revolutionary, but rather an application of modern technology to enable voting to be done by secret ballot and to include members participating in meetings remotely. Now any member can view proceedings at a location of their choice and cast a vote if they wish.

Members' opportunities to vote on important matters are now maximised by adopting modern technology. Substantive matters are put to a ballot which is conducted electronically, thus empowering all of our members in the important decision-making process of Grand Lodge.

Under the system just adopted, using a smartphone or similar device, ballots are now secret ballots and can be conducted at the meeting venue, Designated Masonic Centres and wherever a Brother (or a Lodge) chooses to view proceedings. Allowing for members without such devices or unable to use them, equipment and assistance will be provided at the venues, with a supplementary system for telephone voting.

The risk of hacking or corruption of a ballot under the new arrangements is mitigated by adopting high security third-party provided software. As an additional check and balance, a special majority of 75% is now necessary to carry constitutional amendments. This is the same as under the Corporations Law and is similar to a referendum under the Australian Constitution, which requires a majority of voters in a majority of states. Having a special majority means that constitutional change will only occur if there is broad consensus and support.

## Further Reforms

The Book of Constitutions is a time-honored and workable document, but elsewhere corporate and community organisations have adopted modern procedures in addition to advances in technology. The following will be raised at the Annual Convention:

- Making the Book of Constitutions more user-friendly by re-ordering its provisions with a focus on members and Lodges;
- Separating out into Regulations subordinate or regulatory matters (for Board to make, but subject to safeguard of disallowance by resolution of Grand Lodge);
- Masonic Mediation as the first step in dispute resolutions (complaints process);
- Expulsion by the Board of members convicted of serious criminal offences.

Other matters being considered by the Board and/or arising from member's initiatives and feedback, including:

- Revisions to process and controls for the Deputy Grand Master Selection Panel and the Board Selection Panel;
- Roles, responsibilities and powers of key officers;
- Membership and reporting responsibilities of Board and Committees;
- Using "appendant" documents to the Book of Constitutions and Regulations, such as codes of practice, policies and registers;
- Capitation fees and structures;
- New Lodge formation process; and
- Developments arising from review of the District system and a new office of District Principal.



## Attracting and Retaining New Members

### The Lodge Experience

Retaining members is only possible with the help and support from our Lodges. As more Lodges have become member-ready, questions of the extent to which and the manner in which members are enjoying themselves become very pertinent. As a result, there is an increased focus outside of the Lodges themselves, and Districts have been established to further enhance community and member relations.

### Brand Unity

Freemasonry offers many positives that community life can benefit from. Our partners at Royal Freemasons, the Freemasons Foundation, and Epworth Freemasons are all keen to extend their hand to the community and as a result, Freemasonry as a whole becomes unified when giving a helping hand.



E-newsletter  
distributed to  
**5,300**  
members

Open rate  
**50.2%**  
by our  
members  
(industry  
average 20%)

Social media reach

**36.4k**



10.2K



13.2k



11.1k



1.9k

**8,122**  
members



**18,000**  
Journal  
readership

Refining the Member Experience

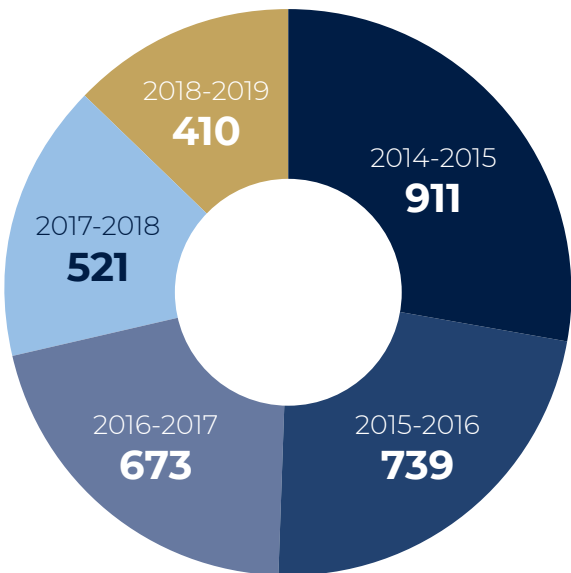
The last year has seen numerous reasons for optimism regarding recruitment, but retention remains as the most pressing issue for Freemasonry today. 306 members were welcomed between 1 July 2018 and 30 June 2019, but with an overall decline of 410 members. However, when compared to the previous year, this means 110 fewer resignations. New tactics and approaches are being practiced so that loss continues to decline, and membership starts to rise again.

