

Join us at the table

Board of Benevolence

2021-22 Annual Review



**HAND[®]
HEART
POCKET**
THE CHARITY OF
FREEMASONS QUEENSLAND



77th Annual Review

The Board of Benevolence and of Aged Masons Widows and Orphans' Fund trading as Hand Heart Pocket the Charity of Freemasons Queensland

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Cover photo

Chloe Foley was empowered to change her life course with the help of youth intervention charity, Youth Insearch. Having started as a participant and then a youth leader, Chloe is now a regional coordinator for the organisation, helping other young people to thrive.

About our Annual Review concept

This design concept was originally put together by Green Fox Studio in 2021 and has been adapted with permission. Green Fox Studio is a full-service creative design agency and a social enterprise with a difference. They train and employ former inmates in animation and graphic design, giving them a second chance at changing the trajectory of their lives.

We acknowledge the Traditional Owners of the Lands on which we operate across Queensland, especially the Yuggera and Turrbal people of Meeanjin (Brisbane), and pay our respects to their Elders, past and present.



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OUR ORGANISATION

2021-22 Highlights

Hand Heart Pocket is a philanthropic foundation established by the Freemasons of Queensland with a history of helping the community for more than 110 years.

Our purpose is to partner for change for people in need. We work with strategic partners who deliver positive change for people across Queensland and Papua New Guinea, particularly young people at risk. We also engage with our Members through local community partnerships, giving, and volunteering as well as hardship and disaster relief for Queenslanders in times of need. This work is built on foundations of strong governance, and the ongoing protection of our capital and assets.

Member engagement



3,920
Members



31
local community organisations supported



\$460,870
Member-led giving

\$246,285
disaster response distributed

\$112,500
disaster preparedness distributed

\$285,229
financial counselling and hardship assistance distributed

Youth-focused partnerships



\$3.05m
giving distributed



1,219
young people supported



14
strategic and systems partnerships

Financial performance



\$5.16m
total giving



\$202.46m
net assets

To find out more about our story go to our website at handheartpocket.org.au



Message from our Chairman

Putting our strategy into action

Our purpose, *to partner for change for people in need*, has never been more relevant for the Board of Benevolence than during the past 12 months. Natural disasters that have devastated parts of Queensland, along with increased inflation and turbulent financial markets, have resulted in increased hardship for communities, families, and particularly young people. The ongoing challenges of COVID-19 and civil unrest have also severely impacted the lives of people in Papua New Guinea.

Working to put our refreshed strategy into action, we were very focused on how we could make the greatest impact. Under the guidance of our dedicated Board and Executive Team, and with the support of our Members on the ground, we have delivered critical components of our key strategic objectives, which are to support our Members as they engage in their communities; enable our partners as they change the social system and create real outcomes for young people at risk; protect and leverage our assets and income; and demonstrate integrity, transparency and good governance. This directly translates to positive change for people in need, both now and in the long term.



Demonstrating good governance

As an independent philanthropic charity working through partnerships and investing in long-term change, our credibility and our reputation for robust governance are the basis of our success.

We continue to build a culture of transparency and good governance across our decision making and our stakeholder interactions. We have strengthened our governance by refreshing our enterprise-wide Risk Management Framework with improved procedures and reporting, and introducing a Responsible Investment and Philanthropy Policy with strong environmental, social and governance guidelines for our investment decision making.

Protecting and leveraging our assets

Expert management of our investments has continued to protect our capital amid turbulent financial markets. We maintained a strong financial position with a small decline in the value of our assets. As at 30 June 2022, Hand Heart Pocket recorded net assets of \$202.46 million.

Protecting the value of our investments enables us to give in perpetuity, a goal which is underpinned by our Responsible Investment and Philanthropy Policy. For a summary of our financial results, see page 22. A more detailed copy of our audited financial results is also available on our website.

Working together to reach our goal

A key part of our strategy is to influence change and improve social systems through collaboration and partnerships that support young people, families and communities in need. This year we have worked more closely with other foundations and funders, creating our new Queensland Funders Hub to share our office space and leverage our knowledge and relationships.

We are also building new partnerships with providers of evidence-based programs to improve the life outcomes and experiences of young people in need. And with our partners, we have begun work to implement our new Youth Outcomes Measurement Framework that will help keep us on track to deliver on our stretch goal – by 2030 to have supported 10,000 of Queensland's most at-risk young people to have the outcomes they need to thrive in adult life.

I look forward to working with the Freemasons Grand Master Jeff Harper who joined our Board in an ex-Officio capacity in July. He will be another voice for our Members in our decision making and stewardship.

Finally, I commend our Members for their ongoing efforts in local communities to help ensure our giving goes where it is needed most in Queensland.

Alasdair Begley
Chairman

Message from our CEO

In 2021-22 we began to bring our strategy to life and started work on our goal to see positive change in the lives of 10,000 at-risk young people by the year 2030. I am pleased to report that in 2021-22 we have supported over 1,000 young people through our partnerships. In total, our philanthropic giving, in-kind support and concessional lending on behalf of the Freemasons of Queensland totalled \$5.16 million.

Importantly, we have invited others to join us at the table, through strategic partnerships to create positive change in the life outcomes of young people and in the social systems that support them, while also maximising our Members' community work. We have also adapted our giving to better meet the unique needs of Queenslanders, including our Disaster Relief and Hardship Assistance programs.

Members engaging with their communities

Our Members' efforts to support their local communities during 2021-22 have been constant in the face of ongoing pandemic restrictions.

