



THE FREEMASONS' FUND FOR SURGICAL RESEARCH

MINUTES OF A MEETING OF THE TRUSTEES OF THE FREEMASONS' FUND FOR SURGICAL RESEARCH HELD AT THE ROYAL COLLEGE OF SURGEONS OF ENGLAND 35-43 LINCOLN'S INN FIELDS, LONDON, WC2A 3PE ON TUESDAY 29TH SEPTEMBER 2022 AT 10.30 am

Trustees present:

Mr. Justin Ash (Chairman), Mr. Paul Copsey, Mr. Julian Soper, Mr. Jolyon Berry and Mr Jon Randall.

In attendance:

Mr. Stephen Finch (Assitant Secretary to the Trustees)
Mr. Jeremy Barker and Mr. Alex Bailey (Cazenove Capital Management).

1 Apologies

Received from Mr. Tony Narula, Mr. Ian Sabin and Mr. Michael Messent.

2 Minutes of the previous meetings

The minutes of the meeting held on Tuesday 3rd May 2022 was considered, approved and signed by the Chairman.

The minutes of the Investment Committee meeting held on Wednesday 21st September 2022 were considered approved and signed by the Chairman.

3 Matters arising

- The Assistant Secretary (AS) advised that the Meera interview is still planned and that Meera is available to attend. A meeting in October with Michelle Worvell and Shaun Butler to advance is being finalised by AS.
- AS reported that the FFSR logo has been considered by UGLE and written confirmation has been received from Shawn Christie, Assistant Grand Secretary on the 5th July 2022 that the advisers to the Grand Master have seen the design and do not object to it.
- Freemasonry for Women correspondence was discussed and it was agreed to pass on directly to Scott Willoughby of RCSE, the contacts of Freemasonry for Women who wish to donate equipment to RCSE.
- AS advised that sterling work had been done by Scott Willoughby in providing data for Past Fellows' successes. This data is currently being applied to an infographic page by Stephen Finch on the website.

- AS confirmed the following;
 1. A note to item 12 dealing with cash movements reported in the accounts has been added to the final version.
 2. Type 2 Financial Reports were provided after the meeting and have been circulated.
 3. The Investment Policy has been revised and circulated.
 4. The College has been advised of the 2022/23 grant and warned that the next year's grant might be less.
 5. AS advised that the 9th of November presentation to the RA Convocation would not go ahead as time would not permit due to the formalities of Installation of the new Pro 1st Grand Principle Jonathan Spence. An alternative presentation is being considered for a Quarterly Communication meeting in due course.
 6. Cyber risks have been added to the Risk Policy and the final document circulated.
 7. The Chairman asked AS to report upon Coutts's online banking progress. AS advised that Coutts had explained the process fully and that the system was ready to implement with transactions created online by either Secretary which will then require a second online approval by a Trustee. Always two signatures are required to approve a transaction with one being a Secretary and Trustee or two Trustees. Following a resolution proposed by the Chairman, It was resolved and approved that Assistant Secretary, Stephen Finch be added to the list of signatories for this to be commenced. All Trustees having been added to the signatory list.

The Chairman invited Mr. Jeremy Barker and Mr. Alex Bailey who had arrived at 10:45 am to join the meeting for the review of the fund's investments.

4 Review of the fund's investments

A short version of Cazenove's Investment Report to September 2022 which had been presented to the Investment Committee was distributed.

Mr. J Barker (JB) commenced the review with a general discussion regarding the financial bond market following the historic drop in the value of sterling and the Government announcement to purchase Bonds to support the Pound. Mr, Barker said the Bank of England had to act with the plan to purchase £65B of Bonds to work towards the earliest return to the target of 2% inflation. JB added that inflation is no longer transitory and that higher interest rates are forecast to remain which makes the dynamic very difficult.

Mr. Bailey continued and expanded on the Government trying to boost growth in the face of the lack of confidence in Bonds. As was explained at the

Investment committee many of the assets are non sterling which has acted as a hedge against sterling currency losses.

Mr. Paul Copsey (PC) explained that short-term gilts allow yield advancement against capital volatility and that holding Gold is good in an inflationary world.

Mr. Julian Soper (JS) following a discussion on gilt values that it is opportunistic to acquire the gilts at the current rates.

The Chairman clarified with Cazenove that what they are recommending is to purchase short-dated gilts, which will provide the flexibility to change position should return weaken, paying with gold assets and some cash with discretion within the laid down parameters.

That is to continue to invest within Private Assets and also within the laid down parameters.

The Chairman asked Cazenove's to confirm the percentage of the target gilts investment and then they confirmed the level would be 12 - 15% of the total assets with the new purchases. This gilts additional acquisition to be funded 3% from Gold and 5% from cash

Cazenoves also advised that investment within equities would be focused on Companies generating short-term profits such as Colegate and Nestle.

Mr. Jon Randall (JR) asked Cazenoves as the fund business is preserving capital value and generating income for donations, with the difficult economic time at present, how do we continue to make money? The Chairman said this was a good point.

JB said that the premise still remains to allow a 4% drawdown next year, which based on the current £6.7M equates to £268,000.

Mr. Bailey (AB) advised to try to achieve a return of inflation + 4% is not going to happen with the current outlook. Capital will be protected to earn sufficient to continue returns to fund £260,000.

JS said as we only plan to draw down 4% this year this should not present a problem

JB reassured the Trustees that the performance of the fund will allow the drawdown of 4% in the next year.

The Chairman set out to capture the discussion and stated that from Cazenoves's statements the Trustees can plan to donate £260,000 next year to Fellow grants, in confidence without damaging the fund and emphasised that Cazenove should alert the Trustees if a change occurs which requires Trustee action.

A further zoom investment meeting would be held in January 2023, to which all Trustees would be invited. This meeting was brought forward in response to uncertainties in the markets.

5 Other business

- AS advised that the website had been rebuilt to a higher specification coding which allowed improvements for cyber security, such as the captcha field within the contact us section, securing against phishing.
- AS reported that the RCSE presentation that took place at Cheshire Provincial Grand Stewards Lodge on Saturday the 24th of September 2022, had been an enormous success. Colonel Linda Orr of RCSE who was in attendance informed AS that she was thrilled with the whole experience.
- PB asked AS to coordinate with him regarding the follow-up with the Cheshire Province.
- A discussion regarding further presentations to Provinces took place and the province of Hampshire was put forward as a candidate for the next presentation.
- AS The Secretary reported that the annual accounts had been signed and lodged with the Charity Commission.

6 Date of next meeting

The date and time for the next Investment Meeting which will be held via zoom was set for 3 pm on Monday the 23rd of January 2023. The Assistant Secretary to arrange a date for a meeting with Cazenove in May 2023.

The Trustee's meeting was then closed at 11:28 am and was followed by a joint meeting with the Fellowship Committee of the RCSE.

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Chairman