Quality Lodge ceremonies continue to enhance Freemasons Victoria’s reputation, alongside the steps being taken by the Grand Lodge Ceremonial Team. A great deal of energy is focused on logistics and practice, often at the personal expense to both country and metropolitan members keen to enhance the performance of the Ceremonial Team. Strong relations are formed in doing so, which adds to the pride behind all efforts made.

A crucial factor for Freemasons looking to grow and enhance their outlook is that of education. These days, the versatility of social media and other internet sources of learning and communication has furthered what can be achieved via traditional routes, giving access to sources of information that can further the appreciation for all we stand for. Future members will be supported in this sense, directed to their own avenues of interest so we can all continue to learn and develop.

Additionally, the history of the Masonic family still draws significant intrigue, meaning that the Library and Museum remain busy and ever engaging. Freemasons Bayside holds an important collection, with more depth to be exhibited before the end of the year, with the opening Freemasons Melbourne, back at our original home of 288 Victoria Pde, East Melbourne.

Slowing Annual Membership Reduction



Maintaining a Sustainable Approach

Alongside the crucial focus on growing members and enhancing engagement rates, issues relating to financial sustainability continue to be analysed. Operational expenses and the availability of regular income sources need to be monitored, without losing sight of improving returns on investments and funding, and ongoing support of the property portfolio. Additionally, projects of significance, specifically Eastbourne, also remain important for the overall financial health of the organisation. Being aware of these challenges, the Board is dedicated to ensuring the financial strategy remains forward-looking without overlooking any avenues that will affect operations. A forecasting model has already been established covering the 2018–2025 period, based on priorities that include sound investments and clear budget planning – concerning profit, funding, and management of assets/liabilities.

As part of our governance process, consultation with the membership regarding our financial sustainability will continue in the next financial year.

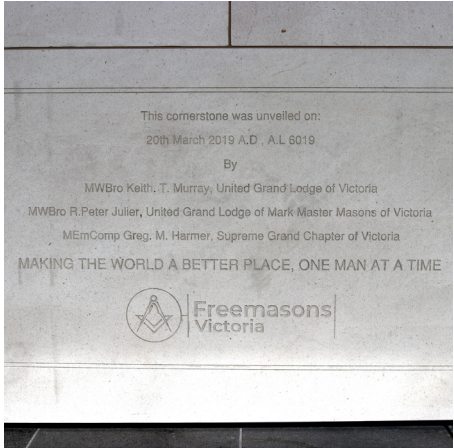




288 Victoria Pde East Melbourne



Entry – Level 1



Foundation Stone



Lodge Room One – Level 1



Grand Staircase – Ground Floor



Masonic Art – Level 1

## Eastbourne

Throughout 2018/19 the principal focus has been on completion of the residential accommodation and Freemasons Victoria facilities. Practical completion of the shell of the Freemasons accommodation by Mirvac was achieved in March 2019. The internal fitout by Schiavello commenced soon after and was well progressed by 30 June.

Settlements of residential apartment contracts commenced in late June 2019.



## The Works VAT

The Works Volunteer Action Team (VAT) is appointed by the Board of General Purposes to provide advice and guidance on the current status of the buildings and their alignment with the strategic plan, manage requests for maintenance and repairs, and consider opportunities for development and growth of the property portfolio. Requiring a broad range of skills to manage such a vast portfolio, the Works VAT has worked diligently to ensure that the Craft maintains its property footprint in Victoria.