In late 2021 we surveyed our Members to understand how they give, fundraise and volunteer, and the causes that were important to them. One outcome was to expand our Matched Giving program to introduce 'Dollars 4 Doers', matching Lodges' volunteering hours for their charity of choice with a donation by Hand Heart Pocket. Additionally, the program now includes individual Members' efforts.

Last year we distributed \$460,870 to 31 community organisations across Queensland through 32 Lodges active in their local communities.

We also worked with Members in Miles and in Toowoomba to pilot a new approach, developing two new Local Community Partnerships with organisations connected to local people in need, with increased funding and focused volunteering effort.

After the devastating floods across parts of our State, we collectively gave \$246,285 of Disaster Relief to our new partners GIVIT, benefiting local organisations on the ground responding to natural disasters. Additionally, we established a partnership with UnitingCare to provide financial counselling and Hardship Assistance to community members referred by our Members.

Positive change for young people in need

Rising living costs, low incomes, a lack of affordable housing, and the community impacts of natural disasters are all taking their toll on young people in need. In 2021-22 Hand Heart Pocket distributed \$3.05 million to programs benefiting young people in Queensland.

Creating systemic change together

By partnering across sectors with governments, academics, community service providers and other philanthropic funders, we can achieve more meaningful, long-term change.

Along with four other philanthropic foundations, we have supported the Thriving Queensland Kids Partnership, who will bring together over 100 organisations working with children, youth and families with a shared agenda to improve the life trajectory of Queensland's most vulnerable children.



What powers our work

Being able to do so much good work for so many relies on strong financial management. This year we implemented the environmental, social and governance guidelines in our new Responsible Investment and Philanthropy Policy. Through our new Opportunity Assessment process, we can ensure our philanthropy and investment activities optimise positive impacts, and meet our financial goals and risk parameters.

Join us at the table

Over the past year I have had the pleasure of meeting with many Members across Queensland, and I'm looking forward to continuing to build those relationships as we progress with our strategy. Likewise, I am humbled by the hard work of our community partners and generosity of our co-funders who are so willing to join us at the table to work together for a better future for Queensland's young people.

Sara Parrott
Chief Executive Officer

Join us at the table

Like a strong table is a place we gather, to share food, work, learn and live with the people we love, Hand Heart Pocket **builds partnerships that are strong supportive places where people – young and old – come together.**

Through our **local community partnerships**, our Members bring their time, money and experience to the table to work alongside their local community to address local needs.

Through our **strategic youth-focused partnerships**, young people work together with the important people in their lives, to be safe, build their relationships, get healthy, learn, work and achieve the outcomes they need to thrive in adult life.

And like a cool green park that provides fresh air and shade, Hand Heart Pocket invests in **change and growth in the environment and community around young people** so it provides the structures, protections and belonging they need to thrive.

Our **strong governance, investment income and members' engagement** in their community are the ground underneath us that support our partnerships and grow our ecosystems.

— to build strong
partnerships

— supported by
thriving ecosystems

— and grounded in good
governance, investment
and engagement.



Enable 10,000 young people to have the outcomes they need to thrive in adult life.



Secure material basics & a safe home



Build respectful relationships & support networks



Embrace culture, identity, & participation in community



Seek physical & mental wellbeing



Gain an education & build skills for the future



Find employment & participate economically

As the largest philanthropic foundation in Queensland we have an opportunity to work with others to tackle one of the most pressing social issues of our time: the lack of support for young people facing hardship and adversity. By collaborating with other funders, academics, and community leaders, we can contribute to building the social systems and structures needed for future generations to thrive. That's why we're committing most of our giving to strategic partnerships with organisations who support young people, and investing in capability building for the leaders of these organisations.

We're focused on achieving our goal – to ensure that by 2030, 10,000 of Queensland's at-risk young people have the outcomes they need to thrive in adult life.

We have worked with experts to develop specific, clear outcomes for young people that will provide measures of our progress toward our goal. We have refreshed and refined our Youth Outcomes Measurement Framework – that guides our investment in evidence-based programs and initiatives that support young people at risk. With our partners we will measure evidence of specific behaviours, experiences and skills, such as being able to seek support for emotional and mental health struggles, being engaged in learning and training, or improved family stability. With our partners, we will be able to demonstrate the value of investment in programs and initiatives that support long-term, positive change for young people.

2021

812
young people supported

2022

1,219
young people supported this year

2030

10,000
young people supported

Supporting our Members in their communities

Our Member-led approach to local giving

Our Members are active in their local communities, raising funds and volunteering their time in a time-honoured tradition that has kept Freemasonry at the heart of our communities for over 110 years. In the past year, 32 Lodges supported 31 local community organisations through our Matched Giving program, with a total of \$460,870 donated across Queensland.

This is set to increase with more Members now able to get more funding for more charities through our expanded Matched Giving program – empowering Lodges and Members to do more for their communities than ever before.

After surveying our Members to understand how they fundraise, give and volunteer and the causes they care about most, we have expanded Dollars 4 Dollars so Hand Heart Pocket can match individual Members' own personal giving for their chosen charities. Matched Giving for Lodge fundraising and donations will continue through Dollars 4 Dollars.



Hand Heart Pocket is supporting Lodges and individual Members to do more for their community through matched giving and fundraising, and local community partnerships.

We have also added Dollars 4 Doers as part of our Matched Giving program, which will match Lodges' and individual Members' volunteer hours with a donation to their charities.

Now Members can apply for personal Dollar 4 Dollar matching and personal Dollars 4 Doers matching for their volunteer hours, capped at \$500 per Member per year. Lodges can also apply for up to \$5,000 per year. A total pool of \$500,000 is available for Member-led giving activities each year, supporting Members' community participation.