This paradigm shift in maintaining rather than disposing of property will require a review of the property accommodation strategy and its alignment with the current strategic plan. The new framework will ensure that as a group we maximise the potential of our buildings, not only to provide commercial returns but so they can be enjoyed by the membership without the burden of cost.

## The Works Team

VWBro. Dr Matteo Donato – 35 years construction and project management experience in both commercial and civil construction.

WBro. Steve Simpson – 38 years as property valuer, consultant and manager of retail and commercial property.

VWBro. Chris Dzanovski – 42 years in real estate and property valuations.

WBro. Henk Van Ravenstein – 35 years as a building surveyor with strong background in fire safety and risk management in both government and private sectors.

VWBro. Alex Thomson – 38 years property and asset management (Freemasons Victoria Property Manager)

The team would also like to acknowledge the contribution of MWBro. Keith Murray who has assisted and provided advice on a number of works projects throughout the year.

## Establishing the Framework for Sustainability

The need to create a sustainable and equitable property portfolio will provide a solid foundation for all Freemasons to enjoy the Craft well into the future. The evolution from an environment where the Brethren are required to work to maintain the functions of their buildings, to creating an environment where the buildings work to maintain the functions of the Brethren, needs a revolutionary change to our current thinking. This new wave of thought has emerged in projects such as Box Hill, Gardenvale, Shepparton and East Melbourne.

In order to continue with the evolution, the new framework, which is still a work in progress, has already identified a number of other projects that will contribute to the sustainability of our buildings and provide new income streams into the future.

Identifying growth centres and population trends has been a key focus in planning for the future growth of Freemasonry, however this has not been limited to the metropolitan area. Over the last year Freemasons Victoria has purchased a property in Wodonga with the view of developing a new Masonic Centre and provided funds to assist refurbishment works in Swan Hill, Cohuna, Portland, Colac, Baxter and Mansfield.

## Current Projects

While the VAT is assessing a number of options, the current major project pipeline includes reviewing the options for redevelopment of the following – Brighton, Gisborne, Sunshine, Melton, Wodonga, Ascot Vale and Cobram. These projects while still in the planning stage demonstrate the commitment of the Board and the Works VAT to work towards a sustainable future.

## East Melbourne

The East Melbourne project has seen the accumulation of many years of work come to fruition. Perhaps the most ambitious project taken on by Freemasons Victoria, the redevelopment of the old Dallas Brooks site may have seen the establishment of what is considered the most iconic residential site in Melbourne.

The final outcome of the development will provide Freemasonry in Victoria with a footprint consisting of the first three levels of the Victoria Street tower as well as two apartments that will provide further rental income.

Since hand over in March this year, Schiavello who were appointed to fit out the Freemasons accommodation have been working collaboratively with members of the Works VAT to ensure completion and hand over in mid to late October. The finish of the Masonic area has seen the integration of the old with the new, with the main Lodge room now being the home of the furniture once used at 25 Collins Street.

Mirvac has already completed the residential apartments in Victoria Street with settlements commencing prior to 30 June this year. The Northern Tower is due for completion with final settlements in late October this year.

## Future Planning

The Works VAT looks to create an environment where Freemasons are proud to take their family and friends; The team remains committed to the development of a sustainable future and is constantly reviewing the portfolio and maintenance, repair and development options in both country and metropolitan areas.

# Financial Year Overview

## Year Ended 30 June 2019

The consolidated net result for the United Grand Lodge of Victoria for 2018-19 was an after-tax profit of \$437,000. 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 \$104.589m in 2018 to \$105.158m in 2019.

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, Deloitte.

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 288 Victoria Parade) and includes Eastern Freemasonry (Freemasons Inner East), Southern Freemasonry (Freemasons Bayside) and Freemasons Ringwood.