This year we also piloted two Local Community Partnerships in Toowoomba and Miles. These locally-led partnerships see Lodges from the same area working together to support a local not-for-profit over a longer period of time. The nominated charity receives an initial donation from Hand

Heart Pocket and the Lodges' fundraising and volunteering efforts are also matched with a further donation. The more time or dollars contributed, the more Hand Heart Pocket will contribute. With the worst of COVID-19 behind us we look forward to supporting Lodges to set up these partnerships.

Read more about our local giving on our website at handheartpocket.org.au/news



Our local community relationships

The causes supported by our Members this year represent the different needs within our communities. Their support included:

\$45,000 for a new community vehicle to help transport people who are vulnerable or living with disability to specialist medical appointments in Cairns and Atherton.

\$13,800 for solar panels to reduce energy costs at a Sunshine Coast hospice.

\$13,200 contributed towards the fit-out and equipment for a two-bed maternity bereavement room at Redcliffe Hospital.

\$20,000 towards two SES disaster response caravans in Townsville and Mount Isa to be mobile command and coordination centres.

\$40,000 to support upgrades to the 18-bed accommodation facility in Townsville for people receiving treatment for blood cancers.

\$20,000 towards the expansion of respite facilities in the Burrum District.

Our community outcomes

Mareeba residents will be supported to attend specialist medical appointments in Cairns and Atherton with free transport.

215,000 people living in Townsville and Mount Isa will be supported during disaster season with a dedicated SES mobile command and coordination van to be located in each region.

Palliative care patients at the Katie Rose Hospice on the Sunshine Coast will receive compassionate care with more funds being redirected to meet their immediate needs following a reduction in energy costs.

92 blood cancer patients had a home away from home while receiving treatment, with upgraded facilities at the Leukaemia Foundation's Townsville Freemasons Village.

98 elderly locals will continue to lead an active lifestyle with more spacious facilities at Burrum District Respite Centre.

Parents in the Moreton Bay region who have lost a child at birth will have access to a dedicated space for maternity bereavement at Redcliffe Hospital.



31 local community organisations supported



32 Lodges engaged in community giving



\$460,870 Member-led giving distributed



Enoggera-Thistle, Barron Barnett and Thespian Lodges supported 4 Aussie Heroes Foundation to purchase a new tractor to maintain their new retreat site where life-saving mental health rehabilitation programs are run for current and former Defence Force personnel and first responders.



Our resilience-building approach to natural disasters

From floods to droughts, fires to cyclones, our Members continue to step up and support their local communities in Queensland when natural disasters strike.

When floods devastated many communities across the Wide Bay Burnett and South East Queensland regions during 2021-22, Hand Heart Pocket and Members were able to provide immediate support through our new partnership with GIVIT.

On behalf of our Members, we donated \$135,000 to GIVIT, while a further \$11,285 was donated by Members and their families. Another \$100,000 was generously donated by Freemasons Victoria and Freemasons Foundation Victoria.

GIVIT distributed 100 per cent of our donations through local community organisations on the ground who were able to ensure people who were impacted got what they needed, when they needed it most.

Hand Heart Pocket is also supporting local communities to build resilience to future disasters by partnering with the Foundation for Rural Regional Renewal. This non-profit organisation was awarded \$112,500 this year to support local communities to prepare and plan their response to future disasters and put in place mitigations that will reduce the impact if disaster strikes.

Our supportive approach for Queenslanders facing financial hardship

3.24 million Australians are living at or below the poverty line and another 46 per cent are experiencing financial stress.* Issues like domestic violence, gambling and using unsuitable credit can make financial stress worse. This year, Hand Heart Pocket has partnered with experts at UnitingCare to do more for people who find themselves in financial hardship.

UnitingCare is connected with local communities and specialises in delivering counselling and support services, including financial counselling.

Hand Heart Pocket and our Members are able to refer people they know who are in need to UnitingCare for financial counselling. From there, UnitingCare can also help them access emergency funds from the Queensland and Australian Governments and connect them to other support services like housing support, job readiness and training. The privacy and dignity of these families are respected throughout the referral process. Hand Heart Pocket also offers one-off grants after consultation with and on the advice of a UnitingCare Financial Counsellor, to help people get back on top of their situation as quickly as possible.

Our relationships

\$246,285 for disaster relief in local communities through **GIVIT**



\$112,500 in disaster preparation and mitigation by local communities through the **Foundation for Rural Regional Renewal**



\$250,000 per annum for three years for financial counselling and support services for people in financial hardship through **UnitingCare**



 **CASE STUDY**

Helping to make a house a home for women starting over

Nearly half of all people experiencing homelessness are women, and domestic and family violence is the primary cause in Australia.

So when women approach Protea Place in Toowoomba for help, they need much more than a safe place to lay their head for the night.

Not only does the centre provide a safe space with the basics like hot meals, showers and toiletries, they also provide personalised support to find permanent accommodation, employment, legal help, and referrals to counselling.

Already champions of Protea Place, the Toowoomba Freemasons are set to take their support up a notch with the help of Hand Heart Pocket.

Through our new Local Community Partnership model, the Toowoomba Freemasons expect to

donate \$38,000 over the next two years, which will go toward Protea Place's Welcome Home Project that helps women purchase furniture, white goods and essentials once they've found secure housing.

“A powerhouse for women” – client’s view of Protea Place Inc

Toowoomba Masonic Council representative, Paul Cochrane, says the local Members are excited to roll up their sleeves, knowing that Hand Heart Pocket will help them make an even bigger difference for women facing homelessness in their community.

“We’ve committed to doing 100 hours of volunteering across three of their fundraising events, and we will dedicate at least three fundraising sausage sizzles for the centre each year,” Paul says.