An Addendum to the Consolidated Special Purpose Financial Report, showing the allocation of 2019 result between the various activities that comprises the consolidated position was circulated to members as part of the September 2019 Quarterly Communication.

Key influences on the 2018-19 year's result are highlighted below.

#### a. 288 Victoria Parade, East Melbourne (formerly 300 Albert Street)

Throughout 2018/19 completion of the Eastbourne project, from construction to settlement of residential sales contracts, has been of key significance. Whereas previously the project was expected to be completed in

mid-2020, due to a range of favourable factors affecting construction, completion of the project is now expected by end 2019.

The 2019 result reflects as income the adjustment of \$1.31m to unwind prior year discounting of Mirvac receivables, as well as an increase in the Owners Additional Retention of \$3.19m. This additional retention was first recognised in last year's financial statements and is now adjusted in line with the value of contracted apartment sales. A fair value adjustment of (\$3.33m) in line with adopted UGLV accounting policies has been recognised in the current year. The overall net effect of these adjustments is \$1.2m.

The Statement of Financial Position at 30 June 2019 reflects the prepayment of the developer fee and the offsetting liability under the Syndicated Facility Agreement with ANZ Bank. As at 30 June the first tranche of settlements of residential contracts had also occurred.

Earlier completion of the project than previously reported has also meant reclassification of key assets and liabilities associated with the Eastbourne project as current (settled in the next financial year) rather than non-current in the Statement of Financial Position.

#### b. Freemasons Bayside, Gardenvale

Masonic use of the Centre increased over the financial year with around 22 Lodges and Other Orders now regularly utilising the facilities. The Centre has also been used for a range of other events including Quarterly Communications, conduct of the Community Leadership program in conjunction with Leadership Victoria, as well as member related social functions. The first key commercial tenant has operated for the full year, whereas the lease for the principal ground floor area commenced in May 2019. The full financial impact as a mixed commercial and Masonic Centre will not be recognised until 2019/20.

### Looking Ahead

Strategic financial forecasts to FY 2025 will continue to provide the framework for ongoing engagement by the Board with members on the financial health of our organisation.

The 2019-20 Budget anticipates a net operating income of \$0.126m and a net deficit after depreciation and interest of \$1.365m. The budget also recognises the final accounting adjustments applicable to finalisation of the Eastbourne Project and future investment of the development proceeds.

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.

# Financial Year Overview

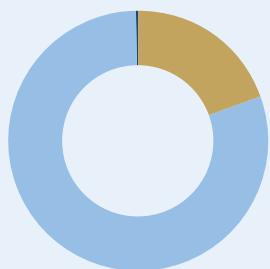
| Consolidated Financial Results at 30 June 2019 | 2018-19<br>\$000s | 2017-18<br>\$000s |
|------------------------------------------------|-------------------|-------------------|
| Revenue – membership                           | 866               | 898               |
| Development – net income                       | –                 | (76)              |
| Net gain on Masonic Properties                 | 2,174             | 103               |
| Rental income                                  | 1,199             | 604               |
| Eastbourne OAR                                 | (140)             | 5,122             |
| Other income                                   | 512               | 829               |
| <b>Income</b>                                  | <b>4,611</b>      | <b>7,480</b>      |
| Employee expenses                              | 1,403             | 1,883             |
| Repairs, maintenance & centre expenses         | 518               | 1,224             |
| Professional fee expenses                      | 253               | 354               |
| Depreciation                                   | 1,005             | 1,269             |
| Other expenses                                 | 2,400             | 4,335             |
| <b>Results from operating activities</b>       | <b>(968)</b>      | <b>(1,585)</b>    |
| Investment income                              | 2,788             | 3,263             |
| Interest expense                               | (923)             | (410)             |
| <b>Net finance income</b>                      | <b>1,865</b>      | <b>2,853</b>      |
| <b>Profit (loss) before income tax</b>         | <b>897</b>        | <b>1,268</b>      |