“This significant donation is not something we could have done on our own, and is made possible by Hand Heart Pocket matching our fundraising efforts.” ●



The Toowoomba Freemasons will support women experiencing homelessness to get back on their feet through fundraising and volunteering for Protea Place over the next two years.

Watch this powerful video capturing what Protea Place means to women in Toowoomba



Partnering with young people for their futures

Our partnership approach to supporting young people in need

We believe the best way to invest in the future of Queensland is through our young people, especially supporting those facing hardship and adversity. Last year we set ourselves the goal by 2030 to help 10,000 of Queensland's most at-risk young people to have the outcomes they need to thrive in adult life.

Over the past 12 months, Hand Heart Pocket distributed \$3.05 million across 14 strategic partnerships with specialist youth organisations delivering evidence-based programs that help young people build the skills and relationships they need to go from surviving to thriving.

Our community partners work alongside young people, track and measure the outcomes they achieve, provide valuable insight into what's working for young people and advocate for systems and policies that will best contribute to achieving positive change for our community.



\$1.2 million over three years to fund a Queensland first, which brings together community groups, policy makers, researchers and funders to collaborate on improving outcomes for at-risk children and young people in the long-term.



\$730,577 over three years to help fund a program that delivers weekend workshops, weekly local support groups and peer mentoring, coupled with case management support provided by Youth Support Workers.



\$900,000 over two years to help break the cycle of intergenerational disadvantage and build the capacity of vulnerable young parents through a tailored program focused on stable housing, safe relationships and employment.



\$915,000 over three years to fund the Safe and Connected Futures Program, which provides early intervention and case management support to young people who are homeless or at risk of homelessness to re-establish family support networks, obtain safe housing, education and employment.



\$790,000 over two years to fund the Turning Corners program, which provides early intervention and support to help change the trajectory for young people who have engaged in, or are at risk of engaging in, harmful sexual behaviour. Plus \$400,000 to continue this program for another year.



\$220,000 over two years to fund transitional accommodation and case management support through YellowBridge's Youth Matters program for homeless young people in Toowoomba and the Darling Downs.



\$320,000 over two years for the Pathfinder Program, which runs trauma-informed camps with case management support to assist young people to identify a path for successful transitions through adolescence and young adulthood.



\$500,000 over three years to fund the Life Skills for Success program, to support at-risk young people in the National Capital District and Marobe Province of Papua New Guinea to gain skills to secure further education and employment.



Breaking Social Isolation
Building Community

\$1.5 million over three years to fund the Young Mothers for Young Women and Being Your Best programs in Brisbane and Caboolture to assist young parents to build support networks and reengage in employment and training.



\$60,000 towards bursaries for young people from Queensland and Papua New Guinea to attend the Social Enterprise World Forum in Brisbane in September 2022, giving young social entrepreneurs the chance to learn from best practice, network and continue innovating.



\$164,114 for the Australian Centre for Philanthropy and Nonprofit Studies to design and facilitate a series of professional development short courses to build the organisational capability and capacity of not-for-profit and social enterprise leaders working in the youth and families sector, enabling them to scale up their impact.



14 strategic community partnerships



\$3.05m strategic giving distributed

CASE STUDY

Ready for life and business in PNG

Thanks to life skills training funded by Hand Heart Pocket, 21-year-old Nickson now has dreams to support his siblings and run his own small business.

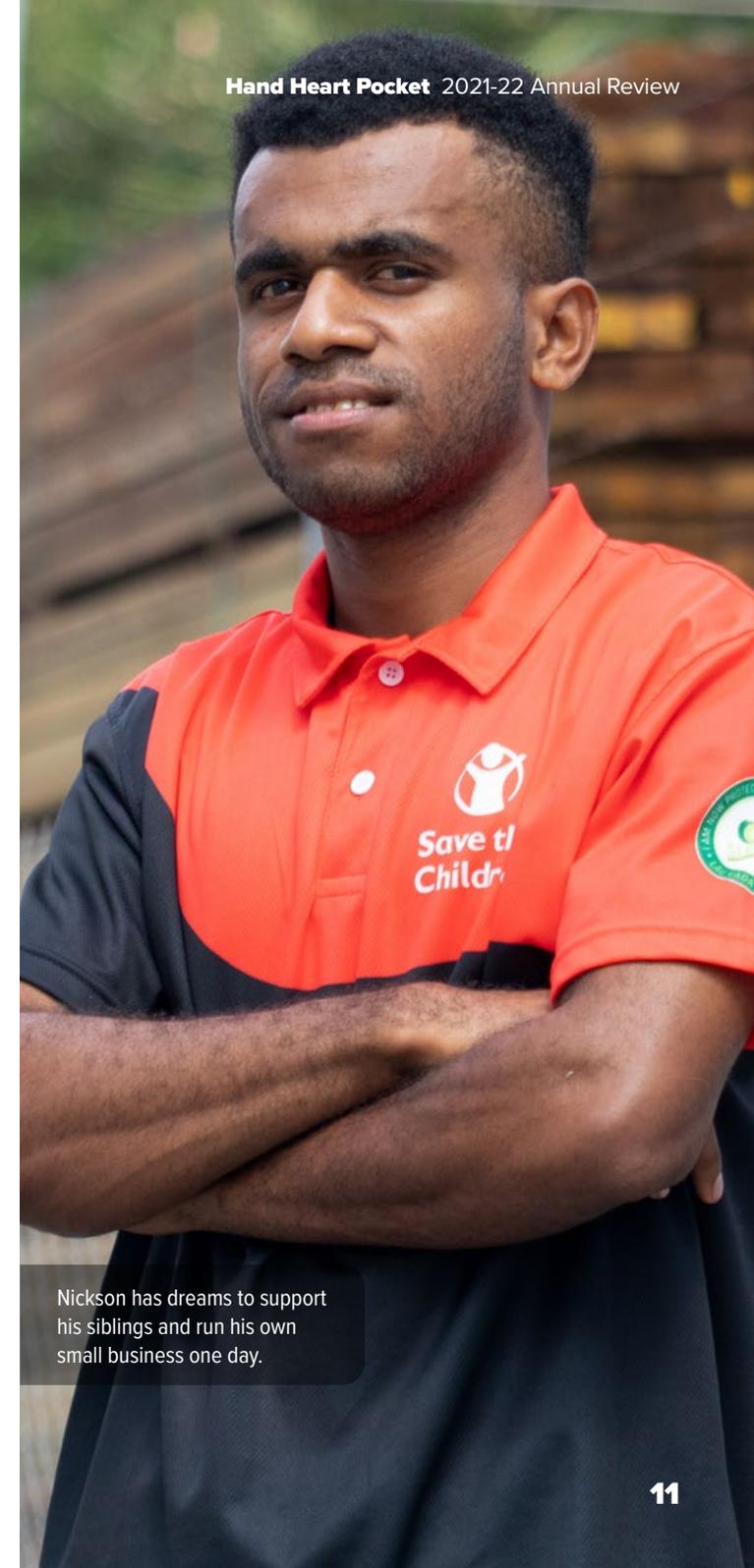
The training is part of Save the Children’s Life Skills for Success program in the Morobe Province and National Capital District in Papua New Guinea.

Nickson says as a result of the training, he now has a different perspective and a broader view of life, and is hopeful for the future.

He is one of 104 young people to complete the program this past year, learning foundational skills for basic business start-ups; financial literacy and management; law and order; drug use prevention; and health and wellbeing, including reproductive health.

This training is aimed at young people aged 14-24 to help them further their education, engage in pathways to employment and equip them with essential life skills.

Hand Heart Pocket has a three-year partnership with Save the Children, having provided \$500,000 for the Life Skills for Success program in Papua New Guinea. ●



Nickson has dreams to support his siblings and run his own small business one day.

Our collaborative approach to philanthropy and social impact

It's only when we come together and collaborate that we can truly influence social change to best support young people to thrive in adult life. We now collaborate with other funders, community leaders, academics and policy makers, to help break down silos, share our expertise and focus our resources on our shared goal.

We have created the Queensland Funders Hub – a co-working space within our office that enables us to work more closely with other funders and partners. The John Villiers Trust and Philanthropy Australia's Queensland Manager work out of our office, while other funders, investment and community partners can book our touch-down desks and meeting rooms when visiting Brisbane. The Hub is modeled on the Community of Giving approach in Melbourne.

We also helped establish the Queensland Kids Funders Alliance, a group of philanthropic foundations that meet regularly to explore opportunities where we can collaborate on joint partnerships. Currently the Alliance is made up of the Tim Fairfax Family Foundation, The John Villiers Trust, The Bryan Foundation and Hand Heart Pocket.

We are getting behind Brisbane Zero, a community-based campaign, auspiced by Micah Projects, to build public support to end homelessness and gather political support for renewed Commonwealth and State Government investment in housing, support services and healthcare for the most vulnerable. These relationships and learnings are informing our social impact investment portfolio strategy.

Our most significant investment in influencing social change is through the Thriving Queensland Kids Partnership, which is bringing together more than 100 community groups, policy makers, researchers and funders to share their expertise and facilitate the systems-level changes needed to help young people get the best start to adult life. Hand Heart Pocket, The John Villiers Trust, The Bryan Foundation and the Paul Ramsay Foundation have committed a combined \$7.7 million over three years.

CASE STUDY

Early intervention helps young people turn the corner

Hand Heart Pocket has continued its support for child protection organisation Bravehearts as they work to help young people build better futures.

Since 2020 Hand Heart Pocket has supported Braveheart's Turning Corners program for young people aged 12-17, which helps young people to change their behaviours, avoid criminal activity, and prevent other young people from being harmed.

The program provides specialist counselling and early intervention for young people who have engaged in, or are at risk of engaging in, harmful sexual behaviours, due to reasons ranging from curiosity to previous trauma.



On top of the \$790,000 awarded in 2020 for two years, Hand Heart Pocket provided a further \$400,000 this year to fund another year of the program.

Parents of the children involved in the program have consistently provided positive feedback about how the program is run, and the positive impacts on their children.

Bravehearts Director of Therapeutic and Support Services, Dr Deirdre Thompson, said Hand Heart Pocket's support was two-fold – it has enabled more young people to access vital early intervention support and has also allowed Bravehearts to advocate for further funding by demonstrating the positive outcomes achieved through early intervention.

"We are continually looking at what it takes to reduce the incidence of child sexual abuse, and the Turning Corners program pilot provided a lot of insight about how to intervene early in behaviours that are very complex in nature," Dr Thompson says.

"Hand Heart Pocket's support is enabling us to further test and formally evaluate the program." ●

Our young people's outcomes

48 young people were supported to transition from adolescence to adult life through Intercept's Pathfinder program, with 12 weeks of counselling and an adventure camp.

94 young people who have engaged in, or are at risk of engaging in, harmful sexual behaviour received therapeutic counselling support to turn their lives around through Bravehearts.

215 young people in regional Queensland received tailored counselling and peer support through Youth Insearch.

57 young people and their families, who are at risk of or experiencing homelessness received help to prevent family breakdown, to find stable housing and reengage in their community through Brisbane Youth Service.

24 young people entered transitional accommodation and received support to reengage in education and employment through YellowBridge Qld.