| Consolidated Entity Fund Performance 2018-19 | General<br>\$000s | Eastbourne<br>\$000s | Building<br>\$000s | Total<br>\$000s |
|----------------------------------------------|-------------------|----------------------|--------------------|-----------------|
| Operating income (expense)                   | (683)             |                      | (135)              | (818)           |
| Development income – net                     |                   | 1,165                |                    | 1,165           |
| Works – Centres                              |                   |                      | (509)              | (509)           |
| Strategic – 288 Victoria Parade              |                   | (68)                 |                    | (68)            |
| Gain on sale of Centres                      |                   |                      | 2,174              | 2,174           |
| Fair value increments (decrements)           | –                 | –                    | –                  | –               |
| <b>EBITDA</b>                                |                   |                      |                    | <b>1,944</b>    |
| Depreciation                                 | (103)             |                      | (902)              | (1,005)         |
| Interest income (expense)                    |                   |                      | (43)               | (43)            |
| <b>Profit (loss) before income tax</b>       | <b>(785)</b>      | <b>1,097</b>         | <b>585</b>         | <b>897</b>      |

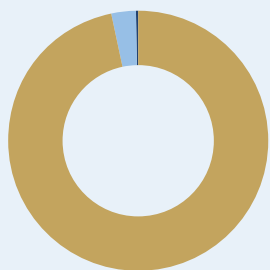
# Financial Year Overview

| Consolidated Financial Position at 30 June 2019 | 2018-19<br>\$000s | 2017-18<br>\$000s |
|-------------------------------------------------|-------------------|-------------------|
| Current assets                                  | 302,225           | 19,362            |
| Non-current assets                              | 68,537            | 228,115           |
| <b>Total assets</b>                             | <b>370,762</b>    | <b>247,477</b>    |
| Current liabilities                             | 248,179           | 7,791             |
| Non-current liabilities                         | 17,425            | 135,097           |
| <b>Total liabilities</b>                        | <b>265,604</b>    | <b>142,888</b>    |
| <b>Net assets</b>                               | <b>105,158</b>    | <b>104,589</b>    |

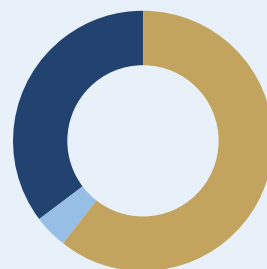


Charts relate to 2018-19

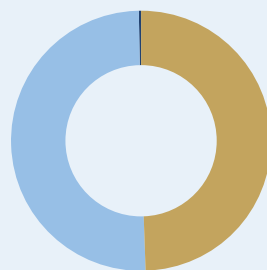
| Current assets | 2018-19<br>\$000s | 2017-18<br>\$000s |
|----------------|-------------------|-------------------|
| ● Cash         | 58,858            | 8,370             |
| ● Receivables  | 243,185           | 10,770            |
| ● Other        | 182               | 222               |
| <b>Total</b>   | <b>302,225</b>    | <b>19,362</b>     |



| Current liabilities | 2018-19<br>\$000s | 2017-18<br>\$000s |
|---------------------|-------------------|-------------------|
| ● Borrowings        | 240,338           | 5,338             |
| ● Payables          | 7,699             | 2,312             |
| ● Employee benefits | 142               | 141               |
| <b>Total</b>        | <b>248,179</b>    | <b>7,791</b>      |



| Non-current assets | 2018-19<br>\$000s | 2017-18<br>\$000s |
|--------------------|-------------------|-------------------|
| ● Property         | 41,551            | 42,206            |
| ● Receivables      | 2,978             | 161,034           |
| ● Investments      | 24,008            | 22,891            |
| ● Other            | –                 | 1,984             |
| <b>Total</b>       | <b>63,537</b>     | <b>228,115</b>    |



| Non-current liabilities | 2018-19<br>\$000s | 2017-18<br>\$000s |
|-------------------------|-------------------|-------------------|
| ● Borrowings            | 8,650             | 127,745           |
| ● Deferred tax          | 8,752             | 7,338             |
| ● Employee benefits     | 23                | 14                |
| <b>Total</b>            | <b>17,425</b>     | <b>135,097</b>    |