104 young people trained in Save the Children's Life Skills for Success program to develop the foundational skills to set them up for success in education and employment pathways in Papua New Guinea.

62 young people engaged in hands-on learning, and with the support of mentors were able to build skills, confidence and resilience through Traction's bicycle build program.

15 young people in Queensland and eight young people from Papua New Guinea with a passion for making an impact in their local community were supported to attend the Social Enterprise World Forum in Brisbane.

110 young families in need were supported to improve their overall wellbeing and capacity to find stable housing and employment through YFS.

Read more about our partners on our website at handheartpocket.org.au/our-partners/




CASE STUDY

Working together to influence systems

Thriving Queensland Kids Partnership Convenor, Adjunct Professor Michael Hogan, is steering important conversations about how we can work together to create long-term positive change for young people in need in our state.

“Most Queensland children are thriving but too many experience vulnerability compared with those in other states. This gap is closing slowly so the goal of the Partnership is to accelerate this trend,” Adjunct Professor Hogan says.

“We start from the idea that we do better together, so we are creating connections and capabilities, and putting science to service, to drive sensible, evidence-informed change.”

Overseen by the Australian Research Alliance for Children and Youth (ARACY), the Queensland-first collaboration was launched in May 2022 by the Minister for Children, Youth Justice and Multicultural Affairs, the Hon. Leanne Linard MP at Parliament House in Brisbane.

The Partnership (TQKP) is bringing together community groups, government, practitioners, investors and researchers with a focus on shifting systems to improve life outcomes for children and young people across Queensland, beginning with



The Thriving Queensland Kids Partnership is bringing together funders, researchers, and service providers to chart a better future for families in Queensland.

understanding what works and what matters for vulnerable children and their families.

“We are not creating a new organisation or service; TQKP is about using what and who we already have, and what we know or learn about what works for vulnerable children.”

Adjunct Professor Hogan says this bold initiative has the potential to create long-term change for families in Queensland.

“We are excited by the partnerships and initiatives emerging, such as with philanthropies, and by the momentum we are generating.” ●

Our capability-building approach to working with youth and family services

In addition to funding organisations to deliver programs for young people in need, we also support organisations to build the skills of their leaders and effectiveness of their programs, so they can scale up their impact and create long-term change in the communities they serve.

This year Hand Heart Pocket partnered with the Queensland University of Technology (QUT) and gave \$164,114 to subsidise a series of professional development short courses to support leaders of community organisations to build capability and capacity.

It is critical for leaders to take the time to understand the impact their organisation is making and measure their outcomes. This positions their organisation for future funding from government and philanthropy.

With most of their funds and resources going toward program delivery, many organisations would not have the means to provide their leaders with professional development without Hand Heart Pocket's backing.

This form of strategic philanthropy allows leaders to network, be part of a community of practice, share ideas, and take what they've learned back to their organisations to influence change from within.

Facilitated by Dr Ruth Knight at QUT's Centre for Philanthropy and Non-Profit studies, the courses cover topics such as data literacy and analytics; measuring and reporting on outcomes; overcoming community challenges using human-centred design and innovation; and strategic leadership and governance.

CASE STUDY

Helping community organisations tell the story of their social impact and attract more funding

Having time to delve deeper and understand the short- and long-term impacts of his non-profit organisation was an opportunity Chris from Lutheran Services couldn't wait to take up.

Lutheran Services supports a broad cross-section of the community including young people in need, the elderly, people with disabilities and families facing hardship and domestic violence.

Last year Chris and his colleague enrolled in the *Social Impact Evaluation – Principles and Practices* short course offered by QUT and Hand Heart Pocket, to learn more about how to measure the impact of their work.

“For many years we have provided services to a whole range of people in different situations but it's often hard to measure exactly the true outcomes for the clients that we work with, and also for staff and other stakeholders,” Chris says.

Getting the tools and techniques to measure their impact helped Chris and his colleague apply their learnings in the workplace.

“The real transformation for us at Lutheran Services, is that we are now speaking the same language around the design principles that we put into practice, which is enabling us to be clear on the outputs and outcomes we're measuring, and the impact on our clients,” Chris says.

“It helps us ensure we're having the greatest impact in the most efficient way. The course was a great way to learn and sharpen my focus on measuring what matters most in the work I lead.” ●

Watch Hand Heart Pocket's CEO Sara Parrott explain in more detail our approach to organisational capability and capacity building



Working together to maintain trust

Our transparent and accountable approach to governance

The Freemasons of Queensland have been serving the community for more than 110 years. The Board of Benevolence became a public charity in 1978 after being issued with Letters Patent.

Being a public charity, we have a responsibility to be transparent with and accountable to all our stakeholders. We recognise that doing so strengthens our licence to operate in the community and helps us to build robust strategic partnerships.

Our Board's role is to oversee the organisation's governance, prudential responsibilities and strategy. With a strong focus on continuous improvement and sustainability, the Board and Management Team actioned a number of important initiatives during 2021-22.