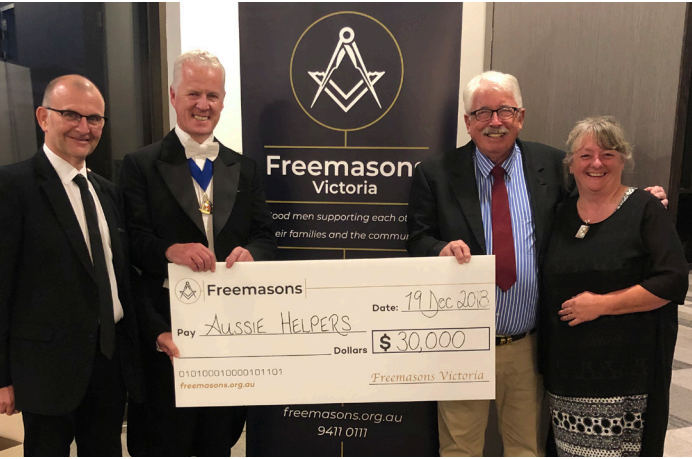
# Financial Year Overview

| 2018-19 Budget                      | General<br>\$000s | Eastbourne<br>\$000s | Building<br>\$000s | Total<br>\$000s |
|-------------------------------------|-------------------|----------------------|--------------------|-----------------|
| Net profit (loss) before income tax | (931)             | 908                  | (1,338)            | (1,361)         |

| 2018-19 Actual                      | General<br>\$000s | Eastbourne<br>\$000s | Building<br>\$000s | Total<br>\$000s |
|-------------------------------------|-------------------|----------------------|--------------------|-----------------|
| Net profit (loss) before income tax | (785)             | 1,097                | 585                | 897             |

| Overview of 2019-20 Budget                 | General<br>\$000s | Eastbourne<br>\$000s | Building<br>\$000s | Total<br>\$000s |
|--------------------------------------------|-------------------|----------------------|--------------------|-----------------|
| Operating revenue                          | 2,897             | 184                  | 2,023              | 5,104           |
| Development income                         |                   | 60                   |                    | 60              |
| Sales – Centres                            |                   |                      | 613                | 613             |
| <b>Income</b>                              | <b>2,897</b>      | <b>244</b>           | <b>2,636</b>       | <b>5,777</b>    |
| Operating expenses                         |                   |                      |                    |                 |
| Masonic activities                         | (22)              |                      |                    | (22)            |
| Image and marketing                        | (152)             |                      |                    | (152)           |
| Administration and support                 | (2,880)           |                      |                    | (2,880)         |
| Occupancy expenses                         |                   | (518)                |                    | (518)           |
| Property portfolio                         |                   |                      | (1,134)            | (1,134)         |
| Grants to Centres                          |                   |                      | (945)              | (945)           |
| <b>Expenses</b>                            | <b>(3,054)</b>    | <b>(518)</b>         | <b>(2,079)</b>     | <b>(5,651)</b>  |
| <b>Net operating income (expense)</b>      | <b>(157)</b>      | <b>274</b>           | <b>557</b>         | <b>126</b>      |
| Depreciation                               | (106)             |                      | (840)              | (946)           |
| Interest income                            |                   |                      | 45                 | (45)            |
| Interest expense                           |                   | (158)                | (433)              | (591)           |
| <b>Net profit (loss) before income tax</b> | <b>(263)</b>      | <b>(432)</b>         | <b>(670)</b>       | <b>(1,365)</b>  |

Masonic Year in Review





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