Risk management

- appointed a new Member Director with specialist skills in risk management
- implemented our new Enterprise Risk Management Framework including new risk management procedures and reporting processes
- revised our Risk Appetite Statements
- reviewed and adjusted insurance levels to meet current needs

Strategy

- completed a review of our Strategy and key strategic performance indicators
- implemented our Responsible Investment and Philanthropy Policy, which underpins all our investing and philanthropic activities
- appointed a Chief Investment Officer (CIO)
- refined our Theory of Change for working with youth at-risk and implemented our Youth Outcome Measurement Framework

Leadership

- reviewed core requirements for Board Committee membership and KPIs
- reviewed our Board composition and skills requirements
- directors self-reviewed their performance in consultation with the Chairman
- monitored KPIs for the CEO linked to our Strategy
- implemented more frequent staff goal setting and performance reviews

Governance

- reviewed our Governance Calendar and established a Compliance Calendar
- engaged with our auditors on the annual audit of our financial statements
- reviewed Authorisation Matrix and Delegations of Authority
- implemented Board Member and Staff Matched Giving Guidelines
- revised the independent director remuneration structure to recognise added responsibility of Committee Chairs
- published this Annual Review including additional transparency of financial and governance matters
- supported director re-elections at the United Grand Lodge of Queensland business meeting

Operations

- implemented a single pipeline approach to assessing investment and philanthropic opportunities
- identified opportunities to streamline internal processes

Member relations

- embedded a procedure for recognition of Member contribution to the community (Order of Service to Benevolence)
- issued invitations to our Annual Review Event including additional access for Members to the Board through broadcast and in-person attendance

Our audited financial statements, Annual Information Statements and Constitution can be accessed via the [Australian Charities and Not-for-profits Commission website](#).

 CASE STUDY

Meet our new Board Member

Jeff Harper
Director and
Grand Master, UGLQ



Jeff Harper is the newly appointed Grand Master of the United Grand Lodge of Queensland. Jeff will be a Director of the Board of Benevolence in an ex-officio capacity for the next three years.

Already Jeff has shown great interest in and enthusiasm for the philanthropic activities of Hand Heart Pocket and in particular its focus on young people in need.

He is excited to see additional support being offered to Members to help them get behind the causes they care about in their local community. He knows this will help to increase recognition of Freemasonry in the community.

Although now retired, given his background in the Queensland Fire and Emergency Services as the Executive Manager Specialist Response Section, Jeff is keen to throw his support behind our new Disaster Relief and Resilience partnerships with GIVIT and FRRR respectively. He knows firsthand the impact that can be made when funds are distributed quickly through trusted partners to ensure people in need are supported. ●



Our governance relationships

The composition of our Board ensures we have the right balance of sought-after industry experts and highly skilled Freemasons to steer our decision making. Five Directors including our Chairman are Freemasons. The Grand Master of the United Grand Lodge of Queensland (UGLQ), the head of the ceremonial side of Freemasonry, is on our Board in an ex-officio capacity. We also have independent directors who bring skills in social impact, governance and investment management, who are remunerated for their expertise in line with standard governance practices.

Here are the Directors that served on our Board during the 2021-22 financial year.



Alasdair Begley

BSurv, Reg Surv (Cad), EMBA, GAICD

Member, Tuscan-Kianawah Lodge, UGLQ

Chairman

Chair, Nominations and Remuneration Committee

Member, Investment Committee

Member, Finance Risk and Audit Committee

Meetings attended 16/16



Paul Holland

MCI MEdSt DipT FIML MACE

Grand Master, UGLQ (2019-22)

Director

Member, Nominations and Remuneration Committee

Member, Finance Risk and Audit Committee

Meetings attended 7/15



Lisa Siganto

MBA, BEng(Civil)Hons

Director

Member, Investment Committee

Meetings attended 11/11



Dr. Jason Bingham

BAHum, MBA, DBA, PMP, GAICD

Member, Mt Pleasant Lodge Lodge, UGLQ

Director

Member, Nominations and Remuneration Committee

Member, Finance Risk and Audit Committee

Member, Investment Committee

Meetings attended 15/15



Kirby Leeke

CA, CPA, BBus (Accounting)

Member, Baden Powell Lodge, UGLQ

Director

Member, Finance Risk and Audit Committee

Member, Investment Committee

Meetings attended 16/16



Paul Reeve

BA (Hons) Philosophy, Politics and Economics

Director

Chair, Investment Committee

Meetings attended 10/12



Jane Crombie

BHMS, MBA, GAICD, FGIA

Director

Chair, Finance Risk and Audit Committee

Member, Investment Committee

Meetings attended 16/16



Craig Reimers

GCertSafLead, AdvDipHRM, AdvDipOHS, DipQA, DipSecurityRiskMgt

Member, Halcyon Lodge, Member Toowoomba and District Masonic Council, UGLQ

Director

Member, Nominations and Remuneration Committee

Member, Finance Risk and Audit Committee

Meetings attended 15/15

Protecting and leveraging our assets

Our responsible approach to investment management

Our financial assets, built up by past generations of Freemasons, power our work in the community. In order to give in perpetuity, we endeavour to preserve these investments over the long term. Our Investment Committee works closely with our investment advisors, Cambridge Associates, to manage our investment portfolio. At the end of the 2021-22 year we had \$192 million of financial assets invested.

Having a diversified investment portfolio is important to achieve our financial objectives but it also needs to be invested sustainably so we manage the risks and leverage the opportunities that arise from strong environmental, social and governance (ESG) performance. This year we implemented our Responsible Investment and

Philanthropy Policy, which guides our investing and philanthropic decision making. We also implemented a formal Opportunity Assessment process for all investment and philanthropic opportunities. We manage both our investments and our philanthropic partnerships in a way that supports the United Nations Sustainable Development Goals.

This year we also looked at impact investment opportunities for the first time. Impact investments deploy our capital to businesses that deliver positive social impacts for under-served parts of the community or important environmental outcomes for our planet.

Our investment relationships

Our overall financial objective is to earn an average annual return after fees and inflation (real return) of 4.5 per cent on our investments. During 2021-22 we held over 30 investments with 23 different investment fund managers. We also held a small number of concessional loans to social impact organisations.

Cambridge Associates has been our investment advisors since 2016, when our philanthropic fund was established. They work with our Investment Committee and Chief Investment Officer and Management Team to develop our investment strategy and manage our investment operations.

Adamantem Capital

Adamantem is an example of one of our investment managers. The Australian-based firm specialises in responsible and impact investing.

Adamantem Capital has a strong focus on ensuring their clients achieve solid financial returns while also making positive impacts. Our private equity investment with them has delivered consistently strong returns while positively contributing to social and environmental impacts through aged care, health care, food and carbon offset businesses.

Generation Investment Management

Generation Investment Management is another example of one of our investment managers. The global equity fund prioritises sustainability alongside investment metrics that align with their mission to improve the environmental and social needs of today. In alignment with our Responsible Investment and Philanthropy Policy, Generation Investment Management integrates environmental, social and governance factors into their investment decisions.

Our financial outcomes



\$202.46 million
net assets



\$192.23 million in
financial assets

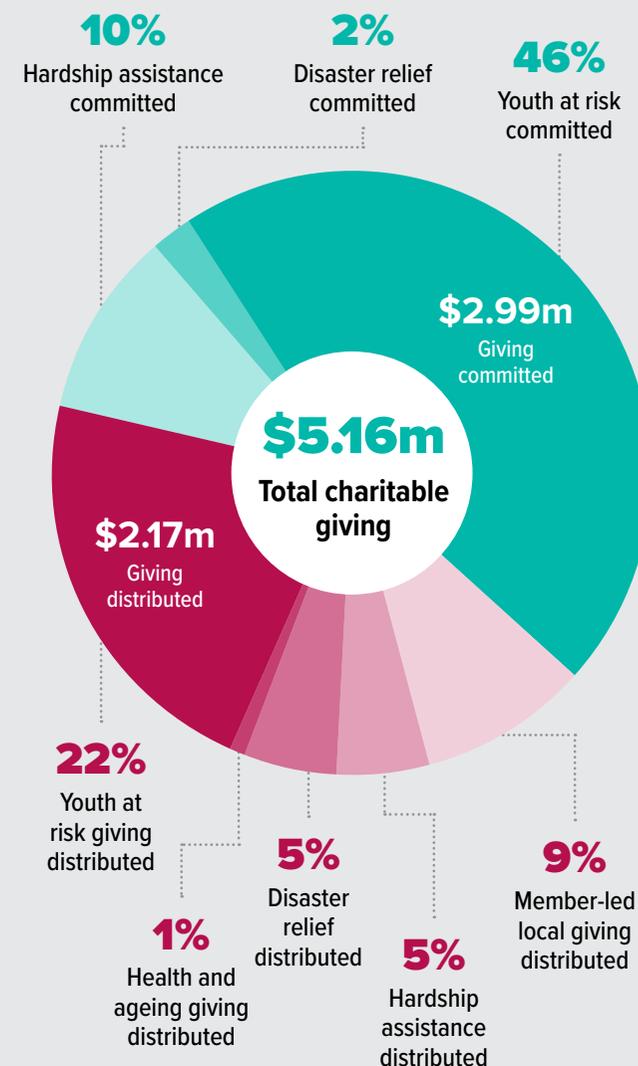
Financial performance

In the 2021-22 financial year our total reported charitable giving amounted to \$5.16 million. \$2.17 million of this was giving distributed and \$2.99 million was giving committed as part of multi-year partnerships. Approximately \$8 million in operating expenses was associated with foreign exchange impacts from the decline of the Australian dollar. We incurred a further \$1.99 million in investment manager fees and property management costs. Other expenses such as governance, communications and partnership administration were in line with previous years.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
Revenues from operating activities (Income from managed fund investments and donations)	8,000,025	5,840,159
Operating expenses	(11,578,631)	(3,661,478)
Giving payments	(2,169,779)	(2,510,786)
Giving commitments	(2,991,756)	(3,255,405)
Surplus (deficit) from operating activities before depreciation and amortisation and income tax expense	(8,740,141)	(3,587,510)
Depreciation and amortisation	(189,670)	(195,447)
Income tax expense	(22,411)	-
Surplus (deficit) for the year	(8,952,222)	(3,782,957)
Change in fair value of financial assets (growth of managed fund investments)	4,706,019	26,667,944
Total comprehensive income (deficit) for the year	(4,246,203)	22,884,987

Charitable giving



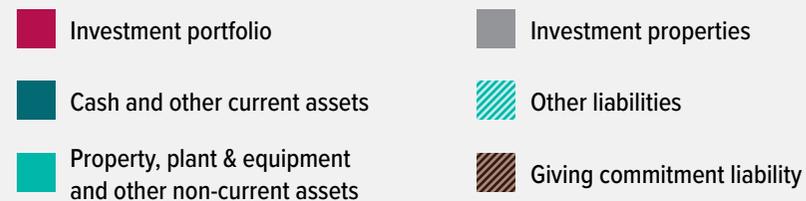
Our financial investments have remained stable during the 2021-22 financial year largely maintaining their value. In total our net assets were \$202.46 million as at 30 June 2022.

Our audited financial statements, Annual Information Statements and Constitution can be accessed via the [Australian Charities and Not-for-profits Commission website](#).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	2022 \$	2021 \$
Current assets		
Cash and other current assets	16,650,058	18,774,432
Non-current assets		
Financial assets at fair value through other comprehensive income	192,230,407	188,645,365
Property, plant and equipment and other non-current assets	4,070,150	4,358,881
Total assets	212,950,615	211,778,678
Liabilities		
Giving commitments	4,310,324	3,255,405
Other Liabilities	6,177,227	1,814,006
Total liabilities	10,487,551	5,069,411
Net assets	202,463,064	206,709,267

Net assets



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